

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

In re:

PROTERRA INC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 23-11120 (BLS)
)
) (Jointly Administered)
)
) **Ref. Docket No. 529**

**NOTICE OF FILING REVISED PLAN SUPPORT AGREEMENT
AND PLAN TERM SHEET WITH TECHNICAL MODIFICATIONS**

PLEASE TAKE NOTICE that, on September 7, 2023, the United States Bankruptcy Court for the District of Delaware entered that certain *Order (A) Approving Bidding Procedures to Govern the Sale of All Or Substantially All of the Debtors' Assets Pursuant to Section 363 of the Bankruptcy Code, (B) Approving Procedures Regarding Entry Into One or More Stalking Horse Agreements, (C) Establishing Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases, (D) Approving the Form and Manner of the Notice of Assumption and Assignment of Executory Contracts and Unexpired Leases, (E) Scheduling Auctions for the Sales of the Company Assets and Hearings to Consider Approval of the Sales and Approving the Form and Manner of the Notice Thereof, and (F) Granting Related Relief* [Docket No. 218] (the "Bidding Procedures Order"),² which approved, among other things, procedures pursuant to which the Debtors are authorized to solicit and pursue one or more sales or dispositions of all or any portion of the Debtors' assets (the "Company Assets") under section 363 of the Bankruptcy Code and any other type of strategic transaction involving the above captioned debtors and debtors in possession (the "Debtors") and/or the Company Assets, including, without limitation, a financing process for the potential raising of debt or equity financing through a chapter 11 plan of reorganization.

PLEASE TAKE FURTHER NOTICE that, on November 13, 2023, the Debtors filed the *Notice of (A) Successful Bidder Regarding Debtors' (I) Transit Assets and (II) Energy Assets and (B) Cancellation of the Sale Hearing Solely with Respect to Proterra Energy* [Docket No. 529] (the "Notice of Successful Bidder")³ in accordance with the Bidding Procedures Order.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Proterra Inc (9565); and Proterra Operating Company, Inc. (8459). The location of the Debtors' service address is: 1815 Rollins Road, Burlingame, California 94010.

² Capitalized terms used but not defined have the meanings ascribed to them in the Bidding Procedures Order.

³ Capitalized terms used but not defined herein shall have the meaning given to such terms in the Notice of Successful Bidder.



PLEASE TAKE FURTHER NOTICE that attached to the Notice of Successful Bidder at Exhibit C was a *Chapter 11 Plan Support Agreement* (the “PSA”), to which a corresponding form of plan term sheet (the “Plan Term Sheet”) was attached as Exhibit A.

PLEASE TAKE FURTHER NOTICE that, as of the date hereof, the Debtors and the Plan Sponsor have agreed to certain technical modifications to the PSA (the “Modified PSA”) and the Plan Term Sheet (the “Modified Plan Term Sheet” and, together with the Modified PSA, the “Modified Plan Documents”).

PLEASE TAKE FURTHER NOTICE that the Modified Plan Documents are attached hereto as **Exhibit 1**.⁴ For the convenience of the Court and all interested parties, a changed pages only blackline of the Modified PSA marked against the PSA is attached hereto as **Exhibit 2** and a changed pages only blackline of the Modified Plan Term Sheet marked against the Plan Term Sheet is attached hereto as **Exhibit 3**.

PLEASE TAKE FURTHER NOTICE that copies of the PSA, the Plan Term Sheet, the Modified Plan Documents, and other pleadings filed in these chapter 11 cases may be obtained free of charge by visiting the website of the solicitation agent, Kurtzman Carson Consultants, LLC, at <https://kccllc.net/proterra>. You may also obtain pleadings filed in these chapter 11 cases by visiting the Court’s website via PACER at <http://deb.uscourts.gov>.

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⁴ The Modified Plan Term Sheet is attached to the Modified PSA as Exhibit A.

Dated: November 17, 2023
Wilmington, Delaware

Respectfully submitted,

**YOUNG CONAWAY STARGATT &
TAYLOR, LLP**

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*Counsel to the Debtors and
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EXHIBIT 1

Modified Plan Documents

THIS CHAPTER 11 PLAN SUPPORT AGREEMENT DOES NOT CONSTITUTE, AND SHALL NOT BE DEEMED TO BE, AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OR 1126 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS CHAPTER 11 PLAN SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS CHAPTER 11 PLAN SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN AND THE CLOSING OF ANY TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN AND IN SUCH DEFINITIVE DOCUMENTS.

CHAPTER 11 PLAN SUPPORT AGREEMENT

This CHAPTER 11 PLAN SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with **Section 13.02**, in each case, as may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof, this “Agreement”) is made and entered into as of November 6, 2023 (the “Execution Date”), by and among the following parties (each of the following described in clauses (a) through (b) of this preamble, collectively, the “Parties”):

(a) Proterra Inc (“Proterra”), a company incorporated under the Laws of Delaware, and Proterra Operating Company, Inc., its direct subsidiary (together, the “Debtors” or “Company”), each of which is a debtor and debtor in possession in the Chapter 11 Cases, to the extent each has executed and delivered a counterpart signature page to this Agreement to counsel to the Plan Sponsor; and

(b) CSIGP I LLC, CSI I Prodigy Holdco LP, CSI Prodigy Co-Investment LP, and CSI PRTA Co-Investment LP (each, a “Plan Sponsor Party” and collectively, the “Plan Sponsor”).

RECITALS

WHEREAS, on August 7, 2023 (the “Petition Date”), each of the Debtors commenced a case (collectively, the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”);

WHEREAS, the Debtors and the Plan Sponsor have in good faith and at arm's length negotiated certain restructuring transactions with respect to the Debtors on the terms set forth in this Agreement and as specified in the term sheet attached as **Exhibit A** hereto (as may be amended, supplemented, or otherwise modified from time to time pursuant to this Agreement, including all exhibits, schedules, supplements, appendices, annexes, and attachments thereto, the "Plan Term Sheet"), subject to agreement on definitive documentation and approval by the Bankruptcy Court; and

WHEREAS, the Parties have agreed to take certain actions to implement the Restructuring Transactions on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound, hereby agrees as follows:

AGREEMENT

Section 1. *Definitions and Interpretation.*

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

"Agreement" has the meaning set forth in the preamble hereof and includes all the exhibits, annexes, and schedules hereto in accordance with **Section 13.02** (including the Plan Term Sheet).

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

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

"Alternative Restructuring Proposal" means any inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, tender offer, recapitalization, plan of reorganization, share exchange, business combination, or similar transaction involving any one or more Debtors, or any material portion of any of their assets, debt, equity, or other interests, in each case, that is inconsistent with the Plan Term Sheet.

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

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

"Bidding Procedures" means the Bidding Procedures attached to the Bidding Procedures Order as Exhibit 1 (as amended, supplemented or otherwise modified from time to time in accordance with the Bidding Procedures).

“Bidding Procedures Order” means the *Order (A) Approving Bidding Procedures to Govern the Sale of All or Substantially All of the Debtors’ Assets Pursuant to Section 363 of the Bankruptcy Code, (B) Approving Procedures Regarding Entry Into One or More Stalking Horse Agreements, (C) Establishing Procedures for the Assumption or Rejection of Executory Contracts and Unexpired Leases, (D) Approving the Form and Manner of the Notice of Assumption and Assignment of Executory Contracts and Unexpired Leases, (E) Scheduling Auctions for the Sales of the Company Assets and Hearings to Consider Approval of the Sales and Approving the Form and Manner of the Notice Thereof, and (F) Granting Related Relief* [Docket No. 218].

“Breach Notice” means a written notice which shall (a) be delivered in connection with a purported breach of this Agreement in accordance with this Agreement and (b) set forth the provision(s) under this Agreement pursuant to which the purported breach has occurred and the purported grounds for the delivery of such notice.

“Business Day” means any day other than a Saturday, Sunday, 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.

“Chapter 11 Cases” has the meaning set forth in the recitals to this Agreement.

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

“Company Claims/Interests” means Claims against, and Interests in, any Debtor.

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

“Debtor Termination Events” has the meaning set forth in **Section 11.02**.

“Debtors” has the meaning set forth in the preamble to this Agreement.

“Definitive Documents” shall mean the documents set forth in **Section 3.01**, including all exhibits, annexes, schedules, amendments, and supplements relating to such documents.

“Disclosure Statement” means the disclosure statement to be filed with the Bankruptcy Court with respect to the Plan.

“Disclosure Statement Order” means the order entered by the Bankruptcy Court approving the Disclosure Statement.

“Distribution Trust” means a trust established for effecting certain distributions in accordance with the terms of the Plan and the Plan Term Sheet.

“Distribution Trust Documents” means the trust agreement and related documents, as may be amended, effective as of the Effective Date, establishing and setting forth the terms and

conditions which shall, in conjunction with the Plan, govern the administration of the Distribution Trust.

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

“Execution Date” has the meaning set forth in the preamble to this Agreement.

“Fiduciary Out Notice” has the meaning set forth in **Section 7.01** of this Agreement.

“Final Order” means an order or judgment of the Bankruptcy Court, or court of competent jurisdiction with respect to the subject matter that has not been reversed, stayed, 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, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing 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* that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order will not preclude such order from being a Final Order.

“Final Cash Collateral Order” means that certain *Final Order (I) Authorizing the Debtors to Use Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief* [Docket No. 422] entered in the Chapter 11 Cases.

“Holder” means any entity that holds a Claim or Interest, as applicable.

“Independent Investigation” means the internal investigation of potential claims, if any, that certain Debtors may hold against insiders and affiliates being conducted by the investigation committees of the boards of directors of the Debtors.

“Interest” means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor.

“Law” means any federal, state, provincial, 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).

“Lien” has the meaning set forth in section 101(37) of the Bankruptcy Code.

“New Organizational Documents” means the organizational and governance documents for the Reorganized Debtors, including, as applicable, the certificates or articles of incorporation,

certificates of formation, certificates of organization, certificates of limited partnership, certificates of conversion, limited liability company agreements, operating agreements, limited partnership agreements, stockholder or shareholder agreements, bylaws, indemnification agreements, and any registration rights agreements (or equivalent governing documents of any of the foregoing).

“Parties” has the meaning set forth in the preamble to this Agreement.

“Petition Date” has the meaning set forth in the recitals to this Agreement.

“Plan” means the plan of reorganization to be proposed by the Debtors under chapter 11 of the Bankruptcy Code in accordance with the terms and conditions of this Agreement, including any and all exhibits, supplements, appendices, and schedules hereto, as may be altered, amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof, including the Plan Supplement (as altered, amended, supplemented, or otherwise modified from time to time), which are incorporated into the Plan by reference and shall be made part of the Plan as if set forth therein.

“Plan Effective Date” means the date that is the first Business Day after the Confirmation Date on which all Conditions Precedent to the Plan Effective Date have been satisfied or waived in accordance with the Plan.

“Plan Sponsor” has the meaning set forth in the recitals to this Agreement.

“Plan Sponsor Termination Events” has the meaning set forth in **Section 11.01**.

“Plan Supplement” means any compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, which shall be Filed by the Debtors prior to the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Plan Effective Date as amendments to the Plan Supplement, each of which shall be consistent in all respects with, and shall otherwise contain, the terms and conditions and be subject to the consent rights set forth in the Plan Term Sheet, where applicable.

“Plan Term Sheet” has the meaning set forth in the recitals to this Agreement.

“Restructuring Transactions” means those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, settlements, releases, or other transactions that the Debtors reasonably determine to be necessary to implement the Plan in a manner consistent with this Agreement and the Plan Term Sheet.

“Rules” means Rule 501(a)(1), (2), (3), and (7) of Regulation D under the Securities Act.

“Sale” has the meaning ascribed to such term in the Bidding Procedures.

“Secured” means, when referring to a Claim: (a) secured by a Lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

“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, and the rules and regulations promulgated thereunder.

“Solicitation Materials” means all documents, forms, and other materials distributed in connection with the solicitation of votes on the Plan pursuant to sections 1125 and 1126 of the Bankruptcy Code, including, without limitation, the Disclosure Statement, the forms of ballots with respect to votes on the Plan, and the opt-out forms with respect to the Third-Party Releases.

“Termination Date” means, with respect to a Party, the date on which termination of this Agreement as to such Party is effective in accordance with **Sections 11.01, 11.02, 11.03, or 11.04**, as applicable.

“Termination Events” has the meaning set forth in **Section 11.02**.

“Termination Notice” means a written notice which shall (a) be delivered in connection with a Termination Event in accordance with this Agreement and (b) set forth the provision(s) under this Agreement pursuant to which the Termination Event has occurred and the purported grounds for such termination.

“Transfer” means, as the context requires, (a) to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate, or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales, or other transactions), or (b) a transaction effectuating any of the foregoing.

“U.S. Trustee” means the United States Trustee for the Southern District of New York.

1.02 Interpretation. For purposes of this Agreement:

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

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

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

(d) unless otherwise specified, all references herein to “Sections” are references to Sections of this Agreement;

(e) the words “herein,” “hereof,” and “hereto” refer to this Agreement in its entirety, including all exhibits, annexes, and schedules attached hereto in accordance with **Section 13.02**, rather than to any particular portion of this Agreement;

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

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

(h) the use of “include” or “including” is without limitation, whether stated or not;

(i) unless otherwise specified, any action to be taken on the Plan Effective Date may be taken on or as soon as reasonably practicable thereafter; and

(j) the phrase “counsel to the Plan Sponsor” refers in this Agreement to Sidley Austin LLP.

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

(a) each of the Debtors shall have executed and delivered counterpart signature pages of this Agreement to counsel to the Plan Sponsor; and

(b) each Plan Sponsor Party shall have executed and delivered a counterpart signature page to this Agreement to counsel to the Debtors.

Notwithstanding the foregoing, the delivery of an executed counterpart signature page hereto shall constitute an irrevocable offer from the Plan Sponsor to enter into this Agreement, which offer shall, in accordance with the Bidding Procedures, be irrevocable unless and until the Debtors notify the Plan Sponsor that the Restructuring Transactions contemplated hereby and in the Plan Term Sheet have not been selected as the Successful Bid or Backup Bid.

The Debtors shall give notice to counsel to the Plan Sponsor in the manner set forth in **Section 13.10** hereof (by email or otherwise) that the conditions to the Agreement Effective Date set forth in this **Section 2** have occurred promptly after the occurrence thereof.

Section 3. *Definitive Documents.*

3.01 The Definitive Documents governing the Restructuring Transactions shall include the following, which shall, in each case, be in form and substance consistent with this Agreement, including **Section 3.02**:

(a) the Plan (including all exhibits, annexes, schedules, and supplements related thereto, including the Plan Supplement);

- (b) the Confirmation Order;
- (c) the Disclosure Statement Order (including all exhibits, annexes, schedules, and supplements related thereto);
- (d) the Solicitation Materials, including the Disclosure Statement;
- (e) the Distribution Trust Documents; and
- (f) the New Organizational Documents.

3.02 The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion. The Definitive Documents, including all amendments and modifications thereto and including all forms thereof filed with the Bankruptcy Court, shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement, as they may be modified, amended, or supplemented in accordance with **Section 12** and be in form and substance acceptable to the Debtors and reasonably acceptable to the Plan Sponsor. The terms of this Agreement (including the exhibits attached hereto) have been agreed by all the Parties.

Section 4. *Commitments of the Plan Sponsor.*

4.01 Affirmative Commitments.

(a) During the Agreement Effective Period, and subject to and consistent with the terms and conditions of this Agreement, the Plan Sponsor agrees to:

(i) support the consummation and implementation of the Restructuring Transactions, including giving any notice, order, instruction, or direction necessary to give effect to the Restructuring Transactions;

(ii) use commercially reasonable efforts to cooperate with and assist the Company in obtaining additional support for the Restructuring Transactions from the Company's other stakeholders;

(iii) negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents to which it is required to be a party;

(iv) to the extent it is permitted to elect whether to opt out of the releases set forth in the Plan, elect not to opt out of the releases set forth in the Plan by timely delivering any duly executed and completed forms required to indicate such election;

(v) support, and not directly or indirectly object to, delay, impede, or take any other action to interfere with, Confirmation or consummation of the Plan in a form consistent with this Agreement, including using commercially reasonable efforts to support and take all actions reasonably requested by the Company to facilitate approval of the Disclosure Statement and solicitation, confirmation, and consummation of the Plan;

(vi) support, and not directly or indirectly object to, delay, impede, or take any other action to interfere with, any motion or other pleading or document filed by a Debtor in the Bankruptcy Court or any other court that is consistent in all respects with this Agreement and the Restructuring Transactions;

(vii) support, and not directly or indirectly object to, delay, impede, or take any other action to interfere with, any motion or other pleading or document filed by a Debtor in the Bankruptcy Court or any other court related to the consummation of the Sales;

(viii) negotiate in good faith upon reasonable request of the Debtors in connection with any modifications to the Restructuring Transactions that improve the tax efficiency of the Restructuring Transactions;

(ix) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated in the Plan Term Sheet, the Plan, or this Agreement, negotiate in good faith appropriate additional or alternative provisions to address any such impediment; and

(x) grant up to one waiver of the Debtors' breach of the requirements contained in Paragraph 5(b) of the Final Cash Collateral Order, subject to the limitations separately addressed by the Parties.

4.02 Negative Commitments.

(a) During the Agreement Effective Period, and subject to and consistent with the terms and conditions of this Agreement, the Plan Sponsor agrees that it shall not directly or indirectly, and it shall not direct any other Entity to:

(i) object to, delay, impede, or take any other action to interfere with, delay, or impede the acceptance, consummation, or implementation of the Plan or the Restructuring Transactions to the extent consistent with this Agreement in all respects;

(ii) seek, solicit, propose, file, support, vote in favor of, assist, engage in negotiations in connection with, or participate in the formulation, preparation, filing, or prosecution of any Alternative Restructuring Proposal;

(iii) change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any election referred to in **Section 4.01(a)(iv)** above;

(iv) file any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is materially inconsistent with this Agreement or the Restructuring Transactions;

(v) initiate, or have initiated on its behalf, any litigation or proceeding of any kind that is inconsistent with this Agreement or the Restructuring Transactions against the Debtors or the other Parties (it being understood that any litigation or proceeding to enforce this Agreement or any Definitive Document or that is otherwise permitted under this Agreement shall not be construed to be inconsistent with this Agreement or the Restructuring Transactions);

(vi) exercise, or direct any other person to exercise, any right or remedy for the enforcement, collection, or recovery of any Company Claims/Interests in a manner that is inconsistent with this Agreement; or

(vii) object to, delay, impede, or take any other action to interfere with the Debtors' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code, other than as permitted by this Agreement.

4.03 Additional Provisions Regarding the Plan Sponsors' Commitments.

Notwithstanding anything contained in this Agreement, nothing in this Agreement shall:

(a) prevent the Plan Sponsor from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement; or

(b) prohibit the Plan Sponsor from taking any other action that is not inconsistent with this Agreement, the Restructuring Transactions, or any Definitive Document.

Section 5. *Commitments of the Debtors.*

5.01 Affirmative Commitments. Except as expressly permitted in **Section 7**, during the Agreement Effective Period, each of the Debtors agrees to, and agrees to cause each of its direct and indirect subsidiaries to:

(a) support and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions in accordance with this Agreement;

(b) to the extent any legal or structural impediment arises that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions, take all steps reasonably necessary and desirable to address any such impediment, and negotiate in good faith any appropriate additional or alternative provisions or agreements to address any such impediment;

(c) use commercially reasonable efforts to obtain any and all required governmental, regulatory, and/or third-party approvals for the Restructuring Transactions;

(d) negotiate in good faith and use commercially reasonable efforts to take all steps reasonably necessary to (i) consummate the Restructuring Transactions and (ii) negotiate, execute and implement the Definitive Documents;

(e) negotiate in good faith upon reasonable request of the Plan Sponsor in connection with any modifications to the Restructuring Transactions that improve the tax efficiency of the Restructuring Transactions;

(f) actively oppose and object to any motion, application, adversary proceeding, or cause of action (i) seeking to impose liability upon or enjoin the Plan Sponsors, (ii) seeking the entry of an order directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code), (iii) seeking the entry of an

order converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iv) seeking the entry of an order dismissing the Chapter 11 Cases, or (v) seeking the entry of an order modifying or terminating the Debtors' exclusive right to file and/or solicit acceptances of a plan of reorganization, as applicable; and

(g) inform counsel to the Plan Sponsor as soon as reasonably practicable after becoming aware of: (i) any matter or circumstance which they know, or believe is likely, to be a material impediment to the implementation or consummation of the Restructuring Transactions; (ii) a breach of this Agreement (including a breach by any Debtor); and (iii) any representation or statement made or deemed to be made by them under this Agreement which is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

5.02 **Negative Commitments.** Except as expressly permitted in **Section 7**, during the Agreement Effective Period, each of the Debtors shall not, and shall cause each of its direct and indirect subsidiaries to not, directly or indirectly:

(a) take any action or inaction that is inconsistent in any material respect with, or is intended or could reasonably be expected to frustrate or impede approval, implementation, and consummation of the Restructuring Transactions or this Agreement;

(b) file any motion or pleading, with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is materially inconsistent with this Agreement, including the consent rights set forth in **Section 3**, or the Restructuring Transactions;

(c) execute or file any Definitive Document with the Bankruptcy Court (including any modifications or amendments thereto) that, in whole or in part, is materially inconsistent with this Agreement, including the consent rights set forth in **Section 3**, or the Restructuring Transactions.

Section 6. *Additional Commitments.*

6.01 **Cooperation and Support.** The Debtors shall provide draft copies of any Definitive Document that any Debtor intends to file with or submit to the Bankruptcy Court, and draft copies of all press releases that any Debtor intends to issue regarding this Agreement or the Restructuring Transactions, to Thomas R. Califano (tom.califano@sidley.com); Dennis M. Twomey (dtwomey@sidley.com); Jackson T. Garvey (jgarvey@sidley.com), and Juliana Hoffman (jhoffman@sidley.com) of Sidley Austin LLP, as counsel to the Plan Sponsor, at least three (3) Business Days prior to the date when such Debtor intends to file, submit or issue such document to the extent reasonably practicable; *provided* that all rights provided for in this **Section 6.01** shall be subject to the terms of any agreements between the Debtors and third parties that may be affected by the exercise of the foregoing rights.

Section 7. *Additional Provisions Regarding Fiduciary Obligations.*

7.01 Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require any Debtor or the board of directors, board of managers, or similar governing body of any Debtor (the aforementioned parties, collectively, "**Fiduciaries**"), in each case, acting in their capacity as such, to take any action or to refrain from taking any action to the

extent such Fiduciary determines that taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under applicable Law, including based on the results of the Independent Investigation; *provided* that counsel to the Debtors shall promptly give notice to counsel to the Plan Sponsor of any decision by any Fiduciary in accordance with this **Section 7.01** to take or refrain from taking any action, but in any case not later than two (2) Business Days thereafter (with email being sufficient) (a “Fiduciary Out Notice”). This **Section 7.01** shall not be deemed to amend, supplement or otherwise modify, or constitute a waiver of any Party’s rights to terminate this Agreement pursuant to **Section 11** or **Section 7.02** of this Agreement that may arise as a result of any such action or inaction. Notwithstanding anything to the contrary herein, each Plan Sponsor Party reserves its rights to challenge whether any purported exercise of the Debtors’ rights under this **Section 7.01** is in fact a valid exercise of the Debtors’ business judgment and rights under this **Section 7.01**; *provided* that the sole remedies of the Plan Sponsor Parties for any invalid purported exercise of the Debtors’ rights under this **Section 7.01** shall be specific performance or termination of this Agreement.

7.02 Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall: (a) impair or waive the rights of any Debtor to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions, or (b) prevent any Debtor from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement. Notwithstanding anything to the contrary in this Agreement, the sole remedy available to any Party upon termination of this Agreement resulting from the Debtors’ exercise of their rights under this **Section 7** shall be to terminate this Agreement and no other remedy in equity or in Law, including specific performance or actual or expectation damages, shall be available against the Debtors.

7.03 Notwithstanding anything to the contrary in this Agreement (but subject to **Section 7.01**), each Debtor and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the right to consider, respond to, and facilitate Alternative Restructuring Proposals, but may not solicit an Alternative Restructuring Proposal, offer, indication of interest or inquiry for one or more Alternative Restructuring Proposals. If any Debtor receives an Alternative Restructuring Proposal, or any update to an Alternative Restructuring Proposal from the counterparty thereto, then such Debtor shall (A) within two (2) Business Days of receiving such proposal, provide counsel to the Plan Sponsor with all documentation received in connection with such Alternative Restructuring Proposal; (B) provide counsel to the Plan Sponsor with regular updates as to the status and progress of such Alternative Restructuring Proposal; and (C) respond promptly to reasonable information requests and questions from counsel to the Plan Sponsor relating to such Alternative Restructuring Proposal.

Section 8. *Transfer of Company Claims/Interests*

8.01 During the Agreement Effective Period, no Plan Sponsor Party shall Transfer any ownership (including any beneficial ownership as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Interests to any party, including any party in which it may hold a direct or indirect beneficial interest, unless such transferee agrees to be bound by this Agreement.

8.02 Upon compliance with the requirements of **Section 8.01**, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such Transferred Company Claims/Interests, and the transferee shall be deemed a “Plan Sponsor Party” and a “Party” under this Agreement. Any Transfer in violation of **Section 8.01** shall be void *ab initio*.

8.03 This Agreement shall in no way be construed to preclude any Plan Sponsor Party from acquiring additional Company Claims/Interests; *provided, however*, that (a) such additional Company Claims/Interests shall automatically and immediately upon acquisition by a Plan Sponsor Party be deemed to be subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company or counsel to the Plan Sponsor) and (b) such Plan Sponsor Party must provide notice of such acquisition (including the amount and type of Company Claim/Interest acquired) to counsel to the Company within five (5) Business Days of such acquisition.

8.04 This **Section 8** shall not impose any obligation on the Company to issue any “cleansing letter” or otherwise publicly disclose information for the purpose of enabling a Plan Sponsor Party to Transfer any of its Company Claims/Interests. Notwithstanding anything to the contrary herein, to the extent the Company and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations otherwise arising under such Confidentiality Agreements.

Section 9. *Representations and Warranties of the Plan Sponsor Parties.*

(a) Each Plan Sponsor Party represents and warrants that, as of the date it executes and delivers this Agreement:

(i) it is the beneficial or record owner of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and having made reasonably inquiry, is not the beneficial owner or record owner of any Company Claims/Interest other than those reflected in, such Plan Sponsor Party’s signature page to this Agreement;

(ii) it is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) not a U.S. person (as defined in Regulation S of the Securities Act), or (C) an institutional accredited investor (as defined in the Rules); and

(iii) any securities acquired by it in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

Section 10. *Mutual Representations, Warranties, and Covenants.* Each of the Parties represents, warrants, and covenants to each other Party, as of the date such Party executes and delivers this Agreement and as of the Plan Effective Date:

(a) such Party is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party,

enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) subject to Bankruptcy Court approval of the Debtors' entry into this Agreement, the entry into and performance by it of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association, or other constitutional documents;

(c) except as expressly provided in this Agreement, it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(d) except as expressly provided by this Agreement, it is not party to any restructuring or similar agreements or arrangements with the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement; and

(e) it has been represented by legal counsel of its choosing in connection with this Agreement and the transactions contemplated by this Agreement, has had the opportunity to review this Agreement with its legal counsel, and has not relied on any statements made by any other Party or its legal counsel as to the meaning of any term or condition contained herein or in deciding whether to enter into this Agreement or the transactions contemplated hereby.

Section 11. *Termination Events.*

11.01 **Plan Sponsor Termination Events.** The Plan Sponsor may terminate this Agreement as to all Parties (except as otherwise provided below), by delivering a Termination Notice to counsel to the Debtors in accordance with **Section 13.10** hereof upon the occurrence of any of the following events, unless waived in writing by the Plan Sponsor (such events, the "**Plan Sponsor Termination Events**"):

(a) the material breach by any Debtor of any of the representations, warranties, or covenants of the Debtors set forth in this Agreement or the Plan Term Sheet that remains uncured (to the extent curable) for ten (10) Business Days after the Plan Sponsor transmits a Breach Notice in accordance with **Section 13.10** hereof detailing any such breach;

(b) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions, or (ii) (A) would prevent the consummation of a material portion of the Restructuring Transactions, and (B) remains in effect for ten (10) Business Days after the Plan Sponsor transmits a written notice in accordance with **Section 13.10** detailing any such issuance; notwithstanding the foregoing, this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(c) any Debtor (i) provides a Fiduciary Out Notice to counsel to the Plan Sponsor or (ii) publicly announces or executes a definitive agreement with respect to an Alternative Restructuring Proposal;

(d) the entry of a Final Order by the Bankruptcy Court or other court of competent jurisdiction, or the filing of a motion or application by any Debtor seeking an order (without the prior written consent of the Plan Sponsor):

(i) (A) converting one or more of the Chapter 11 Cases of a Debtor to a case under chapter 7 of the Bankruptcy Code; (B) appointing a trustee, receiver, or an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases of a Debtor; (C) dismissing the Chapter 11 Cases; or (D) terminating any of the Debtors' exclusive right to file a plan pursuant to section 1121 of the Bankruptcy Code;

(ii) (A) denying confirmation of the Plan, or confirming the Plan pursuant to an order that is not in form and substance reasonably consistent with this Agreement, to the extent such approval is in contravention of the consent rights set forth in **Section 3**; (B) reversing or vacating the Confirmation Order; or (C) approving any Definitive Document that is not in form or substance consistent with this Agreement, including the consent rights set forth in **Section 3**;

(e) the board of directors, board of managers, or such similar governing body of a Debtor enters a resolution approving the Debtors' consummation of an Alternative Restructuring Proposal;

(f) the Debtors' use of cash collateral is terminated in accordance with the terms of the Final Cash Collateral Order; or

(g) the failure of the Debtors to comply with or achieve any one of the milestones set forth in the Plan Term Sheet, unless such milestone is extended with the express prior written consent of the Plan Sponsor or in accordance with such milestone, which consent may be provided via email from counsel to the Plan Sponsor.

11.02 Debtor Termination Events. Any Debtor may terminate this Agreement as to all Parties (except as otherwise provided below) by delivering written notice to all Parties in accordance with **Section 13.10** hereof upon the occurrence of any of the following events (such events, the "**Debtor Termination Events**" and, together with the Plan Sponsor Termination Events, the "**Termination Events**"):

(a) the breach by the Plan Sponsor of any of the representations, warranties, or covenants made thereby set forth in this Agreement or the Plan Term Sheet that remains uncured for a period of ten (10) Business Days after the receipt by counsel to the Plan Sponsor of a Breach Notice;

(b) the board of directors, board of managers, restructuring officer, or such similar governing body of any Debtor determines (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or its compliance with

applicable Law, or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;

(c) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that enjoins the consummation of a material portion of the Restructuring Transactions; *provided* that this termination right shall not apply to or be exercised by any Debtor that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement; or

(d) the entry of an order by the Bankruptcy Court or other court of competent jurisdiction, or the filing of a motion or application by the Plan Sponsor seeking an order (without the prior written consent of the Debtors):

(i) (A) converting one or more of the Chapter 11 Cases of a Debtor to a case under chapter 7 of the Bankruptcy Code; (B) appointing a trustee, receiver, or an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases of a Debtor; (C) dismissing the Chapter 11 Cases; or (D) terminating any of the Debtors' exclusive right to file a plan pursuant to section 1121 of the Bankruptcy Code; or

(ii) (A) denying confirmation of the Plan, or confirming the Plan pursuant to an order that is not in form and substance consistent with this Agreement, to the extent such approval is in contravention of the consent rights set forth in **Section 3**; (B) reversing or vacating the Confirmation Order; or (C) approving Definitive Document that is not in form or substance consistent with this Agreement, including the consent rights set forth in **Section 3**.

11.03 Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among the Parties.

11.04 Automatic Termination. This Agreement shall terminate automatically without any further required action or notice immediately after the occurrence of the Plan Effective Date.

11.05 Effect of Termination. Upon the occurrence of a Termination Date as to a Party, this Agreement shall be of no further force or effect as to such Party and each Party subject to such termination shall be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or causes of action. Nothing in this Agreement shall be construed as prohibiting any Party from contesting whether any such termination is in accordance with the terms of this Agreement or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict any right of any Party or the ability of any Party to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any other Party. No purported termination of this Agreement shall be effective under this **Section 11.05** or otherwise if the Party seeking to terminate this Agreement is in material breach

of this Agreement, with such material breach causing, or resulting in, the occurrence of one or more Termination Events. Nothing in this **Section 11.05** (including the foregoing sentence) shall restrict any Debtor's right to terminate this Agreement in accordance with **Section 11.02(a)** or **Section 11.02(d)** or the Plan Sponsor's right to terminate this Agreement in accordance with **Section 11.01(a)** or **Section 11.01(d)**. Following the occurrence of a Termination Date, the following shall survive any such termination: (a) any claim for breach of this Agreement that occurs prior to such Termination Date, and all rights and remedies with respect to such claims shall not be prejudiced in any way; and (b) **Sections 1.02, 11.05, 13.01, 13.02, 13.04, 13.05, 13.06, 13.07, 13.08, 13.09, 13.10, 13.11, 13.13, 13.14, 13.15, 13.16, and 13.17** hereof. The automatic stay applicable under section 362 of the Bankruptcy Code shall not prohibit a Party from taking any action or delivering any notice necessary to effectuate the termination of this Agreement pursuant to and in accordance with the terms hereof.

Section 12. *Amendments and Waivers.*

(a) Except as otherwise set forth in this **Section 12**, this Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner without the prior written consent of each of the Debtors and the Plan Sponsor.

(b) Any proposed modification, amendment, waiver, or supplement that does not comply with this **Section 12** shall be ineffective and void *ab initio*.

(c) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver of any such right, power, or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power, or remedy by such Party preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power, or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

(d) Any consent or waiver contemplated in this **Section 12** may be provided by email to counsel to the relevant Party.

Section 13. *Miscellaneous.*

13.01 Acknowledgement. Notwithstanding any other provision herein, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

13.02 Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signature pages, and schedules attached hereto is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the

exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern.

13.03 Further Assurances. Subject to the other terms of this Agreement during the Agreement Effective Period, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

13.04 Complete Agreement. Except as otherwise explicitly provided herein, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement.

13.05 GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court; (b) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court; and (c) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party hereto.

13.06 TRIAL BY JURY WAIVER. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

13.07 Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

13.08 Rules of Construction. This Agreement is the product of negotiations among the Debtors and the Plan Sponsor, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Debtors and the Plan Sponsor were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

13.09 Successors and Assigns; Third Parties. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third-party beneficiaries under this Agreement, and the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other person or entity.

13.10 Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

- (a) if to a Debtor, to:

Proterra Inc
1815 Rollins Road
Burlingame, California 94010
Attention: Jeff Mitchell, General Counsel
Email: JMitchell@proterra.com

with copies to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019-6064
Facsimile: (212) 757-3990
Attention: Paul M. Basta
Robert A. Britton
Michael J. Colarossi
Email: pbasta@paulweiss.com
rbritton@paulweiss.com
mcolarossi@paulweiss.com

- (b) if to the Plan Sponsor:

CSI GP I LLC, CSI I Prodigy Holdco LP, CSI Prodigy Co-Investment LP,
and CSI PRTA Co-Investment LP
599 Lexington Ave., 19th Floor,
New York, NY 10022
Attn: Legal Department
Email: CSILegal@cowen.com

with copies to:

Sidley Austin LLP
787 7th Avenue
New York, New York 10019
Attention: Thomas R. Califano
Dennis M. Twomey

Jackson T. Garvey
Juliana Hoffman
Email: tom.califano@sidley.com
dtwomey@sidley.com
jgarvey@sidley.com
jhoffman@sidley.com

Any notice given by delivery, mail, or courier shall be effective when received.

13.11 Reservation of Rights; Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason pursuant to **Section 11** (other than pursuant to **Section 11.04**), the Parties each fully reserve any and all of their respective rights, remedies, claims, and interests, subject to **Section 12** hereof, in the case of any claim for breach of this Agreement. Further, nothing herein shall be construed to prohibit any Party from appearing as a party in interest in any matter to be adjudicated in the Chapter 11 Cases, so long as, during the Agreement Effective Period, such appearance and the positions advocated in connection therewith are consistent with this Agreement and any Definitive Document and are not for the purpose of, and could not reasonably be expected to have the effect of, hindering, delaying, or preventing the consummation of the Restructuring Transactions.

13.12 Independent Due Diligence and Decision-Making. The Plan Sponsor hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial, and other conditions, and prospects of the Debtors.

13.13 Settlement or Compromise. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms, pursue the consummation of the Restructuring Transactions, or the payment of damages to which a Party may be entitled under this Agreement.

13.14 Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and, except as otherwise provided herein, each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder. Notwithstanding anything to the contrary in this Agreement, none of the Parties will be liable for, and none of the Parties shall claim or seek to recover, any punitive, special, indirect, or consequential damages or damages for lost profits.

13.15 Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

13.16 Remedies Cumulative. Except as otherwise provided herein, all rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

13.17 Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to **Section 3**, **Section 12**, or otherwise, including a written approval by the Debtors or the Plan Sponsor, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including email) between each such counsel without representations or warranties of any kind on behalf of such counsel.

13.18 Enforceability of Agreement. Each of the Parties waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

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[Signature Pages on File]

Exhibit A

Plan Term Sheet

THIS PLAN TERM SHEET IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS PLAN TERM SHEET SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE PLAN EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

PLAN TERM SHEET

INTRODUCTION

This Plan Term Sheet¹ describes the principal terms of the proposed chapter 11 plan of reorganization and the Restructuring Transactions of Proterra Inc (“**TopCo**”) and Proterra Operating Company, Inc. (f/k/a Proterra Inc.) (“**OpCo**”) and together with TopCo, the “**Debtors**”), its direct subsidiary, which the CSI Parties (as defined below) will support. The regulatory, corporate, tax, accounting, and other legal and financial matters related to the Restructuring have not been fully evaluated, and any such evaluation may affect the terms and structure of any Restructuring. This Plan Term Sheet is proffered in the nature of a settlement proposal in furtherance of settlement discussions. Accordingly, this Plan Term Sheet and the information contained herein are entitled to protection from any use or disclosure to any party or person pursuant to Rule 408 of the Federal Rules of Evidence and any other applicable rule, statute, or doctrine of similar import protecting the use or disclosure of confidential settlement discussions.

This Plan Term Sheet does not include a description of all of the terms, conditions, and other provisions that will be contained in the definitive documents governing the Restructuring, which remain subject to negotiation and completion. The Plan will not contain any material terms or conditions that are inconsistent in any material respect with this Plan Term Sheet. This Plan Term Sheet incorporates the rules of construction as set forth in section 102 of the Bankruptcy Code.

GENERAL PROVISIONS REGARDING THE RESTRUCTURING

Restructuring Summary	<p>The Restructuring will be consummated through the completion of:</p> <ul style="list-style-type: none"> (a) the sale of all or substantially all of the Proterra Powered business line to Volvo Battery Solutions LLC pursuant to section 363 of the Bankruptcy Code, as contemplated by the Bidding Procedures Order; (b) (i) the sale of all or substantially all of the Proterra Transit business line pursuant to section 363 of the Bankruptcy Code, as contemplated by the Bidding Procedures Order, and/or (ii) the wind down of Proterra Transit which, if such wind down is not complete prior to the Effective Date, shall be conducted in accordance with the terms set forth in the Plan (as defined below); and (c) the Debtors’ joint chapter 11 plan of reorganization in the Chapter 11 Cases, which shall have terms consistent with this Plan Term Sheet (the “Plan”).
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¹ Capitalized terms used but not defined in this Plan Term Sheet have the meanings given to such terms in **Exhibit 1** to this Plan Term Sheet.

<u>GENERAL PROVISIONS REGARDING THE RESTRUCTURING</u>	
	<p>The Plan and Plan Support Agreement (as defined below) shall provide that, notwithstanding anything to the contrary herein or therein, the Debtors shall be entitled to (a) designate a back-up bidder for Proterra Energy (the “<u>Energy Back-Up Bidder</u>”), (b) close a sale with the Energy Back-Up Bidder (the “<u>Energy Back-Up Bid Transaction</u>”) or wind down Proterra Energy in the event that the Plan Support Agreement is terminated in accordance with its terms prior to the Plan Effective Date (a “<u>PSA Termination</u>”), and (c) consummate the Plan on the terms contained in this Term Sheet, including the distribution of proceeds from the sale of Proterra Energy, if any, notwithstanding the termination of the Plan Support Agreement.</p> <p>The assets comprising the Proterra Energy line of business, including Proterra Valence and any executory contracts and unexpired leases that are assumed by the Debtors in accordance with the Plan and not assigned to a non-Debtor, will remain with the Reorganized Debtors and will not be sold pursuant to the Bidding Procedures Order.</p>
Plan Proponents; Plan Modifications	The Plan will be proposed by the Debtors. The Debtors shall not modify the Plan without the prior written consent of the Second Lien Agent (not to be unreasonably withheld or delayed).
Chapter 11 Plan	On the Plan Effective Date, or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Interest, as applicable, shall receive the treatment provided for under the Plan, which shall be consistent with the terms of this Plan Term Sheet, in full and final satisfaction, settlement, release, and discharge of and in exchange for such holder’s Allowed Claim or Interest, except to the extent different treatment is agreed to by the Debtors, with the prior written consent of the Second Lien Agent (not to be unreasonably withheld or delayed) and, to the extent required under the Bankruptcy Code, the holders of such Allowed Claims.
New Common Stock	If an Energy Back-Up Bid Transaction does not occur, on the Plan Effective Date, Reorganized Proterra shall issue a single class of common equity interests (the “ <u>New Common Stock</u> ”). The New Common Stock will be distributed in accordance with the Plan, which shall be consistent with the terms of this Plan Term Sheet.
Cash on Hand	<p>Cash distributions, in accordance with this Plan Term Sheet and the Plan, shall be made from Distributable Cash as of the Plan Effective Date, including proceeds from the Sales.</p> <p>If no PSA Termination has occurred prior to the Plan Effective Date, the Reorganized Proterra Retained Cash shall be retained by Reorganized Proterra and shall not constitute Distributable Cash.</p> <p>If a PSA Termination has occurred prior to the Plan Effective Date, the Reorganized Proterra Retained Cash shall not be retained by Reorganized Proterra and shall instead constitute Distributable Cash.</p>
Professional Compensation	On the Plan Effective Date, the Debtors shall establish and fund, in Cash

GENERAL PROVISIONS REGARDING THE RESTRUCTURING

Escrow Account	<p>in an amount equal to (a) the amount of accrued and unpaid Professional Compensation Claims that are known as of the Plan Effective Date, plus (b) a reasonable estimate of any unknown accrued and unpaid Professional Compensation Claims as of the Plan Effective Date, which estimate shall be determined by the Debtors, in consultation with the Second Lien Agent and based upon the Professionals' respective estimates submitted to the Debtors (and otherwise based upon the Debtors' reasonable estimate), an interest-bearing account to provide for the payment of Professional Compensation Claims.</p> <p>Funds held in the Professional Compensation Escrow Account shall not be considered property of the Estates. The Professionals shall estimate their Professional Compensation Claims before and as of the Plan Effective Date, taking into account any prior payments, and shall deliver such estimates to the Debtors no later than five (5) Business Days prior to the anticipated Plan Effective Date; <i>provided, however</i>, that such estimates shall not be considered an admission or representation with respect to the fees and expenses of such Professional that are the subject of a Professional's final request for payment of Professional Compensation Claims Filed with the Bankruptcy Court and such Professionals are not bound to any extent by such estimates.</p> <p>Professional Compensation Claims shall be paid in full, in Cash, from the Professional Compensation Escrow Account, in such amounts as are Allowed by the Bankruptcy Court (a) on the date upon which a Final Order relating to any such Allowed Professional Compensation Claim is entered or (b) on such other terms as may be mutually agreed upon between the holder of such an Allowed Professional Compensation Claim and the Distribution Trustee. The obligations of the Estates with respect to Professional Compensation Claims shall not be limited by nor deemed limited to the balance of funds held in the Professional Compensation Escrow Account. To the extent that funds held in the Professional Compensation Escrow Account are insufficient to satisfy the amount of accrued Professional Compensation Claims owing to the Professionals, such Professionals shall have an Allowed Administrative Claim for any such deficiency. No Liens, claims, or interests shall encumber the Professional Compensation Escrow Account in any way, other than customary liens in favor of the depository bank at which the Professional Compensation Escrow Account is maintained.</p> <p>Amounts held in the Professional Compensation Escrow Account shall not be Distribution Trust Assets; <i>provided, however</i>, to the extent any Cash is remaining in the Professional Compensation Escrow Account following irrevocable payment in full of all Allowed Professional Compensation Claims (including Allowed Professional Compensation Claims arising after the Confirmation Date), the Distribution Trustee shall transfer such Cash to the Distribution Trust, with such excess amounts constituting Distribution Trust Assets to be distributed pursuant to the terms of the Plan, the Distribution Trust Agreement, and the Confirmation Order.</p>
Tax Matters	Subject to the terms of this Plan Term Sheet, the Debtors and the CSI

GENERAL PROVISIONS REGARDING THE RESTRUCTURING

	Parties will work together in good faith and will use commercially reasonable efforts to structure and implement the Restructuring in a tax efficient and cost-effective manner for the Debtors and Holders of Second Lien Convertible Notes Claims and in a manner reasonably acceptable to the Debtors and the Second Lien Agent.
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TREATMENT OF CLAIMS AND INTERESTS OF THE DEBTORS UNDER THE PLAN

Class No.	Type of Claim	Treatment	Impairment / Voting
Unclassified Non-Voting Claims			
N/A	Administrative Claims	On the Plan Effective Date, each holder of an Allowed Administrative Claim shall receive treatment in a manner consistent with section 1129(a)(9) of the Bankruptcy Code.	N/A
N/A	Priority Tax Claims	On the Plan Effective Date, each holder of an Allowed Priority Tax Claim shall receive treatment in a manner consistent with section 1129(a)(9)(C) of the Bankruptcy Code.	N/A
Classified Claims and Interests of the Debtors			
Class 1	Other Secured Claims	Except to the extent the holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Plan Effective Date, each holder of an Allowed Other Secured Claim shall receive, at the Debtors' option and in consultation with the Second Lien Agent: (a) payment in full in cash; (b) the collateral securing its Allowed Other Secured Claim; (c) Reinstatement of its Allowed Other Secured Claim; or (d) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	Unimpaired / Presumed to Accept
Class 2	Other Priority Claims	Except to the extent the holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Plan Effective Date, each holder of an Allowed Other Priority Claim shall receive treatment in a manner consistent with section 1129(a)(9) of the Bankruptcy Code.	Unimpaired / Presumed to Accept
Class 3	First Lien Claims	On the Plan Effective Date, the First Lien Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the First Lien Credit Facility, including all principal, any accrued and unpaid interest at the contract rate, and all accrued and unpaid fees, expenses, and non-contingent indemnity payable under the First Lien Credit Facility.	Unimpaired / Presumed to Accept

TREATMENT OF CLAIMS AND INTERESTS OF THE DEBTORS UNDER THE PLAN			
Class No.	Type of Claim	Treatment	Impairment / Voting
		Except to the extent the holder of an Allowed First Lien Claim agrees to less favorable treatment, on the Plan Effective Date, each holder of an Allowed First Lien Claim shall receive cash in an amount equal to such Allowed First Lien Claim. ²	
Class 4	Second Lien Convertible Notes Claims	<p>On the Plan Effective Date, the Second Lien Convertible Notes Claims, including the Agreed Second Lien Obligations, shall be Allowed and deemed to be Allowed Claims. The amount and validity of any Liquidation Payment Amount Claims shall be determined (whether pursuant to a Final Order of the Bankruptcy Court or a settlement agreement between the Debtors and CSI Parties) in accordance with the Liquidation Payment Amount Determination Protocol (as defined in the Final Cash Collateral Order) at or prior to the Confirmation Hearing, and the Parties shall agree to a litigation schedule that results in trial no later than February 15, 2024.</p> <p>Except to the extent the holder of an Allowed Second Lien Convertible Notes Claim agrees to less favorable treatment, on the Plan Effective Date, or as soon as reasonably practicable thereafter, each Holder of an Allowed Second Lien Convertible Notes Claim shall receive:</p> <p>a. If a PSA Termination does not occur prior to the Plan Effective Date:</p> <ul style="list-style-type: none"> i. on account, and in satisfaction, of such Holder's <i>pro rata</i> portion of \$10 million of the Allowed Second Lien Convertible Notes Claims, its <i>pro rata</i> allocation of all of the equity of Reorganized Proterra (the "<u>Equity Distribution</u>"); ii. such Holder's Allowed Second Lien Convertible Notes Claims shall be reduced <i>pro rata</i> by the Reorganized Proterra Retained Cash (the "<u>Retained Cash Reduction</u>") and the Reorganized Proterra Retained Cash shall be retained by Reorganized Proterra on the Plan Effective Date; iii. such Holder's Allowed Second Lien Convertible 	Impaired / Entitled to Vote

² To the extent there are any undrawn letters of credit issued under the First Lien Credit Facility as of the Plan Effective Date, such letters of credit shall remain cash collateralized in accordance with the Final Cash Collateral Order, subject to transferring ownership of the segregated account used to cash collateralize such letters of credit in accordance with the Final Cash Collateral Order to the Distribution Trust.

<u>TREATMENT OF CLAIMS AND INTERESTS OF THE DEBTORS UNDER THE PLAN</u>			
Class No.	Type of Claim	Treatment	Impairment / Voting
		<p>Notes Claims shall be reduced <i>pro rata</i> by the amount (if any) that the aggregate Cure Claims payable on account of the Debtors' assumption of contracts and leases attributable to Proterra Energy exceeds \$6,500,000 (the "<u>Cure Cost Reduction</u>"); and</p> <p>iv. after giving effect to the Retained Cash Reduction, the Equity Distribution and the Cure Cost Reduction, if any, cash in an amount equal to its <i>pro rata</i> share of the remaining Allowed Second Lien Convertible Notes Claims.</p> <p>b. If a PSA Termination occurs prior to the Plan Effective Date:</p> <p>i. Cash in an amount equal to the Allowed Second Lien Convertible Notes Claims.</p>	
Class 5	General Unsecured Claims	Except to the extent the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Plan Effective Date, each holder of an Allowed General Unsecured Claim shall receive its <i>pro rata</i> share of the Second Priority Distribution Trust Beneficiaries' (as defined below) interests in the Distribution Trust.	Impaired / Entitled to Vote
Class 6	Intercompany Claims	On the Plan Effective Date, each holder of an Allowed Intercompany Claim shall have its Claim Reinstated or cancelled, released, and extinguished and without any distribution at the election of the Debtors with the prior written consent of the Second Lien Agent (not to be unreasonably withheld or delayed).	Impaired / Deemed to Reject or Unimpaired / Presumed to Accept
Class 7	Existing Equity Interests in OpCo	On the Plan Effective Date, each holder of an Existing Equity Interest in OpCo shall have such Interest Reinstated or cancelled, released, and extinguished and without any distribution at the Debtors' election with the prior written consent of the Second Lien Agent (not to be unreasonably withheld or delayed).	Impaired / Deemed to Reject or Unimpaired / Presumed to Accept
Class 8	Existing Equity Interests in TopCo	Each Holder of an Existing Equity Interest in TopCo shall have such interest cancelled without distribution or compensation.	Impaired / Deemed to Reject

<u>COMPLETION OF SECTION 363 SALES</u>	
Completion of Section 363	The Debtors shall complete the contemplated sales or wind-down (which, if such wind down is not complete prior to the Effective Date, shall be

COMPLETION OF SECTION 363 SALES

Sales	<p>conducted in accordance with the terms set forth in the Plan, as applicable), of Proterra Transit and Proterra Powered on the terms contemplated by the Bidding Procedures Order and this Plan Term Sheet (such sales, if consummated, collectively, the “<u>Transit and Powered 363 Sales</u>” and, together with the Energy Back-Up Bid Transaction if consummated, the “<u>Sales</u>”). If a PSA Termination does not occur prior to the Plan Effective Date, to the extent requested by any purchaser party to the Transit and Powered 363 Sales (a “<u>Purchaser</u>”), Proterra will use commercially reasonable efforts to negotiate and execute an agreement providing for the Reorganized Debtors to supply the purchasers of Proterra Transit and Proterra Powered (if any) with goods and services on commercial terms acceptable to the Second Lien Agent.</p> <p>The Plan and Plan Support Agreement shall provide that, notwithstanding anything to the contrary herein or therein, the Debtors shall be entitled to (a) designate an Energy Back-Up Bidder, (b) close an Energy Back-Up Bid Transaction, or, to the extent an Energy Back-Up Bid Transaction is not consummated, wind down the Proterra Energy business, in the event that the Plan Support Agreement is terminated in accordance with its terms prior to the Plan Effective Date, and (c) consummate the Plan, including the distribution of proceeds from the Sales, notwithstanding the termination of the Plan Support Agreement.</p>
Wind-Down of Proterra Transit	<p>In the event Proterra Transit or Proterra Energy are wound down, the Debtors shall conduct the wind down in an orderly and efficient manner, including through the creation of a liquidating trust (the “<u>Liquidating Trust</u>”) created pursuant to the Plan to manage the wind-down of Proterra Transit and distribute the proceeds thereof for the benefit of the Distribution Trust (as defined below). In the event that the Plan provides for the creation of the Liquidating Trust: (a) the Debtors shall establish and fund a reserve account (the “<u>Liquidating Trust Expense Reserve</u>”) in an amount, as determined by the Debtors in consultation with the Second Lien Agent, sufficient to satisfy the costs of administering the Liquidating Trust; (b) the Debtors shall conduct the wind-down of Proterra Transit in a manner as to maximize the value of Proterra Transit; (c) the Debtors shall consult with the Second Lien Agent and the trustee of the Distribution Trust on the manner of the wind-down; and (d) the net proceeds of the Liquidating Trust shall be distributed to the Distribution Trust.</p>

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- (a) By no later than November 30, 2023, the Debtors shall have secured one or more orders of the Bankruptcy Court (i) approving the sale of Proterra Transit or commenced the wind-down of Proterra Transit, and (ii) approving the sale of Proterra Powered under the Bidding Procedures Order.
- (b) By no later than December 15, 2023, the Debtors shall have Filed the Disclosure Statement and a motion seeking approval of the Disclosure Statement, in each case in a form reasonably acceptable

MILESTONES

to the Second Lien Agent.

- (c) By no later than January 26, 2024, the Debtors shall have secured an order of the Bankruptcy Court approving the Disclosure Statement.
- (d) By no later than March 11, 2024 the Debtors shall have secured entry of the Confirmation Order.
- (e) By no later than April 1, 2024, the Plan Effective Date shall have occurred.

The parties to the Plan Support Agreement shall cooperate in good faith to ensure that the events described in clauses (a) through (e) occur as soon as is reasonably practicable, but in any event, on or before the dates required by such foregoing clauses; *provided, however*, notwithstanding anything herein to the contrary, with respect to the event described in clause (e), the Parties acknowledge and agree that any delay of the event described in such clause arising out of the need to obtain regulatory approvals of the Sales shall not be a breach of this Plan Term Sheet so long as such event described in clause (e) occurs by no later than May 1, 2024 or such later date as determined by the Second Lien Agent in its sole discretion.

OTHER MATERIAL PROVISIONS REGARDING THE RESTRUCTURING

Executory Contracts and Unexpired Leases

Executory Contracts and Unexpired Leases shall be assumed as provided for in the Bidding Procedures Order. Those Executory Contracts and Unexpired Leases (i) not addressed by the Sales and (ii) not otherwise rejected, assumed, assumed and assigned, or the subject of a motion filed by the Debtors prior to the Plan Effective Date to assume, assume and assign, or reject such Executory Contracts and Unexpired Leases on which the Bankruptcy Court has not ruled, will be deemed rejected unless expressly assumed under the Plan.

The Debtors and Second Lien Agent will work together in good faith to determine which executory contracts and unexpired leases shall be assumed, assumed and assigned, or rejected in the Chapter 11 Cases.

<u>OTHER MATERIAL PROVISIONS REGARDING THE RESTRUCTURING</u>	
Indemnification Obligations/D&O Insurance	<p>Other than as explicitly assumed in connection with the assumption of executory contracts and unexpired leases under the Plan, the Reorganized Debtors shall not assume any indemnification obligations of the Debtors, including pursuant to the by-laws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, or employment contracts of the Debtors for current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals of the Debtors, as applicable. The organizational documents of the Reorganized Debtors shall be amended on the Effective Date to provide indemnification, exculpation, and other similar protections only to the Reorganized Debtors' officers and directors for acts on or after the Effective Date.</p> <p>On or after the Confirmation Date, the Debtors and Reorganized Debtors shall not terminate or otherwise reduce the coverage under any directors' and officers' insurance policies (including any "tail policy") in effect prior to the Plan Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Plan Effective Date shall be entitled to the full benefits of any such policy (including any "tail policy") for the full term of such policy regardless of whether such directors and/or officers remain in such positions before or after the Plan Effective Date. At the Debtors' option, each of the Debtors' directors' and officers' insurance policies will be either: (a) assumed by the Reorganized Debtors (including any tail policies), <i>provided</i> that such directors' and officers' insurance policies do not require the Reorganized Debtors to make any post-Effective Date cash expenditures; or (b) retained by the Debtors' estates. In either case ((a) or (b)), each of the Debtors' directors' and officers' insurance policies (including any "tail policy") shall remain in full force and effect for their entire term and shall not be cancelled.</p>
Key Employee Incentive/Retention Plans	<p>On the Plan Effective Date, the Debtors shall pay, to KEIP participants, all amounts earned pursuant to the KEIP program to the extent such amounts remain unpaid as of the Plan Effective Date, including any such payments arising out of the transaction contemplated under the Plan, which shall be earned and paid on the Plan Effective Date. Any amounts payable pursuant to proceeds that would be received after the Effective Date, including pursuant to any purchase price adjustments in connections with the Sales, will be estimated, escrowed, and paid upon payment of such proceeds to the Debtors' estates.</p> <p>Except as set forth herein, the KEIP and KERP programs shall terminate effective as of the Plan Effective Date and any clawback rights provided for under the KEIP or the KERP shall be released.</p>
Distribution Trust	<p>On the Plan Effective Date, a trust (the "<u>Distribution Trust</u>") shall be established for purposes of reconciling certain Disputed Claims and Interests and distributing the Distribution Trust Assets (as defined below) for the benefit of the Distribution Trust Beneficiaries (as defined below).</p> <p>On the Plan Effective Date, the Debtors shall transfer, or cause to be transferred, the following assets (the "<u>Distribution Trust Assets</u>") to the</p>

OTHER MATERIAL PROVISIONS REGARDING THE RESTRUCTURING

Distribution Trust:

- (a) \$[●] in cash from the Distributable Cash (the “**Distribution Trust Carveout**”);³
- (b) cash in an amount equal to (i) the total amount of Distributable Cash *less* (ii) (A) cash transferred to the Liquidating Trust (if any) on the Plan Effective Date to fund the Liquidating Trust Expense Reserve, (B) the Distribution Trust Carveout, and (C) cash paid from Distributable Cash on the Plan Effective Date on account of the treatment of Administrative Claims (including through the funding of the Professional Compensation Claims Escrow and the Self-Insured Escrow Account from Distributable Cash on the Plan Effective Date), Priority Tax Claims, and Classes 1 to 4;
- (c) the Distribution Trust’s beneficial interests in the net proceeds of the Liquidating Trust, if any; and
- (d) the Distribution Trust’s beneficial interests in the Professional Compensation Escrow Account and the Self-Insured Escrow Account to the extent funds remain in the Professional Compensation Escrow Account after payment of all allowed Professional Compensation Claims, or in the Self-Insured Escrow Account after the payment of all Health Insurance Claims, as applicable.

The Distribution Trust shall provide for the distribution of the net cash proceeds of the Distribution Trust Assets in accordance with the following distribution waterfall:

- *First*, to holders of outstanding Allowed Administrative Claims (other than Professional Compensation Claims), holders of outstanding Allowed Priority Tax Claims, holders of outstanding Allowed Other Secured Claims and holders of outstanding Allowed Other Priority Claims, in each case, to the extent such Claims were Disputed as of the Plan Effective Date and not Reinstated or otherwise assumed by the Reorganized Debtors until such Claims are paid in full (the “**First Priority Distribution Trust Beneficiaries**”);
- *Second*, subject to reserving for any potential distributions to First Priority Distribution Trust Beneficiaries on account of applicable Disputed Claims, to holders of Allowed General Unsecured Claims (the “**Second Priority Distribution Trust Beneficiaries**” and, together with the First Priority Distribution Trust Beneficiaries, the “**Distribution Trust Beneficiaries**”).

The other terms and procedures governing the Distribution Trust shall be set forth in the Plan (including the Plan Supplement) and be reasonably acceptable to the Debtors, the Committee, and the Second Lien Agent.

³ To include estimated amount of contingent/unliquidated Administrative Claims on account of postpetition warranties and any other claims that need to be reserved for in connection with confirmation.

<u>OTHER MATERIAL PROVISIONS REGARDING THE RESTRUCTURING</u>	
Self-Insured Escrow Account	An escrow account (the “ <u>Self-Insured Escrow Account</u> ”) shall be established and funded on the Plan Effective Date in the Self-Insured Escrow Amount for the benefit of holders of Health Insurance Claims.
Releases by the Debtors, Releases by Holders of Claims and Interests, Exculpation, and Injunction	The Plan shall include customary release, exculpation, and injunction provisions for the benefit of the Debtors, the CSI Parties, the First Lien Agent, the Committee, and their respective related parties, which provisions shall be substantially in the form of the language attached hereto as <u>Exhibit 2</u> .
Exemption from SEC Registration	The issuance of all securities under the Plan will be exempt from SEC registration under section 1145 of the Bankruptcy Code to the fullest extent permissible.
Conditions Precedent to the Plan Effective Date	<p>The following shall be conditions precedent to the occurrence of the Plan Effective Date (the “<u>Conditions Precedent to the Plan Effective Date</u>”):</p> <ul style="list-style-type: none"> (a) the Bankruptcy Court shall have entered the Confirmation Order, which shall: <ul style="list-style-type: none"> (i) authorize the Debtors to take all actions necessary to enter into, implement, and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan; (ii) decree that the provisions in the Confirmation Order and the Plan are nonseverable and mutually dependent; (iii) authorize the Debtors, as applicable/necessary, to: (a) implement the Restructuring Transactions; (b) distribute the New Common Stock pursuant to the exemption from registration under the Securities Act provided by section 1145 of the Bankruptcy Code or other exemption from such registration or pursuant to one or more registration statements; and (c) make all distributions and issuances as required under the Plan, including cash and, as applicable/necessary, the New Common Stock; (iv) authorize the implementation of the Plan in accordance with its terms; and (v) provide that, pursuant to section 1146 of the Bankruptcy Code, the assignment or surrender of any lease or sublease, and the delivery of any deed or other instrument or transfer order, in furtherance of, or in connection with the Plan, including any deeds, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan, shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax to the fullest extent permissible;

<u>OTHER MATERIAL PROVISIONS REGARDING THE RESTRUCTURING</u>	
	<p>(b) the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;</p> <p>(c) the final version of each of the Plan and all documents contained in any supplement to the Plan, including the Plan Supplement and all of the schedules, documents, and exhibits contained therein shall have been Filed in a manner consistent in all material respects with this Plan Term Sheet and in a form reasonably acceptable to the Second Lien Agent;</p> <p>(d) the Debtors shall have fully funded the Professional Compensation Escrow Account, the Liquidating Trust Expense Reserve, and the Self-Insured Escrow Account;</p> <p>(e) to the extent invoiced, the payment in cash in full of all Restructuring Expenses;</p> <p>(f) the sale of Proterra Powered to Volvo Battery Solutions LLC shall have been consummated substantially on the terms described in that certain <i>Notice of Successful Bidder Regarding Debtors' Powered Assets</i> [ECF No. 525];</p> <p>(g) the sale of Proterra Transit shall have been consummated or the Second Lien Agent shall have approved, with such approval not to be unreasonably withheld, a plan for the wind-down of Proterra Transit; and</p> <p>(h) the Debtors shall have implemented the Restructuring Transactions and all transactions contemplated in this Plan Term Sheet in a manner consistent with this Plan Term Sheet.</p>
Retention of Jurisdiction	The Plan will provide for the retention of jurisdiction by the Bankruptcy Court with respect to all usual and customary matters.
Waiver of Conditions Precedent to the Plan Effective Date	The Debtors, with the prior written consent of the Second Lien Agent (not to be unreasonably withheld or delayed), may waive any one or more of the Conditions Precedent to the Plan Effective Date.

Exhibit 1**Definitions**

Term	Definition
“Agreed Second Lien Obligations”	As defined in the Final Cash Collateral Order.
“Administrative Claim”	Any Claim of a kind specified under section 503(b) of the Bankruptcy Code and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including (a) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Plan Effective Date of preserving the Estates and operating Debtors’ business; (b) Allowed Professional Compensation Claims; (c) Statutory Fees; (d) 503(b)(9) Claims; (e) Health Insurance Claims; and (f) KEIP Claims.
“Allowed”	With respect to any Claim or Interest, except as otherwise provided herein: (a) a Claim or Interest in a liquidated amount as to which no objection has been Filed prior to the applicable claims objection deadline and that is evidenced by a Proof of Claim timely Filed by the applicable Bar Date or that is not required to be evidenced by a Filed Proof of Claim under the Plan, the Bankruptcy Code, or a Final Order; (b) a Claim or Interest that is scheduled by the Debtors as neither disputed, contingent, nor unliquidated, and for which no Proof of Claim has been timely Filed in an unliquidated or a different amount; (c) a Claim or Interest that is upheld or otherwise Allowed (i) pursuant to the Plan (including any Claim or Interest that is upheld or otherwise Allowed pursuant to a settlement executed by the Distribution Trustee in accordance with the Plan), (ii) in any stipulation that is approved by the Bankruptcy Court, (iii) pursuant to any contract, instrument, indenture, or other agreement entered into or assumed in connection herewith, or (iv) by Final Order (including any such Claim to which the Debtors had objected or which the Bankruptcy Court had disallowed prior to such Final Order); <i>provided</i> that with respect to a Claim or Interest described in clauses (a) through (c) above, such Claim or Interest shall be considered Allowed only if and to the extent that with respect to such Claim or Interest no objection to the allowance thereof has been or, in the Debtors’ or the Distribution Trustee’s reasonable good faith judgment, may be interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim or Interest, as applicable, shall have been allowed by a Final Order; <i>provided, further</i> , that 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 such Debtor. A Proof of Claim Filed after the Bar Date is not considered Allowed and shall be deemed expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which

Term	Definition
	no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be deemed expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. “ <u>Allow</u> ,” “ <u>Allowing</u> ,” and “ <u>Allowance</u> ” shall have correlative meanings.
“Avoidance Actions”	Any and all claims and Causes of Action which any of the Debtors, the Estates, or any other appropriate party in interest has asserted or may assert under sections 502, 510, 542, 544, 545, or 547 through 553 of the Bankruptcy Code or under similar or related state or federal statutes and common law, including fraudulent transfer laws
“Bankruptcy Code”	Title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended.
“Bankruptcy Court”	The United States Bankruptcy Court for the District of Delaware.
“Bankruptcy Rules”	The Federal Rules of Bankruptcy Procedure.
“Bar Date”	With respect to any particular Claim, the applicable date set by the Bankruptcy Court as the last day for Filing Proofs of Claim or requesting allowance of Administrative Claims in the Chapter 11 Cases for such Claim, whether pursuant to the Confirmation Order, the Plan, the <i>Order Establishing Bar Dates for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof</i> [Docket No. 187] and <i>Notice of Entry of Bar Date Order Establishing Deadlines for Filing Proofs of Claim (Including for Claims Asserted Under Section 503(b)(9) of the Bankruptcy Code) Against the Debtors</i> [Docket No. 344], or any other applicable order of the Bankruptcy Court.
“Bidding Procedures Order”	That certain <i>Order (A) Approving Bidding Procedures to Govern the Sale of All or Substantially All of the Debtors’ Assets Pursuant to Section 363 of the Bankruptcy Code, (B) Approving Procedures Regarding Entry Into One or More Stalking Horse Agreements, (C) Establishing Procedures for the Assumption and Assignment of Executory Contracts and Unexpired Leases, (D) Approving the Form and Manner of the Notice of Assumption and Assignment of Executory Contracts and Unexpired Leases, (E) Scheduling Auctions for the Sales of the Company Assets and Hearings to Consider Approval of the Sales and Approving the Form and Manner of the Notice Thereof, and (F) Granting Related Relief</i> [Docket No. 218] entered in the Chapter 11 Cases.
“Business Day”	Any day other than a Saturday, Sunday, 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.
“Cash”	Legal tender of the United States of America or the equivalent thereof.
“Cause of Action”	Without limitation, any claims, interests, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, Liens, indemnities, guaranties, and franchises of any kind or character

Term	Definition
	whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, in contract, tort, law, equity, or otherwise. Causes of Action also include: (a) Avoidance Actions; (b) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by law; (c) the right to object to or otherwise contest Claims or Interests; (d) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (e) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code.
“Chapter 11 Cases”	Those certain chapter 11 bankruptcy cases of the Debtors jointly administered under the caption <i>In re Proterra Inc, et al.</i> , Case No. 23-11120 (BLS) (Bankr. D. Del. 2023).
“Claim”	Any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.
“Class”	A category of holders of Claims or Interests pursuant to section 1122(a) of the Bankruptcy Code.
“Committee”	The official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on August 24, 2023, as such committee may be reconstituted, supplemented, or otherwise modified from time to time, including pursuant to the U.S. Trustee’s <i>Amended Notice of Appointment of Committee of Unsecured Creditors</i> [Docket No. 268].
“Conditions Precedent to the Plan Effective Date”	As defined in this Plan Term Sheet.
“Confirmation”	The Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.
“Confirmation Date”	The date on 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.
“Confirmation Hearing”	The hearing(s) before the Bankruptcy Court under section 1128 of the Bankruptcy Code at which the Debtors seek entry of the Confirmation Order.
“Confirmation Order”	The order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code.
“CSI Parties”	Collectively, CSI I Prodigy Holdco LP, CSI Prodigy Co-Investment LP, and CSI PRTA Co-Investment LP, and the Second Lien Agent.
“Cure Claim”	A Claim based upon a monetary default, if any, by any Debtor on an Executory Contract or Unexpired Lease at the time such contract or lease is assumed or assumed and assigned by the Debtors pursuant to sections 365 or 1123 of the

Term	Definition
	Bankruptcy Code.
“Cure Cost Reduction”	As defined in this Plan Term Sheet.
“Disclosure Statement”	The related disclosure statement with respect to the Plan, as the same may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, Bankruptcy Rules, and any other applicable law.
“Disallowed”	All or that portion, as applicable, of any Claim or Interest which: (a) has been disallowed under the Plan, the Bankruptcy Code, applicable law or by a Final Order; (b) is scheduled by the Debtors as being in an amount of zero dollars (\$0.00) or as contingent, disputed, or unliquidated and as to which no Proof of Claim was timely filed or deemed timely filed prior to the applicable Bar Date pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court, including the order approving the Bar Date, or otherwise deemed timely filed under applicable law; or (c) is not scheduled by the Debtors and as to which no Proof of Claim or request for allowance of an Administrative Claim (as applicable) has been timely filed or deemed timely filed prior to the applicable Bar Date pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law.
“Disputed”	With respect to any Claim or Interest, any Claim or Interest or any portion thereof that is not yet Allowed or Disallowed.
“Distributable Cash”	If (a) no PSA Termination has occurred prior to the Plan Effective Date, cash on hand of the Debtors as of the Plan Effective Date, including cash proceeds from the Sales, less the Reorganized Proterra Retained Cash; or (b) a PSA Termination has occurred prior to the Plan Effective Date, cash on hand of the Debtors as of the Plan Effective Date, including cash proceeds from the Sales and the Reorganized Proterra Retained Cash.
“Distribution Trust”	As defined in this Plan Term Sheet.
“Distribution Trust Agreement”	The agreement, to be included in the Plan Supplement, as it may be amended, effective as of the Plan Effective Date, establishing and setting forth the terms and conditions which shall, in conjunction with the Plan and the Confirmation Order, govern the administration of the Distribution Trust, which agreement shall be in a form reasonably acceptable to the Debtors, the Committee, and the Second Lien Agent.
“Distribution Trust Assets”	As defined in this Plan Term Sheet.
“Distribution Trust Beneficiaries”	As defined in this Plan Term Sheet.

Term	Definition
“Distribution Trust Carveout”	As defined in this Plan Term Sheet.
“Distribution Trustee”	FTI Consulting, Inc. or such other trustee appointed by the Debtors and identified in the Plan Supplement, to serve as the trustee under the Distribution Trust Agreement, or any successor thereto appointed in accordance with the terms of the Plan and the Distribution Trust Agreement, as applicable
“Entity”	As defined in section 101(15) of the Bankruptcy Code.
“Estate”	The estate of any Debtor created under sections 301 and 541 of the Bankruptcy Code upon the commencement of the applicable Debtor’s Chapter 11 Case.
“Exculpated Parties”	Collectively, (a) the Debtors, (b) any Statutory Committee and each of its members, and (c) with respect to each of the foregoing Persons in clauses (a) and (b), such Persons’ predecessors, successors, assigns, subsidiaries, affiliates, current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals, and such Persons’ respective heirs, executors, estates, and nominees, in each case in their capacity as such.
“Existing Equity Interest”	An Interest in a Debtor existing as of the Petition Date. Notwithstanding the foregoing, Existing Equity Interests do not include Intercompany Interests.
“File”, “Filed”, or “Filing”	File, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.
“Final Cash Collateral Order”	That certain <i>Final Order (I) Authorizing the Debtors to Use Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief</i> [Docket No. 422] entered in the Chapter 11 Cases.
“Final Order”	An order or judgment of the Bankruptcy Court, or court of competent jurisdiction with respect to the subject matter that has not been reversed, stayed, 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, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing 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 that the possibility that a motion under Rule 60 of the Federal Rules of Civil

Term	Definition
	Procedure, or any analogous rule under the Bankruptcy Rules, may be Filed with respect to such order will not preclude such order from being a Final Order.
“First Day Declaration”	That certain <i>Declaration of Gareth T. Joyce in Support of Chapter 11 Petitions and First Day Pleadings</i> [Docket No. 16] filed in these Chapter 11 Cases.
“First Lien Agent”	As defined in the Final Cash Collateral Order.
“First Lien Claim”	Any Claim on account of the First Lien Credit Facility.
“First Lien Credit Facility”	As defined in the Final Cash Collateral Order.
“First Lien Professionals”	Any lawyers, financial advisors, investment bankers, and/or other professionals retained by the First Lien Agent in connection with these Chapter 11 Cases.
“First Priority Distribution Trust Beneficiaries”	As defined in this Plan Term Sheet.
“General Unsecured Claim”	Any Claim, other than an Administrative Claim (including any Professional Compensation Claims), a Priority Tax Claim, an Other Secured Claim, an Other Priority Claim, a First Lien Claim, a Second Lien Convertible Notes Claim, or an Intercompany Claim.
“Governmental Unit”	As defined in section 101(27) of the Bankruptcy Code.
“Health Insurance Claims”	Claims arising out of the Debtors’ self-insured employee benefits programs.
“Holder”	Any Entity that holds a Claim or Interest, as applicable.
“Impaired”	With respect to any Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.
“Intercompany Claim”	A Claim held by a Debtor against a Debtor.
“Intercompany Interest”	An Interest in a Debtor held by a Debtor.
“Interest”	Any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor.
“KEIP”	The key employee incentive plan approved under the <i>Order Approving Debtors’ Key Employee Incentive Plan</i> [Docket No. 347].

Term	Definition
“KEIP Claim”	Claims arising under the KEIP.
“KERP”	The key employee retention plan approved under the <i>Order Approving Debtors’ Key Employee Retention Plan and Granting Related Relief</i> [Docket No. 329].
“Law”	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).
“Lien”	As defined in section 101(37) of the Bankruptcy Code.
“LG Parties”	Collectively, LG Energy Solution, Ltd and its and its affiliates’ predecessors, successors, assigns, subsidiaries, affiliates, current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals, and such Persons’ respective heirs, executors, estates, and nominees, in each case in their capacity as such.
“Liquidation Payment Amount Claim”	As defined in the Final Cash Collateral Order.
“Liquidating Trust”	As defined in this Plan Term Sheet.
“Liquidating Trust Expense Reserve”	As defined in this Plan Term Sheet.
“Marketing Process”	The process for the marketing and sale of all or substantially all of the Debtors’ assets, or any combination thereof, pursuant to the Bidding Procedures Order.
“New Common Stock”	As defined in this Plan Term Sheet.
“OpCo”	As defined in this Plan Term Sheet.
“Other Priority Claim”	Any Claim other than an Administrative Claim or a Priority Tax Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.
“Other Secured Claim”	Any Secured Claim other than a First Lien Claim or a Second Lien Convertible Notes Claim.
“Person”	A person as such term is defined in section 101(41) of the Bankruptcy Code.
“Petition Date”	August 7, 2023.
“Plan”	The Plan as defined in this Plan Term Sheet, including any and all exhibits, supplements, appendices, and schedules hereto, as may be altered, amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof, including the Plan

Term	Definition
	Supplement (as altered, amended, supplemented, or otherwise modified from time to time), which are incorporated into the Plan by reference and shall be made part of the Plan as if set forth therein.
“Plan Effective Date”	The date that is the first Business Day on which (a) all Conditions Precedent to the Plan Effective Date have been satisfied or waived in accordance with the Plan and (b) no stay of the Confirmation Order is in effect.
“Plan Supplement”	The documents and forms of documents, agreements, schedules, and exhibits to the Plan, which shall include (a) the Distribution Trust Agreement, (b) the Schedule of Retained Causes of Action, (c) the identity of the Distribution Trustee, and (d) the Cash amount to be funded into the Liquidating Trust Expense Reserve on the Plan Effective Date; <u>provided</u> , that through the Plan Effective Date, the Debtors shall have the right to amend, supplement, or otherwise modify the Plan Supplement in accordance with the terms of the Plan.
“Plan Support Agreement”	As defined in this Plan Term Sheet.
“Prepetition Loan Documents”	As defined in the Final Cash Collateral Order.
“Priority Tax Claims”	Any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
“Professional”	A Person or Entity 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 before or on the Plan Effective Date, pursuant to sections 327, 328, 329, 330, 363, or 331 of the Bankruptcy Code, excluding any ordinary course professional retained pursuant to a Bankruptcy Court order.
“Professional Compensation Claim”	A Claim against a Debtor for all professional services rendered and costs incurred on or after the Petition Date by a Professional, including estimates through the Plan Effective Date, in connection with the Chapter 11 Cases.
“Professional Compensation Escrow Account”	An interest-bearing account to be funded by the Debtors on the Plan Effective Date holding Cash in an amount equal to (a) the amount of accrued and unpaid Professional Compensation Claims that are known as of the Plan Effective Date, plus (b) a reasonable estimate of any unknown accrued and unpaid Professional Compensation Claims as of the Plan Effective Date, which estimate shall be determined by the Debtors pursuant to the Plan and in accordance with this Plan Term Sheet.
“Proof of Claim”	A proof of claim Filed against any of the Debtors in the Chapter 11 Cases by the applicable Bar Date.
“Proterra Energy”	As defined in the First Day Declaration.
“Proterra Powered”	As defined in the First Day Declaration.

Term	Definition
“Proterra Transit”	As defined in the First Day Declaration.
“Proterra Valence”	As defined in the First Day Declaration.
“Proterra Charging”	Proterra Energy, excluding Proterra Valence.
“Purchaser”	As defined in this Plan Term Sheet.
“Qualified Bid”	As defined in the Bidding Procedures Order.
“Reinstate”, “Reinstatement”, or “Reinstated”	With respect to Claims and Interests, that the Claim or Interest shall be rendered unimpaired in accordance with section 1124 of the Bankruptcy Code.
“Released Parties”	Collectively, the Releasing Parties; provided that, in each case, an Entity shall not be a Released Party if it: (a) elects to opt out of the releases contained in the Plan, (b) files with the Bankruptcy Court an objection to the Plan that is not consensually resolved before Confirmation or supports any such objection or objector, or (c) is an LG Party.
“Releasing Parties”	Collectively, and in each case in its capacity as such: (a) the Debtors, (b) the First Lien Agent, (c) the Second Lien Agent, (d) any Statutory Committee and each of its members, (e) the holders of all Claims or Interests who vote to accept the Plan, (f) the holders of all Claims or Interests whose vote to accept or reject the Plan is solicited but who do not vote either to accept or to reject the Plan and do not opt out of granting the releases set forth herein, (g) the holders of all Claims or Interests who vote, or are deemed to vote, to reject the Plan but do not opt out of granting the releases set forth herein, (h) the holders of all Claims and Interests who are Unimpaired under the Plan, (i) with respect to each of the foregoing Persons, in clauses (a) through (h), each of their affiliates, and (j) with respect to each of the foregoing Persons in clauses (a) through (i), each of their and their affiliates’ predecessors, successors, assigns, subsidiaries, affiliates, current and former officers and directors, principals, equity holders, members, partners, managers, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals, and such Persons’ respective heirs, executors, estates, and nominees, in each case in their capacity as such; provided that an Entity shall not be a Releasing Party if it files with the Bankruptcy Court an objection to the Plan that is not consensually resolved before Confirmation or supports any such objection or objector.
“Reorganized Debtors”	Collectively, each Debtor, or any successor or assign thereto, by merger, consolidation, or otherwise, on and after the Plan Effective Date.
“Reorganized Proterra”	Reorganized TopCo, or any successor or assign, by merger, consolidation, or otherwise, on or after the Plan Effective Date.
“Reorganized Proterra	Cash on hand of the Debtors as of the Plan Effective Date in an

Term	Definition
“Retained Cash”	amount required to satisfy 11 U.S.C. § 1129(a)(11).
“Restructuring Expenses”	The prepetition and postpetition reasonable and documented fees and expenses of the First Lien Professionals and the Second Lien Professionals.
“Restructuring Transactions”	Those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, settlements, releases, or other transactions that the Debtors reasonably determine to be necessary to implement the Plan in a manner consistent with the Plan Support Agreement, in each case subject to the consent rights set forth therein, as applicable.
“Restructuring”	The restructuring of the Debtors, as described in this Plan Term Sheet.
“Retained Cash Reduction”	As defined in this Plan Term Sheet.
“Sale Documents”	The definitive documents to effectuate the Sales.
“Sales”	As defined in this Plan Term Sheet.
“Schedule of Retained Causes of Action”	A schedule of Causes of Action of the Debtors to be retained under the Plan, which shall be included in the Plan Supplement.
“SEC”	The Securities and Exchange Commission.
“Second Lien Agent”	As defined in the Final Cash Collateral Order.
“Second Lien Convertible Notes Claim”	Any Claim on account of the Second Lien Convertible Notes.
“Second Lien Convertible Notes”	As defined in the Final Cash Collateral Order.
“Second Lien Professionals”	Any lawyers, financial advisors, investment bankers, and/or other professionals retained by the Second Lien Agent in connection with these Chapter 11 Cases.
“Second Priority Distribution Trust Beneficiaries”	As defined in this Plan Term Sheet.
“Secured”	When referring to a Claim: (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in the Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code; or (b) otherwise Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court as a Secured Claim.
“Securities Act”	The Securities Act of 1933, as amended, 15 U.S.C. §§ 77a–77aa, or any similar federal, state, or local law.

Term	Definition
“Self-Insured Escrow Account”	As defined in this Plan Term Sheet.
“Self-Insured Escrow Amount”	Cash in an amount equal to \$[●]. ¹
“Statutory Committee”	Any statutory committee appointed in the Chapter 11 Cases, including the Committee.
“Statutory Fees”	All fees for which the Debtors are obligated pursuant to 28 U.S.C. § 1930(a)(6), together with interest, if any, pursuant to 31 U.S.C. § 3717
“Termination Date”	As defined in this Plan Term Sheet.
“Third-Party Release”	Such releases by the Releasing Parties as set forth in Section III of the Exhibit 2 to this Plan Term Sheet.
“Transit and Powered 363 Sales”	As defined in this Plan Term Sheet.
“Unimpaired”	With respect to a Class of Claims or Interests, a Class of Claims or Interests that is not Impaired.
“United States Trustee”	The United States Trustee for the District of Delaware.
“Unsecured Claim”	Any Claim that is not a Secured Claim.
“Wages Order”	The Bankruptcy Court’s <i>Final Order (I) Authorizing the Debtors to Pay Prepetition Employee Wages and Benefits, and (II) Granting Related Relief</i> [Docket No. 207].

¹ To be equal to the amounts required to fund the Debtors’ self-insured benefit programs for the policy period during which the Plan Effective Date occurs, *minus* amounts in the Self-Insured Escrow Account established pursuant to the Wages Order.

Exhibit 2**Release, Exculpation, Injunction Provisions*****I. Release of Liens***

Except as otherwise specifically provided in the Plan, the Confirmation Order, or any other document, instrument, or agreement executed to implement the Plan (including those set forth in the Plan Supplement), on the Plan Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Plan Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised, and all of the right, title, and interest of any holder of such mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or filing being required to be made by the Debtors; *provided* that no mortgage, deed of trust, Lien, pledge, or other security interest against any property of the Estates in favor of any Allowed Secured Claim shall be released prior to satisfaction and/or payment of such Allowed Secured Claim in full in accordance with the Plan. Any holder of such Secured Claim (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 (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.

In addition, the First Lien Agent and Second Lien Agent shall execute and deliver all documents reasonably requested by the Debtors, the Reorganized Debtors, or any Purchaser, as applicable, to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Debtors or Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto.

II. Releases by the Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, as of the Plan Effective Date, each of the Released Parties is unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged by the Debtors, the Reorganized Debtors, and each of their Estates, including any successors to the Debtors or any Estate's representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Causes of Action, including any Avoidance Actions or derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, any Causes of Action that any Debtor, Reorganized Debtor, or any of their Estates would have been legally entitled to assert in 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, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Debtors, the Reorganized Debtors, or their Estates (whether individually or collectively) ever had, now has, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (a) the

Debtors, the Debtors' in- or out-of-court restructuring efforts, the Marketing Process, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, any Sale, the formulation, preparation, dissemination, negotiation, or filing of the Sale Documents, Plan Support Agreement, the Disclosure Statement, or the Plan, including the Plan Supplement; (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including 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) created or entered into in connection with the Sales, the Plan Support Agreement, the Disclosure Statement, or the Plan, including the Plan Supplement; (c) the business or contractual arrangements between any Debtor and any Released Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (d) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected by or classified in the Plan; (e) the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation of the Plan, the administration and implementation of the Plan, including any issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; or (f) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Plan Effective Date arising from or relating to any of the foregoing, including, without limitation, the Prepetition Loan Documents, any Interests, and all matters relating thereto.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release: (a) to the extent that any Claims or other Causes of Action against the Debtors are not released pursuant to the Plan, are not discharged pursuant to the Plan, or are Disputed, any rights of the Debtors and the Reorganized Debtors to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims or other Causes of Action in response to such Causes of Action; (b) any commercial Cause of Action arising in the ordinary course of business, such as accounts receivable and accounts payable on account of goods and services being performed; (c) any post- Plan Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any other document, instrument, or agreement executed to implement the Plan (including those set forth in the Plan Supplement); or (e) any obligations of any party or Entity under the Sale Documents.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (a) essential to the Confirmation of the Plan; (b) an exercise of the Debtors' business judgment; (c) in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (d) a good faith settlement and compromise of the Causes of Action released by the Debtor Release; (e) in the best interests of the Debtors and all Holders of Claims and Interests; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Debtors, the Reorganized Debtors, and the Estates, including any successors to the Debtors or any Estate's representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, asserting any Cause of Action released pursuant to the Debtor Release.

Each of the Debtors expressly acknowledges that although ordinarily a general release may not extend to Claims or Causes of Action that each Debtor does not know or suspect to exist in its favor, which if known by it may have materially affected its settlement with the party released, they have carefully considered, and taken into account in determining to enter into the above releases described in this Plan, the possible existence of such unknown losses or Claims or Causes of Action.

Without limiting the generality of the foregoing, each Debtor expressly waives and relinquishes any and all rights and benefits such party may have or conferred upon it under any federal, state, or local statute, rule, regulation, or principle of common law or equity that provides that a release does not extend to Claims or Causes of Action that the claimant does not know or suspect to exist in its favor at the time of providing the release or that may in any way limit the effect or scope of the releases with respect to released Claims or Causes of Action that such party did not know or suspect to exist in such party's favor at the time of providing the release, which in each case if known by it may have materially affected its settlement with any Released Party, including, without limitation, California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Each of the Debtors expressly acknowledges that the releases and covenants not to sue contained in the Plan are effective regardless of whether those released matters or released Claims or Causes of Action are presently known or unknown, suspected or unsuspected, or foreseen or unforeseen.

III. Releases by the Releasing Parties

As of the Plan Effective Date, each of the Releasing Parties other than the Debtors shall, and shall be deemed to have, expressly, absolutely, unconditionally, irrevocably, generally, individually, and collectively, released, acquitted, and discharged each of the Released Parties from any and all Causes of Action, including any Avoidance Actions or derivative Causes of Action asserted or assertable by or on behalf of a Debtor, Reorganized Debtor, or any of their Estates, and any Causes of Action asserted or assertable by or on behalf of the Holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, asserted or unasserted, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise that the Releasing Parties (whether individually or collectively) ever had, now have, or thereafter can, shall, or may have, based on or relating to, or in any manner arising from, in whole or in part: (a) the Debtors, the Debtors' in- or out-of-court restructuring efforts, the Marketing Process, intercompany transactions, the Chapter 11 Cases, the purchase, sale, or rescission of any security of the Debtors, the formulation, preparation, dissemination, negotiation, or filing of the Sale Documents, the Plan Support Agreement, the Disclosure Statement, or the Plan, including the Plan Supplement; (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including 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) created or entered into in connection with the Sales, the Plan Support Agreement, the Disclosure Statement, or the Plan, including the Plan Supplement; (c) the business or contractual arrangements between any Debtor and any Releasing Party, whether before or during the Debtors' restructuring, or the restructuring of Claims and Interests before or during the Chapter 11 Cases; (d) the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is affected by or classified in the Plan; (e) the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation of the Plan, the administration and implementation of the Plan, including any issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement; or (f) any other act or omission, transaction, agreement,

event, or other occurrence taking place on or before the Plan Effective Date arising from or relating to any of the foregoing, including, without limitation, the Prepetition Loan Documents, and all matters relating thereto.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above shall not release, prejudice, limit, impact, or otherwise impair: (a) to the extent that any Causes of Action against any Releasing Party are not released or discharged pursuant to the Plan, any rights of such Releasing Party to assert any and all counterclaims, crossclaims, offsets, indemnities, claims for contribution, defenses, and similar claims in response to such Causes of Action; (b) any rights of the First Lien Agent or Second Lien Agent to (i) payment of fees, expenses, and indemnification obligations as against any money or property distributable to holders of Claims under the First Lien Credit Facility or the Second Lien Convertible Notes, respectively, including any rights to priority of payment and/or to exercise charging liens or (ii) seek compensation and/or reimbursement of fees and expenses in accordance with the terms of the Plan and Confirmation Order, as applicable; (c) any commercial Cause of Action arising in the ordinary course of business, such as accounts receivable and accounts payable on account of goods and services being performed; (d) any post- Plan Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement executed to implement the Plan (including those set forth in the Plan Supplement); or (f) any obligations of any party or Entity under the Sale Documents.

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 herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) essential to the Confirmation of the Plan; (b) given in exchange for the good and valuable consideration and substantial contributions provided by the Released Parties; (c) a good faith settlement and compromise of the Causes of Action released by the Third-Party Release; (d) in the best interests of the Debtors and their Estates; (e) fair, equitable, and reasonable; (f) given and made after due notice and opportunity for hearing; (g) consensual; and (h) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

Each of the Releasing Parties expressly acknowledges that although ordinarily a general release may not extend to Claims or Causes of Action that the Releasing Party does not know or suspect to exist in its favor, which if known by it may have materially affected its settlement with the party released, they have carefully considered, and taken into account in determining to enter into the above releases described in this Plan, the possible existence of such unknown losses or Claims or Causes of Action. Without limiting the generality of the foregoing, each Releasing Party expressly waives and relinquishes any and all rights and benefits such party may have or conferred upon it under any federal, state, or local statute, rule, regulation, or principle of common law or equity that provides that a release does not extend to Claims or Causes of Action that the claimant does not know or suspect to exist in its favor at the time of providing the release or that may in any way limit the effect or scope of the releases with respect to released Claims or Causes of Action that such party did not know or suspect to exist in such party's favor at the time of providing the release, which in each case if known by it may have materially affected its settlement with any Released Party, including, without limitation, California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE

MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Each of the Releasing Parties expressly acknowledges that the releases and covenants not to sue contained in the Plan are effective regardless of whether those released matters or released Claims or Causes of Action are presently known or unknown, suspected or unsuspected, or foreseen or unforeseen.

IV. Exculpation

To the fullest extent permitted by applicable law, no Exculpated Party will have or incur any liability to any person or Entity for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action related to any act or omission in connection with, relating to, or arising out of, the Debtors' restructuring efforts, the Chapter 11 Cases, preparation for the Chapter 11 Cases, the filing of the Chapter 11 Cases, formulation, preparation, dissemination, negotiation, filing, or termination of the Sale Documents, the Plan Support Agreement, the Disclosure Statement, or the Plan, including the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (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 Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with any of the foregoing, the Sales, the funding of the Plan, the occurrence of the Plan Effective Date, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, the issuance of securities pursuant to the Plan, the issuance of the New Common Stock, or the distribution of property under the Plan or any other related agreement, except for claims related to any act or omission that is determined in a Final Order to have constituted actual fraud, gross negligence, or willful misconduct, but in all respects such Persons will be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The foregoing shall not be deemed to release, affect, or limit any post- Plan Effective Date rights or obligations of the Exculpated Parties under the Plan, any Restructuring Transaction, or any other document, instrument, or agreement executed to implement the Plan (including those set forth in the Plan Supplement).

The Exculpated Parties have, and upon consummation 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, 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.

The exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

V. Injunction

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold claims or interests that have been released pursuant to the Plan provisions setting forth the releases granted by the Debtors or the Releasing Parties, or discharged pursuant to the Plan, or are subject to exculpation pursuant to the article of the Plan which provides for the exculpation of the

Exculpated Parties, shall be permanently enjoined, from and after the Plan Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (a) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (c) 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 claims or interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has, on or before the Plan Effective Date, asserted such setoff right in a document filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

EXHIBIT 2

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THIS CHAPTER 11 PLAN SUPPORT AGREEMENT DOES NOT CONSTITUTE, AND SHALL NOT BE DEEMED TO BE, AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OR 1126 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS CHAPTER 11 PLAN SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS CHAPTER 11 PLAN SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN AND THE CLOSING OF ANY TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN AND IN SUCH DEFINITIVE DOCUMENTS.

CHAPTER 11 PLAN SUPPORT AGREEMENT

This CHAPTER 11 PLAN SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with Section 13.02, in each case, as may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof, this “Agreement”) is made and entered into as of November 6, 2023 (the “Execution Date”), by and among the following parties (each of the following described in clauses (a) through (b) of this preamble, collectively, the “Parties”):

(a) Proterra Inc (“Proterra”), a company incorporated under the Laws of Delaware, and Proterra Operating Company, Inc., its direct subsidiary (together, the “Debtors” or “Company”), each of which is a debtor and debtor in possession in the Chapter 11 Cases, to the extent each has executed and delivered a counterpart signature page to this Agreement to counsel to the Plan Sponsor; and

(b) CSI GP I LLC, CSI I Prodigy Holdco LP, CSI Prodigy ~~Co-Investment~~Co-Investment LP, and CSI PRTA Co-Investment LP (each, a “Plan Sponsor Party” and collectively, the “Plan Sponsor”).

RECITALS

WHEREAS, on August 7, 2023 (the “Petition Date”), each of the Debtors commenced a case (collectively, the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code

capitalized terms herein which are defined with reference to another agreement, are, unless otherwise specified, defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(d) unless otherwise specified, all references herein to “Sections” are references to Sections of this Agreement;

(e) the words “herein,” “hereof,” and “hereto” refer to this Agreement in its entirety, including all exhibits, annexes, and schedules attached hereto in accordance with **Section 13.02**, rather than to any particular portion of this Agreement;

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

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

(h) the use of “include” or “including” is without limitation, whether stated or not;

(i) unless otherwise specified, any action to be taken on the Plan Effective Date may be taken on or as soon as reasonably practicable thereafter; and

(j) the phrase “counsel to the Plan Sponsor” refers in this Agreement to Sidley Austin LLP.

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

(a) each of the Debtors shall have executed and delivered counterpart signature pages of this Agreement to counsel to the Plan Sponsor; and

(b) each Plan Sponsor Party shall have executed and delivered a counterpart signature page to this Agreement to counsel to the Debtors; ~~and~~.

~~(c) the Debtors shall have (A) secured one or more orders of the Bankruptcy Court approving this Agreement and the Debtors’ entry into this Agreement as the Successful Bid (as defined in the Bidding Procedures) or (B) (i) secured one or more orders of the Bankruptcy Court approving this Agreement and the Debtors’ entry into this Agreement as the Backup Bid (as defined in the Bidding Procedures) and (ii) filed a notice with the Bankruptcy Court designating such Backup Bid as the Successful Bid pursuant to the Bidding Procedures.~~

Notwithstanding the foregoing, the delivery of an executed counterpart signature page hereto shall constitute an irrevocable offer from the Plan Sponsor to enter into this Agreement, which offer shall, in accordance with the Bidding Procedures, be irrevocable unless and until the

with copies to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019-6064
Facsimile: (212) 757-3990
Attention: Paul M. Basta
Robert A. Britton
Michael J. Colarossi
Email: pbasta@paulweiss.com
rbritton@paulweiss.com
mcolarossi@paulweiss.com

(b) if to the Plan Sponsor:

CSI GP I LLC, CSI I Prodigy Holdco LP, CSI Prodigy Co-Investment LP,
and CSI PRTA Co-Investment LP
599 Lexington Ave., 19th Floor,
New York, NY 10022
Attn: Legal Department
Email: CSILegal@cowen.com

with copies to:

Sidley Austin LLP
787 7th Avenue
New York, New York 10019
Attention: Thomas R. Califano
Dennis M. Twomey
Jackson T. Garvey
Juliana Hoffman
Email: tom.califano@sidley.com
dtwomey@sidley.com
jgarvey@sidley.com
jhoffman@sidley.com

Any notice given by delivery, mail, or courier shall be effective when received.

13.11 Reservation of Rights; Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason pursuant to **Section 11** (other than pursuant to **Section 11.04**), the Parties each fully reserve any and all of their respective rights, remedies, claims, and interests, subject to **Section 12** hereof, in the case of any claim for breach of this Agreement. Further, nothing herein shall be construed to prohibit any Party from appearing as a party in interest in any matter to be adjudicated in the Chapter 11 Cases, so long as, during the Agreement Effective Period, such appearance and the positions advocated in

EXHIBIT 3

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Term	Definition
	existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, in contract, tort, law, equity, or otherwise. Causes of Action also include: (a) Avoidance Actions; (b) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by law; (c) the right to object to or otherwise contest Claims or Interests; (d) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (e) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code.
“Chapter 11 Cases”	Those certain chapter 11 bankruptcy cases of the Debtors jointly administered under the caption <i>In re Proterra Inc, et al.</i> , Case No. 23-11120 (BLS) (Bankr. D. Del. 2023).
“Claim”	Any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.
“Class”	A category of holders of Claims or Interests pursuant to section 1122(a) of the Bankruptcy Code.
“Committee”	The official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on August 24, 2023, as such committee may be reconstituted, supplemented, or otherwise modified from time to time, including pursuant to the U.S. Trustee’s <i>Amended Notice of Appointment of Committee of Unsecured Creditors</i> [Docket No. 268].
“Conditions Precedent to the Plan Effective Date”	As defined in this Plan Term Sheet.
“Confirmation”	The Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.
“Confirmation Date”	The date on 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.
“Confirmation Hearing”	The hearing(s) before the Bankruptcy Court under section 1128 of the Bankruptcy Code at which the Debtors seek entry of the Confirmation Order.
“Confirmation Order”	The order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code.
“CSI Parties”	Collectively, CSI <u>I</u> Prodigy Holdco LP, CSI Prodigy CoInvestment <u>Co-Investment</u> LP, and CSI PRTA Co-Investment LP, and the Second Lien Agent.
“Cure Claim”	A Claim based upon a monetary default, if any, by any Debtor on an Executory Contract or Unexpired Lease at the time such contract or lease is assumed or assumed and assigned by the Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.
“Cure Cost Reduction”	As defined in this Plan Term Sheet.