

SOLICITATION VERSION

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

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In re:	:	Chapter 11
	:	
SUPERIOR ENERGY SERVICES, INC., et al.,¹	:	Case No. 20-35812 (DRJ)
	:	
Debtors.	:	(Joint Administration Requested)
	:	
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**DISCLOSURE STATEMENT FOR THE JOINT PREPACKAGED
PLAN OF REORGANIZATION FOR SUPERIOR ENERGY SERVICES, INC. AND ITS
AFFILIATE DEBTORS UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Dated: December 7, 2020

Houston, Texas

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Superior Energy Services, Inc. (9388), SESI, L.L.C. (4124), Superior Energy Services-North America Services, Inc. (5131), Complete Energy Services, Inc. (9295), Warrior Energy Services Corporation (9424), SPN Well Services, Inc. (2682), Pumpco Energy Services, Inc. (7310), 1105 Peters Road, L.L.C. (4198), Connection Technology, L.L.C. (4128), CSI Technologies, LLC (6936), H.B. Rentals, L.C. (7291), International Snubbing Services, L.L.C. (4134), Stabil Drill Specialties, L.L.C. (4138), Superior Energy Services, L.L.C. (4196), Superior Inspection Services, L.L.C. (4991), Wild Well Control, Inc. (3477), Workstrings International, L.L.C. (0390). The Debtors' address is 1001 Louisiana Street, Suite 2900, Houston, Texas 77002.



THIS SOLICITATION OF VOTES (THE “SOLICITATION”) IS BEING CONDUCTED TO OBTAIN SUFFICIENT VOTES TO ACCEPT THE PLAN (AS DEFINED BELOW) BEFORE THE FILING OF VOLUNTARY REORGANIZATION CASES UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE (THE “BANKRUPTCY CODE”). BECAUSE THE CHAPTER 11 CASES HAVE NOT YET BEEN COMMENCED, THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. FOLLOWING THE COMMENCEMENT OF THE CHAPTER 11 CASE, THE DEBTORS EXPECT TO PROMPTLY SEEK ORDERS OF THE BANKRUPTCY COURT (I) APPROVING THIS DISCLOSURE STATEMENT AS CONTAINING ADEQUATE INFORMATION, (II) APPROVING THE SOLICITATION OF VOTES AS BEING IN COMPLIANCE WITH SECTIONS 1125 AND 1126(b) OF THE BANKRUPTCY CODE, AND (III) CONFIRMING THE PLAN (AS DEFINED BELOW).

DISCLOSURE STATEMENT, DATED DECEMBER 7, 2020

Solicitation of Votes
on the Plan of Reorganization of

SUPERIOR ENERGY SERVICES, INC., *ET AL.*

from the holders of outstanding

PREPETITION NOTES CLAIMS
GENERAL UNSECURED CLAIMS AGAINST SUPERIOR ENERGY SERVICES, INC.

THE VOTING DEADLINE FOR HOLDERS OF CLAIMS IN VOTING CLASSES IS 5:00 P.M. PREVAILING CENTRAL TIME ON JANUARY 8, 2021 (UNLESS THE DEBTORS EXTEND THE VOTING DEADLINE).

THE VOTING RECORD DATE FOR DETERMINING WHICH HOLDERS OF CLAIMS IN VOTING CLASSES MAY VOTE ON THE PLAN IS DECEMBER 3, 2020 (THE “VOTING RECORD DATE”).

TO BE COUNTED AS A VOTE TO ACCEPT OR REJECT THE PLAN, THE VOTING AND CLAIMS AGENT MUST ACTUALLY RECEIVE YOUR BALLOT ON OR BEFORE THE VOTING DEADLINE.

THE DEBTORS ANTICIPATE COMMENCING THE CHAPTER 11 CASES ON DECEMBER 7, 2020 WITH AN EXPECTED FIRST DAY HEARING ON OR AROUND DECEMBER 8, 2020. A SEPARATE NOTICE OF THE FIRST DAY HEARING WILL BE MAILED TO ALL KNOWN HOLDERS OF PREPETITION NOTES CLAIMS AGAINST THE DEBTORS. IF YOU DO NOT RECEIVE A NOTICE, PLEASE CONTACT UNDERSIGNED COUNSEL IMMEDIATELY OR CONSULT THE CASE

**WEBSITE MAINTAINED BY KURTZMAN CARSON CONSULTANTS LLC AT
WWW.KCCLLC.NET/SUPERIOR.**

RECOMMENDATION BY THE DEBTORS

The Board of Directors of Superior Energy Services, Inc. and the other governing bodies of each of its affiliated Debtors have unanimously approved the transactions contemplated by the Solicitation and the Plan and recommend that all creditors whose votes are being solicited submit ballots to accept the Plan. Holders of over 66.67% in outstanding principal amount of the Prepetition Notes Claims (as defined herein) entitled to vote on the Plan (the “**Consenting Noteholders**”) have already agreed, subject to the terms and conditions of the Restructuring Support Agreement, to vote in favor of the Plan.

IMPORTANT INFORMATION FOR YOU TO READ

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT FOR THE PURPOSE OF SOLICITING VOTES TO ACCEPT THE PLAN. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTIONS 1125 AND 1126(B) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016. THE SECURITIES DESCRIBED HEREIN WILL BE ISSUED TO CREDITORS WITHOUT REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT**”), OR ANY SIMILAR FEDERAL, STATE OR LOCAL LAW, AND WILL INSTEAD BE ISSUED PURSUANT TO EXEMPTIONS SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE AND/OR SECTION 4(A)(2) OF THE SECURITIES ACT OR OTHER APPLICABLE EXEMPTIONS. THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY SECURITIES PURSUANT TO THE PLAN CONSULT THEIR OWN LEGAL COUNSEL CONCERNING SUCH RECIPIENTS’ ABILITY TO RECEIVE SECURITIES PURSUANT TO ANY SUCH EXEMPTION AND CERTAIN RESTRICTIONS ON TRANSFER OF ANY SUCH SECURITIES SO RECEIVED.**

THE SOLICITATION OF VOTES ON THE PLAN WITH RESPECT TO PREPETITION NOTES CLAIMS IS BEING MADE PURSUANT TO SECTION 4(A)(2) OF THE SECURITIES ACT AND REGULATION D PROMULGATED THEREUNDER AND ONLY WITH RESPECT TO HOLDERS OF SUCH CLAIMS THAT ARE ELIGIBLE HOLDERS OF PREPETITION NOTES CLAIMS AS DESCRIBED HEREIN; *PROVIDED, HOWEVER*, THAT ALL HOLDERS OF ALLOWED PREPETITION NOTES CLAIMS WILL BE ENTITLED TO RECEIVE DISTRIBUTIONS UNDER THE PLAN.

THE RIGHTS OFFERING WILL BE CONDUCTED PURSUANT TO SEPARATE RIGHTS OFFERING PROCEDURES. ANY DISCLOSURE CONTAINED HEREIN CONCERNING THE RIGHTS OFFERING IS SOLELY FOR INFORMATION

PURPOSES AND IS NOT AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SUBSCRIPTION RIGHTS. HOLDERS OF PREPETITION NOTES CLAIMS ARE ADVISED TO CAREFULLY READ THE TERMS OF THE PLAN AND DISCLOSURE STATEMENT WITH RESPECT TO THE RIGHTS OFFERING. IF THE EQUITY RIGHTS OFFERING IS CONSUMMATED, THE DEFAULT TREATMENT FOR HOLDERS OF PREPETITION NOTES CLAIMS THAT ARE NOT PARTY TO THE RESTRUCTURING SUPPORT AGREEMENT UNDER THE PLAN IS A CASH PAYOUT, WHICH IS DEFINED UNDER THE PLAN AS AN AGGREGATE AMOUNT EQUAL TO 2.00% OF THE PRINCIPAL DUE UNDER THE PREPETITION NOTES HELD BY ALL CASH PAYOUT NOTEHOLDERS.

THE NEW COMMON STOCK AND ANY OTHER NEW SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR BY ANY STATE SECURITIES COMMISSION OR SIMILAR PUBLIC, GOVERNMENTAL, OR REGULATORY AUTHORITY, AND NEITHER THE SEC NOR ANY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN (AS DEFINED BELOW). THIS DOCUMENT IS NOT A PROSPECTUS WITHIN THE MEANING OF THE EU PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC), AS AMENDED, THE EU PROSPECTUS REGULATION (REGULATION (EU) 2017/1129) OR ANY IMPLEMENTING LEGISLATION OR RULES RELATING THERETO OF ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA. THIS DOCUMENT HAS NOT BEEN APPROVED OR REVIEWED BY ANY COMPETENT AUTHORITY OR REGULATORY AUTHORITY OF ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA. NO OFFER OF SECURITIES TO THE PUBLIC IS MADE, OR WILL BE MADE IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA THAT REQUIRES THE PUBLICATION OF A PROSPECTUS WITHIN THE MEANING OF THE EU PROSPECTUS DIRECTIVE, AS AMENDED, OR THE EU PROSPECTUS REGULATION.

CERTAIN STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT, INCLUDING STATEMENTS INCORPORATED BY REFERENCE AND PROJECTED FINANCIAL INFORMATION, ARE FORWARD-LOOKING STATEMENTS AND ARE BASED ON ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. FORWARD-LOOKING STATEMENTS ARE PROVIDED IN THIS DISCLOSURE STATEMENT PURSUANT TO THE SAFE HARBOR ESTABLISHED UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND SHOULD BE EVALUATED IN THE CONTEXT OF THE ESTIMATES, ASSUMPTIONS, UNCERTAINTIES, AND RISKS DESCRIBED HEREIN.

FURTHER, WHILE THE DEBTORS BELIEVE THE ASSUMPTIONS ON WHICH THE FORWARD-LOOKING STATEMENTS HEREIN ARE BASED ARE REASONABLE, READERS ARE CAUTIONED AGAINST RELYING ON ANY FORWARD-LOOKING STATEMENTS AS IT IS VERY DIFFICULT TO PREDICT THE IMPACT OF KNOWN FACTORS, AND IT IS IMPOSSIBLE TO ANTICIPATE ALL FACTORS THAT COULD

AFFECT ACTUAL RESULTS. IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN THE FORWARD-LOOKING STATEMENTS HEREIN INCLUDE, BUT ARE NOT LIMITED TO, THE ABILITY TO CONFIRM AND CONSUMMATE A PLAN OF REORGANIZATION IN ACCORDANCE WITH THE TERMS OF THE RESTRUCTURING SUPPORT AGREEMENT (AS DEFINED BELOW); RISKS ATTENDANT TO THE BANKRUPTCY PROCESS, INCLUDING THE DEBTORS' ABILITY TO OBTAIN THE APPROVAL OF THE BANKRUPTCY COURT WITH RESPECT TO MOTIONS FILED IN THE CASES, THE OUTCOMES OF BANKRUPTCY CASES AND THE LENGTH OF TIME THAT THE DEBTORS MAY BE REQUIRED TO OPERATE IN BANKRUPTCY; THE EFFECTIVENESS OF THE OVERALL RESTRUCTURING ACTIVITIES AND ANY ADDITIONAL STRATEGIES THAT THE DEBTORS EMPLOY TO ADDRESS LIQUIDITY AND CAPITAL RESOURCES; THE ACTIONS AND DECISIONS OF CREDITORS, REGULATORS AND OTHER THIRD PARTIES THAT HAVE AN INTEREST IN THE CASES, WHICH MAY INTERFERE WITH THE ABILITY TO CONFIRM AND CONSUMMATE A PLAN OF REORGANIZATION; RESTRICTIONS ON THE DEBTORS DUE TO THE TERMS OF ANY DEBTOR-IN-POSSESSION CREDIT FACILITY ENTERED INTO IN CONNECTION WITH THE BANKRUPTCY CASES AND RESTRICTIONS IMPOSED BY THE BANKRUPTCY COURT; THE DEBTORS' ABILITY TO REALIZE THE COST SAVINGS AND BUSINESS ENHANCEMENTS FROM THEIR RESTRUCTURING EFFORTS; THE DEBTORS' ABILITY TO INVEST IN THEIR BUSINESSES IN ACCORDANCE WITH THEIR FORECASTED CAPITAL EXPENDITURE BUDGET; A WEAKENING OF GLOBAL ECONOMIC AND FINANCIAL CONDITIONS CAUSED BY GLOBAL HEALTH CRISES OR OTHERWISE, CHANGES IN GOVERNMENTAL REGULATIONS AND RELATED COMPLIANCE AND LITIGATION COSTS AND THE OTHER FACTORS LISTED IN THE DEBTORS' SEC FILINGS. THE DEBTORS ARE UNDER NO OBLIGATION TO (AND EXPRESSLY DISCLAIM ANY OBLIGATION TO) UPDATE OR ALTER ANY FORWARD-LOOKING STATEMENTS WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE, UNLESS INSTRUCTED TO DO SO BY THE BANKRUPTCY COURT.

HOLDERS OF ALLOWED GENERAL UNSECURED CLAIMS AGAINST ANY AFFILIATE DEBTORS WILL NOT BE IMPAIRED BY THE PLAN AND, AS A RESULT, THE RIGHT TO RECEIVE PAYMENT IN FULL ON ACCOUNT OF EXISTING OBLIGATIONS IN RESPECT OF SUCH CLAIMS IS NOT ALTERED BY THE PLAN. HOLDERS OF ALLOWED GENERAL UNSECURED CLAIMS AGAINST SUPERIOR ENERGY SERVICES, INC. (THE "PARENT") ARE IMPAIRED BY THE PLAN. DURING THE CHAPTER 11 CASES, THE DEBTORS INTEND TO OPERATE THEIR BUSINESSES IN THE ORDINARY COURSE.

THE PLAN PROVIDES THAT HOLDERS OF IMPAIRED CLAIMS ENTITLED TO VOTE WHO DO NOT SUBMIT A BALLOT VOTING TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO ACCEPT THE PLAN, OR WHO VOTE TO REJECT THE PLAN BUT DO NOT OPT-OUT OF THE RELEASE PROVISIONS OF THE PLAN ARE DEEMED TO HAVE GRANTED THE RELEASES THEREIN.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTORS URGE EACH HOLDER OF A CLAIM AGAINST THE DEBTORS TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURE CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN.

IT IS THE DEBTORS' POSITION THAT THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION OR WAIVER. RATHER, THIS DISCLOSURE STATEMENT SHALL CONSTITUTE A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM IS, OR IS NOT, IDENTIFIED IN THE DISCLOSURE STATEMENT. THE DEBTORS OR THE REORGANIZED DEBTORS MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THE DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

IN REVIEWING THIS DISCLOSURE STATEMENT AND THE PLAN, AND IN DETERMINING WHETHER TO VOTE IN FAVOR OF OR AGAINST, OR TO OBJECT TO CONFIRMATION OF, THE PLAN, CREDITORS, EQUITY INTEREST HOLDERS AND STAKEHOLDERS SHOULD BE AWARE THAT THE PLAN PRESERVES ALL CAUSES OF ACTION (INCLUDING AVOIDANCE ACTIONS) AND THAT THE PLAN AUTHORIZES THE REORGANIZED DEBTORS TO PROSECUTE THE SAME, EXCEPT AS OTHERWISE SET FORTH IN THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EXPECTED EVENTS IN THE DEBTORS' TO-BE-FILED CHAPTER 11 CASES AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY CONFLICT, INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL

GOVERN AND CONTROL FOR ALL PURPOSES. EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED, FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THIS FINANCIAL INFORMATION, THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT HAS NOT BEEN AUDITED (UNLESS EXPRESSLY PROVIDED HEREIN).

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF WHERE FEASIBLE, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THE DISCLOSURE STATEMENT WAS FILED. THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

HOLDERS OF CLAIMS AGAINST THE DEBTORS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTORS AND THEIR OWN ANALYSES OF THE TERMS OF THE PLAN IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. IMPORTANTLY, PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A VOTING CLASS SHOULD REVIEW THE PLAN IN ITS ENTIRETY AND CONSIDER CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT AND ANY EXHIBITS HERETO, INCLUDING THE RISK FACTORS DESCRIBED IN GREATER DETAIL IN SECTION V HEREIN, "PLAN-RELATED RISK FACTORS."

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EXHIBITS

- EXHIBIT A: Plan of Reorganization
- EXHIBIT B: Restructuring Support Agreement
- EXHIBIT C: Liquidation Analysis
- EXHIBIT D: Financial Projections
- EXHIBIT E: Valuation Analysis
- EXHIBIT F: Organizational Structure Chart
- EXHIBIT G: Guarantee Claims

<p>THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS DISCLOSURE STATEMENT BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.</p>

I. **EXECUTIVE SUMMARY**

The Parent, a publicly-traded Delaware corporation, is the ultimate parent of all of the Debtor companies in these Chapter 11 Cases (the “**Debtors**”) and their non-debtor affiliates (together with the Debtors, the “**Company**”). The Debtors submit this Disclosure Statement pursuant to section 1125 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended from time to time, the “**Bankruptcy Code**”) and other applicable law, in connection with the solicitation of votes (the “**Solicitation**”) on the *Joint Prepackaged Plan of Reorganization for Superior Energy Services, Inc. and its Affiliate Debtors Under Chapter 11 of the Bankruptcy Code* dated December 7, 2020 (the “**Plan**”).² Subject to the approval of the Board of Directors of the Parent, the Debtors anticipate filing voluntary petitions for relief under chapter 11 in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”) on or around December 7, 2020 (the “**Chapter 11 Cases**”). A copy of the Plan is attached hereto as Exhibit A.

The Debtors anticipate commencing the Chapter 11 Cases on December 7, 2020 with an expected first day hearing on or around December 8, 2020.

The Debtors are commencing this Solicitation to implement a comprehensive financial restructuring to deleverage the Company’s balance sheet to ensure the long-term viability of the Debtors’ enterprise. As a result of extensive negotiations, as of the date hereof, the Debtors and the Holders of approximately 85% of the Prepetition Notes (the “**Consenting Noteholders**”) are party to that certain Amended and Restated Restructuring Support Agreement dated as of December 4, 2020 (as amended, modified, or supplemented, the “**Restructuring Support Agreement**”) and the original Restructuring Support Agreement, entered into on September 29, 2020, the “**Original Restructuring Support Agreement**”), and a copy of the Restructuring Support Agreement is attached hereto as Exhibit B. Under the terms of the Restructuring Support Agreement, the Consenting Noteholders have agreed, subject to the terms and conditions of the Restructuring Support Agreement, to support a restructuring of the Debtors’ existing capital structure in chapter 11 (the “**Restructuring**”) and vote to accept the Plan.

There are two groups whose votes for acceptance of the Plan are being solicited:

- Holders of Prepetition Notes Claims; and
- Holders of General Unsecured Claims Against the Parent.

The Restructuring as contemplated in the Plan results in a significant deleveraging of the Debtors’ capital structure. The Debtors’ funded debt will be reduced by approximately \$1.30 billion, which will allow the Debtors to focus on long-term growth prospects and their competitive position in the market, which will in turn allow the Debtors to emerge from these Chapter 11 Cases as a stronger company.

² All capitalized terms used but not defined herein shall have the meanings set forth in the Plan. To the extent that a definition of a term in the text of this Disclosure Statement and the definition of such term in the Plan are inconsistent, the definition included in the Plan shall control and govern.

Pursuant to section 1126(b) of the Bankruptcy Code, prior to commencement of a prepackaged chapter 11 case, the Solicitation of votes for acceptance or rejection of a plan must (i) comply with any applicable non-bankruptcy law, rule or regulation governing the adequacy of disclosure in connection with such Solicitation or (ii) if there is no such law, rule or other regulation, must contain adequate information as defined in section 1125(a) of the Bankruptcy Code. Pursuant to section 1125(a) of the Bankruptcy Code, “adequate information” is information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding the plan. To satisfy applicable disclosure requirements, the Debtors are submitting this Disclosure Statement to Holders of Claims who are Impaired and not deemed to have rejected the Plan.

Section 1125(g) of the Bankruptcy Code allows for the Solicitation of votes from holders prior to commencement of a chapter 11 case if such solicitation complies with applicable nonbankruptcy law and if such holder was solicited before the commencement of the case in a manner complying with applicable nonbankruptcy law.

The Solicitation of **Eligible Holders** of Prepetition Notes, meaning Holders of Prepetition Notes who are “accredited investors” (within the meaning of Rule 501(a) under the Securities Act) or “qualified institutional buyers” (within the meaning of Rule 144A of the Securities Act), is being conducted at this time, **prior to the commencement of the Chapter 11 Cases**, to obtain sufficient acceptances to enable the Plan to be confirmed by the Bankruptcy Court pursuant to the provisions of the Bankruptcy Code. The Solicitation of remaining Holders of Prepetition Notes and of Holders of General Unsecured Claims against the Parent will commence **after the commencement of the Chapter 11 Cases**. The Debtors believe that this Solicitation will minimize the disruption of their business that could result from a traditional bankruptcy case, which could be contested and protracted. The Debtors also believe that the Solicitation of such Eligible Holders of Prepetition Notes prior to the commencement of the Chapter 11 Cases will minimize postpetition disputes, and will significantly simplify, shorten, and reduce the administrative costs of the Chapter 11 Cases.

This Executive Summary is being provided as an overview of the material items addressed in the Disclosure Statement and the Plan, which is qualified by reference to the entire Disclosure Statement and by the actual terms of the Plan (and including all exhibits attached hereto and to the Plan), and should not be relied upon for a comprehensive discussion of the Disclosure Statement and/or the Plan. This Disclosure Statement includes, without limitation, information about:

- the Debtors’ operating and financial history;
- background information, including the events leading up to the Restructuring, including the expected commencement of the Chapter 11 Cases;
- the significant events that are expected to occur during the Chapter 11 Cases;
- the Confirmation process and the solicitation and voting procedures that Holders of Claims who are entitled to vote on the Plan must follow for their votes to be counted;
- the terms and provisions of the Plan, including certain effects of confirmation of the Plan, certain risk factors relating to the Debtors or the Reorganized Debtors, the Plan

and the securities to be issued under the Plan and the manner in which distributions will be made under the Plan; and

- the proposed organization, operations and financing of the Reorganized Debtors if the Plan is confirmed and becomes effective.

A. PURPOSE AND EFFECT OF THE PLAN

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

The Debtors are reorganizing pursuant to chapter 11 of the Bankruptcy Code, which is the principal business reorganization chapter of the Bankruptcy Code. As a result, the confirmation of the Plan means that the Reorganized Debtors will continue to operate their businesses going forward and does not mean that the Debtors will be liquidated or forced to go out of business. Additionally, as discussed in greater detail in Section IV.J herein, titled “Binding Nature of the Plan,” a bankruptcy court’s confirmation of a plan binds debtors, any entity acquiring property under the plan, any holder of a claim or equity interest in a debtor and all other entities as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code to the terms and conditions of the confirmed plan, whether or not such entity voted on the particular plan or affirmatively voted to reject the plan.

2. Financial Restructurings Under the Plan

The Plan contemplates certain transactions, including, without limitation, the following transactions (described in greater detail in Section IV herein):

- each Holder of Allowed DIP Super-Priority Claims will receive payment in full in Cash from the proceeds of each Exit Facility, and the DIP Liens will be deemed discharged, released, and terminated for all purposes without further action of or by any Person or Entity, or will be deemed by the Confirmation Order to continue so as to secure the Exit Facility, as the case may be; provided that the DIP Contingent Obligations will survive the Effective Date on an unsecured basis and will be paid by the Reorganized Debtors as and when due, provided further that any Allowed DIP Super-Priority Claims related to letters of credit issued and outstanding as of the Effective Date, or to cash management obligations or hedging obligations in existence on the Effective Date, may be deemed outstanding under the Exit ABL Facility or receive such other treatment as may be acceptable to the Debtors, the DIP Agent and the Required Consenting Noteholders;
- each Holder of an Allowed Prepetition Credit Agreement Claim will have their claims
 - (i) in respect of letters of credit, 105% cash collateralized,
 - (ii) deemed outstanding under the Exit ABL Facility, or
 - (iii) receive such other treatment as may be acceptable to the Debtors, the Prepetition Credit Agreement Agent, the Issuing Lenders if applicable (as defined in the Prepetition Credit Agreement) and the Required Consenting Noteholders;

- each Holder of a Prepetition Notes Claim against the Parent will receive its Pro Rata share (calculated together with the Claims in Class 6) of the \$125,000 Parent GUC Recovery Cash Pool; *provided* that the Holders of the Prepetition Notes Claims against the Parent will waive any distribution from the Parent GUC Recovery Cash Pool;
- each Holder of a General Unsecured Claim against the Parent will receive its Pro Rata share (calculated together with the Claims in Class 5) of the \$125,000 Parent GUC Recovery Cash Pool;
- each Holder of an Allowed Prepetition Notes Claim against any Affiliate Debtor will receive its Pro Rata share of
 - (i) the Cash Payout, or
 - (ii) solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (A) 100% of the New Common Stock Pool, subject to dilution from and after the Effective Date on account of the New MIP Equity, and (B), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights;

HOLDERS OF PREPETITION NOTES CLAIMS ARE ADVISED THAT, IF THE EQUITY RIGHTS OFFERING IS CONSUMMATED, THE DEFAULT TREATMENT FOR HOLDERS OF PREPETITION NOTES CLAIMS THAT ARE NOT PARTY TO THE RESTRUCTURING SUPPORT AGREEMENT UNDER THE PLAN IS A CASH PAYOUT, WHICH IS DEFINED UNDER THE PLAN AS AN AGGREGATE AMOUNT EQUAL TO 2.00% OF THE PRINCIPAL DUE UNDER THE PREPETITION NOTES HELD BY ALL CASH PAYOUT NOTEHOLDERS. IF HOLDERS OF PREPETITION NOTES CLAIMS WISH TO RECEIVE A PRO RATA SHARE OF THE NEW COMMON STOCK INSTEAD OF A CASH RECOVERY, THEY MUST AFFIRMATIVELY OPT OUT OF THE CASH PAYOUT ON THE BALLOT PROVIDED TO THEM. CONSUMMATION OF THE EQUITY RIGHTS OFFERING AND DELIVERY OF ANY CASH PAYOUT IS CONTINGENT UPON THE CONSENT OF THE REQUIRED CONSENTING NOTEHOLDERS. IN THE EVENT THE EQUITY RIGHTS OFFERING IS NOT CONSUMMATED, THEN NO CASH PAYOUT WILL BE MADE TO ANY CASH PAYOUT NOTEHOLDER AND SUCH HOLDER WILL RECEIVE THE TREATMENT SUCH HOLDER WOULD RECEIVE IF SUCH HOLDER WERE A CASH OPT-OUT NOTEHOLDER.

- the legal, equitable, and contractual rights of the Holders of General Unsecured Claims against any Affiliate Debtors are unaltered by the Plan;
- the Intercompany Claims will be adjusted, reinstated, compromised, or cancelled in such manner as is acceptable to the Required Consenting Noteholders, in consultation with the Debtors;

- the Old Parent Interests will be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Equity Interests;
- the Intercompany Equity Interests will remain effective and outstanding on the Effective Date and will be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date;
- the 510(b) Equity Claims will be discharged and terminated on the Effective Date without any distribution or retaining any property on account of such Claims; and
- the legal, equitable, and contractual rights of the Holders of Allowed Other Priority Claims, Allowed Other Secured Claims, and Allowed Secured Tax Claims will be unaltered by the Plan.

3. Effect of the Plan on Debtors' Capital Structure

The expected effect of the Restructuring on the Debtors' capital structure is summarized as follows:

Pre-Petition Capital Structure		Reorganized Capital Structure	
Prepetition Credit Agreement	\$0 ³	Exit Facility (undrawn on Effective Date)	Up to \$120,000,000
Prepetition Notes	\$1,335,800,000		
Total Funded Debt	\$1,335,800,000	Total Funded Debt	Up to \$120,000,000

B. CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS UNDER THE PLAN

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

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS, REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN AND THE RISK FACTORS DESCRIBED IN ARTICLE V BELOW. THE TABLE IS INTENDED FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR A REVIEW OF THE PLAN AND DISCLOSURE STATEMENT IN THEIR ENTIRETY. FOR CERTAIN CLASSES OF CLAIMS, THE ACTUAL AMOUNT OF ALLOWED CLAIMS COULD BE

³ While there are no outstanding loans under the Prepetition Credit Agreement, the Debtors have approximately \$47,357,274.86 in letters of credit outstanding under the Prepetition Credit Agreement.

MATERIALLY DIFFERENT THAN THE ESTIMATED AMOUNTS SHOWN IN THE TABLE BELOW.

SUMMARY OF EXPECTED RECOVERIES

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Recovery Under the Plan
1	Other Priority Claims Expected Amount: \$0	Each Holder of an Allowed Class 1 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors, as applicable: <ul style="list-style-type: none"> • Cash equal to the amount of such Allowed Class 1 Claim; • Such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 1 Claim will have agreed upon in writing; or • Such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; <i>provided, however</i>, that Class 1 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court. 	100%
2	Other Secured Claims Expected Amount: \$0	Each Holder of an Allowed Class 2 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors, as applicable: <ul style="list-style-type: none"> • Cash equal to the amount of such Allowed Class 2 Claim; • Such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 2 Claim will have agreed upon in writing; • The Collateral securing such Allowed Class 2 Claim; <u>or</u> • Such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; <i>provided, however</i>, that Class 2 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court. 	100%
3	Secured Tax Claims	Each Holder of an Allowed Class 3 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors, as applicable:	100%

SUMMARY OF EXPECTED RECOVERIES

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Recovery Under the Plan
	Expected Amount: \$0	<ul style="list-style-type: none"> • Cash equal to the amount of such Allowed Class 3 Claim; • Such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 3 Claim will have agreed upon in writing; • The Collateral securing such Allowed Class 3 Claim; • Such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; <u>or</u> • Pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; <i>provided, however</i>, that Class 3 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (D) or (E) above will be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Class 3 Claim. 	
4	Prepetition Credit Agreement Claims Expected Amount: \$47,357,274.86	The Allowed Prepetition Credit Agreement Claims, other than Prepetition Credit Agreement Claims related to any outstanding letters of credit will, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims, be indefeasibly paid in full in Cash. To the extent any Prepetition Credit Agreement Claims related to letters of credit issued and outstanding, cash management obligations, or hedging obligations, in each case, as of the Effective Date under the Prepetition Credit Agreement, have not been deemed outstanding under the DIP Facility pursuant to the DIP Orders, such Claims will in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims either be (i) in the case of Claims in respect of letters of credit, 105% cash collateralized, (ii) be deemed outstanding under the Exit ABL Facility, or (iii) receive such other treatment as may be acceptable to the Debtors, the Prepetition Credit Agreement Agent, the Issuing Lenders if applicable (as defined	100%

SUMMARY OF EXPECTED RECOVERIES

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Recovery Under the Plan
		in the Prepetition Credit Agreement) and the Required Consenting Noteholders.	
5	Prepetition Notes Claims Against Parent Expected Amount: \$1,300,000,000	The Prepetition Notes Claims are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon. On, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed Prepetition Notes Claim against Parent will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 6) of the Parent GUC Recovery Cash Pool; <i>provided</i> that the Holders of the Prepetition Notes Claims against the Parent will waive any distribution from the Parent GUC Recovery Cash Pool.	63.0%-76.0% ⁴
6	General Unsecured Claims Against Parent Expected Amount: Contingent and Undetermined	Subject to <u>Article VIII</u> of the Plan, on, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed General Unsecured Claim against Parent will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 5) of the Parent GUC Recovery Cash Pool.	Undetermined but > 0%

⁴ This recovery under the Plan applies collectively to Holders of Claims in both Class 5 and Class 7; it does not represent the recovery for Holders of Claims in Class 5 alone.

SUMMARY OF EXPECTED RECOVERIES

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Recovery Under the Plan
7	<p>Prepetition Notes Claims Against Affiliate Debtors</p> <p>Expected Amount: \$1,300,000,000</p>	<p>The Prepetition Notes Claims against any Affiliate Debtor are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon. On the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Prepetition Notes Claim against any Affiliate Debtor will receive, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share of:</p> <ul style="list-style-type: none"> • (i) the Cash Payout, or • (ii) solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (A) 100% of the New Common Stock Pool, subject to dilution from and after the Effective Date on account of the New MIP Equity, and (B), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights. 	63.0%-76.0%

IF THE EQUITY RIGHTS OFFERING IS CONSUMMATED, THE DEFAULT TREATMENT FOR HOLDERS OF PREPETITION NOTES CLAIMS THAT ARE NOT PARTY TO THE RESTRUCTURING SUPPORT AGREEMENT UNDER THE PLAN IS A CASH PAYOUT, WHICH IS DEFINED UNDER THE PLAN AS AN AGGREGATE AMOUNT EQUAL TO 2.00% OF THE PRINCIPAL DUE UNDER THE PREPETITION NOTES HELD BY ALL CASH PAYOUT NOTEHOLDERS. IF HOLDERS OF PREPETITION NOTES CLAIMS WISH TO RECEIVE A PRO RATA SHARE OF THE NEW COMMON STOCK INSTEAD OF A CASH RECOVERY, THEY MUST AFFIRMATIVELY OPT OUT OF THE CASH PAYOUT ON THE BALLOT PROVIDED TO THEM.

In order to opt-out of the Cash Payout with respect to all or any portion of its Allowed Prepetition Notes Claim, such applicable Prepetition Noteholder will be required to tender the underlying Prepetition Notes into a contra-CUSIP pursuant to DTC's ATOP procedures at the time such Holder submits its Ballot, and Prepetition Notes that are tendered into the contra-CUSIP will no longer be transferable.

Notwithstanding anything to the contrary in the Plan, the Cash Payout is contingent upon the consummation of the Equity Rights Offering, and in the event that the Equity Rights Offering is not consummated, no Cash Payout will be distributed to any Holder of an Allowed Prepetition Notes Claim and each Holder of Allowed Prepetition Notes Claims will receive the distribution set forth in subsection (ii) above, regardless of whether such Holder timely and validly elected to be a Cash Opt-Out Noteholder.

SUMMARY OF EXPECTED RECOVERIES

Class	Claim/Equity Interest	Treatment of Claim/Equity Interest	Projected Recovery Under the Plan
8	General Unsecured Claims Against Affiliate Debtors Expected Amount: \$48,345,700 ⁵	The legal, equitable, and contractual rights of the holders of General Unsecured Claims against any Affiliate Debtor are unaltered by the Plan. Except to the extent that a holder of a General Unsecured Claim against any Affiliate Debtor agrees to a different treatment, on and after the Effective Date, the Debtors will continue to pay (if Allowed) or dispute each General Unsecured Claim against any Affiliate Debtor in the ordinary course of business in accordance with applicable law.	100%
9	Intercompany Claims	Subject to the Restructuring Transactions, the Intercompany Claims will be adjusted, reinstated, compromised, or cancelled to the extent determined appropriate by the Debtors, with the consent of their such manner as is acceptable to the Required Consenting Noteholders, in consultation with the Debtors.	N/A
10	Old Parent Interests	The Old Parent Interests will be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Equity Interests.	0%
11	Intercompany Equity Interests	Subject to the Restructuring Transactions, the Intercompany Equity Interests will remain effective and outstanding on the Effective Date and will be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date.	N/A
12	510(b) Equity Claims	The 510(b) Equity Claims will be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Claims.	N/A

⁵ These amounts will be paid both under the relief the Debtors will request of the Bankruptcy Court, as described in Section III herein, and in the ordinary course of business.

II. BACKGROUND TO THE CHAPTER 11 CASES

A. THE DEBTORS' CORPORATE HISTORY AND STRUCTURE

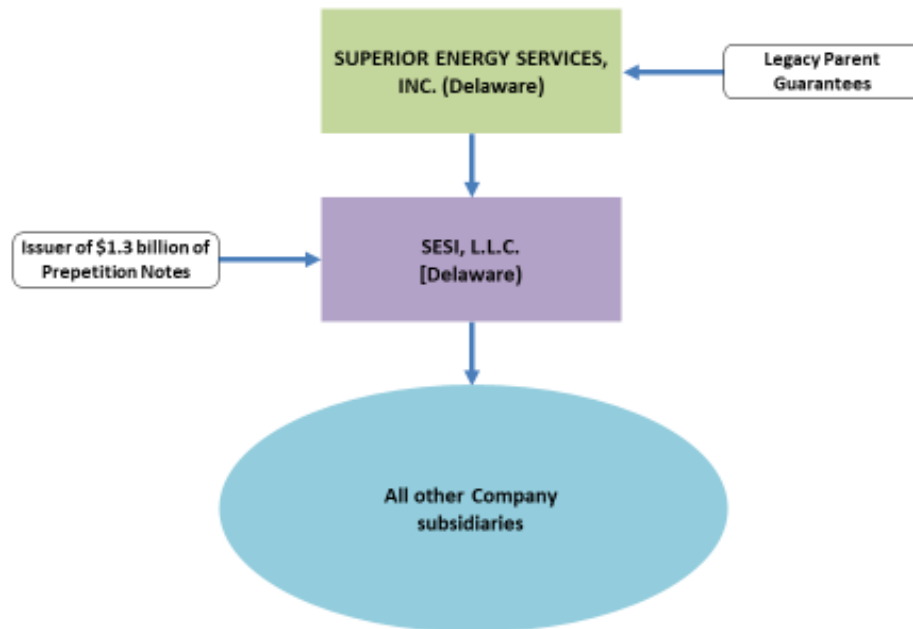
The Parent was originally formed as a Delaware corporation on April 26, 1991 and its common shares were listed and publicly traded on the New York Stock Exchange (the “NYSE”) under the ticker symbol “SPN.” Debtor SESI, L.L.C. (“SESI”) is the issuer of all of the Company’s funded indebtedness. As described more fully below, the Parent was recently delisted from the NYSE and subsequently commenced trading on the OTCQX Market under the symbol “SPNX.”

The Debtors and their indirect subsidiaries are oilfield services providers serving the drilling, completion, and production-related needs of oil and gas companies through a diversified portfolio of specialized oilfield services and equipment that are used throughout the economic life cycle of oil and gas wells. In particular, the Debtors manufacture, rent, and sell specialized equipment and tools for use with well drilling, completion, production, and workover activities, and offer fluid handling and well servicing rigs. The Debtors also provide coiled tubing services, electric line, slickline, and pressure control tools and services, as well as snubbing and hydraulic workover services.

The Debtors and their indirect subsidiaries’ geographical reach is worldwide, and in 2019, the Debtors and their non-Debtor affiliates conducted business in more than fifty countries, including throughout Africa, Asia-Pacific, Europe, the Middle East, Latin America, and North America. The Debtors’ headquarters are located in Houston, Texas, with offices across Texas, Louisiana, and Oklahoma. In addition, the Debtors’ foreign non-debtor affiliates have regional offices in Argentina, Malaysia, the United Kingdom, and the United Arab Emirates.

The Parent has approximately seventy-five (75) direct and indirect subsidiaries as of the date hereof. Of those entities, however, only the seventeen (17) entities that are liable on the Debtors’ funded indebtedness (which is described in further detail below) are Debtors in these Chapter 11 Cases. A copy of the Debtors’ organizational chart is attached hereto as Exhibit F.

The Parent does not own any material assets other than its equity interests in its direct subsidiary, SESI. As described below, SESI is the issuer of, and primarily liable for, the entire amount of the Prepetition Notes Claims that exceed \$1.30 billion. As shown in the Valuation Analysis attached hereto as Exhibit E, the estimated enterprise value of the Reorganized Debtors is between \$710 million and \$880 million. Therefore, SESI is worth substantially less than the face amount of the Prepetition Notes Claims and, in turn, the Parent has no residual value for its creditors or equityholders other than pursuant to a \$125,000 distribution provided for under the Plan. This structure is reflected in the chart below.



B. OVERVIEW OF THE DEBTORS' BUSINESSES

The Debtors offer a wide variety of specialized oilfield services and equipment generally categorized by their typical use during the economic life of a well.

1. The Company's Business Segments

The Debtors' business primarily consists of the following offerings, as described further below: (a) drilling products and services, which includes rentals; (b) onshore completion and workover services, which includes service rigs and fluid management; (c) production services, which includes coiled tubing and wireline; and (d) technical solutions.

(a) Drilling Products and Services

The Company's drilling products and services segment manufactures, rents, and sells specialized equipment for well drilling, completion, production, and workover activities. These products include onshore and offshore accommodation units and accessories, as well as downhole drilling tools, such as tubulars, consisting primarily of drill pipe strings, landing strings, completion tubulars and associated accessories, and bottom hole tools including stabilizers, non-magnetic drill collars, and hole openers. In the three months ending on September 30, 2020, revenue for this segment decreased by approximately 50% compared to the same period in 2019, from \$111.2 million to \$56.0 million, primarily because of a decrease in demand for premium drill pipe and further negative impacts of otherwise challenging industry conditions.

(b) Onshore Completion and Workover Services

The Company's onshore completion and workover services segment includes fluid handling and well servicing. Fluid handling includes services used to obtain, move, store, and dispose of fluids involved in the exploration, development, and production of oil and gas, including mobile piping systems, specialized trucks, fracturing tanks, and other assets used to transport, heat, pump, and dispose of fluids. Workover services include a variety of well completion, workover and maintenance services, including installations, completions, sidetracking of wells, and support for perforating operations. In the three months ending on September 30, 2020, revenue for this segment decreased by approximately 72% compared to the same period in 2019, from \$76.0 million to \$21.6 million. This decline in revenue is primarily due to a significant decrease in the North American rig count in the third quarter of 2020 relative to the third quarter of 2019, which primarily resulted from the Saudi-Russian oil price war and the COVID-19 pandemic.

(c) Production Services

The Company's production services segment includes well intervention services and the provision of pressure control tools. Well intervention services include services to enhance, maintain, and extend oil and gas production during the life of the well through coiled tubing, cased hole, mechanical wireline, hydraulic workover, snubbing, and pressure control services, as well as production testing and optimization. Pressure control tools include the provision of blowout preventers, choke manifolds, fracturing blowback trees, and downhole valves. In the three months ending on September 30, 2020, revenue for this segment decreased by 43% compared to the same period in 2019, from \$98.8 million to \$56.4 million, primarily due to a decrease in coiled tubing and pressure control activities during the third quarter of 2020 that, once again, stemmed from the negative impacts of the Saudi-Russian oil price war and the COVID-19 pandemic.

(d) Technical Solutions

The Company's technical solutions segment includes products and services which address customer-specific needs for specialized engineering, manufacturing, or project planning, as well as completion tools and products. These operations are generally in offshore environments during the completion, production, and decommissioning phase of an oil and gas well. The products and services in this segment primarily include completion tools and services, and well control services. The completion tools and services include products and services used during the completion phase of an offshore well to control sand and maximize oil and gas production, including sand control systems, well screens and filters, and surface-controlled subsurface safety valves. The Debtors' well control services resolve well control and pressure control problems through firefighting, engineering, and well control training.⁶ In the three months ending on September 30, 2020, revenue for this segment decreased by 53% compared to the same period in 2019, from \$70.6 million to \$33.0 million, primarily due to a decrease in demand for completion tools and products. These downturns were once again due primarily to the negative impacts of the Saudi-Russian oil price war and the COVID-19 pandemic.

⁶ The Technical Solutions segment also includes revenues from oil and gas production related to the Debtors' 51% ownership interest in their sole federal offshore oil and gas property (which the Debtors refer to in their 2019 Form 10-K as the "oil and gas property") and related assets.

2. Superior's Customers

The Company's customers are major and independent oil and gas exploration and production companies active in the geographic areas in which the Debtors operate. No customers exceeded 10% of the Debtors' total revenues through September 2020, or in 2019, 2018 or 2017. Similar to the Debtors, their customers in the oil and gas sector were also impacted by the global pandemic and Saudi-Russian oil price war. Many of the Debtors' customers have initiated cost saving measures of their own and have otherwise delayed projects as a result of the current economic environment.

3. Superior's Competitors

The Debtors provide products and services worldwide in highly competitive markets, with competitors comprised of both small and large companies. The Debtors believe the principal competitive factors are price, performance, product and service quality, safety, response time and breadth of products and services available. The Debtors are consistently bidding for contracts traditionally awarded on the basis of competitive bids or are engaged in direct negotiations with their customers.

4. Superior's Employees

As of the Petition Date, the Debtors employed approximately 1,978 employees (consisting of approximately 589 salaried and 1,389 hourly). Approximately 12% of the Company's employees are subject to union contracts, all of whom are located in international locations. Accordingly, none of the Debtors' domestic employees are subject to a collective bargaining agreement or similar labor agreement. The Debtors also employ certain independent contractors. The number of independent contractors utilized by the Debtors at any given time fluctuates based on whether the Debtors are in a peak business season and the Debtors' specific needs at any given time. The Debtors currently employ 20 independent contractors.

5. Incentive and Retention Bonus Programs

The Debtors have historically maintained incentive-based bonus programs primarily consisting of an annual cash bonus program and a long-term equity and cash incentive program (collectively, the "**Incentive and Retention Bonus Programs**"). Earlier in 2020, the Debtors, with the assistance of their compensation advisors, reviewed their Incentive and Retention Bonus Programs to determine whether they fulfilled the purposes of retaining and incentivizing key employees given the decline in the price of Parent's stock. The Company determined that these programs did not adequately fulfill these purposes and made the decision to establish a new program which would more efficiently achieve the Company's goals, replacing the annual cash bonus program and the long-term equity and cash incentive program.

That new program, the Key Employee Retention Plan (the "**KERP**") provides a means of rewarding both executive and non-executive key employees in an amount approximately equal to each key employee's target annual incentive program opportunity. The KERP covers six executives and 80 key non-executive employees. In order to be compensated under the KERP, eligible employees were required to waive their right to any 2020 annual incentive bonus and any outstanding unvested long-term equity and cash incentives, with the exception of 2018 and 2019 cash-based performance units. The KERP was implemented in two stages, the first being adopted

in September of 2020, with SESI making payments under the KERP to eligible participants and providing that such payments, net of taxes, would be clawed back if a KERP participant voluntarily terminated without “good reason” or was terminated for “cause” within one year following the payment date. The second stage of the KERP, which was adopted in October of 2020, provided that participants would receive three equal payments on October 19, 2020, January 18, 2021 and April 19, 2021, in each case subject to the applicable participant’s continued employment through such payment dates. The estimated total cost of the KERP (including both stages described above) is approximately \$11.9 million.

6. Deferred Compensation Plans

The Debtors also offer deferred compensation plans to certain employees, including the supplemental executive retirement plan (“SERP”), the non-qualified deferred compensation plan (“NQDC Plan”), and the non-qualified deferred compensation plan for Directors (“Director NQDC Plan” and, together with the SERP and NQDC Plan, the “Deferred Compensation Plans”). In total, approximately 28 current employees and approximately 12 retired employees participate in the Deferred Compensation Plans, including six current Directors. Although Debtors have unfunded liabilities of up to approximately \$15.70 million on account of the Deferred Compensation Plans, the Debtors do not currently owe any outstanding amounts under the Deferred Compensation Plans.

7. Revenue

In 2019, the Company’s revenue totaled approximately \$1.425 billion, but the Company ended the year with a net loss of \$255.7 million. The Company’s 2019 revenue represented a 4% decrease from their 2018 revenue of \$1.479 billion. The decrease in revenue was largely attributable to a decrease in the Debtors’ U.S. onshore portfolio,⁷ which decreased by 14% during 2019. In North America, the negative pricing pressures and lower utilization that began during the fourth quarter of 2018 continued to impact the demand for the Debtors’ completion services during 2019. The decrease in revenue generated in the U.S. land market area was primarily due to decreased revenues from the Debtors’ coiled tubing services, fluid management and well servicing rigs. The decrease in revenue is also attributable to the disposition of the Debtors’ land drilling rigs service line during the second quarter of 2019.

Revenue breakdown by geographical area for the three months ended December 31, 2019 was as follows: U.S. Land (41%), U.S. Offshore (28%), and International (31%). Revenue breakdown by business segment was as follows: Drilling Products and Services (29%), Onshore Completion and Workover Services (20%), Production Services (30%), and Technical Solutions (21%).

8. Directors and Executive Officers

The directors and executive officers of the Parent consist of the following individuals:

⁷ The Debtors attribute their revenue to major geographic regions based on the location where their services are performed or the destination of the rental or sale of their products. The Debtors categorize their geographic regions for revenue purposes as follows: (i) U.S. land market area, (ii) Gulf of Mexico land area, and (iii) International land area.

Name	Position
David D. Dunlap	President, Chief Executive Officer and Director
Westervelt T. Ballard	Executive Vice President, Chief Financial Officer and Treasurer
A. Patrick Bernard	Executive Vice President
Brian Moore	Executive Vice President
William B. Masters	Executive Vice President and General Counsel
James W. Spexarth	Chief Accounting Officer
Terence E. Hall	Chairman of the Board of Directors
Peter D. Kinnear	Director
Janiece M. Longoria	Director
Michael M. McShane	Director
James M. Funk	Director
W. Matt Ralls	Director

C. PREPETITION INDEBTEDNESS

As set forth below, as of the date of this Disclosure Statement, the Debtors have outstanding funded debt obligations consisting of approximately \$1.30 billion.

1. Prepetition Credit Agreement

Certain of the Debtors are party to a Fifth Amended and Restated Credit Agreement, dated as of October 20, 2017 (as the same may be amended, restated, amended and restated, waived, modified and/or supplemented from time to time, the “**Prepetition Credit Agreement**”), by and among SESI, as borrower, Parent, as parent guarantor, the other guarantors party thereto, JPMorgan Chase Bank, N.A., as administrative agent and issuing lender, the other issuing lenders party thereto from time to time and the lenders party thereto from time to time (the “**Prepetition Credit Agreement Lenders**”), providing for a \$300 million asset-based revolving loan facility, including an aggregate \$150 million commitment for the issuance of letters of credit. Availability of funds under the Prepetition Credit Agreement is subject to a borrowing base, which, as of November 30, 2020 was \$96.0 million.⁸ Availability under the Prepetition Credit Agreement is (a) the lesser of (i) the commitments, (ii) the borrowing base and (iii) the highest principal amount permitted to be secured under the 2021 Indenture (as defined herein) without triggering the equal and ratable provisions thereof, minus (b) the outstanding amount of loans and letters of credit under the Prepetition Credit Agreement. The Debtors’ obligations under the Prepetition Credit Agreement are secured by security interests in, and liens upon, substantially all of their assets other than real property, and Parent, along with a number of its domestic subsidiaries, all of which are Debtors in these Chapter 11 Cases, have guaranteed the obligations under the Prepetition Credit Agreement. As of the Petition Date, there were no outstanding loans under the Prepetition Credit

⁸ The borrowing base was submitted to the Prepetition Credit Agreement Lenders on November 30, 2020 based on relevant data for the period 9/30/2020 through 10/31/2020.

Agreement, but the Debtors had approximately \$47.4 million in outstanding letters of credit issued under the Prepetition Credit Agreement.

The Prepetition Credit Agreement provides for interest on loans at a rate equal to, at SESI's election, either (a) a base rate plus an applicable margin ranging between 0.75% per annum and 1.50% per annum, or (b) a eurodollar rate plus an applicable margin ranging between 1.75% per annum and 2.50% per annum, in each case based upon the Debtors' leverage ratio. The Prepetition Credit Agreement provides for (a) a fronting fee in respect of letters of credit of no less than 0.125% and (b) a letter of credit fee rate ranging between 1.75% to 2.50% based upon the Debtors' leverage ratio.

2. Prepetition Notes

SESI is the issuer of two tranches of senior unsecured notes. First, SESI issued \$800 million in aggregate principal amount of 7.125% senior unsecured notes due 2021 (the "**2021 Notes**") pursuant to that certain Indenture, dated as of December 6, 2011, by and among SESI, each of the guarantors party thereto, and The Bank of New York Mellon Trust Company, N.A. as trustee (as amended, modified, or supplemented to date, the "**2021 Indenture**"). Second, SESI issued \$500 million in aggregate principal amount of 7.750% senior unsecured notes due 2024 (the "**2024 Notes**", and together with the 2021 Notes, the "**Prepetition Notes**") pursuant to that certain Indenture, dated as of August 17, 2017 (as amended, modified, or supplemented to date, the "**2024 Indenture**" and together with the 2021 Indenture, the "**Prepetition Notes Indentures**") by and among SESI, each of the guarantors party thereto, and The Bank of New York Mellon Trust Company, N.A. as trustee.

The Parent and certain of SESI's domestic subsidiaries, all of which are Debtors in these Chapter 11 Cases, have guaranteed SESI's obligations under the Prepetition Notes Indentures. As of the Petition Date, the Debtors remain obligated under the Prepetition Notes Indentures for an outstanding principal amount of \$1.30 billion in the aggregate, plus accrued but unpaid interest, fees, costs, and expenses.

3. Decommissioning Liabilities

The Company's decommissioning liabilities associated with its oil and gas property and related assets include liabilities related to the plugging of wells, removal of the related platform and equipment, and site restoration. The Company reviews the adequacy of its planning for decommissioning liabilities whenever indicators suggest that the estimated cash flows and/or related timing needed to satisfy the liability have changed materially. The Company had decommissioning liabilities of \$141.6 million as of October 31, 2020.

4. Legacy Parent Guarantees

The Parent is a party to certain performance guarantees related to a legacy business that owned oil and gas interests and was sold in 2008. Specifically, the Parent sold ownership interests in one of its subsidiaries, SPN Resources LLC ("**SPN Resources**"), to Dynamic Offshore Resources, LLC ("**Dynamic**") pursuant to a purchase agreement between certain Debtors and Dynamic dated as of February 25, 2008. Through a number of M&A transactions over the years,

Fieldwood Energy LLC and certain of its affiliates⁹ (“**Fieldwood**”) became Dynamic’s ultimate successor in ownership of the interests acquired from the Parent. Consequently, Fieldwood and its direct and indirect subsidiaries are now party to a number of leases and Fieldwood is also the designated operator for all properties titled in the name of its subsidiaries where Fieldwood and its subsidiaries have the power to designate the operator. The Parent serves as guarantor of the obligations of SPN Resources to certain predecessors in title to oil and gas interests under certain guarantees, set forth on Exhibit G, attached hereto (such guarantees, the “**Legacy Parent Guarantees**” and such claims, the “**Legacy Parent Guarantee Claims**”). The Legacy Parent Guarantees may expose the Parent to contingent liabilities to the extent that asset retirement obligations are matured for any leases supported by the Legacy Parent Guarantees and the predecessors in title who are the beneficiaries of the Legacy Parent Guarantees become liable for such obligations. As of the Petition Date, the Parent does not have outstanding obligations on account of the Legacy Parent Guarantees.

5. Trade Debt and Related Obligations

The Debtors incur trade debt with certain vendors in connection with the ordinary course operation of their businesses. The Debtors believe that, as of the Petition Date, they have trade debt and other related obligations in the aggregate amount of approximately \$27.5 million.

D. EVENTS LEADING TO THE CHAPTER 11 FILING

1. Current State of the Oil & Gas Industry and Impact on Debtors.

The Debtors’ operations have been and likely will continue to be affected by the volatility of oil and natural gas prices. The oil and gas industry has been in one of the longest, steepest, and most sustained declines in oil and gas prices in recent history. Oil and natural gas prices are dependent on factors beyond the Company’s control, including the supply of and demand for oil, weather conditions, and political conditions, among others. As a result of the sustained market downturn, oil and gas companies around the world have dramatically curtailed capital and operating expenditures dedicated to oil and gas exploration, development and production, which in turn has contributed to the financial distress of numerous oilfield services companies. In fact, dozens of oilfield services companies, whose business is dependent on spending by oil and gas companies, have filed for bankruptcy in the last several years.

2. The Debtors’ Attempted Prepetition Strategic Divestitures.

In the wake of the 2015-2016 oil and gas industry correction and the protracted downturn, the Debtors worked tirelessly to rationalize its operational footprint and cost structure. In addition, they explored options to maximize value through a strategic transaction of its hydraulic fracturing operation, which is a business focused on using high-powered pumps to force sand, water, and chemicals underground to release trapped oil and gas.

⁹ On August 3, 2020, Fieldwood, together with certain of its affiliates, filed a chapter 11 case in the United States Bankruptcy Court for the Southern District of Texas titled *In re Fieldwood Energy LLC*, et al., Case No. 20-33948 (MI) (Bankr. S.D. Tex. 2020) (the “**Fieldwood Cases**”).

In 2017-2018, the Debtors determined that their strategy of a mid-cap, globally diversified energy service company would systemically be out of favor with stakeholders, and determined that more narrowly focused energy service companies would be more attractive to the investment community. After engaging Lazard Frères & Co. L.L.C., the Debtors determined the separation of their U.S. onshore well service and fluids business units from their globally oriented business units would create significant value for stakeholders.

The well services business provides essential completion and production services. The well services business also provides pre- and post- fracturing support activities generally related to fluids utilized or generated during the completion and production phase. While not actively considered for divestiture, prior to 2017, the Debtors received several unsolicited inquiries from strategic buyers to discuss a potential transaction for their fluids business. The Debtors engaged a financial advisor in 2017 to run a formal, targeted bid solicitation process. However, upon the announced merger between two competing industry participants in 2017, the Debtors suspended the solicitation process.

In 2019, with continued oil price volatility, the Debtors recognized that in addition to the need for separating the company, they also realized that it was unlikely that cash flow alone would be sufficient in providing enough resources to adequately retire its 7.125% senior unsecured notes due 2021. To address these items, the Debtors focused their attention on the divestiture of non-core assets and sold their artificial lift and subsea well control system businesses for a combined approximate \$34.6 million (realized in 2020).

Additionally, the Debtors categorized their U.S. onshore business units into four distinct divisions. While each division is predominately attached to U.S. onshore operations, they are distinct business units with little to no synergies among them. The four distinct divisions of the U.S. onshore business were: (a) hydraulic fracturing; (b) contract drilling; (c) accommodations rentals; and (d) well services.

The Debtors re-engaged with numerous hydraulic fracturing service providers regarding a potential sale of the business line. Sale discussions did not proceed beyond initial stages and the Debtors ultimately decided to discontinue operations of the hydraulic fracturing business in December 2019.

The contract drilling business operated drilling rigs for the benefit of customers, and was fully supported by experienced superintendents, tool pushers, mechanics, and electricians. In 2018, the Debtors began a focused sale process and in June 2019, the Debtors agreed to divest their contract drilling business, resulting in approximately \$74 million in cash proceeds at closing.

The accommodations rentals business is a niche onsite accommodations rental operation primarily servicing U.S. land operators. While the Debtors' accommodation rentals business has historically been a positive free cash flow generator, given their unique niche rental offering and limited geographical expansion opportunities, the Debtors hired a financial advisor and began a sale solicitation process for the business in 2017. After a fulsome bidding process, the Debtors did not receive any actionable bids and the business was ultimately not sold.

Through 2019, the Debtors initiated contact with numerous U.S. onshore well service management teams and boards of directors in order to better understand competitor strategies and

market leadership capabilities. In December 2019, after consulting with advisors and examining a number of strategic options, the Debtors decided to divest their accommodation rentals and well services businesses, including their U.S. service rig, coiled tubing, wireline, pressure control, flowback, fluid management, and accommodations service lines (collectively, the “**NAM Business**”). The Debtors intended to combine their NAM Business entities with another independent oilfield services contractor, Forbes Energy Services Ltd. (“**Forbes**”), to create a new consolidated platform for U.S. completion, production, and water solutions (the “**NAM Combination**”).

On December 18, 2019, the Parent and Forbes entered into a definitive merger agreement (the “**NAM Merger Agreement**”) in connection with the NAM Combination. The NAM Merger Agreement contemplated a separation of the NAM Business entities from the Company, a combination of the NAM Business entities and Forbes, and a corresponding uptier bond exchange, resulting in a deleveraging of the Debtors following the NAM Combination. However, as described further below, deteriorating market conditions, amplified by the significant reduction in crude oil prices caused primarily by the COVID-19 pandemic and the Saudi-Russian oil price war, resulted in a significant decline in the demand for services provided by the Debtors, including the NAM Business entities, and Forbes. Consequently, while the Debtors believed their businesses should be separated into two distinct companies, it became impractical to complete the NAM Combination with Forbes, and the NAM Merger Agreement was terminated on June 1, 2020 in accordance with its terms.

3. The Impact of the COVID-19 Pandemic on the Debtors’ Industry

The Company’s revenues and earnings can be affected by several factors, including changes in competition, fluctuations in drilling and completion activity, perceptions of future prices of oil and gas, government regulation, disruptions caused by weather, and general economic conditions. However, the first three quarters of 2020 were characterized by unforeseeable shocks to the global economy generally, and the energy sector in particular. Specifically, the Saudi-Russian oil price war, combined with the COVID-19 pandemic, led to a decrease in the price of oil which was exacerbated by the decreased demand for oil. These unanticipated events have had a devastating near-term impact on the Debtors’ operations and its various business lines, and has negatively impacted the Debtors’ customers, vendors, and suppliers in all geographic areas where the Debtors operate. In fact, the U.S. oil and gas rig count fell by approximately 25% during the first quarter of 2020 and, as a further result of the COVID-19 pandemic and the Saudi-Russian oil price war, plunged by more than 60% in the second quarter of 2020. Further, according to the Baker Hughes’ weekly worldwide and international rig count data for 2020, the number of oil and gas rigs outside of the U.S. and Canada fell by more than 20% in the second quarter of 2020, each resulting in a decrease in demand for the Debtors’ products and services.

As a result, the Company’s revenue in the second quarter of 2020 decreased by 43% to \$183.9 million, as compared to \$321.5 million in the first quarter of 2020. As the Debtors’ customers continue to revise their capital budgets in order to adjust spending levels in response to lower commodity prices, the Debtors continue to experience significant pricing pressure for their products and services. The Company’s revenue further decreased by approximately 9% to \$166.9 million in the third quarter of 2020.

4. Prepetition Efforts to Combat Market Downturn

The COVID-19 pandemic and the Saudi-Russian oil price war led to a decline in the price of oil and gas which severely impacted the Debtors' cash flow, borrowing capacity and ability to service their outstanding indebtedness. In response, the Debtors implemented a number of cost-saving contingencies to protect their business from further deterioration.

(a) Cost Reduction Initiatives

Before commencing these Chapter 11 Cases, the Debtors took a number of steps to improve their position in the market, and more recently, their capital structure and liquidity needs, without resorting to a comprehensive in-court restructuring, including cutting costs, reducing capital expenditures and managing liquidity.

Specifically, in the months leading up to these Chapter 11 Cases, the Debtors implemented a number of cost reduction activities to "right size" operations to the current business environment. In the second quarter of 2020, the Debtors implemented actions to reduce their payroll costs through a combination of salary reductions, reductions in force and furloughs. The Debtors also limited their expected capital expenditures to no more than \$50 million for the full fiscal year 2020. Additionally, the Debtors have realized cost savings through leveraging governmental relief efforts to defer payroll and other tax payments, resulting in higher future cash flows for 2020, including a tax refund of \$30.5 million received in July 2020.

(b) Prepetition Credit Agreement Amendment

On August 5, 2020, the Debtors amended the Prepetition Credit Agreement to permit the use of up to the lesser of (a) \$100 million and (b) 105% of the face value of certain third-party letters of credit, surety, judgment, appeal, or performance bonds, and similar obligations of the Debtors, to cash collateralize such obligations. The Debtors were required to reduce the amount of letters of credit issued pursuant to the Prepetition Credit Agreement to bring availability thereunder to at least \$37.5 million, and to deposit \$25 million in an account under their lenders' control to further secure their obligations under the Prepetition Credit Agreement. The Debtors were also prohibited from requesting any loans under the Prepetition Credit Agreement and the Debtors' flexibility was restricted under certain of the investment, indebtedness, junior debt repayment, and restricted payment covenants thereunder. Although these actions on the surface may have appeared to have a negligible effect on liquidity, as a result of these actions, the Debtors were able to avoid breaching certain covenants under the Prepetition Credit Agreement that would have required the Debtors to enter cash dominion and to supply weekly borrowing base reports.

(c) The New York Stock Exchange Delisting Notice and Transition to OTCQX Market

On March 30, 2020, the NYSE notified the Parent that it no longer was in compliance with the NYSE's continued listing standards because the Parent's average global market capitalization over a consecutive 30 trading-day period had dropped below \$50 million and its stockholders' equity was simultaneously below \$50 million. In accordance with the applicable NYSE rules, on May 14, 2020, the Parent submitted its plan to cure such deficiency and regain compliance with the NYSE continued listing standards, and, on June 25, 2020, the NYSE accepted the plan. On September 17, 2020, the NYSE notified the Parent that the NYSE would commence proceedings to delist and suspend trading of the Parent's common stock from the NYSE due to failure to meet the foregoing standard. Effective September 18, 2020, the Parent's common stock commenced trading in the over-the-counter securities marketplace on the OTCQX Market under the symbol "SPNX." The Parent's transition to the OTCQX Market did not, and is not expected to, affect its or the other Debtors' business operations. On October 2, 2020, the NYSE filed a Form 25 delisting the Debtors' common stock from trading on the NYSE, which delisting became effective 10 days after the filing of the Form 25.

5. The Debtors' Prepetition Restructuring Efforts

As the global outbreak of the COVID-19 pandemic continued to rapidly evolve, the Company's management expected it to continue to materially and adversely affect the Company's revenue, financial condition, profitability, and cash flow for an indeterminate period of time. As a result, the Debtors decided to take the alternative and necessary actions to right-size the business for expected activity levels across the business. As such, beginning in the summer of 2020, the Parent's board of directors authorized the retention of advisors, including Latham & Watkins LLP ("Latham"), as legal counsel, Ducera Partners L.L.C. ("Ducera") and Johnson Rice & Company ("Johnson Rice"), as investment bankers, and Alvarez & Marsal North America, L.L.C. ("A&M"), as financial advisor, to assist the Debtors' evaluation of various strategic alternatives in the face of the market downturn as a result of the COVID-19 pandemic and the Saudi-Russian oil price war. Over the course of several months, the Debtors and their advisors engaged in extensive discussions and negotiations with various stakeholders, including the Prepetition Credit Agreement Lenders represented by Simpson Thacher & Bartlett LLP, as legal counsel, and FTI Consulting, Inc., as financial advisor, and the Ad Hoc Noteholder Group represented by Davis Polk & Wardwell LLP, as legal counsel, and Evercore Group L.L.C., as financial advisor, regarding a potential restructuring of the Debtors' balance sheet and business operations.

6. The Debtors' Entry into the Restructuring Support Agreement¹⁰

The Debtors, their advisors, the Ad Hoc Noteholder Group and their advisors focused on proactively exploring a wide range of strategic alternatives, taking into account various factors, including market feedback, the Debtors' deteriorating economic outlook, as well as the deteriorating industry-wide environment. Ultimately, the aforementioned negotiations were

¹⁰ This summary is qualified in its entirety by the Restructuring Support Agreement. To the extent that any provision of this summary is inconsistent with the Restructuring Support Agreement, the Restructuring Support Agreement will control.

successful and resulted in the execution of the Restructuring Support Agreement. As further described below, the terms of the restructuring as contemplated within the Restructuring Support Agreement would substantially deleverage the Debtors' long-term debt and related interest costs, provide access to exit financing, ultimately eliminate the potential Legacy Parent Guarantee Claims at the Parent level, and establish a capital structure that the Parent believes will allow its businesses to thrive in a low-commodity-price environment.

On December 4, 2020, the Debtors and the Consenting Noteholders entered into the Restructuring Support Agreement whereby the Consenting Noteholders have agreed to the Restructuring, which will eliminate approximately \$1.30 billion of funded debt obligations of the Debtors through the Plan. The Restructuring contemplates the equitization of all amounts outstanding under the Debtors' Prepetition Notes and the refinancing of the amounts outstanding under the Prepetition Credit Agreement through the Exit Facility.

The Original Restructuring Support Agreement contemplated that Holders of Old Parent Interests would receive 2.0% of the equity of Parent issued upon emergence from these Chapter 11 Cases. However, after executing the Original Restructuring Support Agreement, the Ad Hoc Noteholder Group learned that there may be substantial liabilities (albeit contingent) at the Parent. After being made aware of this information, the Ad Hoc Noteholder Group informed the Debtors that they were no longer willing to discharge and fully equitize their claims pursuant to the transaction structure contemplated by the Original Restructuring Support Agreement. Because the Legacy Parent Guarantee Claims exist only against the Parent and there are virtually no assets at the Parent that would permit a recovery to any creditor of the Parent, the Original Restructuring Support Agreement was amended to eliminate any recovery to and discharge of claims held by Holders of Old Parent Interests to allow for a recovery to the creditors of the Parent, including Holders of the Legacy Parent Guarantee Claims. Under the terms of the Original Restructuring Support Agreement, the Ad Hoc Noteholder Group also informed the Company that it would not make the election to split the Company.¹¹

The Ad Hoc Noteholder Group, pursuant to the Restructuring Support Agreement, is obligated to support the Plan that will discharge their claims in exchange for:

- In the case of Holders of Prepetition Notes Claims against the Parent, each Holder's Pro Rata share (calculated together with the Claims in Class 6) of the Parent GUC Recovery Cash Pool; *provided* that the Holders of the Prepetition Notes Claims against the Parent will waive any distribution from the Parent GUC Recovery Cash Pool; and
- In the case of Prepetition Notes Claims against any Affiliate Debtor,
 - (a) the Cash Payout or

(b) solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (i) 100% of the New Common Stock Pool, subject to dilution from and after the

¹¹ Pursuant to the Original Restructuring Support Agreement, the Restructuring provided the Ad Hoc Noteholder Group the option to elect to either (i) split the Company (as defined below) into two distinct companies whereby the holders of Prepetition Notes Claims would own over 95% of both companies or (ii) keep the Company intact and own 98% of the Reorganized Debtors.

Effective Date on account of the New MIP Equity, and (ii), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights.

Under the terms of the Restructuring Support Agreement, the Ad Hoc Noteholder Group, which includes Holders of Claims arising under the Prepetition Notes, have agreed to vote to accept the Plan. The Restructuring will provide substantial benefits to the Debtors and all of their stakeholders, and will leave the Debtors' business intact and substantially deleveraged, providing for the reduction of approximately \$1.30 billion of debt. The Restructuring will also eliminate potentially millions of dollars in contingent liability consisting of the Legacy Parent Guarantee Claims. This deleveraging, coupled with the elimination of potential substantial Legacy Parent Guarantee Claims, will enhance the Debtors' long-term growth prospects, competitive position, and allow the Debtors to emerge from the Chapter 11 Cases as reorganized entities better positioned to succeed in the oil and gas services industry.

In addition, the Restructuring will allow the Debtors' management team to focus on operational performance and value creation. A significantly improved balance sheet will provide the Reorganized Debtors with increased financial flexibility and the ability to pursue value-maximizing opportunities that will strengthen the Reorganized Debtors' customer service offerings. However, to be able to achieve all of this, the Debtors must be able to emerge from bankruptcy as quickly and responsibly as possible. Without a quick exit from bankruptcy, the Debtors risk being mired in an expensive and value-destructive process that causes its customers nationally, and more importantly internationally, to lose confidence in the Debtors' ability to restructure and emerge from bankruptcy as a healthier and more sustainable business partner.

The Restructuring Support Agreement includes certain milestones for the progress of the Chapter 11 Cases, which include the dates by which the Debtors are required to, among other things, obtain certain court orders and complete the Restructuring. The Restructuring Support Agreement milestones are subject to federal holidays and Bankruptcy Court availability for hearings.

Milestone	Deadline
Commencement of Solicitation	No later than December 6, 2020
Commencement of Chapter 11 Cases	No later than December 7, 2020
Filing of Chapter 11 Plan, Disclosure Statement, and Solicitation Procedures Motion	No later than December 7, 2020
Entry of orders approving first day relief	No later than December 11, 2020
Entry of order confirming the Chapter 11 Plan	No later than January 25, 2021
Chapter 11 Plan Effective Date	No later than February 1, 2021

7. DIP Financing

To ensure access to letters of credit during these Chapter 11 Cases, the Debtors negotiated the DIP Financing with certain of their existing Prepetition Credit Agreement Lenders. The DIP Financing is critical to the Debtors' ability to operate postpetition and ultimately emerge from these Chapter 11 Cases. The structure of the DIP Financing is similar to the Debtors' prepetition debt financing under their Prepetition Credit Agreement. As described above, there are no outstanding loans under the Prepetition Credit Agreement, but the Debtors have approximately \$47.4 million in outstanding letters of credit issued under the Prepetition Credit Agreement (i.e., the DIP Financing simply rolls the Prepetition Credit Agreement forward into these Chapter 11 Cases).

As such, the proposed DIP Financing essentially seeks to roll-up the Debtors' outstanding letters of credit into a DIP Financing facility that will be used to fund the Debtors' operations during the Chapter 11 Cases, similar to how the Debtors were funding its business prior to the Chapter 11 Cases. The DIP Financing will consist of senior secured postpetition obligations on a superpriority basis in respect of a senior secured superpriority letter of credit facility in the aggregate principal amount of \$120 million (the "**DIP Facility**"). The Debtors are also seeking to have the outstanding amounts of the letters of credit under the Prepetition Credit Agreement to be converted into the DIP Facility and for those letters of credit to be used as part of the Exit Facility.

The DIP Facility was the product of extensive arm's-length, good-faith negotiations with certain of the Prepetition Credit Agreement Lenders. The proposed DIP Facility provides the Debtors with immediate and critical access to liquidity that is necessary to ensure that the Debtors' businesses are stabilized, that chapter 11 administrative costs are paid in full, and that value is preserved during the course of the Debtors' Chapter 11 Cases. It also ensures that the outstanding letters of credit under the Prepetition Credit Agreement stay in place and can continue to be relied upon by the Debtors, their customers, and vendors.

The DIP Facility demonstrates the ongoing support of the Prepetition Credit Agreement Lenders for the Debtors' restructuring. Without access to the DIP Facility, the Debtors would have to rely only on their unencumbered cash on hand. Although the Debtors can continue to operate in the near term with their current limited liquidity, the DIP Facility will provide stability for the Debtors to maintain their ordinary course of business, provide comfort to their employee, customer, and vendor constituencies, and support the administration of these Chapter 11 Cases. Obtaining access to the DIP Facility will allow the Debtors to send a clear message to their customers and vendor base that the Debtors will continue to be a reliable partner and that they will be ready to capitalize on gaining market share upon an industry turnaround. In addition, relying solely on cash collateral could constrain the Debtors' financial position in the event the Debtors would have to cash collateralize any obligations arising from letters of credit. Accordingly, the proposed DIP Facility will provide much-needed stabilization to the Debtors' business operations, the economic terms of the proposed DIP Facility are highly competitive, and reflect the support of the Debtors' preexisting lenders for the Debtors' restructuring. As a result, the proposed DIP Facility is in the best interests of the Debtors' estates.

III.

ANTICIPATED EVENTS DURING THE CHAPTER 11 CASE

A. CHAPTER 11 FIRST DAY MOTIONS AND CERTAIN RELATED RELIEF

In accordance with the Restructuring Support Agreement, the Debtors anticipate filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code on or around December 7, 2020. The filing of the petitions will commence the Chapter 11 Cases at which time the Debtors will be afforded the benefits and become subject to the limitations of the Bankruptcy Code.

The Debtors intend to continue operating their businesses in the ordinary course during the pendency of the Chapter 11 Cases as they have been doing prior to the intended Petition Date. To facilitate the efficient and expeditious implementation of the Plan through the Chapter 11 Cases, and to minimize disruptions to the Debtors' operations on the Petition Date, the Debtors intend to seek to have all of the Chapter 11 Cases assigned to the same bankruptcy judge and administered jointly, and to file various motions seeking important and urgent relief from the Bankruptcy Court. Such relief, if granted, will assist in the administration of the Chapter 11 Cases; however, there can be no assurance that the requested relief will be granted by the Bankruptcy Court.

1. First Day Motions and Other Related Relief

On the Petition Date, the Debtors intend to file multiple motions seeking various relief from the Bankruptcy Court and authorizing the Debtors to maintain their operations in the ordinary course. Such relief is designed to ensure a seamless transition between the Debtors' prepetition and postpetition business operations, facilitate a smooth reorganization through the Chapter 11 Cases and minimize any disruptions to the Debtors' operations. The following is a brief overview of the relief the Debtors intend to seek on the Petition Date to maintain their operations in the ordinary course.

(a) First Day Motions

Recognizing that any interruption of the Debtors' business, even for a brief period of time, would negatively impact their operations, customer relationships, revenue and profits, the Debtors intend to file a number of motions to help stabilize their operations and effectuate, as much as possible, a smooth transition into operations as debtors in possession. Specifically, the Debtors will request, among other things, that the Bankruptcy Court enter orders authorizing the Debtors to:

- maintain and administer customer programs and honor their obligations arising under or relating to those customer programs;
- continue insurance and surety bond programs and enter into new insurance policies, if necessary;
- establish procedures to protect certain tax attributes, including stock trading restrictions; and

- maintain their existing cash management system, maintain existing bank accounts and continue entering into certain intercompany transactions among the Debtors and with their non-Debtor affiliates.

(b) Motion to Approve Debtor in Possession Financing

The Debtors intend to file a motion (the “**DIP Motion**”) to approve the DIP Facility, as described above, and the use of cash collateral. Access to the DIP Facility and the use of Cash Collateral (as such term is defined in section 363(a) of the Bankruptcy Code) is critical to ensure that the Debtors have sufficient liquidity to operate their business and administer their estates during these Chapter 11 Cases. The DIP Motion requests that the outstanding obligations under the Prepetition Credit Agreement be rolled up into the DIP Facility, including any and all letters of credit obligations. The DIP Motion also provides for certain adequate protection (the “**Adequate Protection Obligations**”) to the Prepetition Credit Agreement Lenders, including, but not limited to, the following: (a) a replacement lien on all collateral securing the DIP Facility, (b) granting superpriority status to Adequate Protection Obligations pursuant to section 507(b) of the Bankruptcy Code, and (c) making certain interest, fee, and expense payments to the Prepetition Credit Agreement Lenders.

2. Other Procedural Motions

To facilitate a smooth and efficient administration of the Chapter 11 Cases, the Debtors intend to file several other motions that are common to chapter 11 cases of similar size and complexity as the Chapter 11 Cases, including, among others, a motion for entry of an order directing the joint administration of the Chapter 11 Cases and applications to retain various professionals to assist the Debtors in the Chapter 11 Cases.

3. Solicitation Procedures Motion

Contemporaneously with the filing of their chapter 11 petitions, the Debtors will seek an order of the Bankruptcy Court, among other things, (i) conditionally approving the Disclosure Statement for purposes of soliciting the Holders of Claims in the Voting Classes and the Solicitation in connection therewith, (ii) approving the Equity Rights Offering Procedures, and (iii) scheduling the Confirmation Hearing to consider the adequacy of the Disclosure Statement and confirmation of the Plan (the “**Solicitation Procedures Motion**”). Notice of these hearings will be published and mailed to all known Holders of Claims and Equity Interests in accordance with orders of the Bankruptcy Court to be requested by the Debtors.

4. Bar Date Motion

Contemporaneously with the filing of their chapter 11 petitions, the Debtors will seek an order of the Bankruptcy Court establishing claims bar dates for filing proofs of claim against the Parent only. The dates requested in this motion will be January 7, 2021 at 5:00 pm (Prevailing Central Time) for general claims against the Parent and June 7, 2021 at 5:00 p.m. (Prevailing Central Time) for claims filed by governmental units against the Parent.

5. Filing of the Schedules

Contemporaneously with the filing of their chapter 11 petitions, the Debtors will file a schedule of assets and liabilities of the Parent, as well as a statement of financial affairs for the Parent.

6. Timetable for Chapter 11 Cases

In accordance with the Restructuring Support Agreement, the Debtors have agreed to proceed with the implementation of the Plan through the Chapter 11 Cases. The milestones contained in the Restructuring Support Agreement are described in section II.D.6. Achieving the various milestones under the Restructuring Support Agreement is crucial to successfully reorganizing the Debtors.

B. EXCLUSIVE PERIOD FOR FILING A CHAPTER 11 PLAN AND SOLICITING VOTES

Under the Bankruptcy Code, a debtor has the exclusive right to file and solicit acceptances of a plan or plans of reorganization for an initial period of 120 days from the date on which the debtor filed for voluntary relief. If a debtor files a plan within this exclusive period, then the debtor has the exclusive right for 180 days from the petition date to solicit acceptances to the plan. During these exclusive periods, no other party in interest may file a competing plan of reorganization; however, a court may extend these periods upon request of a party in interest and “for cause.”

IV. SUMMARY OF THE PLAN

A. GENERAL

This section of the Disclosure Statement summarize the Plan, a copy of which is annexed hereto as **Exhibit A**. This summary is qualified in its entirety by reference to the Plan. **YOU SHOULD READ THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.**

In general, a chapter 11 plan (1) divides claims and equity interests into separate classes, (2) specifies the consideration that each class is to receive under the plan and (3) contains other provisions necessary to implement the plan. Under the Bankruptcy Code, “claims” and “equity interests,” rather than “creditors” and “shareholders,” are classified because creditors and shareholders may hold claims and equity interests in more than one class. Under section 1124 of the Bankruptcy Code, a class of claims is “impaired” under a plan unless the plan (1) leaves unaltered the legal, equitable, and contractual rights of each holder of a claim in such class or (2) provides, among other things, for the cure of certain existing defaults and reinstatement of the maturity of claims in such class. Under the Plan, Classes 5 and 8 are impaired, and Holders of Claims or Interests in such Classes are entitled to vote to accept or reject the Plan subject to an objection filed by the Debtors. Ballots or Notices of Non-Voting Status (as applicable) are being furnished herewith to all Holders of Claims and Equity Interests to either facilitate their voting to accept or reject the Plan or solely for purposes of affirmatively opting out of the Third Party Releases.

B. ADMINISTRATIVE, DIP FACILITY, AND PRIORITY TAX CLAIMS

1. Administrative Claims

Subject to sub-paragraph (a) below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim (other than an Allowed Professional Fee Claim) will receive, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) Cash equal to the amount of such Allowed Administrative Claim; or (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Administrative Claim will have agreed upon in writing; *provided, however*, that Administrative Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court.

(a) Professional Fee Claims

Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and such other Entities who are designated in the Confirmation Order an application for final allowance of such Professional Fee Claim no later than the Professional Fees Bar Date; provided that no application or notice to or order of the Bankruptcy Court will be required in order for the Reorganized Debtors to pay Professionals for any work performed after the Effective Date, including those reasonable and documented fees and expenses incurred by Professionals in connection with the implementation and consummation of the Plan.

Objections to any Professional Fee Claim must be Filed and served on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and the requesting party by no later than twenty-one (21) days after the Filing of the applicable final request for payment of the Professional Fee Claim. Each Holder of an Allowed Professional Fee Claim will be paid in full in Cash by the Reorganized Debtors, first from the Professional Fee Claim Reserve, within five (5) Business Days after entry of the order approving such Allowed Professional Fee Claim. The Reorganized Debtors will not commingle any funds contained in the Professional Fee Claim Reserve and will use such funds to pay only the Professional Fee Claims, as and when allowed by order of the Bankruptcy Court. Notwithstanding anything to the contrary contained in the Plan, the failure of the Professional Fee Claim Reserve to satisfy in full the Professional Fee Claims will not, in any way, operate or be construed as a cap or limitation on the amount of Professional Fee Claims due and payable by the Reorganized Debtors. The Professional Fee Claim Reserve will be maintained in trust for the Professionals and will not be considered property of the Debtors' Estates; *provided* that the Reorganized Debtors will have a reversionary interest in the Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals will have an Allowed Administrative Claim for any such deficiency, which will be satisfied in full in Cash in accordance with Article II.A of the Plan.

2. DIP Super-Priority Claims

The DIP Super-Priority Claims will be Allowed in the full amount due and owing under the DIP Documents, including all principal, accrued and accruing postpetition interest, costs, fees and expenses. On the Effective Date, the Allowed DIP Super-Priority Claims will, in full satisfaction, settlement, discharge and release of, and in exchange for such DIP Super-Priority Claims, be indefeasibly paid in full in Cash from the proceeds of each Exit Facility and the DIP Liens will be deemed discharged, released, and terminated for all purposes without further action of or by any Person or Entity, or will be deemed by the Confirmation Order to continue so as to secure the Exit Facility, as the case may be; *provided* that the DIP Contingent Obligations will survive the Effective Date on an unsecured basis and will be paid by the Reorganized Debtors as and when due; *provided further* that any Allowed DIP Super-Priority Claims related to letters of credit issued and outstanding as of the Effective Date, or to cash management obligations or hedging obligations in existence on the Effective Date, may be deemed outstanding under the Exit ABL Facility or receive such other treatment as may be acceptable to the Debtors, the DIP Agent and the Required Consenting Noteholders.

3. Priority Tax Claims

Subject to Article VIII of the Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Priority Tax Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors, as applicable: (i) Cash equal to the amount of such Allowed Priority Tax Claim; (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Priority Tax Claim have agreed upon in writing; (iii) such other treatment such that it will not be Impaired pursuant to section 1124 of the Bankruptcy Code; or (iv) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; *provided, however*, that Priority Tax Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (iii) or (iv) above will be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Priority Tax Claim.

C. CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

1. Summary

The Plan constitutes a separate plan of reorganization for each Debtor. All Claims and Equity Interests, except Administrative Claims, DIP Super-Priority Claims, and Priority Tax Claims, are placed in the Classes set forth below. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors (*i.e.*, there will be twelve (12) Classes for each Debtor); *provided*, that any Class that is vacant as to a particular Debtor will be treated in accordance with Article III.D of the Plan.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, for voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remaining portion of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released, disallowed or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Classified Claims and Equity Interests

Class	Claim/Equity Interest	Status	Voting Rights
1.	Other Priority Claims	Unimpaired	Presumed to Accept
2.	Other Secured Claims	Unimpaired	Presumed to Accept
3.	Secured Tax Claims	Unimpaired	Presumed to Accept
4.	Prepetition Credit Agreement Claims	Unimpaired	Presumed to Accept
5.	<i>Prepetition Notes Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
6.	<i>General Unsecured Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
7.	<i>Prepetition Notes Claims Against Affiliate Debtors</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
8.	General Unsecured Claims Against Affiliate Debtors	Unimpaired	Presumed to Accept
9.	Intercompany Claims	Unimpaired	Presumed to Accept
10.	Old Parent Interests	Impaired	Deemed to Reject
11.	Intercompany Equity Interests	Unimpaired	Presumed to Accept
12.	510(b) Equity Claims	Impaired	Deemed to Reject

2. Classification and Treatment of Claims and Equity Interests(a) Class 1 – Other Priority Claims

- Classification: Class 1 consists of the Other Priority Claims.
- Treatment: Subject to Article VIII of the Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 1 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders): (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 1 Claim will have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code;

provided, however, that Class 1 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.

- *Voting*: Class 1 is an Unimpaired Class, and the Holders of Claims in Class 1 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 1 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 1 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

(b) Class 2 – Other Secured Claims

- *Classification*: Class 2 consists of the Other Secured Claims. Class 2 consists of separate subclasses for each Other Secured Claim.
- *Treatment*: Subject to Article VIII of the Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 2 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 2 Claim will have agreed upon in writing; (C) the Collateral securing such Allowed Class 2 Claim; or (D) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; *provided, however*, that Class 2 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.
- *Voting*: Class 2 is an Unimpaired Class, and the Holders of Claims in Class 2 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 2 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 2 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

(c) Class 3 - Secured Tax Claims

- *Classification*: Class 3 consists of the Secured Tax Claims.

- Treatment: Subject to Article VIII of the Plan, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 3 Claim will receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 3 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 3 Claim will have agreed upon in writing; (C) the Collateral securing such Allowed Class 3 Claim; (D) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code; or (E) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; *provided, however*, that Class 3 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (D) or (E) above will be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Class 3 Claim.
 - Voting: Class 3 is an Unimpaired Class, and the Holders of Claims in Class 3 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 3 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 3 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.
- (d) Class 4 – Prepetition Credit Agreement Claims
- Classification: Class 4 consists of the Prepetition Credit Agreement Claims.
 - Allowance: The Prepetition Credit Agreement Claims are deemed Allowed in the aggregate principal amount of \$47,357,274.86, plus accrued and unpaid interest thereon.
 - Treatment: On the Effective Date, the Allowed Prepetition Credit Agreement Claims, other than Prepetition Credit Agreement Claims related to any outstanding letters of credit, will, in full and final satisfaction, settlement,

discharge and release of, and in exchange for, such Claims, be indefeasibly paid in full in Cash. To the extent any Prepetition Credit Agreement Claims related to letters of credit issued and outstanding, cash management obligations, or hedging obligations, in each case, as of the Effective Date under the Prepetition Credit Agreement, have not been deemed outstanding under the DIP Facility pursuant to the DIP Orders, such Claims will in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims either be (i) in the case of Claims in respect of letters of credit, 105% cash collateralized, (ii) be deemed outstanding under the Exit ABL Facility, or (iii) receive such other treatment as may be acceptable to the Debtors, the Prepetition Credit Agreement Agent, the Issuing Lenders if applicable (as defined in the Prepetition Credit Agreement) and the Required Consenting Noteholders.

- Voting: Class 4 is an Unimpaired Class, and the Holders of Claims in Class 4 will be conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class 4 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 4 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

(e) Class 5 – Prepetition Notes Claims Against Parent

- Classification: Class 5 consists of the Prepetition Notes Claims against Parent only.
- Allowance: The Prepetition Notes Claims against Parent are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- Treatment: On, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed Prepetition Notes Claim against Parent will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 6) of the Parent GUC Recovery Cash Pool; provided that the Holders of the Prepetition Notes Claims against the Parent will waive any distribution from the Parent GUC Recovery Cash Pool.
- Voting: Class 5 is Impaired, and Holders of Claims in Class 5 are entitled to vote to accept or reject the Plan.

The foregoing is offered to Class 5 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming the Plan and the occurrence of the Effective Date.

(f) Class 6 – General Unsecured Claims Against Parent

- Classification: Class 6 consists of the General Unsecured Claims against Parent only.
- Treatment: Subject to Article VIII of the Plan, on, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed General Unsecured Claim against Parent will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 5) of the Parent GUC Recovery Cash Pool.
- Voting: Class 6 is Impaired, and Holders of Claims in Class 6 are entitled to vote to accept or reject the Plan.

The foregoing is offered to Class 6 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming the Plan and the occurrence of the Effective Date.

(g) Class 7 – Prepetition Notes Claims Against Affiliate Debtors

- Classification: Class 7 consists of the Prepetition Notes Claims against any Affiliate Debtor.
- Allowance: The Prepetition Notes Claims against any Affiliate Debtor are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- Treatment: On the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Prepetition Notes Claim against any Affiliate Debtor will receive, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share of:
 - the Cash Payout, or
 - solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (A) 100% of the New Common Stock Pool, subject to dilution from and after the Effective Date on account of the New MIP Equity, and (B), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights.

In order to opt out of the Cash Payout with respect to all or any portion of its Allowed Prepetition Notes Claim, such applicable Prepetition Noteholder will

be required to tender the underlying Prepetition Notes into a contra-CUSIP pursuant to DTC's ATOP procedures at the time such Holder submits its Ballot, and Prepetition Notes that are tendered into the contra-CUSIP may no longer be transferable.

Notwithstanding anything to the contrary in the Plan, the Cash Payout is contingent upon the consummation of the Equity Rights Offering, and in the event that the Equity Rights Offering is not consummated, no Cash Payout will be distributed to any Holder of an Allowed Prepetition Notes Claim and each Holder of Allowed Prepetition Notes Claims will receive the distribution set forth in subsection (ii) above, regardless of whether such Holder timely and validly elected to be a Cash Opt-Out Noteholder.

- Voting: Class 7 is Impaired, and Holders of Claims in Class 7 are entitled to vote to accept or reject the Plan.

(h) Class 8 – General Unsecured Claims Against Affiliate Debtors

- Classification: Class 8 consists of the General Unsecured Claims against any Affiliate Debtor.
- Treatment: The legal, equitable, and contractual rights of the holders of General Unsecured Claims against any Affiliate Debtor are unaltered by the Plan. Except to the extent that a holder of a General Unsecured Claim against any Affiliate Debtor agrees to a different treatment, on and after the Effective Date, the Debtors will continue to pay (if Allowed) or dispute each General Unsecured Claim against any Affiliate Debtor in the ordinary course of business in accordance with applicable law.
- Voting: Class 8 is an Unimpaired Class, and the Holders of Claims in Class 8 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 8 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 8 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

(i) Class 9 – Intercompany Claims

- Classification: Class 9 consists of the Intercompany Claims.
- Treatment: Subject to the Restructuring Transactions, the Intercompany Claims will be adjusted, reinstated, compromised, or cancelled in such manner as is acceptable to the Required Consenting Noteholders, in consultation with the Debtors.
- Voting: Class 9 is an Unimpaired Class and the Holders of Claims in Class 9 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 9 are not entitled to vote to accept or reject the Plan.

(j) Class 10 – Old Parent Interests

- Classification: Class 10 consists of the Old Parent Interests.
- Treatment: The Old Parent Interests will be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Equity Interests.
- Voting: Class 10 is an Impaired Class and the Holders of Old Parent Interests in Class 10 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Old Parent Interests in Class 10 are not entitled to vote to accept or reject the Plan. Holders of Old Parent Interests in Class 10 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

(k) Class 11 – Intercompany Equity Interests

- Classification: Class 11 consists of Intercompany Equity Interests.
- Treatment: Subject to the Restructuring Transactions, the Intercompany Equity Interests will remain effective and outstanding on the Effective Date and will be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date.
- Voting: Class 11 is an Unimpaired Class and the Holders of Equity Interests in Class 11 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Equity Interests in Class 11 are not entitled to vote to accept or reject the Plan.

(l) Class 12 – 510(b) Equity Claims

- Classification: Class 12 consists of the 510(b) Equity Claims.
- Treatment: The 510(b) Equity Claims will be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Claims.
- Voting: Class 12 is an Impaired Class and the Holders of Claims in Class 12 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 12 are not entitled to vote to accept or reject the Plan. Holders of Claims in Class 12 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

3. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan will affect or limit the Debtors' or the Reorganized Debtors' rights and defenses (whether legal or equitable) in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

4. Elimination of Vacant Classes

Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, will be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

D. ACCEPTANCE OR REJECTION OF THE PLAN

1. Presumed Acceptance of Plan

Classes 1-4, 8, 9, and 11 are Unimpaired under the Plan. Therefore, the Holders of Claims or Equity Interests in such Classes are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

2. Deemed Rejection of Plan

Classes 10 and 12 are Impaired and Holders of Old Parent Interests and 510(b) Equity Claims in Classes 10 and 12, respectively, are not entitled to receive or retain any property under the Plan. Accordingly, under section 1126(g) of the Bankruptcy Code, the votes of Holders of Old Parent Interests and 510(b) Equity Claims will not be solicited and such Holders are deemed to reject the Plan.

3. Voting Classes

Classes 5, 6, and 7 are Impaired and entitled to vote under the Plan. The Holders of Claims in Classes 5, 6, and 7 as of the Voting Record Date are entitled to vote to accept or reject the Plan.

4. Acceptance by Impaired Class of Claims

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in such Class actually voting have voted to accept the Plan.

5. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code; Cram Down

Section 1129(a)(10) of the Bankruptcy Code will be satisfied for purposes of Confirmation by acceptance of the Plan by Class 5 or Class 7. The Debtors request confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right, in accordance with the terms of the Restructuring Support Agreement, to modify the Plan or any Exhibit or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

6. Votes Solicited in Good Faith

The Debtors have, and upon the Confirmation Date will be deemed to have, solicited votes on the Plan from the Voting Classes in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125 and 1126 of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with the solicitation. Accordingly, the Debtors, the Reorganized Debtors, and each of their respective Related Parties will be entitled to, and upon the Confirmation Date are hereby granted, the protections of section 1125(e) of the Bankruptcy Code.

E. MEANS FOR IMPLEMENTATION OF THE PLAN

1. Restructuring Transactions

Without limiting any rights and remedies of the Debtors or Reorganized Debtors under the Plan or applicable law, but in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents and any consents or approvals required thereunder, the entry of the Confirmation Order will constitute authorization for the Reorganized Debtors to take, or to cause to be taken, all reasonable actions necessary or appropriate to consummate and implement the provisions of the Plan, including but not limited to the actions set forth in the Reorganization Steps Overview, on and after the Confirmation Date, including such reasonable actions set forth in the Reorganization Steps Overview as may be necessary or appropriate to effectuate a corporate restructuring of their respective businesses, to otherwise simplify the overall corporate structure of the Reorganized Debtors, or to reincorporate certain of the Debtors under the laws of jurisdictions other than the laws of which the applicable Debtors are presently formed or incorporated. Such restructuring may include one or more mergers, amalgamations, consolidations, restructures, dispositions, liquidations, dissolutions, or creations of one or more new Entities, as may be reasonably determined by the Debtors or Reorganized Debtors to be necessary or appropriate (with the consent of the Required Consenting Noteholders), set forth in the steps described in the Reorganization Steps Overview, but in all cases subject to the terms and conditions of the Plan, the Restructuring Documents, the Restructuring Support Agreement and any consents or approvals required hereunder or thereunder (collectively, the **“Restructuring Transactions”**).

All such Restructuring Transactions taken, or caused to be taken, will be deemed to have been authorized and approved by the Bankruptcy Court upon the entry of the Confirmation Order. The actions to effectuate the Restructuring Transactions may include: (i) the execution and

delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, disposition, liquidation, or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable state law and such other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of merger, amalgamation, consolidation, or dissolution pursuant to applicable state law; (iv) the creation of one or more new Entities; and (v) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders and to the extent necessary to implement the Plan or as set forth in the Reorganization Steps Overview, and in all cases subject to the terms and conditions of the Restructuring Support Agreement, the Plan, and the Restructuring Documents and any consents or approvals required thereunder.

2. Continued Corporate Existence

Subject to the Restructuring Transactions permitted by Article V.A of the Plan, after the Effective Date, the Reorganized Debtors will continue to exist as separate legal Entities in accordance with the applicable law in the respective jurisdiction in which they are incorporated or formed and pursuant to their respective certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, in effect immediately prior to the Effective Date, except to the extent such certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, are amended, restated or otherwise modified under the Plan (subject to such amendment, restatement, or replacement being in accordance with applicable law of the Debtor's jurisdiction of incorporation), including pursuant to the Amended/New Corporate Governance Documents, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders. Notwithstanding anything to the contrary in the Plan, the Claims against a particular Debtor or Reorganized Debtor will remain the obligations solely of such Debtor or Reorganized Debtor and will not become obligations of any other Debtor or Reorganized Debtor solely by virtue of the Plan or the Chapter 11 Cases.

3. Vesting of Assets in the Reorganized Debtors Free and Clear of Liens and Claims

Except as otherwise expressly provided in the Plan, the Confirmation Order, or any Restructuring Document, pursuant to sections 1123(a)(5), 1123(b)(3), 1141(b) and (c) and other applicable provisions of the Bankruptcy Code, on and after the Effective Date, all property and assets of the Estates of the Debtors, including all claims, rights, and Retained Litigation Claims of the Debtors, and any other assets or property acquired by the Debtors or the Reorganized Debtors during the Chapter 11 Cases or under or in connection with the Plan (other than the Claims or Causes of Action subject to the Debtor Release, Professional Fee Claim Reserve and any rejected Executory Contracts and/or Unexpired Leases), will vest in each of the Reorganized Debtors free and clear of all Claims, Liens, charges, and other encumbrances, subject to the Liens which survive the occurrence of the Effective Date as described in Article III of the Plan (including, without limitation, the Liens that secure the Exit Facilities). On and after the Effective Date, each of the Reorganized Debtors may (i) operate their respective businesses, (ii) use, acquire, and dispose of

their respective property and (iii) compromise or settle any Claims, in each case without notice to, supervision of or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than restrictions expressly imposed by the Plan or the Confirmation Order.

4. Exit Facility Loan Documents

On the Effective Date, the Debtors and the Reorganized Debtors, as applicable, will be authorized to execute and deliver, and to consummate the transactions contemplated by, the Exit Facility Loan Documents, in each case in form and substance acceptable to the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement and, in the case of an Exit DDTL Facility, the Delayed-Draw Term Loan Commitment Letter and to the applicable Exit Facility Lenders and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the applicable Exit Facility Loan Documents or as set forth as conditions precedent in the DIP Facility). On the Effective Date, each Exit Facility Loan Document will constitute legal, valid, binding and authorized indebtedness and obligations of the Reorganized Debtors party thereto, enforceable in accordance with its respective terms and such indebtedness and obligations will not be, and will not be deemed to be, enjoined or subject to discharge, impairment, release or avoidance under the Plan, the Confirmation Order or on account of the Confirmation or Consummation of the Plan.

5. New Common Stock; Book Entry

On the Effective Date, subject to the terms and conditions of the Plan and the Restructuring Transactions and as described more fully in the Reorganization Steps Overview, Reorganized Parent will issue the New Common Stock pursuant to the Plan and the Amended/New Corporate Governance Documents. For the avoidance of doubt, no distributions will be made to Holders of Unexercised Equity Interests under the Plan, and any such Unexercised Equity Interests will be deemed automatically terminated and cancelled as of the Effective Date.

Distributions of the New Common Stock may be made by delivery or book-entry transfer thereof by the applicable Distribution Agent in accordance with the Plan and the Amended/New Corporate Governance Documents. Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized share capital or other equity securities of Reorganized Parent will be that number of shares of New Common Stock as may be designated in the Amended/New Corporate Governance Documents.

6. Listing of New Securities; SEC Reporting

Prior to the Effective Date, the Required Consenting Noteholders will determine, in consultation with the Debtors, whether to list the New Common Stock for trading on the New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or any other national securities exchange selected by the Required Consenting Noteholders and reasonably acceptable to the Debtors, with such listing, if any, to be effective on, or as soon as reasonably practicable after, the Effective Date.

The Required Consenting Noteholders, in consultation with the Debtors, will determine whether the Reorganized Debtors will maintain their current status and continue as a public

reporting company under applicable U.S. securities laws, and will continue to file annual, quarterly and current reports in accordance with the Exchange Act, as amended, and the rules and regulations promulgated thereunder.

7. New Stockholders Agreement; New Registration Rights Agreement

Subject to the Restructuring Transactions permitted by Article V.A of the Plan, on the Effective Date, Reorganized Parent will enter into, if applicable, the New Stockholders Agreement and, if applicable, the New Registration Rights Agreement, each of which will become effective and binding in accordance with its terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the New Stockholders Agreement and the New Registration Rights Agreement, as applicable).

On and as of the Effective Date, all of the Holders of New Common Stock will be deemed to be parties to the New Stockholders Agreement, if any, without the need for execution by such Holder. The New Stockholders Agreement, if any, will be binding on all Persons or Entities receiving, and all Holders of, the New Common Stock (and their respective successors and assigns), whether such New Common Stock is received or to be received on or after the Effective Date and regardless of whether such Person or Entity executes or delivers a signature page to the New Stockholders Agreement.

8. New Management Incentive Plan

The New Board will be authorized to implement a management incentive plan (the “**New Management Incentive Plan**”) that provides for the issuance of options and/or other equity-based compensation to the management and directors of Reorganized Parent. Up to ten percent (10%) of the New Common Stock, on a fully diluted basis, will be reserved for issuance in connection with the New Management Incentive Plan, with the actual amount to be reserved as determined by the New Board. The participants in the New Management Incentive Plan, the allocations and form of the options and other equity-based compensation to such participants (including the amount of allocations and the timing of the grant of the options and other equity-based compensation), and the terms and conditions of such options and other equity-based compensation (including vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) will be determined by the New Board. Any shares of New MIP Equity will dilute equally the shares of New Common Stock otherwise distributed pursuant to the Plan (including, without limitation, pursuant to or in connection with the Equity Rights Offering).

Notwithstanding the foregoing, (i) the New Board will retain a compensation consultant acceptable to the Required Consenting Noteholders prior to the Effective Date to advise them regarding the development of the New Management Incentive Plan and (ii) the New Management Incentive Plan will be adopted by the New Board within one-hundred twenty (120) days after the Effective Date.

9. Plan Securities and Related Documentation; Exemption from Securities Laws

On and after the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to and will provide or issue the New Common Stock to be distributed and issued

under the Plan (collectively, the “**Plan Securities**”) and any and all other notes, stock, instruments, certificates, and other documents or agreements required to be distributed, issued, executed or delivered pursuant to or in connection with the Plan (collectively, the “**Plan Securities and Documents**”), in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

The offer, distribution, and issuance, as applicable, of the Plan Securities and Documents under the Plan (including New Common Stock issued in connection with the Equity Rights Offering) will be exempt from or not subject to, or will be effected in a manner that is exempt from or not subject to, any registration or prospectus delivery requirements under applicable securities laws (including, as applicable, Section 5 of the Securities Act or any other federal, state or local law or regulation requiring the registration and/or delivery of a prospectus for offer or sale of a security or registration or licensing of an issuer of a security) pursuant to section 1145(a) of the Bankruptcy Code and/or other applicable exemptions; *provided, however*, that New Common Stock issued to Cash Opt-Out Noteholders in the Equity Rights Offering pursuant to Article V of the Plan will be issued and distributed pursuant to section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder. An offering of Plan Securities provided in reliance on the exemption from registration under the Securities Act pursuant to section 1145(a) of the Bankruptcy Code may be sold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and deemed to be a public offering thereunder, and such Plan Securities may be resold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and other applicable law.

Persons or Entities who purchase securities pursuant to the exemption from registration set forth in Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder will acquire “restricted securities.” Resales of such restricted securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Holders of restricted securities would, however, be permitted to resell Plan Securities without registration if they are able to comply with the applicable provisions of Rule 144 promulgated under the Securities Act or Rule 144A under the Securities Act or any other applicable registration exemption under the Securities Act, or in a transaction that is registered with the SEC.

In the event that the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the Plan Securities through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of such securities under applicable securities laws. DTC will accept and be entitled to conclusively rely upon the Plan or the Confirmation Order in lieu of a legal opinion regarding whether such securities are exempt from registration and/or eligible for DTC book entry delivery, settlement and depository services.

10. Release of Liens and Claims

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

11. Corporate Governance Documents of the Reorganized Debtors

The respective corporate governance documents of each of the Debtors will be amended and restated or replaced (as applicable) by the Amended/New Corporate Governance Documents. Such corporate governance documents will: (i) to the extent required by section 1123(a)(6) of the Bankruptcy Code, include a provision prohibiting the issuance of non-voting equity securities; (ii) authorize the issuance of New Common Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by the Plan; and (iii) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate the Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Debtors may, subject to the terms and conditions of the Amended/New Corporate Governance Documents, amend and restate their respective corporate governance documents as permitted thereby and by applicable law.

12. New Board; Initial Officers

The initial members of the New Board will be selected in accordance with the terms and conditions of the Restructuring Support Agreement. After the initial directors of the New Board are selected, future directors will be elected in accordance with Amended/New Corporate Governance Documents. All officers of the Debtors immediately prior to the Effective Date will be retained in their existing positions upon the Effective Date, subject to the terms of the Plan.

Pursuant to and to the extent required by section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the New Board or as an officer of each of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director or an officer, the nature of any compensation for such Person. Each such director and officer will serve from and after the Effective Date pursuant to applicable law and the terms of the Amended/New Corporate

Governance Documents and the other constituent and corporate governance documents of the applicable Reorganized Debtors. The existing boards of directors and other governing bodies of the Debtors will be deemed to have resigned on and as of the Effective Date, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

13. Corporate Action

Each of the Debtors and the Reorganized Debtors may take any and all actions reasonably necessary to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be reasonably necessary or appropriate to effectuate and implement the provisions of the Plan, including, without limitation, the issuance and the distribution of the securities to be issued pursuant hereto, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors or by any other Person or Entity (except for those expressly required pursuant hereto or by the Restructuring Documents).

After the Confirmation Date, all matters provided for pursuant to the Plan that would otherwise require approval of the stockholders, directors, officers, managers, members or partners of the Debtors (as of prior to the Effective Date) will be deemed to have been so approved and will be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by such Persons or Entities or the need for any approvals, authorizations, actions or consents of or from any such Persons or Entities.

As of the Effective Date, all matters provided for in the Plan involving the legal or corporate structure of the Debtors or the Reorganized Debtors (including, without limitation, the adoption of the Amended/New Corporate Governance Documents and similar constituent and corporate governance documents, and the selection of directors and officers for, each of the Reorganized Debtors), and any legal or corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan will be deemed to have occurred and will be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On and after the Effective Date, the appropriate officers of the Debtors and the Reorganized Debtors are authorized to issue, execute, deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in the Plan in the name of and on behalf of the Debtors and the Reorganized Debtors, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity. The secretary and any assistant secretary of the Debtors and the Reorganized Debtors will be authorized to certify or attest to any of the foregoing actions.

14. Cancellation of Notes, Certificates and Instruments

On the Effective Date, except to the extent otherwise provided in the Plan and the Restructuring Documents (including, without limitation, Article II.B and Article V.B of the Plan), all notes, indentures, instruments, certificates, agreements and other documents evidencing or relating to any Impaired Claim (including, for the avoidance of doubt and without limitation, the Prepetition Notes Indentures and the Prepetition Notes) or any Claim being paid in full in Cash under the Plan will be fully released, terminated, extinguished and discharged (including, in respect of DIP Documents, any duties or obligations of the DIP Agent thereunder), in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity and in the case of any Claim being paid in full in Cash upon the indefeasible payment of such Claim in full in Cash as contemplated by the Plan; *provided* that the Prepetition Debt Documents and the DIP Documents will continue in effect for the limited purpose of (i) allowing Holders of Claims thereunder to receive, and allowing and preserving the rights of the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee or other applicable Distribution Agents thereunder to make, distributions under the Plan; (ii) permitting the Prepetition Notes Indenture Trustee to exercise its Prepetition Notes Indenture Trustee Charging Lien against such distributions for payment of the Prepetition Notes Indenture Trustee Fees and Expenses; (iii) preserving any rights of the DIP Agent to payment of fees, costs and expenses and otherwise allowing the DIP Agent to take any actions contemplated by the Plan, and (iv) preserving the DIP Contingent Obligations as contemplated by Article II.B of the Plan; *provided further* that, upon completion of the distribution with respect to a specific Prepetition Debt Claim, the Prepetition Debt Documents in connection thereto and any and all notes, securities and instruments issued in connection with such Prepetition Debt Claim will terminate completely without further notice or action and be deemed surrendered.

15. Existing Equity Interests

On the Effective Date, the Old Parent Interests will be terminated and cancelled without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On the Effective Date, the Intercompany Equity Interests will remain effective and outstanding, except to the extent modified pursuant to the terms of the Reorganization Steps Overview, and will be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date. Each Parent Subsidiary will continue to be governed by the terms and conditions of its applicable corporate governance documents as in effect immediately prior to the Effective Date, except as amended or modified by the Plan, or the Plan Supplement.

16. Sources of Cash for Plan Distributions

All Cash necessary for the Debtors or the Reorganized Debtors, as applicable, to make payments required pursuant to the Plan will be obtained from their respective Cash balances, including Cash from operations, the Equity Rights Offering and the Exit Facility Credit Agreements. The Debtors and the Reorganized Debtors, as applicable, may also make such

payments using Cash received from their subsidiaries through their respective consolidated cash management systems and the incurrence of intercompany transactions, in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents.

17. Funding and Use of Professional Fee Claim Reserve

On or before the Effective Date, the Debtors will fund the Professional Fee Claim Reserve in such amount as determined by the Debtors, with the consent of the Required Consenting Noteholders or as determined by order of the Bankruptcy Court, as necessary in order to be able to pay in full in Cash the Professional Fee Claims, as and when Allowed.

The Cash contained in the Professional Fee Claim Reserve will be used solely to pay the Allowed Professional Fee Claims, with the Unused Cash Reserve Amount (if any) being returned to the Reorganized Debtors within three (3) Business Days after determining the Unused Cash Reserve Amount. The Debtors and the Reorganized Debtors, as applicable, will maintain detailed records of all payments made from the Professional Fee Claim Reserve, such that all payments and transactions will be adequately and promptly documented in, and readily ascertainable from, their respective books and records.

The Professional Fee Claim Reserve will be maintained in trust for the Professionals and will not be considered property of the Debtors' Estates; *provided* that the Reorganized Debtors will have a reversionary interest in the Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals will have an Allowed Administrative Claim for any such deficiency, which will be satisfied in full in Cash accordance with Article II.A of the Plan.

After the Effective Date, neither the Debtors nor the Reorganized Debtors will deposit any other funds or property into the Professional Fee Claim Reserve without further order of the Bankruptcy Court or otherwise commingle funds in the Professional Fee Claim Reserve. To the extent the Professional Fee Claim Reserve is insufficient to pay in full in Cash the obligations and liabilities for which such reserve was established, then the Reorganized Debtors will, within five (5) Business Days, pay such obligations and liabilities in full in Cash.

18. Continuing Effectiveness of Final Orders

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

19. Payment of Fees and Expenses of Certain Creditors

The Debtors and the Reorganized Debtors, as applicable, will, on and after the Confirmation Date and to the extent invoiced in accordance with the terms of the applicable engagement letter(s), pay the Ad Hoc Noteholder Group Fees and Expenses (whether accrued prepetition or postpetition and to the extent not otherwise paid prior to or during the Chapter 11

Cases), without the need for application by any such parties to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise.

20. Payment of Fees and Expenses of the Prepetition Notes Indenture Trustee

The Debtors will, on and after the Effective Date, and upon the presentment of invoices in customary form (which may be redacted to preserve any confidential or privileged information), pay the Prepetition Notes Indenture Trustee Fees and Expenses (in each case whether accrued prepetition or postpetition and to the extent not otherwise paid during the Chapter 11 Cases), without the need for application by any party to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise. From and after the Effective Date, the Reorganized Debtors will pay any Prepetition Notes Indenture Trustee Fees and Expenses in full in Cash without further court approval.

21. Equity Rights Offering

Pursuant to the terms of the Plan and the Equity Rights Offering Procedures, each Accredited Cash Opt-Out Noteholder will have the opportunity but not the obligation to subscribe for its Pro Rata share of an amount of New Common Stock to be issued as of the Effective Date necessary to fully fund the Cash Payout at the Purchase Price (as defined in the Equity Rights Offering Procedures) set forth in the Equity Rights Offering Procedures.

Each Accredited Cash Opt-Out Noteholder that elects to purchase the maximum number of Equity Rights Offering Shares that such Accredited Cash Opt-Out Noteholder may purchase in the Equity Rights Offering will also have the right to elect to purchase additional Equity Rights Offering Shares that are not timely, duly and validly subscribed and paid for in the Equity Rights Offering, as more fully set forth in the Rights Offering Procedures.

The Equity Rights Offering will be conducted in reliance upon the exemption from registration set forth in Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

The proceeds of the Equity Rights Offering will be used exclusively to fund the Cash Payout provided to Cash Payout Noteholders, in full and final satisfaction of such Holders' Prepetition Notes Claims, which will be released and discharged pursuant to Article XI of the Plan. Notwithstanding anything to the contrary in the Plan, if the Equity Rights Offering Amount is less than the aggregate amount of the Cash Payout, then the amount of Prepetition Notes Claims held by the Cash Payout Noteholders satisfied by the Cash Payout will automatically be reduced, and any remaining portion of such Cash Payout Noteholders' Prepetition Notes Claims that is not satisfied through the Cash Payout as a result of such automatic reduction will receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder. For the avoidance of doubt, under no circumstance will the amount actually paid out in the Cash Payout exceed the Equity Rights Offering Amount.

Consummation of the Equity Rights Offering and delivery of any Cash Payout is contingent upon the consent of the Required Consenting Noteholders. In the event the Equity Rights Offering is not consummated, then no Cash Payout will be made to any Cash Payout Noteholder and such

Holder will receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder.

Notwithstanding anything in the Plan to the contrary, the New Common Stock issued in connection with the Equity Rights Offering will be subject to dilution by the New MIP Equity.

F. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

1. Assumption of Executory Contracts and Unexpired Leases

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors will be assumed by the Debtors in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code (including, for the avoidance of doubt, the Restructuring Support Agreement), except for those Executory Contracts and Unexpired Leases that:

- (a) have been assumed or rejected by the Debtors by prior order of the Bankruptcy Court;
- (b) are the subject of a motion to reject filed by the Debtors pending on the Effective Date;
- (c) are identified by the Debtors (with the consent of the Required Consenting Noteholders) and Filed in the Plan Supplement as rejected Executory Contracts and Unexpired Leases, which Plan Schedule may be amended by the Debtors (with the consent of the Required Consenting Noteholders) to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended Plan Schedule and serving it on the affected non-Debtor contract parties at least seven (7) days prior to the Plan Objection Deadline; or
- (d) are rejected or terminated by the Debtors pursuant to the terms of the Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the Confirmation Order by the Bankruptcy Court will constitute approval of such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned (as applicable) pursuant to the Plan or any prior order of the Bankruptcy Court (including, without limitation, any “change in control” provision, “change of control” provision, or provision with words of similar import) (a) prohibits, restricts or conditions, or purports to prohibit, restrict or condition, (b) is modified, breached or terminated (or deemed modified, breached or terminated), (c) increases, accelerates or otherwise alters any obligations or liabilities of the Debtors or Reorganized Debtors (or purports to increase, accelerate or otherwise alter any obligations or liabilities of the Debtors or Reorganized Debtors), or (d) results in the creation or imposition of any Lien upon any property or assert of any of the Debtors or Reorganized Debtors (or purports to result in the creation or imposition of any Lien upon any property or asset of any of the Debtors or Reorganized Debtors), in each case as a result of (i) the commencement

of these Chapter 11 Cases or the insolvency or financial condition of any Debtor at any time before the closing of its respective Chapter 11 Case, (ii) any Debtor's or any Reorganized Debtor's assumption or assumption and assignment (as applicable) of such Executory Contract or Unexpired Lease or (iii) the Confirmation or Consummation of the Plan, then such provision will, to the extent provided by section 365 of the Bankruptcy Code, be deemed modified such that the transactions contemplated by the Plan will not entitle the non-debtor party thereto to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease will be deemed satisfied by the Confirmation of the Plan.

Each Executory Contract and Unexpired Lease assumed and/or assigned pursuant to the Plan will revest in and be fully enforceable by the applicable Reorganized Debtor or the applicable assignee in accordance with its terms and conditions, except as modified by the provisions of the Plan, any order of the Bankruptcy Court approving its assumption and/or assignment, or applicable law.

The inclusion or exclusion of a contract or lease on any schedule or exhibit will not constitute an admission by any Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder.

2. Cure of Defaults; Assignment of Executory Contracts and Unexpired Leases

Any defaults under each Executory Contract and Unexpired Lease to be assumed, or assumed and assigned, pursuant to the Plan will be satisfied, pursuant to and to the extent required by section 365(b)(1) of the Bankruptcy Code, by payment of the applicable default amount in Cash on or in connection with the Effective Date or on such other terms as the Bankruptcy Court may order or the parties to such Executory Contracts or Unexpired Leases may otherwise agree in writing (with the consent of the Required Consenting Noteholders) (the "**Cure Claim Amount**").

In the event of an assumption, or an assumption and assignment, of an Executory Contract or Unexpired Lease that is in default under the Plan, at least seven (7) days prior to the Plan Objection Deadline (or, in the case of an Executory Contract or Unexpired Lease removed from the Plan Schedule after such date, no later than one (1) Business Day after such removal), the Debtors will File and serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption, or proposed assumption and assignment, which will: (a) list the applicable Cure Claim Amount, if any; (b) if applicable, identify the party to which the Executory Contract or Unexpired Lease will be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes will be resolved by the Bankruptcy Court.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption, or proposed assumption and assignment under the Plan, or any related cure amount, must be Filed, served and actually received by the Debtors and counsel to the Ad Hoc Noteholder Group prior to the Plan Objection Deadline (notwithstanding anything in the Schedules or a proof of Claim to the contrary). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption, or proposed assumption and assignment, or cure amount will be deemed to have consented to such matters and will be deemed to have forever released and waived any objection to such proposed assumption, proposed

assumption and assignment, and cure amount. The Confirmation Order will constitute an order of the Bankruptcy Court approving each proposed assumption, or proposed assumption and assignment, of Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any Debtor or assignee to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or assumed and assigned or (c) any other matter pertaining to assumption or assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order resolving the dispute and approving such assumption or assumption and assignment. If such objection is sustained by Final Order of the Bankruptcy Court, the Debtors or the Reorganized Debtors, as applicable, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming or assigning it. The Debtors or the Reorganized Debtors, as applicable, will be authorized to effect such rejection by filing a written notice of rejection with the Bankruptcy Court and serving such notice on the applicable counterparty within ten (10) days of the entry of such Final Order.

Subject to any cure claims Filed with respect thereto, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan will result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment, in each case as provided in section 365 of the Bankruptcy Code, in each case subject to the remaining terms and conditions of Article VI of the Plan. Any proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed or assumed and assigned by Final Order will be deemed disallowed and expunged (subject to any cure claims Filed with respect thereto), without further notice to or action, order, or approval of the Bankruptcy Court.

With respect to any Executory Contract or Unexpired Lease assumed and assigned pursuant to the Plan, upon and as of the Effective Date, the applicable assignee will be deemed to be substituted as a party thereto for the applicable Debtor party to such assigned Executory Contract or Unexpired Lease and, accordingly, the Debtors and the Reorganized Debtors will be relieved, pursuant to and to the extent set forth in section 365(k) of the Bankruptcy Code, from any further liability under such assigned Executory Contract or Unexpired Lease.

3. Rejection of Executory Contracts and Unexpired Leases

The Debtors reserve the right, at any time prior to the Effective Date, except as otherwise specifically provided in the Plan, to seek to reject (with the consent of the Required Consenting Noteholders) any Executory Contract or Unexpired Lease and to file a motion requesting authorization for the rejection of any such contract or lease. All Executory Contracts and Unexpired Leases listed on a Plan Schedule as rejected Executory Contracts and Unexpired Leases will be deemed rejected as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving the rejections described in Article VI of the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will not constitute a

termination of any preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases.

4. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after service of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection.

Any Person or Entity that is required to file a proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so will be forever barred, estopped and enjoined from asserting such Claim, and such Claim will not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and their respective assets and property will be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided in the Plan. All such Claims will, as of the Effective Date, be subject to the permanent injunction set forth in Article X.G of the Plan.

5. D&O Liability Insurance Policies

On the Effective Date, each D&O Liability Insurance Policy will be deemed and treated as an Executory Contract that is and will be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the D&O Liability Insurance Policies will survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the D&O Liability Insurance Policies.

After assumption of the D&O Liability Insurance Policies, nothing in the Plan otherwise alters the terms and conditions of the D&O Liability Insurance Policies. Confirmation and Consummation of the Plan will not impair or otherwise modify any available defenses of the Reorganized Debtors under the D&O Liability Insurance Policies. For the avoidance of doubt, the D&O Liability Insurance Policies will continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the D&O Liability Insurance Policies.

The Debtors are further authorized to take such reasonable actions, and to execute and deliver such documents, as may be reasonably necessary or appropriate to implement, maintain, cause the binding of, satisfy any terms or conditions of, or otherwise secure for the insureds the benefits of the D&O Tail Policy, without further notice to or order of the Bankruptcy Court or approval or consent of any Person or Entity.

Notwithstanding anything to the contrary in any D&O Liability Insurance Policies issued prior to the Effective Date, the Reorganized Debtors will not have any obligation or responsibility for the payment of any self-insured retention thereunder or in connection therewith, and no Person

or Entity will be entitled to seek reimbursement from or to subrogate against any Reorganized Debtors with respect to any payments made under such policies.

6. Indemnification Provisions

On the Effective Date, all Indemnification Provisions will be deemed and treated as Executory Contracts that are and will be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Indemnification Provisions will survive the Effective Date and be Unimpaired; provided, however, that, to the maximum extent permitted under applicable law, this provision will not include any such Claims arising from or related to (i) any Excluded Party or (ii) any indemnification Claims against the Parent that are based on fraud, gross negligence, or willful misconduct, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Indemnification Provisions. Confirmation and Consummation of the Plan will not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Indemnification Provisions. For the avoidance of doubt, the Indemnification Provisions will continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the Indemnification Provisions.

7. Employment Plans

On the Effective Date, all employment agreements and severance policies, including all employment, compensation, and benefit plans, policies, and programs of the Debtors applicable to any of their respective officers, employees or retirees, and any of the officers, employees or retirees of their respective subsidiaries, including, without limitation, all workers' compensation programs, savings plans, retirement plans, SERP plans, healthcare plans, disability plans, severance benefit plans, incentive plans, change-in-control plans, insurance plans including but not limited to life and accidental death and dismemberment insurance plans, health and welfare plans, and 401(k) plans (in each case, as applicable) (collectively, the "**Specified Employee Plans**") will be deemed and treated as Executory Contracts that are and will, subject to the following proviso, be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed; *provided* that (a) the Debtors, pursuant to the Restructuring Support Agreement, acknowledged and agreed that the Consummation of the Plan will not constitute a change in control or term of similar meaning pursuant to any of the Specified Employee Plans, and the Confirmation Order will contain a finding and such other provisions acceptable to the Required Consenting Noteholders confirming the same, and (b) each "Executive" employment agreement, "Level I" employment agreement and "Level II" employment agreement will only be maintained and assumed by the Debtors (and assigned to the Reorganized Debtors, if necessary) and considered a Specified Employee Plan if the employee party to such agreement, on or prior to the Effective Date, (i) confirms that the Consummation of the Plan does not constitute a change in control and (ii) waives any right to resign with "good reason" solely or in part as a result of the Consummation of the Plan.

All Claims arising from the Specified Employee Plans will survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Specified Employee Plans. Confirmation and Consummation of the Plan will not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Specified Employee Plans.

8. Insurance and Surety Contracts

On the Effective Date, each Insurance and Surety Contract will be deemed and treated as an Executory Contract that is and will be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Insurance and Surety Contracts will survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Insurance and Surety Contracts. After assumption of the Insurance and Surety Contracts, nothing in the Plan otherwise alters the terms and conditions of the Insurance and Surety Contracts. Confirmation and Consummation of the Plan will not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable counterparties under the Insurance and Surety Contracts.

9. Extension of Time to Assume or Reject

Notwithstanding anything to the contrary set forth in Article VI of the Plan, in the event of a dispute as to whether a contract is executory or a lease is unexpired, the right of the Reorganized Debtors to move to assume or reject such contract or lease will be extended until the date that is ten (10) days after entry of a Final Order by the Bankruptcy Court determining that the contract is executory or the lease is unexpired. The deemed assumption provided for in Article VI.A of the Plan will not apply to any such contract or lease, and any such contract or lease will be assumed or rejected only upon motion of the Reorganized Debtors following the Bankruptcy Court's determination that the contract is executory or the lease is unexpired.

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

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed by the Debtors or the Reorganized Debtors will include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing has been previously rejected or repudiated or is rejected or repudiated hereunder. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases will not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

G. PROVISIONS GOVERNING DISTRIBUTIONS

1. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the “Treatment” sections in Article III of the Plan or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date will be made on the Effective Date or as soon as reasonably practicable thereafter. Any payment or distribution required to be made under the Plan on a day other than a Business Day will be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date will be made pursuant to Article VIII of the Plan.

2. No Postpetition Interest on Claims

Unless otherwise specifically provided for in the Plan, the Confirmation Order or Final Order of the Bankruptcy Court, or required by applicable bankruptcy law (including, without limitation, as required pursuant to section 506(b) or section 511 of the Bankruptcy Code), postpetition interest will not accrue or be paid on any Claims (except DIP Super-Priority Claims) and no Holder of a Claim (except a DIP Super-Priority Claim) will be entitled to interest accruing on or after the Petition Date on any Claim.

3. Distributions by the Reorganized Debtors or Other Applicable Distribution Agent

Other than as specifically set forth below or as otherwise provided in the Plan, the Reorganized Debtors or other applicable Distribution Agent will make all distributions required to be distributed under the Plan. Distributions on account of the Allowed Prepetition Debt Claims and Allowed DIP Super-Priority Claims will be made to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee, and the DIP Agent, as applicable, and such agent or trustee will be, and will act as, the Distribution Agent with respect to its respective Class of Claims in accordance with the terms and conditions of the Plan and the applicable debt documents. All distributions to Holders of Prepetition Debt Claims and DIP Super-Priority Claims will be deemed completed when made by the Reorganized Debtors to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee (or as directed by the Prepetition Notes Indenture Trustee), and the DIP Agent, or as otherwise provided in the Plan, as applicable. The Reorganized Debtors may employ or contract with other Entities to assist in or make the distributions required by the Plan and may pay the reasonable fees and expenses of such Entities and the Distribution Agents in the ordinary course of business. No Distribution Agent will be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

The distributions of New Common Stock to be made under the Plan to Holders of Allowed Prepetition Notes Claims will be made by the Debtors or Reorganized Debtors, as applicable, to the Prepetition Notes Indenture Trustee, which will transmit (or cause to be transmitted) such distributions to Holders of Allowed Prepetition Notes Claims in accordance with the Prepetition Notes Indenture or as set forth below. Notwithstanding anything to the contrary in the Plan, the Prepetition Notes Indenture Trustee may transfer or direct the transfer of such distributions through the facilities of DTC and, in such event, will be entitled to recognize and deal for all purposes under the Plan with Holders of the Prepetition Notes to the extent consistent with the policies or customary practices of DTC. If such distributions cannot be made through the facilities of DTC,

the Debtors or Reorganized Debtors, as applicable, will implement procedures in consultation with the Prepetition Notes Indenture Trustee and reasonably acceptable to the Required Consenting Noteholders to make distributions with respect to the Prepetition Notes. The Debtors or Reorganized Debtors (as applicable) will use their best efforts to make the New Common Stock to be distributed to Holders of the Prepetition Notes eligible for distribution through the facilities of DTC. The distributions of Subscription Rights under the Plan to Accredited Cash Opt-Out Noteholders will be made by the Voting and Claims Agent as provided in the Equity Rights Offering Procedures. The obligations of the Prepetition Notes Indenture Trustee under the Prepetition Notes Indentures, the Prepetition Notes, and the Plan will be deemed fully satisfied upon DTC's receipt of the distributions with respect to the Prepetition Notes.

4. Delivery and Distributions; Undeliverable or Unclaimed Distributions

(a) Record Date for Distributions

On the Distribution Record Date, the Claims Register (and the Debtors' books and records with respect to the Holders of Equity Interests in Parent) will be closed. Accordingly, the Debtors, the Reorganized Debtors or other applicable Distribution Agent will have no obligation to recognize the assignment, transfer or other disposition of, or the sale of any participation in, any Allowed Claim (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes in the Plan to recognize and distribute securities, property, notices and other documents only to those Holders of Allowed Claims (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest who are Holders of such Claims or Equity Interests, or participants therein, as of the close of business on the Distribution Record Date. The Reorganized Debtors or other applicable Distribution Agent will be entitled to recognize and deal for all purposes under the Plan with only those record holders stated on the Claims Register, or their books and records, as of the close of business on the Distribution Record Date; *provided, however*, that the Distribution Record Date will not apply to the DIP Super-Priority Claims, Prepetition Debt Claims, or any securities of the Debtors deposited with DTC.

(b) Delivery of Distributions in General

Except as otherwise provided in the Plan, the Debtors, the Reorganized Debtors or other applicable Distribution Agent, as applicable, will make distributions to Holders of Allowed Claims, or in care of their authorized agents, as appropriate, at the address for each such Holder or agent as indicated on the Debtors' or other applicable Distribution Agent's books and records as of the date of any such distribution; *provided, however*, that the manner of such distributions will be determined in the discretion of the applicable Distribution Agent (subject to the terms and conditions of the DIP Agreement and the relevant Prepetition Debt Documents, if applicable); *provided further*, that the address for each Holder of an Allowed Claim will be deemed to be the address set forth in the latest proof of Claim, if any, Filed by such Holder pursuant to Bankruptcy Rule 3001 as of the Distribution Record Date.

(c) Minimum Distributions

Notwithstanding anything in the Plan to the contrary, no Distribution Agent will be required to make distributions or payments of less than \$100.00 (whether in Cash or otherwise) or

to make partial distributions or payments of fractions of dollars or New Common Stock, in each case with respect to Impaired Claims. With respect to Impaired Claims, whenever any payment or distribution of a fraction of a dollar or a fraction of a share of New Common Stock under the Plan would otherwise be called for, the actual payment or distribution will reflect a rounding of such fraction down to the nearest whole dollar or share of New Common Stock (and no Cash will be distributed in lieu of such fractional New Common Stock). For the avoidance of doubt, DTC will be considered a single holder for purposes of distributions.

No Distribution Agent will have any obligation to make a distribution on account of an Allowed Claim that is Impaired under the Plan if: (a) the aggregate amount of all distributions authorized to be made on the Effective Date is or has an economic value less than \$25,000, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on the Effective Date does not constitute a final distribution to such Holder and is or has an economic value less than \$25.00, which will be treated as an undeliverable distribution under Article VII.D.4 of the Plan.

(d) Undeliverable Distributions

- *Holding of Certain Undeliverable Distributions:* If the distribution to any Holder of an Allowed Claim is returned to the Distribution Agent as undeliverable or is otherwise unclaimed, no further distributions will be made to such Holder unless and until the Distribution Agent is notified in writing of such Holder's then current address in accordance with the time frames described in Article VII.D.4(b) of the Plan, at which time (or as soon as reasonably practicable thereafter) all currently due but missed distributions will be made to such Holder. Undeliverable distributions will remain in the possession of the Reorganized Debtors or in the applicable reserve, subject to Article VII.D.4(b) of the Plan, until such time as any such distributions become deliverable. Undeliverable distributions will not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.
- *Failure to Claim Undeliverable Distributions:* Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a right pursuant to the Plan for an undeliverable or unclaimed distribution within ninety (90) days after the later of the Effective Date or the date such distribution is due will be deemed to have forfeited its rights for such undeliverable or unclaimed distribution and will be forever barred and enjoined from asserting any such rights for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their respective assets or property, or any Distribution Agent. In such case, any Cash, Plan Securities, or other property reserved for distribution on account of such Claim will become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash, Plan Securities, or other property will thereafter be distributed or allocated in accordance with the applicable terms

and conditions of the Plan; provided, however if the aggregate amount of Allowed Claims in Class 6 is less than the Parent GUC Recovery Cash Pool, then the excess Parent GUC Recovery Cash Pool will constitute property of the Reorganized Debtors. Nothing contained in the Plan will require the Debtors, the Reorganized Debtors, or any Distribution Agent to attempt to locate any Holder of an Allowed Claim.

- *Failure to Present Checks*: Checks issued by the Distribution Agent on account of Allowed Claims will be null and void if not negotiated within ninety (90) days after the issuance of such check. Requests for reissuance of any check will be made directly to the Distribution Agent by the Holder of the relevant Allowed Claim with respect to which such check originally was issued. Any Holder of an Allowed Claim holding an un-negotiated check that does not request reissuance of such un-negotiated check within ninety (90) days after the date of mailing or other delivery of such check will have its rights for such un-negotiated check discharged and be forever barred, estopped and enjoined from asserting any such right against the Debtors, their Estates, the Reorganized Debtors, or their respective assets or property. In such case, any Cash held for payment on account of such Claims will become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash will thereafter be distributed or allocated in accordance with the applicable terms and conditions of the Plan.

5. Compliance with Tax Requirements

In connection with the Plan and all distributions hereunder, the Reorganized Debtors or other applicable Distribution Agent will comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions hereunder will be subject to any such applicable withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors or other applicable Distribution Agent will be authorized to take any and all reasonable actions that may be necessary or appropriate to comply with such applicable withholding and reporting requirements. All Persons and Entities holding Claims or Equity Interests will be required to provide any information necessary to effect information reporting and the withholding of such taxes (or establish eligibility for an exclusion for the withholding of taxes), and each Holder of an Allowed Claim will have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such distribution. Any amounts withheld or reallocated pursuant to the Plan will be treated as if distributed to the Holder of the Allowed Claim.

6. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution will, to the extent permitted by applicable law, be allocated for U.S. federal income tax purposes to the principal amount of the Claim first and then, to the extent that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

7. Means of Cash Payment

Payments of Cash made pursuant to the Plan will be in U.S. dollars and will be made, at the option of the applicable Distribution Agent, by checks drawn on, or wire transfer from, a domestic bank selected by such Distribution Agent. Cash payments to foreign creditors may be made, at the option of the applicable Distribution Agent, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

8. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the “Treatment” sections in Article III of the Plan or as ordered by the Bankruptcy Court, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Claim will receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims will be made pursuant to the provisions set forth in the applicable class treatment or in Article VIII of the Plan. Except as otherwise provided in the Plan, Holders of Claims will not be entitled to interest, dividends or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

9. Setoffs

Without altering or limiting any of the rights and remedies of the Debtors and the Reorganized Debtors under section 502(d) of the Bankruptcy Code, all of which rights and remedies are hereby reserved, the Debtors and the Reorganized Debtors may, but will not be required to, withhold (but not setoff except as set forth below) from the distributions called for hereunder on account of any Allowed Claim an amount equal to any claims, Causes of Action and Retained Litigation Claims of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim; *provided* that, at least ten (10) days prior to effectuating such withholding, the Debtors or the Reorganized Debtors, as applicable, will provide written notice thereof to the applicable Holder of such Claim, and all objections and defenses of such Holder to such withholding are preserved. In the event that any such claims, Causes of Action or Retained Litigation Claims are adjudicated by Final Order or otherwise resolved against the applicable Holder, the Debtors and the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the amount of such adjudicated or resolved claims, Causes of Action or Retained Litigation Claims. Neither the failure to effect such a setoff nor the allowance of any Claim hereunder will constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, Causes of Action or Retained Litigation Claims, all of which are reserved unless expressly released or compromised pursuant to the Plan or the Confirmation Order. Notwithstanding anything to the contrary in the Plan, the Allowed Prepetition Notes Claims and the distributions to be made pursuant hereto on account of such Claims will not be subject to set off by the Debtors or the Reorganized Debtors pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law and the Debtors and the Reorganized Debtors hereby waive any and all rights of set off against such Claims.

H. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS

1. Resolution of Disputed Claims and Equity Interests

(a) Allowance of Claims

After the Effective Date, and except as otherwise provided in the Plan, the Reorganized Debtors will have and will retain any and all available rights and defenses that the Debtors had with respect to any Claim, including, without limitation, the right to assert any objection to Claims based on the limitations imposed by section 502 or section 510 of the Bankruptcy Code. The Debtors and the Reorganized Debtors may contest the amount and validity of any Disputed Claim in the ordinary course of business in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced.

(b) Prosecution of Objections to Claims

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors, will have the authority to File objections to Claims (other than those that are Allowed under the Plan) and settle, compromise, withdraw or litigate to judgment objections to any and all such Claims, regardless of whether such Claims are in an Unimpaired Class or otherwise; *provided, however*, that this provision will not apply to Professional Fee Claims, which may be objected to by any party-in-interest in these Chapter 11 Cases. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtors will have the sole authority to administer and adjust the Claims Register and their respective books and records to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

(c) Claims Estimation

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any Disputed Claim or contingent or unliquidated Claim pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court will retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, whether for allowance or to determine the maximum amount of such Claim, including during the litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation.

(d) No Filings of Proofs of Claim

Except as otherwise provided in the Plan, Holders of Claims, including the Prepetition Notes Indenture Trustee with respect to the Prepetition Notes Indentures and the Prepetition Notes and the DIP Agent with respect to the DIP Super-Priority Claims, will not be required to File a proof of Claim, and no such parties should File a proof of Claim; provided that Holders of General Unsecured Claims against the Parent only will be required to file a proof of claim pursuant to separate bar date procedures to be provided to such parties by the Debtors. Other than with respect to the General Unsecured Claims against the Parent only, the Debtors do not intend to object in the Bankruptcy Court to the allowance of Claims Filed; *provided, however*, that the Debtors and the Reorganized Debtors, as applicable, reserve the right to object to any Claim or Equity Interest that is entitled, or deemed to be entitled, to a distribution under the Plan or is rendered Unimpaired under the Plan. Instead, the Debtors intend to make distributions, as required by the Plan, in accordance with the books and records of the Debtors. Unless disputed by a Holder of a Claim, the amount set forth in the books and records of the Debtors will constitute the amount of the Allowed Claim of such Holder. If any such Holder of a Claim disagrees with the Debtors' books and records with respect to the Allowed amount of such Holder's Claim, such Holder must so advise the Debtors in writing, in which event the Claim will become a Disputed Claim. The

Debtors intend to attempt to resolve any such disputes consensually or through judicial means outside the Bankruptcy Court subject to the consent of the Required Consenting Noteholders. Nevertheless, the Debtors may, in their discretion and with the consent of the Required Consenting Noteholders, File with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to the allowance of any Claim or any other appropriate motion or adversary proceeding with respect thereto. All such objections will be litigated to Final Order; *provided, however*, that the Debtors may, with the consent of the Required Consenting Noteholders, compromise, settle, withdraw or resolve by any other method approved by the Bankruptcy Court any objections to Claims.

2. No Distributions Pending Allowance

Notwithstanding any other provision of the Plan to the contrary, no payments or distributions of any kind or nature will be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled (with the consent of the Required Consenting Noteholders) or withdrawn or have been determined by Final Order, and the Disputed Claim is or becomes Allowed by Final Order; *provided, however*, that notwithstanding the foregoing, payments or distributions under the Plan to Holders of Allowed Prepetition Notes Claims will be made in full on the Effective Date, regardless of whether such Holders hold any Disputed Claims.

3. Distributions on Account of Disputed Claims Once They Are Allowed

The Reorganized Debtors or other applicable Distribution Agent will make distributions on account of any Disputed Claim that has become Allowed after the Effective Date at such time that such Claim becomes Allowed (or as soon as reasonably practicable thereafter). Such distributions will be made pursuant to the applicable provisions of Article VII of the Plan.

4. Reserve for Disputed Claims

The Debtors, the Reorganized Debtors, and the Distribution Agent may establish such appropriate reserves for Disputed Claims in the applicable Class(es) as they determine necessary and appropriate, in each case with the consent of the Required Consenting Noteholders or as approved by order of the Bankruptcy Court. Without limiting the foregoing, reserves (if any) for Disputed Claims will equal, as applicable, an amount of property equal to 100% of distributions to which Holders of Disputed Claims in each applicable Class would otherwise be entitled under the Plan as of such date if such Disputed Claims were Allowed based on the Debtors' books and records; *provided, however*, that the Debtors and the Reorganized Debtors, as applicable, will have the right to file a motion seeking to estimate any Disputed Claims.

I. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

1. Conditions Precedent to Confirmation

Unless satisfied or waived pursuant to the provisions of Article IX.C of the Plan, the following are conditions precedent to Confirmation of the Plan.

- (a) The Plan and the Restructuring Documents are in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders;
- (b) The Confirmation Order has been entered by the clerk of the Bankruptcy Court, and such order is in form and substance consistent in all respects with the Restructuring Term Sheet and the Restructuring Support Agreement and otherwise reasonably acceptable to the Debtors and to the Required Consenting Noteholders; and
- (c) The Restructuring Support Agreement is in full force and effect and has not been validly terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement.

2. *Conditions Precedent to Consummation*

Unless satisfied or waived pursuant to the provisions of Article IX.C of the Plan, the following are conditions precedent to Consummation of the Plan.

- (a) The Confirmation Order has become a Final Order and such order has not been amended, modified, vacated, stayed, or reversed;
- (b) The Bankruptcy Court has entered one or more Final Orders (which may include the Confirmation Order), in form and substance reasonably acceptable to the Debtors and Required Consenting Noteholders, authorizing the assumption, assumption and assignment and rejection of the Executory Contracts and Unexpired Leases by the Debtors as contemplated in the Plan and the Plan Supplement;
- (c) The Plan and the Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all respects with the Restructuring Term Sheet, and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders;
- (d) The Restructuring Documents (including the Exit Facility Loan Documents) have been filed, tendered for delivery, and have been effectuated or executed by all Persons and Entities party thereto (as appropriate), and in each case in full force and effect, each to the extent required prior to Consummation. All conditions precedent to the effectiveness of such Restructuring Documents, including, without limitation, the Exit Facility Credit Agreements, have been satisfied or waived pursuant to the terms of such applicable Restructuring Documents (or will be satisfied concurrently with the occurrence of the Effective Date) and such agreements have closed or will close simultaneously with the effectiveness of the Plan;

- (e) The Debtors have received, or concurrently with the occurrence of the Effective Date will receive (a) an Exit ABL Facility on terms and conditions acceptable to the Required Consenting Noteholders, and/or (b) the Exit DDTL Facility;
- (f) The Amended/New Corporate Governance Documents have become effective or will become effective concurrently with the effectiveness of the Plan;
- (g) All consents, actions, documents, certificates and agreements necessary to implement the Plan and the transactions contemplated by the Plan have been, as applicable, obtained and not otherwise subject to unfulfilled conditions, effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws, and in each case in full force and effect;
- (h) All governmental approvals and consents, including Bankruptcy Court approval, that are applicable and legally required for the consummation of the Plan have been obtained, not be subject to unfulfilled conditions and be in full force and effect;
- (i) The New Board has been selected in accordance with the Restructuring Support Agreement.
- (j) The Restructuring Support Agreement is in full force and effect and has not been terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement;
- (k) The Professional Fee Claim Reserve has been funded in full in Cash by the Debtors in accordance with the terms and conditions of the Plan;
- (l) To the extent invoiced, all Ad Hoc Noteholder Group Fees and Expenses and Prepetition Notes Indenture Trustee Fees and Expenses have been paid in full in Cash;
- (m) There will be no ruling, judgment, or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions, unless such ruling, judgment, or order has been stayed, reversed or vacated within three (3) Business Days after such issuance;
- (n) There will be no material litigation or investigation by any Governmental Unit involving the Debtors as of the Effective Date that has had, or would reasonably be expected to have, a material adverse effect on the business, financial condition or results of operations of the Reorganized Debtors, taken as a whole; and

- (o) Since the Petition Date, there will have been no event, change, effect, occurrence, development, circumstance, condition, result, state of fact or change of fact (each, an “Event”) that, individually or together with all other Events, has had, or would reasonably be expected to have, a material adverse effect on either the business, operations, finances, properties, condition (financial or otherwise), assets or liabilities of the Debtors, taken as a whole, or the ability of the Debtors taken as a whole, to perform their respective obligations under, or to consummate the Restructuring Transactions; provided, however, that in no case will any Event arising from, as a result of, or in connection with (a) the public announcement of the Restructuring Support Agreement, the Plan, or any other Restructuring Document, (b) the pursuit or public announcement of the Restructuring Transaction, (c) the commencement or prosecution of the Chapter 11 Cases, or (d) the pursuit of Confirmation or Consummation, be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect for purposes of the Plan.

3. Waiver of Conditions

Subject to section 1127 of the Bankruptcy Code, the conditions to Confirmation and Consummation of the Plan set forth in Article IX of the Plan may be waived by the Debtors, with the consent of the Required Consenting Noteholders, without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights will not be deemed a waiver of any other rights, and each right will be deemed an ongoing right that may be asserted at any time.

4. Effect of Non-Occurrence of Conditions to Confirmation or Consummation

If the Confirmation or the Consummation of the Plan does not occur with respect to one or more of the Debtors, then the Plan will, solely with respect to such applicable Debtor or Debtors, be null and void in all respects and nothing contained in the Plan or the Disclosure Statement will: (1) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (2) prejudice in any manner the rights of the Debtors, any Holders or any other Person or Entity; (3) constitute an Allowance of any Claim or Equity Interest; or (4) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Person or Entity in any respect.

J. RELEASE, DISCHARGE, INJUNCTION AND RELATED PROVISIONS

1. General

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan will constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to the Plan. The entry of the Confirmation Order will constitute the Bankruptcy Court’s approval of the compromise or settlement of all such Claims, Equity Interests and controversies, as well as a

finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and any Holders of Claims or Equity Interests and is fair, equitable and reasonable.

Notwithstanding anything contained in the Plan to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, are settled, compromised, terminated and released pursuant hereto; *provided, however*, that nothing contained in the Plan will preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with the Plan.

2. Release of Claims and Causes of Action

Release by the Debtors and their Estates. Pursuant to section 1123(b) and any other applicable provisions of the Bankruptcy Code, and except as otherwise expressly provided in the Plan, effective as of the Effective Date, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, the Debtors and the Reorganized Debtors, in their respective individual capacities and as debtors-in-possession, and on behalf of themselves and their respective Estates, including, without limitation, any successor to the Debtors or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code (collectively, the “Debtor Releasing Parties”), will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released will be deemed forever released, waived and discharged by the Debtor Releasing Parties) and their respective assets and properties (the “Debtor Release”) from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, the Plan, the Plan Supplement,

the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation, dissemination, entry into, or filing of the Restructuring Support Agreement, the Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11 Cases, (vi) the purchase, sale, or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of the Plan, the solicitation of votes on the Plan or the issuance or distribution of Plan Securities pursuant to the Plan that such Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) or that any Holder of a Claim or Equity Interest or other Person or Entity would have been legally entitled to assert for, or on behalf or in the name of, any Debtor, its respective Estate or any Reorganized Debtor (whether directly or derivatively) against any of the Released Parties; *provided, however*, that the foregoing provisions of this Debtor Release will not operate to waive or release (i) the rights of such Debtor Releasing Party to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with the Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to the Plan or pursuant to a Final Order of the Bankruptcy Court, (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction, or (iii) any claims against the Excluded Parties. The foregoing release will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order will permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Debtor Release. Notwithstanding the foregoing, nothing in this Article X.B will or will be deemed to (i) prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors and/or (ii) operate as a release or waiver of any Intercompany Claims, in each case unless otherwise expressly provided for in the Plan.

Entry of the Confirmation Order will 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, will constitute the Bankruptcy Court's finding that the Debtor Release is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the Claims released by the Debtor Release; (iii) in the best interest of the Debtors and their Estates; (iv) fair, equitable and reasonable; (v) given and made after due notice and opportunity for hearing; and (vi) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any claim or Cause of Action released pursuant to the Debtor Release.

Release By Third Parties. Except as otherwise expressly provided in the Plan, effective as of the Effective Date, to the fullest extent permitted by applicable law, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, and without limiting or otherwise modifying the scope of the Debtor Release provided by the Debtor Releasing Parties above, each Non-Debtor Releasing Party (together with the Debtor Releasing Parties, the "Releasing Parties") will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released will be deemed forever released, waived and discharged by the Non-Debtor Releasing Parties) and their respective assets and properties (the "Third Party Release") from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, the Plan, the Plan Supplement, the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation, dissemination, entry into or filing of the Restructuring Support Agreement, the Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11

Cases, (vi) the purchase, sale or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of the Plan or the solicitation of votes on the Plan or the issuance or distribution of Plan Securities pursuant to the Plan that such Non-Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) against any of the Released Parties; *provided, however*, that the foregoing provisions of this Third Party Release will not operate to waive or release (i) the rights of such Non-Debtor Releasing Party to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with the Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to the Plan or pursuant to a Final Order of the Bankruptcy Court or (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. The foregoing release will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order will permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Third Party Release.

Entry of the Confirmation Order will constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, will constitute the Bankruptcy Court's finding that the Third Party Release is: (i) consensual; (ii) essential to the confirmation of the Plan; (iii) in exchange for the good and valuable consideration provided by the Released Parties; (iv) a good faith settlement and compromise of the Claims released by the Third Party Release; (v) in the best interest of the Debtors and all Holders of Claims and Equity Interests; (vi) fair, equitable and reasonable; (vii) given and made after due notice and opportunity for hearing; and (viii) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third Party Release.

3. Waiver of Statutory Limitations on Releases

Each of the Releasing Parties in each of the releases contained above expressly acknowledges that although ordinarily a general release may not extend to Claims which 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 the possible existence of such unknown losses or claims. Without limiting the generality of the foregoing, each Releasing Party expressly

waives any and all rights conferred upon it by any statute or rule of law which provides that a release does not extend to claims which the claimant does not know or suspect to exist in its favor at the time of providing the release, which if known by it may have materially affected its settlement with the released party. The releases contained in the Plan are effective regardless of whether those released matters are presently known, unknown, suspected or unsuspected, foreseen or unforeseen.

4. *Discharge of Claims and Equity Interests*

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan (including, without limitation, Article V.D and V.E of the Plan) or the Confirmation Order, effective as of the Effective Date, all consideration distributed under the Plan will be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims, Equity Interests and Causes of Action of any kind or nature whatsoever against the Debtors and the Reorganized Debtors or any of their respective assets or properties, including any interest accrued on such Claims or Equity Interests from and after the Petition Date, and regardless of whether any property will have been abandoned by order of the Bankruptcy Court, distributed or retained pursuant to the Plan on account of such Claims, Equity Interests or Causes of Action.

Except as otherwise expressly provided by the Plan (including, without limitation, Article V.D and V.E of the Plan) or the Confirmation Order, upon the Effective Date, the Debtors and their Estates will be deemed discharged and released under and to the fullest extent provided under sections 524 and 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code. Such discharge will void any judgment obtained against the Debtors or the Reorganized Debtors at any time, to the extent that such judgment relates to a discharged Claim.

Except as otherwise expressly provided by the Plan (including, without limitation, Article V.D and V.E of the Plan) or the Confirmation Order, upon the Effective Date: (i) the rights afforded in the Plan and the treatment of all Claims and Equity Interests will be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their respective assets, property, or Estates; (ii) all Claims and Equity Interests will be satisfied, discharged, and released in full, and each of the Debtors' liability with respect thereto will be extinguished completely without further notice or action; and (iii) all Persons or Entities will be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

5. *Exculpation*

Effective as of the Effective Date, to the fullest extent permitted by law, the Exculpated Parties will neither have nor incur any liability to any Person or Entity for any claims or Causes of

Action arising prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Confirmation or Consummation of the Plan, the Disclosure Statement, the Restructuring Documents, the DIP Documents, or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, including the Restructuring Support Agreement, or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or Confirmation or Consummation of the Plan; *provided, however*, that the foregoing provisions of this exculpation will not operate to waive or release: (i) any Causes of Action arising from willful misconduct, fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; and/or (ii) the rights of any Person or Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with the Plan or assumed pursuant to the Plan or Final Order of the Bankruptcy Court; *provided, further*, that each Exculpated Party will be entitled to rely upon the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions or inactions. The foregoing exculpation will be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity. Notwithstanding the foregoing, nothing in this Article X.E will or will be deemed to prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors, in each case unless otherwise expressly provided for in the Plan.

6. Preservation of Causes of Action

(a) Maintenance of Causes of Action

Except as otherwise provided in Article X of the Plan (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E of the Plan) or elsewhere in the Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors will retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Retained Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Cases. The Reorganized Debtors, as the successors-in-interest to the Debtors and the Estates, may, and will have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of such Retained Litigation Claims without notice to or approval from the Bankruptcy Court.

(b) Preservation of All Causes of Action Not Expressly Settled or Released

The Debtors expressly reserve all Causes of Action and Retained Litigation Claims for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Retained Litigation Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or

be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches will apply to such Causes of Action or Retained Litigation Claims upon or after the Confirmation or Consummation of the Plan based on the Disclosure Statement, the Plan or the Confirmation Order, except in each case where such Causes of Action or Retained Litigation Claims have been expressly waived, relinquished, released, compromised or settled in the Plan (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B of the Plan and Exculpation contained in Article X.E of the Plan) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any of the Debtors are a plaintiff, defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

No Person or Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action or Retained Litigation Claim against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action or Retained Litigation Claim against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action and Retained Litigation Claim against any Person or Entity, except as otherwise expressly provided in the Plan or the Confirmation Order (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E of the Plan).

7. Injunction

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN OR THE CONFIRMATION ORDER, FROM AND AFTER THE EFFECTIVE DATE, ALL PERSONS AND ENTITIES ARE, TO THE FULLEST EXTENT PROVIDED UNDER SECTION 524 AND OTHER APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, PERMANENTLY ENJOINED FROM (I) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY SUIT, ACTION OR OTHER PROCEEDING; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE, OR ORDER; (III) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR ENCUMBRANCE; (IV) ASSERTING A SETOFF OR RIGHT OF SUBROGATION OF ANY KIND; OR (V) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND, IN EACH CASE ON ACCOUNT OF OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, SETTLED OR TO BE SETTLED OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER AGAINST ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED (OR THE PROPERTY OR ESTATE OF ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED). ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASES UNDER SECTION 105 OR SECTION 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE

CONFIRMATION DATE, WILL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

8. Binding Nature Of Plan

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THE PLAN WILL BIND, AND WILL BE DEEMED BINDING UPON, THE DEBTORS, THE REORGANIZED DEBTORS, ANY AND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, ALL PERSONS AND ENTITIES THAT ARE PARTIES TO OR ARE SUBJECT TO THE SETTLEMENTS, COMPROMISES, RELEASES, EXCULPATIONS, DISCHARGES, AND INJUNCTIONS DESCRIBED IN THE PLAN, EACH PERSON AND ENTITY ACQUIRING PROPERTY UNDER THE PLAN, ANY AND ALL NON-DEBTOR PARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES WITH THE DEBTORS AND THE RESPECTIVE SUCCESSORS AND ASSIGNS OF EACH OF THE FOREGOING, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AND NOTWITHSTANDING WHETHER OR NOT SUCH PERSON OR ENTITY (I) WILL RECEIVE OR RETAIN ANY PROPERTY, OR INTEREST IN PROPERTY, UNDER THE PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN, AFFIRMATIVELY VOTED TO REJECT THE PLAN OR IS CONCLUSIVELY DEEMED TO REJECT THE PLAN.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE INJUNCTION DOES NOT ENJOIN ANY PARTY UNDER THE RESTRUCTURING SUPPORT AGREEMENT OR THE PLAN OR UNDER ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE INCLUDED IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN.

9. Protection Against Discriminatory Treatment

To the extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Persons and Entities, including Governmental Units, will not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant, against the Reorganized Debtors, or another Person or Entity with whom the Reorganized Debtors have been associated, solely because any Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

10. Integral Part of Plan

Each of the provisions set forth in the Plan with respect to the settlement, release, discharge, exculpation, and injunction for or with respect to Claims and/or Causes of Action are an integral part of the Plan and essential to its implementation. Accordingly, each Person or Entity that is a beneficiary of such provision will have the right to independently seek to enforce such provision and such provision may not be amended, modified, or waived after the Effective Date without the prior written consent of such beneficiary.

K. RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will, on and after the Effective Date, retain exclusive jurisdiction over the Chapter 11 Cases and all Persons and Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and the Plan as legally permissible, including, without limitation, jurisdiction to:

- (a) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including, without limitation, the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any such Claim or Equity Interest;
- (b) grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date; *provided, however,* that, from and after the Effective Date, the Reorganized Debtors may pay Professionals in the ordinary course of business for any work performed after the Effective Date and such payment will not be subject to the approval of the Bankruptcy Court;
- (c) resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to the Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected (as applicable);
- (d) resolve any issues related to any matters adjudicated in the Chapter 11 Cases;
- (e) ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
- (f) decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving the Debtors that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, *provided, however* that the Reorganized Debtors will reserve the right to commence actions in all appropriate forums and jurisdictions;
- (g) enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan, the Plan Supplement or the Disclosure Statement;

- (h) resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of the Plan or any Person or Entity's obligations incurred in connection with the Plan;
- (i) hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;
- (j) issue injunctions and enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with Consummation or enforcement of the Plan;
- (k) enforce the terms and conditions of the Plan, the Confirmation Order, and the Restructuring Documents;
- (l) resolve any cases, controversies, suits or disputes with respect to the Release, the Exculpation, the indemnification and other provisions contained in Article X of the Plan and enter such orders or take such other actions as may be necessary or appropriate to implement or enforce all such provisions;
- (m) hear and determine all Retained Litigation Claims;
- (n) enter and implement such orders or take such other actions as may be necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;
- (o) resolve any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any release or exculpation adopted in connection with the Plan; and
- (p) enter an order concluding or closing the Chapter 11 Cases.

Notwithstanding the foregoing, (i) any dispute arising under or in connection with the Exit Facility or any other contract or agreement binding on the Reorganized Debtors that contains provisions governing jurisdiction for litigation of disputes thereunder will be addressed in accordance with the provisions of the applicable document and (ii) if the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in Article of the Plan, the provisions of Article XI of the Plan will have no effect upon and will not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

L. MISCELLANEOUS PROVISIONS

1. Substantial Consummation

"Substantial Consummation" of the Plan, as defined in 11 U.S.C. § 1101(2), will be deemed to occur on the Effective Date.

2. Payment of Statutory Fees; Post-Effective Date Fees and Expenses

All fees payable pursuant to section 1930 (a) of the Judicial Code, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code to the extent necessary, will be paid by each of the Debtors or the Reorganized Debtors (or the Distribution Agent on behalf of each of the Debtors or Reorganized Debtors), as applicable, for each quarter (including any fraction thereof) until the earliest to occur of the entry of (a) a final decree closing such Debtor's Chapter 11 Case, (b) an order dismissing such Debtor's Chapter 11 Case, or (c) an order converting such Debtor's Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

The Reorganized Debtors may pay the liabilities and charges that they incur on or after the Effective Date for Professionals' fees, disbursements, expenses, or related support services (including reasonable fees, costs and expenses incurred by Professionals relating to the preparation of interim and final fee applications and obtaining Bankruptcy Court approval thereof) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court, including, without limitation, the reasonable fees, expenses, and disbursements of the Distribution Agents and the fees, costs and expenses incurred by Professionals in connection with the implementation, enforcement and Consummation of the Plan and the Restructuring Documents.

3. Statutory Committee

On the Effective Date, the current and former members of the Committee, if any, and their respective officers, employees, counsel, advisors and agents, will be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases and the Committee will dissolve. Following the completion of the Committee's remaining duties set forth above, the Committee will be dissolved, and the retention or employment of the Committee's respective attorneys, accountants and other agents will terminate without further notice to, or action by, any Person or Entity.

4. Conflicts

In the event that a provision of the Restructuring Documents or the Disclosure Statement (including any and all exhibits and attachments thereto) conflicts with a provision of the Plan or the Confirmation Order, the provision of the Plan and the Confirmation Order (as applicable) will govern and control to the extent of such conflict. In the event that a provision of the Plan conflicts with a provision of the Confirmation Order, the provision of the Confirmation Order will govern and control to the extent of such conflict.

5. Modification of Plan

Effective as of the date hereof and subject to the limitations and rights contained in the Plan: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify the Plan prior to the entry of the Confirmation Order in a way that is in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(a) of the Bankruptcy Code; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as applicable, may, upon order of the Bankruptcy Court, amend or modify the Plan in a way that is in form and substance consistent in all material respects with the

Restructuring Term Sheet and otherwise acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(b) of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan. A Holder of a Claim that has accepted the Plan will be presumed to have accepted the Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

6. Revocation or Withdrawal of Plan

The Debtors reserve the right to revoke or withdraw the Plan prior to the Effective Date and/or to File subsequent chapter 11 plans, with respect to one or more of the Debtors; provided that any rights under the Restructuring Support Agreement, including any consent rights contained therein, will remain unaffected. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation of the Plan does not occur with respect to one or more of the Debtors, then with respect to the applicable Debtor or Debtors for which the Plan was revoked or withdrawn or for which Confirmation or Consummation of the Plan did not occur: (1) the Plan will be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan and any document or agreement executed pursuant hereto will be deemed null and void except as may be set forth in a separate order entered by the Bankruptcy Court; and (3) nothing contained in the Plan will: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the applicable Debtors or any other Person or Entity; (b) prejudice in any manner the rights of the applicable Debtors or any other Person or Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the applicable Debtors or any other Person or Entity.

7. Successors and Assigns

The Plan will be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all present and former Holders of Claims and Equity Interests, other parties-in-interest, and their respective heirs, executors, administrators, successors, and assigns. The rights, benefits, and obligations of any Person or Entity named or referred to in the Plan will be binding on, and will inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person or Entity.

8. Reservation of Rights

Except as expressly set forth in the Plan, the Plan will have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and the Plan is Consummated. Neither the filing of the Plan, any statement or provision contained in the Plan, nor the taking of any action by the Debtors or any other Person or Entity with respect to the Plan will be or will be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Person or Entity; or (2) any Holder of a Claim or an Equity Interest or other Person or Entity prior to the Effective Date.

9. Further Assurances

The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims receiving distributions hereunder and all other Persons and Entities will, from time to time, prepare, execute

and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

10. Severability

If, prior to the Confirmation Date, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

11. Service of Documents

Any notice, direction or other communication given regarding the matters contemplated by the Plan (each, a “**Notice**”) must be in writing, sent by personal delivery, electronic mail, courier or facsimile and addressed as follows:

If to the Debtors:

Superior Energy Services, Inc.
1001 Louisiana Street, Suite 2900
Houston, Texas 77002
Attn: William B. Masters
Email: bill.masters@superiorenergy.com

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attn: Keith A. Simon and George Klidonas
Direct Dial: (212) 906-1200
Fax: (212) 751-4864
Email: keith.simon@lw.com and george.klidonas@lw.com

If to the Ad Hoc Noteholder Group:

Davis Polk & Wardwell LLP
405 Lexington Ave.
New York, NY 10017
Attn: Damian S. Schaible and Adam L. Shpeen
Direct Dial: (212) 450-4000
Fax: (212) 701-5800
Email: damian.schaible@davispolk.com and
adam.shpeen@davispolk.com

A Notice is deemed to be given and received (a) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (b) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile, or (c) if sent by electronic mail, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section. Any party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any element of a party’s address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a party’s legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a party.

12. Exemption from Transfer Taxes Pursuant to Section 1146(a) of the Bankruptcy Code

Pursuant to and to the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer of property, pursuant to or in connection with the Plan or the Restructuring Documents will not be subject to any Stamp or Similar Tax or governmental assessment in the United States or by any other Governmental Unit, and the Confirmation Order will direct the appropriate federal, state or local (domestic or foreign) governmental officials or agents to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents evidencing such action or event without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of, transactions contemplated by and the distributions to be made under the Plan or the Restructuring Documents, (ii) the issuance and distribution of the New Common Stock or Plan Securities and Documents, and (iii) the maintenance or creation of security interests or any Lien as contemplated by the Plan or the Restructuring Documents.

13. Governing Law

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that a Restructuring Document or an exhibit or schedule to the Plan provides otherwise, the rights and obligations arising under the Plan will be governed by, and construed and enforced in accordance with, the laws of New York, without giving effect to the principles of conflicts of law of such jurisdiction.

14. Tax Reporting and Compliance

The Reorganized Debtors are hereby authorized, on behalf of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through and including the Effective Date.

15. Exhibits and Schedules

All exhibits and schedules to the Plan, including the Exhibits and Plan Schedules, are incorporated in the Plan and are a part of the Plan as if set forth in full therein.

16. No Strict Construction

The Plan is the product of extensive discussions and negotiations between and among, *inter alia*, the Debtors, the Consenting Noteholders, and their respective professionals. Each of the foregoing was represented by counsel of its choice who either participated in the formulation and documentation of, or was afforded the opportunity to review and provide comments on, the Plan, the Disclosure Statement, the Exhibits and the Plan Schedules, and the agreements and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as “contra proferentem” or other rule of strict construction will not apply to the construction or interpretation of any provision of the Plan, the Disclosure Statement, the Exhibits or the Plan Schedules, or the documents ancillary and related thereto.

17. Entire Agreement

Except as otherwise provided in the Plan or Restructuring Documents, the Plan and the Restructuring Documents supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan and the Restructuring Documents.

18. 2002 Notice Parties

After the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to limit the list of Persons and Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Persons and Entities who have Filed a renewed request after the Confirmation Hearing to receive documents pursuant to Bankruptcy Rule 2002.

19. Closing of Chapter 11 Cases

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

V.
PLAN-RELATED RISK FACTORS

PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN, ALL HOLDERS OF CLAIMS THAT ARE IMPAIRED SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH HEREIN, AS WELL AS ALL OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THESE RISK FACTORS ARE MANY, THESE FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESSES, THE PLAN OR THE IMPLEMENTATION OF THE PLAN.

A. CERTAIN BANKRUPTCY LAW CONSIDERATIONS

1. General

Although the Debtors believe that the Chapter 11 Cases will be of short duration and will not be materially disruptive to their businesses, the Debtors cannot be certain that this will be the case. Although the Plan is designed to minimize the length of the Chapter 11 Cases, it is impossible to predict with certainty the amount of time that one or more of the Debtors may spend in bankruptcy or to assure parties in interest that the Plan will be confirmed. Even if confirmed on a timely basis, the Chapter 11 Cases could have an adverse effect on the Debtors' businesses. Among other things, it is possible that bankruptcy proceedings could adversely affect the Debtors' relationships with their key customers and employees. The Chapter 11 Cases will also involve additional expense and may divert some of the attention of the Debtors' management away from business operations.

2. Parties in Interest May Object to the Debtors' Classification of Claims and Equity Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Equity Interests, each encompassing Claims or Equity Interests, as applicable, that are substantially similar to the other Claims and Equity Interests in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

3. The Debtors May Fail to Satisfy the Vote Requirement.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek to accomplish an alternative chapter 11 plan of reorganization. There can be no assurance that the terms of any such alternative chapter 11 plan would be similar or as favorable to the Holders of Allowed Claims as those proposed in the Plan.

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

In the event that any impaired class of claims or equity interests does not accept or is deemed not to accept a plan of reorganization, a bankruptcy court may nevertheless confirm such plan at the proponent's request if at least one impaired class has voted to accept the plan (with such acceptance being determined without including the vote of any "insider" in such class), and as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. Should any Class vote to reject the Plan, then these requirements must be satisfied with respect to *such* rejecting Classes.

Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim or Equity Interest might challenge, among other things, either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determined that the Disclosure Statement, the balloting procedures and voting results were appropriate, the Bankruptcy Court could still decline to confirm the Plan if it found that any of the statutory requirements for confirmation were not met, including the requirement that the terms of the Plan do not "unfairly discriminate" and are "fair and equitable" to non-accepting Classes. If the Plan is not confirmed, it is unclear what distributions holders of Claims ultimately would receive with respect to their Claims in a subsequent plan of reorganization.

5. Non-Consensual Confirmation of the Plan May Be Necessary.

In the event that any impaired class of claims or equity interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm such a plan at the proponents' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. The Debtors believe that the Plan satisfies these requirements and the Debtors may request such non-consensual confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, in the event that the Voting Classes do not accept the Plan, there can be no assurance that the Bankruptcy Court will reach this conclusion.

6. Risk of Termination of the Restructuring Support Agreement.

As more fully set forth in section 7 of the Restructuring Support Agreement, the Restructuring Support Agreement contains certain provisions that give the Required Consenting Noteholders the ability to terminate the Restructuring Support Agreement upon the occurrence of certain events or conditions. In the event the Restructuring Support Agreement is terminated, the Debtors may be forced to file an alternative plan that lacks the same broad noteholder support. The termination of the Restructuring Support Agreement could result in protracted Chapter 11 Cases, which could significantly and detrimentally impact the Debtors' relationships with vendors, suppliers, and major customers.

7. The Effective Date May Not Occur.

As more fully set forth in Article IX of the Plan, the Effective Date is subject to a number of conditions precedent. If such conditions precedent are not met or waived, the Effective Date will not take place. There can be no assurance as to such timing or as to whether the Effective Date will, in fact, occur.

8. The Exit Facility Credit Agreement and the Transactions Contemplated Thereby, May Not Become Effective.

Although the Debtors believe that the Exit Facility Credit Agreement will become effective shortly after the Confirmation Date, there can be no assurance as to such timing or as to whether the Exit Facility Credit Agreement and the transactions contemplated thereunder, will become effective.

9. Contingencies Will Not Affect Votes of the Voting Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, among other things, the total amount of Allowed Claims or Equity Interests in certain Classes or whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies, which could affect distributions available to Holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Voting Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

10. The Debtors Cannot State with Certainty What Recovery Will be Available to Holders of Allowed Prepetition Notes Claims Allowed General Unsecured Claims Against the Parent.

The estimated Claims and recoveries set forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims may significantly differ from the estimates. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary from the estimated amounts contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time the number or amount of Claims that will ultimately be Allowed. Accordingly, because certain Claims under the Plan will be paid on a Pro Rata basis, the Debtors cannot state with certainty what recoveries will be available to Holders of Allowed Prepetition Notes Claims and General Unsecured Claims against the Parent.

11. Conversion into Chapter 7 Cases.

If no plan of reorganization can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interest of holders of Claims and Equity Interests, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. *See* Section XI.A of the Plan, as well as the Liquidation Analysis attached hereto as Exhibit C, for a discussion of the effects that a chapter 7 liquidation would have on the recoveries of holders of Claims and Equity Interests.

12. Releases, Injunctions, and Exculpation Provisions May Not Be Approved.

The Plan provides for certain releases, injunctions, and exculpations. However, such releases, injunctions, and exculpations are subject to objection by parties in interest and may not be approved. If the releases are not approved, certain Released Parties may not support the Plan.

13. Certain Tax Consequences of the Restructuring.

The potential U.S. federal income tax consequences of the Restructuring to the Debtors and Holders of Prepetition Notes Claims and General Unsecured Claims against the Parent (including the ownership and disposition of consideration to be received pursuant to the Restructuring) are complex and, in certain instances, subject to uncertainty. Such Holders should carefully review the materials in “Certain U.S. Federal Income Tax Consequences of the Plan” and independently consult with their own tax advisors regarding the Restructuring.

B. ADDITIONAL FACTORS AFFECTING THE VALUE OF THE REORGANIZED DEBTORS

1. Claims Could be More than Projected.

There can be no assurance that the estimated Allowed amount of Claims in certain Classes will not be significantly more than projected, which in turn, could cause the value of distributions to be reduced substantially. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the ultimate results. Therefore, the actual amount of Allowed Claims may vary materially from the Debtors’ projections and feasibility analysis.

2. Projections and other Forward-Looking Statements Are Not Assured and Actual Results May Vary.

Certain of the information contained in the Disclosure Statement, including the Financial Projections in Exhibit D, is, by nature, forward-looking, and contains estimates and assumptions, which might ultimately prove to be incorrect, and projections, which may be materially different from actual future experiences. There are uncertainties associated with any projections and estimates, and they should not be considered assurances or guarantees of the amount of funds or the amount of Claims in the various Classes that might be allowed.

3. Post-Effective Date Indebtedness.

Following the Effective Date, the Reorganized Debtors will have approximately \$120 million of capacity under letters of credit from the Exit Facility. The Reorganized Debtors’ ability to service their debt obligations will depend, among other things, on their future operating performance, which depends partly on economic, financial, competitive, and other factors beyond the Reorganized Debtors’ control. The Reorganized Debtors may not be able to generate sufficient cash from operations to meet their debt service obligations as well as fund necessary capital expenditures and investments in sales and marketing. In addition, if the Reorganized Debtors need to refinance their debt, obtain additional financing, or sell assets or equity, they may not be able to do so on commercially reasonable terms, if at all.

4. Restrictive Covenants of Indebtedness.

The financing agreements governing the Reorganized Debtors' indebtedness will contain various covenants that may limit the discretion of the Reorganized Debtors' management by restricting the Reorganized Debtors' ability to, among other things, incur additional indebtedness, incur liens, pay dividends or make certain restricted payments, consummate certain asset sales, enter into certain transactions with affiliates, merge, consolidate and/or sell or dispose of all or substantially all of their assets. In addition, it is expected that certain of the agreements will require the Reorganized Debtors to meet certain financial covenants. As a result of these covenants, the Reorganized Debtors will be limited in the manner in which they conduct their businesses and they may be unable to engage in favorable business activities or finance future operations or capital needs.

Any failure to comply with the restrictions of the financing agreements may result in an event of default. An event of default may allow the creditors to accelerate the related debt as well as any other debt to which a cross-acceleration or cross-default provision applies. If the Reorganized Debtors are unable to repay amounts outstanding under their financing agreements when due, the lenders thereunder could, subject to the terms of the financing agreements, seek to foreclose on the collateral that is pledged to secure the indebtedness outstanding under such facility.

5. Transfers or Issuances Of Old Parent Interests, Before or in Connection with the Debtors' Chapter 11 Cases, May Impair The Debtors' Ability To Utilize Their U.S. Federal Income Tax Net Operating Loss Carryforwards In Future Years.

Under U.S. federal income tax law, a corporation is generally permitted to deduct from taxable income net operating losses carried forward from prior years. The consolidated group that includes the Parent as its common parent (the "Parent Group") had consolidated net operating losses and net operating loss carryforwards of approximately \$160 million as of December 31, 2019. The Debtors believe that they will generate additional net operating losses for the 2020 taxable year. The Parent Group's ability to utilize its net operating loss carryforwards to offset future taxable income and to reduce its U.S. federal income tax liability is subject to certain requirements and restrictions. Since the Restructuring is expected to result in an "ownership change," as defined in Section 382 of the U.S. Internal Revenue Code of 1986, as amended (the "**IRC**" or "**Tax Code**"), the Reorganized Debtors' ability to use their net operating loss carryforwards may be substantially limited, which could have a negative impact on its financial position and results of operations. Generally, there is an "ownership change" if one or more stockholders owning 5% or more of a corporation's common stock have aggregate increases in their ownership of such stock of more than 50 percentage points over the prior three-year period. Under IRC Section 382, absent an applicable exception, if a corporation undergoes an "ownership change," the amount of its net operating losses that may be utilized to offset future taxable income generally is subject to an annual limitation. The Debtors intend to request that the Bankruptcy Court approve restrictions on certain transfers of Old Parent Interests to limit the risk of an "ownership change" occurring prior to the issuance of New Common Stock.

C. RISK FACTORS THAT MAY AFFECT THE VALUE OF SECURITIES TO BE ISSUED UNDER THE PLAN AND/OR RECOVERIES UNDER THE PLAN

1. The Valuation of the Reorganized Debtors May Not Be Adopted by the Bankruptcy Court.

Parties in interest in these Chapter 11 Cases may oppose confirmation of the Plan by alleging that the value of the Reorganized Debtors is higher than estimated by the Debtors and that the Plan thereby improperly limits or extinguishes their rights to recoveries under the Plan. At the Confirmation Hearing, the Bankruptcy Court will hear evidence regarding the views of the Debtors and opposing parties, if any, with respect to the valuation of the Reorganized Debtors. Based on that evidence, the Bankruptcy Court will determine the appropriate valuation for the Reorganized Debtors for purposes of the Plan. There can be no assurance that the Debtors' estimated valuation of the Reorganized Debtors will be approved by the Bankruptcy Court.

2. The Estimated Valuation of the Reorganized Debtors and the New Common Stock and the Estimated Recoveries to Holders of Allowed Claims Are Not Intended to Represent the Private or Public Sale Values.

The Debtors' estimated recoveries to Holders of Allowed Claims are not intended to represent the private or public sale values of the Reorganized Debtors' securities. The estimated recoveries are based on numerous assumptions (the realization of many of which is beyond the control of Reorganized Debtors), including, without limitation: (a) the successful reorganization of the Debtors; (b) an assumed date for the occurrence of the Effective Date; (c) the Debtors' ability to achieve the operating and financial results included in the Financial Projections; and (d) the Debtors' ability to maintain adequate liquidity to fund operations. If the estimated valuations are lower than the private or public sale values of such Claims, then the value of the Reorganized Debtors' securities or your recovery could be lower than if there were a private or public sale.

3. There May Be a Lack of a Trading Market For the New Common Stock.

If the Reorganized Debtors elect to list the New Common Stock on a national securities exchange, there can be no assurance that there will be an active trading market for the New Common Stock or the other Plan Securities. In addition, there may be trading restrictions on shares of New Common Stock (or any interest therein) following the Effective Time. Accordingly, there can be no assurance that any market will develop or as to the liquidity of any market that may develop for any such securities.

4. The New Common Stock Will be Subordinated to the Other Indebtedness of Reorganized Parent.

In any subsequent liquidation, dissolution, or winding up of Reorganized Parent, the New Common Stock would rank below all debt claims against Reorganized Parent. As a result, holders of the New Common Stock would not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution, or winding up of Reorganized Parent until after all applicable holders of debt have been paid in full.

5. The Reorganized Debtors May Not Be Able to Achieve Projected Financial Results or Service Their Debt.

Although the Financial Projections represent management's view based on current known facts and assumptions about the future operations of the Reorganized Debtors there is no guarantee that the Financial Projections will be realized. The Reorganized Debtors may not be able to meet their projected financial results or achieve projected revenues and Cash flows assumed in projecting future business prospects. To the extent the Reorganized Debtors do not meet their projected financial results or achieve projected revenues and Cash flows, the Reorganized Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date, may be unable to service their debt obligations as they come due or may not be able to meet their operational needs. Any one of these failures may preclude the Reorganized Debtors from, among other things: (a) taking advantage of future opportunities; (b) growing their businesses; or (c) responding to future changes in the oil and gas industry. Further, a failure of the Reorganized Debtors to meet their projected financial results or achieve projected revenues and cash flows could lead to cash flow and working capital constraints, which constraints may require the Reorganized Debtors to seek additional working capital. The Reorganized Debtors may not be able to obtain such working capital when it is required.

6. A Small Number of Holders Will Own a Significant Percentage of the New Common Stock.

Consummation of the Plan will result in a small number of holders owning a significant percentage of the outstanding New Common Stock. Accordingly, these holders may, among other things, have significant influence over the business and affairs of the Reorganized Debtors and have the power to elect directors or managers and approve or disapprove of proposed mergers and other material corporate transactions.

D. RISK FACTORS THAT COULD NEGATIVELY IMPACT THE DEBTORS' AND REORGANIZED DEBTORS' BUSINESSES AND FINANCIAL CONDITION¹²

1. DIP Facility.

The facility set forth in the DIP Documents is intended to provide letter of credit capacity to the Debtors that, among other things, preserves liquidity to the Debtors during the pendency of the Chapter 11 Cases. If the Chapter 11 Cases take longer than expected to conclude, or in the event of a breach of a milestone or another event of default under the DIP Documents or the Restructuring Support Agreement, which could occur if the Plan is not confirmed on the proposed timeline, the Debtors may exhaust or lose access to the DIP Facility. There is no assurance that they will be able to obtain additional financing from their existing lenders or otherwise. In either such case, the liquidity necessary for the orderly functioning of the Debtors' businesses may be materially impaired.

¹² Additional risk factors are provided in the Debtors' 10-K, 10K/A, and 10-Q, filed with the SEC on February 28, 2020, June 11, 2020, and August 10, 2020, respectively.

2. The Debtors' Business Depends on Conditions in the Oil and Gas Industry, Especially Oil and Natural Gas Prices and Capital Expenditures by Oil and Gas Companies.

The Debtors' business depends on the level of oil and natural gas exploration, development and production activity by oil and gas companies worldwide. The level of exploration, development and production activity is directly affected by trends in oil and natural gas prices, which historically have been volatile and difficult to predict. Oil and natural gas prices are subject to large fluctuations in response to relatively minor changes in supply and demand, economic growth trends, market uncertainty and a variety of other factors beyond their control. Lower oil and natural gas prices generally lead to decreased spending by the Debtors' customers. While higher oil and natural gas prices generally lead to increased spending by the Debtors' customers, sustained high energy prices can also be an impediment to economic growth and can therefore negatively impact spending by those customers. The Debtors' customers may also take into account the volatility of energy prices and other risk factors by requiring higher returns for individual projects if there is higher perceived risk. Any of these factors could significantly affect the demand for oil and natural gas, which could affect the level of capital spending by the Debtors' customers and in turn could have a material effect on the Debtors' results of operations.

The availability of quality drilling prospects, exploration success, relative production costs, expectations about future oil and natural gas demand and prices, the stage of reservoir development, the availability of financing, and political and regulatory environments are also expected to affect levels of exploration, development, and production activity, which would impact the demand for the Debtors' services. Any prolonged reduction of oil and natural gas prices, as well as anticipated declines, could also result in lower levels of exploration, development, and production activity.

Though future and cumulative impacts from COVID-19 are uncertain due to the ongoing and dynamic nature of the circumstances, the Debtors have already experienced disruption to their business and operations. The present market conditions have significantly impacted the Debtors' businesses in recent months. The Debtors' customers have continuously been revising their spending in response to lower commodity prices, and the Debtors in turn have experienced pricing pressure for their products and services. It is difficult to predict the extent to which the COVID-19 pandemic may further negatively affect the Debtors' business, including, without limitation, the Debtors' operating results, financial position and liquidity, the duration of any disruption of the Debtors' business, how and the degree to which the outbreak may impact the Debtors' customers, workforce, supply chain and distribution network, the health of the Debtors' employees, their insurance premiums, costs attributable to the Debtors' emergency measures, payments from customers and uncollectable accounts, limitations on travel, the availability of industry experts and qualified personnel and the market for the Debtors' securities. Any further impact will depend on future developments and new information that may emerge regarding the severity and duration of COVID-19 and the actions taken by authorities to contain it or treat its impact, all of which are beyond the Debtors' control. These potential impacts, while uncertain, could continue to adversely affect global economies and financial markets and result in a persistent economic downturn that could have an adverse effect on the industries in which the Debtors and their customers operate and on the demand for their products and services, their operating results and their future prospects.

The demand for the Debtors' services may be affected by numerous factors, including the following:

- the cost of exploring for, producing and delivering oil and natural gas;
- demand for energy, which is affected by worldwide economic activity, population growth and market expectations regarding future trends;
- the ability of Organization of Petroleum Exporting Countries (OPEC) and other key oil-producing countries to set and maintain production levels for oil;
- the level of excess production capacity;
- the discovery rate of new oil and natural gas reserves;
- domestic and global political and economic uncertainty, socio-political unrest and instability, terrorism or hostilities;
- weather conditions and changes in weather patterns, including summer and winter temperatures that impact demand;
- the availability, proximity and capacity of transportation facilities; oil refining capacity and shifts in end-customer preferences toward fuel efficiency;
- the level and effect of trading in commodity future markets, including trading by commodity price speculators and others;
- demand for and availability of alternative, competing sources of energy;
- the extent to which taxes, tax credits, environmental regulations, auctions of mineral rights, drilling permits, drilling concessions, drilling moratoriums or other governmental regulations, actions or policies affect the production, cost of production, price or availability of petroleum products and alternative energy sources; and
- technological advances affecting energy exploration, production and consumption.

The oil and gas industry has historically experienced periodic downturns, which have been characterized by significantly reduced demand for oilfield services and downward pressure on the prices the Debtors charge. Moreover, weakness in the oil and gas industry may adversely impact the financial position of the Debtors' customers, which in turn could cause them to fail to pay amounts owed to the Debtors in a timely manner or at all. Any of these events could have a material adverse effect on the Debtors' business, results of operations, financial condition and prospects.

3. The Credit Risks of the Debtors' Concentrated Customer Base in the Energy Industry Could Result in Operating Losses and Negatively Impact Liquidity.

The concentration of the Debtors' customer base in the energy industry may impact the Debtors overall exposure to credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions. Some of the Debtors' customers are experiencing financial distress as a result of continued low commodity prices and may be forced to seek

protection under applicable bankruptcy laws. Furthermore, countries that rely heavily upon income from hydrocarbon exports have been negatively and significantly affected by low oil prices, which could affect the Debtors' ability to collect from customers in these countries, particularly national oil companies. Laws in some jurisdictions in which the Debtors operate could make collection difficult or time consuming. The Debtors perform on-going credit evaluations of customers and do not generally require collateral in support of trade receivables. While the Debtors maintain reserves for potential credit losses, the Debtors cannot assure such reserves will be sufficient to meet write-offs of uncollectible receivables or that losses from such receivables will be consistent with the Debtors' expectations. Additionally, in the event of a bankruptcy of any of the Debtors' customers, the Debtors may be treated as an unsecured creditor and may collect substantially less, or none, of the amounts owed to the Debtors by such customer.

4. Necessary Capital Financing May Not Be Available at Economic Rates or at All.

Turmoil in the credit and financial markets could adversely affect financial institutions, inhibit lending and limit the Debtors' access to funding through borrowings under their credit facility or obtaining other financing in the public or private capital markets on terms the Debtors believe to be reasonable. Prevailing market conditions could be adversely affected by the ongoing disruptions in domestic or overseas sovereign or corporate debt markets, low commodity prices or other factors impacting the Debtors' business, contractions or limited growth in the economy or other similar adverse economic developments in the U.S. or abroad. Instability in the global financial markets has from time to time resulted in periodic volatility in the capital markets. This volatility could limit the Debtors' access to the credit markets, leading to higher borrowing costs or, in some cases, the inability to obtain financing on terms that are acceptable to the Debtors, or at all. Any such failure to obtain additional financing could jeopardize the Debtors' ability to repay, refinance or reduce their debt obligations, or to meet their other financial commitments.

To the extent any or all of these risks eventuate, the Debtors' ability to provide their customary goods and services and develop their own oil and natural gas properties could be negatively impacted, which could have a material adverse effect on the Debtors' business, financial condition, results of operations, and cash flows.

5. There are Operating Hazards Inherent in the Oil and Gas Industry that Could Expose the Debtors to Substantial Liabilities.

The Debtors' operations are subject to hazards inherent in the oil and gas industry that may lead to property damage, personal injury, death or the discharge of hazardous materials into the environment. Many of these events are outside of the Debtors' control. Typically, the Debtors provide products and services at a well site where their personnel and equipment are located together with personnel and equipment of their customer and other service providers. From time to time, personnel are injured or equipment or property is damaged or destroyed as a result of accidents, failed equipment, faulty products or services, failure of safety measures, uncontained formation pressures or other dangers inherent in oil and natural gas exploration, development and production. Any of these events can be the result of human error or purely accidental, and it may be difficult or impossible to definitively determine the ultimate cause of the event or whose personnel or equipment contributed thereto. All of these risks expose the Debtors to a wide range of significant health, safety and environmental risks and potentially substantial litigation claims.

for damages. With increasing frequency, the Debtors' products and services are deployed in more challenging exploration, development and production locations. From time to time, customers and third parties may seek to hold the Debtors accountable for damages and costs incurred as a result of an accident, including pollution, even under circumstances where the Debtors believe they did not cause or contribute to the accident. The Debtors' insurance policies are subject to exclusions, limitations and other conditions, and may not protect them against liability for some types of events, including events involving a well blowout, or against losses from business interruption. Moreover, the Debtors may not be able to maintain insurance at levels of risk coverage or policy limits that the Debtors deem adequate or on terms that they deem commercially reasonable. Any damages or losses that are not covered by insurance, or are in excess of policy limits or subject to substantial deductibles or retentions, could adversely affect the Debtors' financial condition, results of operations and cash flows.

6. The Debtors May not Be Fully Indemnified Against Losses Incurred Due to Catastrophic Events.

As is customary in the oil and natural gas industry, the Debtors' contracts generally provide that the Debtors will indemnify and hold harmless their customers from any claims arising from personal injury or death of the Debtors' employees, damage to or loss of the Debtors' equipment, and pollution emanating from the Debtors' equipment and services. Similarly, the Debtors' customers generally agree to indemnify and hold the Debtors harmless from any claims arising from personal injury or death of their employees, damage to or loss of their equipment or property, and pollution caused from their equipment or the well reservoir (including uncontained oil flow from a reservoir). The Debtors' indemnification arrangements may not protect them in every case. For example, from time to time the Debtors may enter into contracts with less favorable indemnities or perform work without a contract that protects them. In addition, the Debtors' indemnification rights may not fully protect them if the Debtors cannot prove that they are entitled to be indemnified or if the customer is bankrupt or insolvent, does not maintain adequate insurance or otherwise does not possess sufficient resources to indemnify the Debtors. In addition, the Debtors' indemnification rights may be held unenforceable in some jurisdictions.

The Debtors' customers' changing views on risk allocation could cause the Debtors to accept greater risk to win new business or could result in the Debtors losing business if they are not prepared to take such risks. To the extent that the Debtors accept such additional risk, and insure against it, their insurance premiums could rise.

7. The Debtors Are Sometimes Subject to Various Claims, Litigation and Other Proceedings that Could Ultimately Be Resolved Against Them, Requiring Material Future Cash Payments or Charges, Which Could Impair Their Financial Condition or Results of Operations.

The size, nature and complexity of the Debtors' business make them susceptible to various claims, both in litigation and binding arbitration proceedings. The Debtors may in the future become subject to various claims, which, if not resolved within amounts they have accrued, could have a material adverse effect on their financial position, results of operations or cash flows. Similarly, any claims, even if fully indemnified or insured, could negatively impact the Debtors' reputation among their customers and the public, and make it more difficult for the Debtors to compete effectively or obtain adequate insurance in the future.

8. The Credit Risks of the Debtors' Customer Base Could Result in Losses.

Many of the Debtors' customers are oil and gas companies that are facing liquidity constraints in light of the current commodity price environment. These customers impact the Debtors' overall exposure to credit risk as they are also affected by prolonged changes in economic and industry conditions. If a significant number of the Debtors' customers experience a prolonged business decline or disruptions, the Debtors may incur increased exposure to credit risk and bad debts.

9. The Debtors are Subject to Environmental and Worker Health and Safety Laws and Regulations, Which Could Reduce Their Business Opportunities and Revenue, and Increase Their Costs and Liabilities.

The Debtors' business is significantly affected by a wide range of environmental and worker health and safety laws and regulations in the areas in which they operate, including increasingly rigorous environmental laws and regulations governing air emissions, water discharges and waste management. Generally, these laws and regulations have become more stringent and have sought to impose greater liability on a larger number of potentially responsible parties. The Macondo well explosion in 2010 resulted in additional regulation of the Debtors' offshore operations, and similar onshore or offshore accidents in the future could result in additional increases in regulation. Failure to comply with these laws and regulations may result in a variety of administrative, civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions as to future compliance.

Environmental laws and regulations may provide for "strict liability" for remediation costs, damages to natural resources or threats to public health and safety as a result of the Debtors' conduct that was lawful at the time it occurred or the conduct of, or conditions caused by, prior owners or operators or other third parties. Strict liability can render a party liable for damages without regard to negligence or fault on the part of the party. Some environmental laws provide for joint and several strict liability for remediation of spills and releases of hazardous substances. For example, the Debtors' well service and fluids businesses routinely involve the handling of significant amounts of waste materials, some of which are classified as hazardous substances. The Debtors also store, transport and use radioactive and explosive materials in certain of their operations. In addition, many of the Debtors' current and former facilities are, or have been, used for industrial purposes. Accordingly, the Debtors could become subject to material liabilities relating to the containment and disposal of hazardous substances, oilfield waste and other waste materials, the use of radioactive materials, the use of underground injection wells, and to claims alleging personal injury or property damage as the result of exposures to, or releases of, hazardous substances. In addition, stricter enforcement of existing laws and regulations, new domestic or foreign laws and regulations, the discovery of previously unknown contamination or the imposition of new or increased requirements could require the Debtors to incur costs or become the basis of new or increased liabilities that could reduce the Debtors' earnings and their cash available for operations.

10. Climate Change Legislation or Regulations Restricting Emissions of Greenhouse Gases (GHGs) Could Result in Increased Operating Costs and Reduced Demand for the Oil and Natural Gas the Debtors' Customers Produce.

Increasing concerns that emissions of carbon dioxide, methane and other greenhouse gases (GHGs) may endanger public health and produce climate changes with significant physical effects, such as increased frequency and severity of storms, floods, droughts and other climatic events, have drawn significant attention from government agencies and environmental advocacy groups. In response, additional costly requirements and restrictions have been imposed on the oil and gas industry to regulate and reduce the emission of GHGs.

Specifically, the EPA has adopted regulations under existing provisions of the federal Clean Air Act (CAA) which increase operational costs by requiring the monitoring and annual reporting of GHG emissions from oil and gas production, processing, transmission and storage facilities in the United States. Although, the U.S. Congress has considered legislation to reduce emissions of GHGs, significant legislation has not yet been adopted to reduce GHG emissions at the federal level. In the absence of such federal climate legislation, a number of state and regional efforts have emerged that are aimed at tracking and/or reducing GHG emissions through the completion of GHG emissions inventories and through cap and trade programs that typically require major sources of GHG emissions to acquire and surrender emission allowances in return for emitting GHGs. Given the long-term trend towards increasing regulation, future federal GHG regulations of the oil and gas industry remain a possibility. Additionally, in December 2015, the United States joined the international community at the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris, France that proposed an agreement requiring member countries to review and “represent a progression” in their intended nationally determined contributions, which set GHG emission reduction goals every five years beginning in 2020. This agreement was signed by the United States in April 2016 and entered into force in November 2016. The United States is one of over 120 nations having ratified or otherwise consented to the agreement; however this agreement does not create any binding obligations for nations to limit their GHG emissions, but rather includes pledges to voluntarily limit or reduce future emissions. In June 2017, President Trump announced that the United States intended to withdraw from the Paris Agreement and to seek negotiations either to reenter the Paris Agreement on different terms or a separate agreement. In August 2017, the U.S. Department of State officially informed the United Nations of the intent of the United States to withdraw from the Paris Agreement. The Paris Agreement provides for a four-year exit process beginning when it took effect in November 2016, which would result in an effective exit date of November 2020. The United States' adherence to the exit process and/or the terms on which the United States may re-enter the Paris Agreement or a separately negotiated agreement are unclear at this time.

In addition to governmental regulations, the Debtors' customers are also requiring additional equipment upgrades to address the growing concerns of GHG emission and climate change which result in higher operational costs for service providers such as the Debtors. Despite taking additional measures to reduce GHG emissions, there is the possibility that the demand for fossil fuels may nevertheless decrease due to such concerns.

At this stage, the Debtors cannot predict the impact of these or other initiatives on them or their customers' operations, nor can they predict whether, or which of, other currently pending

greenhouse gas emission proposals will be adopted, or what other actions may be taken by domestic or international regulatory bodies. The potential passage of climate change regulation may curtail production and demand for fossil fuels such as oil and gas in areas of the world where the Debtors' customers operate and thus adversely affect future demand for the Debtors' products and services, which may in turn adversely affect future results of operations.

11. Adverse and Unusual Weather Conditions May Affect the Debtors' Operations.

Our operations may be materially affected by severe weather conditions in areas where the Debtors operate. Severe weather, such as hurricanes, high winds and seas, blizzards and extreme temperatures may cause evacuation of personnel, curtailment of services and suspension of operations, inability to deliver materials to jobsites in accordance with contract schedules, loss of or damage to equipment and facilities and reduced productivity. In addition, variations from normal weather patterns can have a significant impact on demand for oil and natural gas, thereby reducing demand for the Debtors' services and equipment.

12. The Debtors' Inability to Retain Key Employees and Skilled Workers Could Adversely Affect Their Operations.

The Debtors' performance could be adversely affected if they are unable to retain certain key employees and skilled technical personnel. The Debtors' ability to continue to expand the scope of their services and products depends in part on their ability to increase the size of their skilled labor force. The loss of the services of one or more of the Debtors' key employees or the inability to employ or retain skilled technical personnel could adversely affect their operating results. In the past, the demand for skilled personnel has been high and the supply limited. The Debtors' have experienced increases in labor costs in recent years and may continue to do so in the future.

13. The Debtors' International Operations and Revenue Are Affected by Political, Economic and Other Uncertainties Worldwide.

In 2019, the Debtors conducted business in more than 50 countries. The Debtors' international operations are subject to varying degrees of regulation in each of the foreign jurisdictions in which they provide services. Local laws and regulations, and their interpretation and enforcement, differ significantly among those jurisdictions, and can change significantly over time. Future regulatory, judicial and legislative changes or interpretations may have a material adverse effect on the Debtors' ability to deliver services within various foreign jurisdictions.

In addition to these international regulatory risks, the Debtors' international operations are subject to a number of other risks inherent in any business operating in foreign countries, including, but not limited to, the following:

- political, social and economic instability;
- potential expropriation, seizure or nationalization of assets; inflation; deprivation of contract rights;

- increased operating costs; inability to collect receivables and longer receipt of payment cycles;
- civil unrest and protests, strikes, acts of terrorism, war or other armed conflict;
- import-export quotas or restrictions, including tariffs and the risk of fines or penalties assessed for violations;
- confiscatory taxation or other adverse tax policies;
- currency exchange controls;
- currency exchange rate fluctuations, devaluations and conversion restrictions;
- potential submission of disputes to the jurisdiction of a foreign court or arbitration panel;
- pandemics or epidemics that disrupt the Debtors' ability to transport personnel or equipment;
- embargoes or other restrictive governmental actions that could limit the Debtors' ability to operate in foreign countries;
- additional U.S. and other regulation of non-domestic operations, including regulation under the Foreign Corrupt Practices Act (the FCPA) as well as other anti-corruption laws;
- restrictions on the repatriation of funds;
- limitations in the availability, amount or terms of insurance coverage;
- the risk that the Debtors' international customers may have reduced access to credit because of higher interest rates, reduced bank lending or a deterioration in their customers' or their lenders' financial condition;
- the burden of complying with multiple and potentially conflicting laws and regulations;
- the imposition of unanticipated or increased environmental and safety regulations or other forms of public or governmental regulation that increase the Debtors' operating expenses;
- complications associated with installing, operating and repairing equipment in remote locations;
- the geographic, time zone, language and cultural differences among personnel in different areas of the world; and
- challenges in staffing and managing international operations.

These and the other risks outlined above could cause us to curtail or terminate operations, result in the loss of personnel or assets, disrupt financial and commercial markets and generate greater political and economic instability in some of the geographic areas in which the Debtors operate. International areas where the Debtors operate that have significant risk include the Middle East, Indonesia, Nigeria and Angola.

14. Laws, Regulations or Practices in Foreign Countries Could Materially Restrict the Debtors' Operations or Expose them to Additional Risks.

In many countries around the world where the Debtors do business, all or a significant portion of the decision making regarding procuring their services and products is controlled by state-owned oil companies. State-owned oil companies or prevailing laws may (i) require the Debtors to meet local content or hiring requirements or other local standards, (ii) restrict with whom the Debtors can contract or (iii) otherwise limit the scope of operations that the Debtors can legally or practically conduct. The Debtors' inability or failure to meet these requirements, standards or restrictions may adversely impact their operations in those countries. In addition, the Debtors' ability to work with state-owned oil companies is subject to the Debtors' ability to negotiate and agree upon acceptable contract terms, and to enforce those terms. In addition, many state-owned oil companies may require integrated contracts or turnkey contracts that could require the Debtors to provide services outside their core businesses. Providing services on an integrated or turnkey basis generally requires the Debtors to assume additional risks.

Moreover, in order to effectively compete in certain foreign jurisdictions, it is frequently necessary or required to establish joint ventures or strategic alliances with local contractors, partners or agents. In certain instances, these local contractors, partners or agents may have interests that are not always aligned with those of the Debtors. Reliance on local contractors, partners or agents could expose the Debtors to the risk of being unable to control the scope or quality of their overseas services or products, or being held liable under the FCPA, or other anti-corruption laws for actions taken by the Debtors' strategic or local contractors, partners or agents even though these contractors, partners or agents may not themselves be subject to the FCPA or other applicable anti-corruption laws. Any determination that the Debtors have violated the FCPA or other anti-corruption laws could have a material adverse effect on their business, results of operations, reputation or prospects.

15. Changes in Tax Laws or Tax Rates, Adverse Positions Taken by Taxing Authorities and Tax Audits Could Impact the Debtors' Operating Results.

The Debtors are subject to the jurisdiction of a significant number of domestic and foreign taxing authorities. Changes in tax laws or tax rates, the resolution of tax assessments or audits by various tax authorities could impact the Debtors' operating results. In addition, the Debtors may periodically restructure their legal entity organization. If taxing authorities were to disagree with the Debtors' tax positions in connection with any such restructurings, the Debtors' effective income tax rate could be impacted. The final determination of the Debtors' income tax liabilities involves the interpretation of local tax laws, tax treaties and related authorities in each taxing jurisdiction, as well as the significant use of estimates and assumptions regarding future operations and results and the timing of income and expenses. The Debtors may be audited and receive tax assessments from taxing authorities that may result in assessment of additional taxes that are ultimately resolved with the authorities or through the courts. The Debtors believe these

assessments may occasionally be based on erroneous and even arbitrary interpretations of local tax law. Resolution of any tax matter involves uncertainties and there are no assurances that the outcomes will be favorable. If the U.S. or other foreign tax authorities change applicable tax laws, the Debtors' overall taxes could increase, and their business, financial condition or results of operating may be adversely impacted.

16. If the Debtors Are Not Able to Design, Develop, and Produce Commercially Competitive Products and to Implement Commercially Competitive Services in a Timely Manner in Response to Changes in the Market, Customer Requirements, Competitive Pressures, and Technology Trends, Their Business and Results of Operations Could be Materially and Adversely Affected.

The market for oilfield services in which the Debtors operate is highly competitive and includes numerous small companies capable of competing effectively in their markets on a local basis, as well as several large companies that possess substantially greater financial resources than the Debtors do. Contracts are traditionally awarded on the basis of competitive bids or direct negotiations with customers.

The market for the Debtors' services and products is characterized by continual technological developments to provide better and more reliable performance and services. If the Debtors are not able to design, develop, and produce commercially competitive products and to implement commercially competitive services in a timely manner in response to changes in the market, customer requirements, competitive pressures, and technology trends, the Debtors' business and consolidated results of operations could be materially and adversely affected. Likewise, if the Debtors' proprietary technologies, equipment, facilities, or work processes become obsolete, the Debtors may no longer be competitive, and their business and results of operations could be materially and adversely affected. In addition, the Debtors may be disadvantaged competitively and financially by a significant movement of exploration and production operations to areas of the world in which they are not currently active.

17. The Debtors are Affected by Global Economic Factors and Political Events.

Our financial results depend on demand for the Debtors' services and products in the U.S. and the international markets in which they operate. Declining economic conditions, or negative perceptions about economic conditions, could result in a substantial decrease in demand for the Debtors' services and products. World political events could also result in further U.S. military actions, terrorist attacks and related unrest. Military action by the U.S. or other nations could escalate and further acts of terrorism may occur in the U.S. or elsewhere. Such acts of terrorism could lead to, among other things, a loss of the Debtors' investment in the country, impairment of the safety of their employees, extortion or kidnapping, and impairment of the Debtors' ability to conduct their operations. Such developments have caused instability in the world's financial and insurance markets in the past, and many experts believe that a confluence of worldwide factors could result in a prolonged period of economic uncertainty and slow growth in the future. In addition, any of these developments could lead to increased volatility in prices for oil and gas and could affect the markets for the Debtors' products and services. Insurance premiums could also increase and coverages may be unavailable.

Uncertain economic conditions and instability make it particularly difficult for the Debtors to forecast demand trends. The timing and extent of any changes to currently prevailing market conditions is uncertain and may affect demand for many of the Debtors' services and products. Consequently, the Debtors may not be able to accurately predict future economic conditions or the effect of such conditions on demand for the Debtors' services and products and their results of operations or financial condition.

18. The Debtors' Operations May be Subject to Cyber-attacks that Could Have an Adverse Effect on their Business Operations.

Like most companies, the Debtors rely heavily on information technology networks and systems, including the Internet, to process, transmit and store electronic information, to manage or support a variety of the Debtors' business operations, and to maintain various records, which may include information regarding their customers, employees or other third parties, and the integrity of these systems are essential for us to conduct their business and operations. The Debtors make significant efforts to maintain the security and integrity of these types of information and systems (and maintain contingency plans in the event of security breaches or system disruptions). However, the Debtors cannot provide assurance that their security efforts and measures will prevent security threats from materializing, unauthorized access to their systems, loss or destruction of data, account takeovers, or other forms of cyber-attacks or similar events, whether caused by mechanical failures, human error, fraud, malice, sabotage or otherwise. Cyber-attacks include, but are not limited to, malicious software, attempts to gain unauthorized access to data, unauthorized release of confidential or otherwise protected information and corruption of data. The frequency, scope and sophistication of cyber-attacks continue to grow, which increases the possibility that the Debtors' security measures will be unable to prevent their systems' improper functioning or the improper disclosure of proprietary information. Any failure of the Debtors' information or communication systems, whether caused by attacks, mechanical failures, natural disasters or otherwise, could interrupt their operations, damage their reputation, or subject them to claims, any of which could materially adversely affect them.

19. The Debtors Depend on Particular Suppliers and Are Vulnerable to Product Shortages and Price Increases.

Some of the materials that the Debtors use are obtained from a limited group of suppliers. The Debtors' reliance on these suppliers involves several risks, including price increases, inferior quality and a potential inability to obtain an adequate supply in a timely manner. The Debtors do not have long-term contracts with most of these sources, and the partial or complete loss of certain of these sources could have a negative impact on the Debtors' results of operations and could damage their customer relationships. Further, a significant increase in the price of one or more of these materials could have a negative impact on the Debtors' results of operations.

20. Estimates of the Debtors' Potential Liabilities Relating to their Oil and Natural Gas Property May be Incorrect.

Actual abandonment expenses may vary substantially from those estimated by the Debtors and any significant variance in these assumptions could materially affect the estimated liability recorded in the Debtors' consolidated financial statements. Therefore, the risk exists that the Debtors may underestimate the cost of plugging wells and abandoning production facilities. If

costs of abandonment are materially greater than the Debtors' estimates, this could have an adverse effect on their financial condition, results of operations and cash flows.

21. Potential Changes of Bureau of Ocean Energy Management Security and Bonding Requirements for Offshore Platforms Could Impact the Debtors' Operating Cash Flows and Results of Operations.

Federal oil and natural gas leases contain standard terms and require compliance with detailed Bureau of Safety and Environmental Enforcement (BSEE) and BOEM regulations and orders issued pursuant to various federal laws, including the Outer Continental Shelf Lands Act. In 2016 BOEM undertook a review of its historical policies and procedures for determining a lessee's ability to decommission platforms on the Outer Continental Shelf and whether lessees should furnish additional security, and in July 2016, BOEM issued a new Notice to Lessees requiring additional security for decommissioning activities. In January 2017, BOEM extended the implementation timeline for properties with co-lessees by an additional six months, and in June 2017 announced that the Notice to Lessees would be stayed while BOEM continued to review its implementation issues and continued industry engagement to gather additional information on the financial assurance program. The Debtors cannot predict whether these laws and regulations may change in the future, particularly in connection with the transition of presidential administrations.

During the second half of 2016, BSEE increased its estimates of many offshore operator's decommissioning costs, including the decommissioning costs at the Debtors' sole federal offshore oil and gas property, in which the Debtors' subsidiary owns a 51% non-operating interest. In October 2016, BOEM sent an initial proposal letter to the operator of the oil and gas property, proposing an increase in the supplemental bonding requirement for the property's sole fixed platform that was eight to ten times higher than the revised supplemental bonding requirement requested for any other deep-water fixed platform in the U.S. Gulf of Mexico. Both the operator and the Debtors' subsidiary submitted formal dispute notices, asserting that the estimates in the October 2016 proposal letter may be based on erroneous or arbitrary estimates of the potential decommissioning costs, and requesting in-person meetings to discuss the estimate. The Debtors asked that BSEE and BOEM reduce the estimate to an amount that more closely approximates actual decommissioning costs, consistent with estimates identified by BSEE and BOEM for similar deep-water platforms. BSEE and BOEM have not yet responded to the Debtors' dispute notice. If BOEM ultimately issues a formal order and the Debtors are unable to obtain the additional required bonds or assurances, BOEM may suspend or cancel operations at the oil and gas property or otherwise impose monetary penalties. Any of these actions could have a material adverse effect on the Debtors' financial condition, operating cash flows and liquidity.

VI.

SOLICITATION AND VOTING PROCEDURES

A. SOLICITATION PROCEDURES

Each Holder of Prepetition Notes Claims and General Unsecured Claims against the Parent as of December 3, 2020 (the "**Voting Record Date**") is entitled to vote to accept or reject the Plan and shall receive the Solicitation Package (as defined below) in accordance with the solicitation procedures described herein.

The discussion of the procedures below is a summary of the solicitation and voting process. Detailed voting instructions will be provided with each ballot.

**PLEASE REFER TO THE INSTRUCTIONS ACCOMPANYING THE BALLOTS
FOR MORE INFORMATION REGARDING VOTING
REQUIREMENTS TO ENSURE THAT YOUR BALLOT IS PROPERLY
AND TIMELY SUBMITTED SUCH THAT YOUR VOTE MAY BE COUNTED.**

1. The Voting and Claims Agent

The Debtors have sought authority to retain Kurtzman Carson Consultants LLC (“**KCC**”) to, among other things, act as Voting and Claims Agent.

Specifically, the Voting and Claims Agent will assist the Debtors with: (a) mailing notices of the Confirmation Hearing for the Plan; (b) mailing Solicitation Packages (as described below); (c) soliciting votes on the Plan; (d) receiving, tabulating, and reporting on Ballots cast for or against the Plan by Holders of Claims against the Debtors; (e) responding to inquiries from creditors and stakeholders relating to the Plan, the Disclosure Statement, the Ballots and matters related thereto, including, without limitation, the procedures and requirements for voting to accept or reject the Plan and objecting to the Plan; and (f) if necessary, contacting creditors regarding the Plan and their Ballots.

2. Contents of the Solicitation Package

The following documents and materials will collectively constitute the Solicitation Package:

- a cover letter from the Debtors explaining the solicitation process and urging Holders of Claims in the Voting Classes to vote to accept the Plan;
- this Disclosure Statement (and exhibits annexed thereto, including the Plan); and
- to the extent applicable, a Ballot(s), appropriate for the specific creditor (as may be modified for particular classes and with instruction attached thereto).

B. VOTING PROCEDURES

Before voting to accept or reject the Plan, each eligible Holder of Prepetition Notes Claims and each Holder of General Unsecured Claims against the Parent as of the Voting Record Date (each a “**Voting Holder**”) should carefully review the Plan attached hereto as Exhibit A. All descriptions of the Plan set forth in this Disclosure Statement are subject to the terms and conditions of the Plan.

1. Voting Deadline

All Voting Holders have been sent (or will be sent) a Ballot together with this Disclosure Statement. Such Holders should read the Ballot carefully and follow the instructions contained therein. Please use only the Ballot that accompanies this Disclosure Statement to cast your vote. Special procedures are set forth below for Holders of securities through a broker, dealer, commercial bank, trust company, or other agent or nominee ("**Nominee**").

ONLY ELIGIBLE HOLDERS (AS DEFINED BELOW) OF PREPETITION NOTES CLAIMS ARE ENTITLED TO VOTE PRIOR TO THE PETITION DATE.

IF YOU ARE A VOTING HOLDER OF ALLOWED PREPETITION NOTES CLAIMS OR A VOTING HOLDER OF ALLOWED GENERAL UNSECURED CLAIMS AGAINST THE PARENT, FOR YOUR VOTE TO BE COUNTED, YOUR VOTE MUST BE RECEIVED BY THE VOTING AND CLAIMS AGENT ON OR BEFORE THE VOTING DEADLINE OF 5:00 P.M., PREVAILING CENTRAL TIME, ON JANUARY 8, 2021, UNLESS EXTENDED BY THE DEBTORS WITH THE CONSENT OF THE REQUIRED CONSENTING NOTEHOLDERS.

BENEFICIAL HOLDERS OF PREPETITION NOTES MUST RETURN THEIR BALLOT TO THEIR NOMINEE(S). SUCH HOLDERS SHOULD FOLLOW THE INSTRUCTIONS PROVIDED BY THEIR NOMINEE FOR RETURN OF THEIR BENEFICIAL HOLDER BALLOT TO SUCH NOMINEE. BENEFICIAL HOLDERS OF PREPETITION NOTES CLAIMS MUST RETURN THEIR BALLOT(S) TO THEIR NOMINEE(S) WITH SUFFICIENT TIME FOR THEM TO PROCESS IT AND RETURN THE MASTER BALLOT TO THE VOTING AND CLAIMS AGENT BEFORE THE VOTING DEADLINE.

IF A BALLOT IS DAMAGED OR LOST, YOU MAY CONTACT THE VOTING AND CLAIMS AGENT AT THE NUMBER SET FORTH BELOW TO RECEIVE A REPLACEMENT BALLOT. ANY BALLOT THAT IS EXECUTED AND RETURNED BUT WHICH DOES NOT INDICATE A VOTE FOR ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

IF YOU HAVE ANY QUESTIONS CONCERNING THE VOTING PROCEDURES, YOU MAY CONTACT THE VOTING AND CLAIMS AGENT AT:

Superior Energy Services Balloting Center
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300,
El Segundo, CA 90245
Tel: (888) 802-7207 (U.S./Canada) or (781) 575-2107 (international)

Questions (but not documents) may be directed to superiorenergyinfo@kccllc.com (please reference "Superior" in the subject line).

Additional copies of this Disclosure Statement are available upon request made to the Voting and Claims Agent, at the telephone numbers or e-mail address set forth immediately above.

2. Voting Instructions

Under the Plan, Holders of Claims in the Voting Classes are entitled to vote to accept or reject the Plan. Those Holders may so vote by completing the applicable Ballot and following the instructions on such Ballot so that the Ballot is actually received by the Voting and Claims Agent prior to the Voting Deadline. Each Ballot will also allow Holders of Claims to opt-out of the Third Party Releases set forth in Article X of the Plan. Any Holder of Claims that opts out of the Third Party Release will not receive a Debtor Release or the Third Party Releases from the Releasing Parties.

PLEASE REFER TO THE INSTRUCTIONS ATTACHED TO THE BALLOTS THAT YOU HAVE RECEIVED FOR MORE DETAILED INFORMATION REGARDING THE VOTING REQUIREMENTS, RULES AND PROCEDURES APPLICABLE TO VOTING YOUR CLAIM.

To be counted as votes to accept or reject the Plan, all Ballots, pre-validated Beneficial Holder Ballots and Master Ballots (as defined below), as applicable, (all of which will clearly indicate the appropriate return address) must be properly executed, completed, dated and delivered according to the instructions contained thereon, so that they are **actually received** on or before the Voting Deadline by the Voting and Claims Agent at the following address:

Superior Energy Services Balloting Center
c/o Kurtzman Carson Consultants LLC
222 N. Pacific Coast Highway, Suite 300,
El Segundo, CA 90245

If you have any questions on the procedures for voting on the Plan, please call the Voting and Claims Agent at: (888) 802-7207 (Toll Free) (781) 575-2107 (International)

3. Voting Procedures

The Debtors are providing the Solicitation Packages, prepetition, to Eligible Holders of the Prepetition Notes Claims, which are defined as Holders who certified that they are (i) located inside the United States and are (a) “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) or (b) “accredited investors” (as defined in Rule 501(a) of Regulation D under the Securities Act) or (ii) located outside the United States and are persons other than “U.S. persons” (as defined in Rule 902 under the Securities Act) (each an “**Eligible Holder**”). Postpetition, the Debtors intend to provide Solicitation Packages to Voting Holders of Prepetition Notes Claims that are not Eligible Holders and Voting Holders of the General Unsecured Claims against the Parent. Voting Holders may include Nominees. If such entities do not hold Prepetition Notes Claims for their own account, they must provide copies of the Solicitation Package to their customers that are the Voting Holders thereof as of the Voting Record Date. Any Voting Holder of Prepetition Notes Claims who has not received a Ballot should contact his, her, or its Nominee, or the Voting and Claims Agent.

Holders of Prepetition Notes Claims and/or General Unsecured Claims against the Parent should provide all of the information requested by the Ballot. Holders of Prepetition Notes Claims and/or General Unsecured Claims against the Parent should complete and return all Ballots received in accordance with the detailed instructions on each Ballot.

The applicable Prepetition Notes Indenture Trustee under the Prepetition Notes Indenture will not vote on behalf of its respective holders of Prepetition Notes Claims. Holders of the Prepetition Notes Claims must submit their own Ballot to their respective Nominees.

4. Parties Entitled to Vote

Under the Bankruptcy Code, only holders of claims or interests in “impaired” classes are entitled to vote on a plan. Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be “impaired” under a plan unless: (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof; or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan, and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the plan.

A vote may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

The Bankruptcy Code defines “acceptance” of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the claims that cast ballots for acceptance or rejection of the plan.

Pursuant to section 1126(d) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an impaired class of claims has accepted a plan if the holders of at least two-thirds (2/3) in amount of the allowed claims in such class actually have voted to accept the plan.

As previously discussed, the Claims entitled to vote to accept or reject the Plan are those in Classes 5, 6, and 7.

(a) Classes 5 and 7 – Prepetition Notes Claims

(1) Beneficial Holders

A Voting Holder who holds Prepetition Notes Claims as a record holder in its own name should vote on the Plan by completing and signing a Ballot (a “**Beneficial Holder Ballot**”) and returning it to their Nominee in sufficient time to permit the Nominee to deliver a Master Ballot incorporating the vote cast on the Beneficial Holder Ballot to the Voting and Claims Agent so as to be **actually received** by the Voting and Claims Agent on or before the Voting Deadline.

Any Beneficial Holder Ballot returned to a Nominee by a Voting Holder will not be counted for purposes of acceptance or rejection of the Plan until such Nominee properly completes and delivers to the Voting and Claims Agent a Master Ballot (along with copies of the Beneficial Holder Ballots), incorporating the vote of such Voting Holder.

If any Voting Holder owns the Prepetition Notes Claims through more than one Nominee, such Voting Holder may receive multiple mailings containing the Beneficial Holder Ballots. The Voting Holder should execute a separate Beneficial Holder Ballot for each block of the Prepetition Notes Claims that it holds through any particular Nominee and return each Beneficial Holder Ballot to the respective Nominee in accordance with the instructions provided therewith. Voting Holders who execute multiple Beneficial Holder Ballots with respect to the Prepetition Notes Claims in a single class held through more than one Nominee must indicate on each Beneficial Holder Ballot the names of all such other Nominees and the additional amounts of such Prepetition Notes Claims so held and voted.

(2) Nominees

A Nominee that, on the Voting Record Date, is the record holder of the Prepetition Notes Claims for one or more Voting Holders can obtain the votes of the Voting Holders of such Prepetition Notes Claims, consistent with customary practices for obtaining the votes of securities held in “street name,” as described below:

- Master Ballots

The Nominee will obtain the votes of Voting Holders by forwarding to the Voting Holders (a) the unsigned Beneficial Holder Ballots, together with this Disclosure Statement and other materials requested to be forwarded, (b) a return envelope addressed to the Nominee, if applicable or otherwise provide customary return instructions; and (c) clear instructions stating that Beneficial Holders must return their Beneficial Holder Ballot directly to the Nominee so that it is **actually received** by the Nominee with enough time for the Nominee to return the Master Ballot (along with copies of Beneficial Holder Ballots) to the Voting and Claims Agent so it is **actually received**

by the Voting and Claims Agent on or before the Voting Deadline. Each such Voting Holder must then indicate his, her, or its vote on the Beneficial Holder Ballot, complete the information requested on the Beneficial Holder Ballot, review the certifications contained on the Beneficial Holder Ballot, execute the Beneficial Holder Ballot, and return the Beneficial Holder Ballot to the Nominee. After collecting the Beneficial Holder Ballots, the Nominee should, in turn, complete a master ballot (the “**Master Ballot**”) compiling the votes and other information from the Beneficial Holder Ballots, execute the Master Ballot, and deliver the Master Ballot (along with copies of the Beneficial Holder Ballots) to the Voting and Claims Agent so that it is ACTUALLY RECEIVED by the Voting and Claims Agent on or before the Voting Deadline. All original Beneficial Holder Ballots returned by Voting Holders should either be forwarded to the Voting and Claims Agent (along with the Master Ballot) or retained by Nominees for inspection for at least one year from the Voting Deadline.

EACH NOMINEE SHOULD ADVISE ITS VOTING HOLDERS TO RETURN THEIR BENEFICIAL HOLDER BALLOTS TO THE NOMINEE BY A DATE CALCULATED BY THE NOMINEE TO ALLOW IT TO PREPARE AND RETURN THE MASTER BALLOT TO THE VOTING AND CLAIMS AGENT SO THAT IT IS ACTUALLY RECEIVED BY THE VOTING AND CLAIMS AGENT ON OR BEFORE THE VOTING DEADLINE.

(b) Class 6 – General Unsecured Claims Against Parent

(1) Holders

A Voting Holder who holds General Unsecured Claims against the Parent should vote on the Plan by completing and signing a Ballot that has been or will be delivered to all known Holders of General Unsecured Claims against the Parent and returning it directly to the Voting and Claims Agent on or before the Voting Deadline using the enclosed self-addressed postage-paid envelope, in accordance with the instructions on the Class 6 Ballot.

5. Miscellaneous

All Ballots must be signed by the Holder of record of the Prepetition Notes Claims or the General Unsecured Claims against the Parent, as applicable, or any person who has obtained a properly completed Ballot proxy from the record Holder of the Prepetition Notes Claims, on such date. For purposes of voting to accept or reject the Plan, the eligible Holders of the Prepetition Notes Claims and General Unsecured Claims against the Parent will be deemed to be the “holders” of the claims represented by such Prepetition Notes Claims or General Unsecured Claims against the Parent. Unless otherwise ordered by the Bankruptcy Court, Ballots that are signed, dated, and timely received, but on which a vote to accept or reject the Plan has not been indicated, will not be counted. The Debtors, in their sole discretion, may request that the Voting and Claims Agent attempt to contact such voters to cure any such defects in the Ballots. Any Ballot marked to both accept and reject the Plan will not be counted. If you return more than one Ballot voting different Prepetition Notes Claims or General Unsecured Claims against the Parent, the Ballots are not voted in the same manner, and you do not correct this before the Voting Deadline, those Ballots will not be counted. An otherwise properly executed Ballot (other than a Master Ballot) that attempts to partially accept and partially reject the Plan will likewise not be counted.

The Ballots provided to Voting Holders will reflect the principal amount of such Voting Holder's Claim; however, when tabulating votes, the Voting and Claims Agent may adjust the amount of such Voting Holder's Claim by multiplying the principal amount by a factor that reflects all amounts accrued between the Voting Record Date and the Petition Date including, without limitation, interest.

Nominees are authorized to collect votes to accept or to reject the Plan from Beneficial Holders in accordance with their customary practices, including the use of a "voting instruction form" in lieu of (or in addition to) a Beneficial Owner Ballot, as well as collecting votes from Beneficial Holders through online voting, by phone, facsimile, or other electronic means.

Under the Bankruptcy Code, for purposes of determining whether the requisite votes for acceptance have been received, only Holders of the Prepetition Notes Claims or General Unsecured Claims against the Parent, as applicable, who actually vote will be counted. The failure of a Holder to deliver a duly executed Ballot to the Voting and Claims Agent or its Nominee, as applicable will be deemed to constitute an abstention by such Holder with respect to voting on the Plan and such abstentions will not be counted as votes for or against the Plan.

Except as provided below, unless the Ballot is timely submitted to the Voting and Claims Agent before the Voting Deadline together with any other documents required by such Ballot, the Debtors may, in their sole discretion, reject such Ballot as invalid, and therefore decline to utilize it in connection with seeking confirmation of the Plan.

6. Fiduciaries and Other Representatives

If a Beneficial Holder Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or another, acting in a fiduciary or representative capacity, such person should indicate such capacity when signing and, if requested, must submit proper evidence satisfactory to the Debtors of authority to so act. Authorized signatories should submit the separate Beneficial Holder Ballot of each Eligible Holder for whom they are voting.

UNLESS THE BALLOT OR THE MASTER BALLOT IS SUBMITTED TO THE VOTING AND CLAIMS AGENT ON OR PRIOR TO THE VOTING DEADLINE, SUCH BALLOT WILL BE REJECTED AS INVALID AND WILL NOT BE COUNTED AS AN ACCEPTANCE OR REJECTION OF THE PLAN; *PROVIDED, HOWEVER*, THAT THE DEBTORS RESERVE THE RIGHT, WITH THE CONSENT OF THE REQUIRED CONSENTING NOTEHOLDERS, TO REQUEST THE BANKRUPTCY COURT TO ALLOW SUCH BALLOT TO BE COUNTED.

7. Agreements Upon Furnishing Ballots

The delivery of an accepting Ballot pursuant to one of the procedures set forth above will constitute the agreement of the creditor or equity holder with respect to such Ballot to accept: (i) all of the terms of, and conditions to, the Solicitation; and (ii) the terms of the Plan including the injunction, releases, and exculpations set forth in Article X therein (unless such Holder validly elects to opt-out of the Third Party Releases. All parties in interest retain their rights under the Bankruptcy Code and the Plan, including, but not limited to the right to object to confirmation of

the Plan pursuant to section 1128 of the Bankruptcy Code, subject to any applicable terms of the Restructuring Support Agreement.

8. Change of Vote

Any party who has previously submitted to the Voting and Claims Agent prior to the Voting Deadline a properly completed Ballot may revoke such Ballot and change its vote by submitting to the Voting and Claims Agent prior to the Voting Deadline a subsequent, properly completed Ballot voting for acceptance or rejection of the Plan.

9. Waivers of Defects, Irregularities, etc.

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawals of Ballots will be determined by the Voting and Claims Agent and/or the Debtors, as applicable, in their reasonable discretion, which determination will be final and binding. The Debtors reserve the right, in consultation with the Required Consenting Noteholders, to reject any and all Ballots submitted by any of their respective creditors or equity holders not in proper form, the acceptance of which would, in the good-faith opinion of the Debtors or their counsel, as applicable, be unlawful. The Debtors further reserve their respective rights, in consultation with the Required Consenting Noteholders, to waive any defects or irregularities or conditions of delivery as to any particular Ballot by any of their creditors or equity holders. The interpretation (including the Ballot and the respective instructions thereto) by the applicable Debtor, unless otherwise directed by the Bankruptcy Court, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (in consultation with the Required Consenting Noteholders) or the Bankruptcy Court determines. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) will be invalidated.

10. Further Information, Additional Copies

If you have any questions or require further information about the voting procedures for voting your Prepetition Notes Claims and/or General Unsecured Claims against the Parent, about the packet of material you received or if you wish to obtain an additional copy of the Plan, this Disclosure Statement, or any exhibits to such documents, please contact the Voting and Claims Agent.

11. Filing of the Plan Supplement

The Debtors will initially file the Plan Supplement no later than seven (7) days prior to the Confirmation Hearing. The Debtors will transmit a copy of the Plan Supplement to the Distribution List, as defined herein. Additionally, parties may request (and obtain at the Debtors' expense) a copy of the Plan Supplement by: (a) calling the Voting and Claims Agent at (888) 802-7207 (Toll Free) (781) 575-2107 (International); (b) writing to Superior Energy Services Balloting

Center, c/o Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245; and/or (c) visiting the Debtors' restructuring website at: <http://www.kccllc.net/Superior>. Parties may also obtain any documents filed in the Chapter 11 Cases for a fee via PACER at <https://www.txs.uscourts.gov/bankruptcy>.

The Plan Supplement will include all Exhibits and Plan Schedules that were not already filed as exhibits to the Plan or this Disclosure Statement, all of which are incorporated by reference into, and are an integral part of, the Plan, as all of the same may be amended, supplemented, or modified from time to time.

As used herein, the term “**Distribution List**” means (a) the Office of the United States Trustee, (b) counsel to the Ad Hoc Noteholder Group, (c) counsel to the Prepetition Notes Indenture Trustee, (d) Depository Trust Company (the “**Transfer Agent**”), (e) the Internal Revenue Service, and (f) all parties that, as of the applicable date of determination, have filed requests for notice in this Chapter 11 Cases pursuant to Bankruptcy Rule 2002.

12. Tabulation of Votes

**THE FOLLOWING IS IMPORTANT INFORMATION REGARDING VOTING
THAT SHOULD BE READ CAREFULLY BY ALL HOLDERS OF CLAIMS IN THE
VOTING CLASSES.**

- FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT, PRE-VALIDATED BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, AS APPLICABLE, MUST BE PROPERLY EXECUTED, COMPLETED, DATED AND DELIVERED SUCH THAT IT IS **ACTUALLY RECEIVED** ON OR BEFORE THE VOTING DEADLINE BY THE VOTING AND CLAIMS AGENT.
- A HOLDER OF A CLAIM MAY CAST ONLY ONE VOTE PER EACH CLAIM SO HELD. BY SIGNING AND RETURNING A BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT, AS APPLICABLE, EACH HOLDER OF A CLAIM WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS WITH RESPECT TO SUCH CLAIM HAS BEEN CAST OR, IF ANY OTHER BALLOT, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS HAVE BEEN CAST WITH RESPECT TO SUCH CLAIM, SUCH EARLIER BALLOT, BENEFICIAL HOLDER BALLOTS OR MASTER BALLOTS ARE THEREBY SUPERSEDED AND REVOKED.
- ANY BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT THAT IS RECEIVED **AFTER** THE VOTING DEADLINE WILL **NOT** BE COUNTED TOWARD CONFIRMATION OF THE PLAN UNLESS THE DEBTORS IN CONSULTATION WITH THE REQUIRED CONSENTING NOTEHOLDERS HAVE GRANTED AN EXTENSION OF THE VOTING DEADLINE IN WRITING WITH RESPECT TO SUCH BALLOT, BENEFICIAL HOLDER BALLOT OR MASTER BALLOT.

- **ADDITIONALLY, THE FOLLOWING BALLOTS, BENEFICIAL HOLDER BALLOTS AND MASTER BALLOTS WILL NOT BE COUNTED:**
 - o any Ballot, Beneficial Holder Ballot or Master Ballot that is illegible or contains insufficient information to permit the identification of the claimant;
 - o any Ballot, Beneficial Holder Ballot or Master Ballot cast by a person or entity that does not hold a Claim in one of the Voting Classes;
 - o any Ballot, Beneficial Holder Ballot or Master Ballot cast for a Claim listed in the Schedules as contingent, unliquidated or disputed for which the applicable bar date has passed and no proof of claim was timely filed;
 - o any Ballot, Beneficial Holder Ballot or Master Ballot that (a) is properly completed, executed and timely filed, but does not indicate an acceptance or rejection of the Plan, (b) indicates both an acceptance and rejection of the Plan, or (c) partially accepts and partially rejects the Plan;
 - o any Ballot, Beneficial Holder Ballot or Master Ballot cast for a Claim that is subject to an objection pending as of the Voting Record Date (except as otherwise provided herein);
 - o any Ballot, Beneficial Holder Ballot or Master Ballot sent to the Debtors, the Debtors' agents/representatives (other than the Voting and Claims Agent), any indenture trustee or the Debtors' financial or legal advisors;
 - o any unsigned Ballot, Beneficial Holder Ballot or Master Ballot; or
 - o any Ballot, Beneficial Holder Ballot or Master Ballot not cast in accordance with the procedures described herein.

VII.

CONFIRMATION OF THE PLAN

A. THE CONFIRMATION HEARING

The Debtors intend to file voluntary petitions to commence the Chapter 11 Cases and to request that the Bankruptcy Court schedule a hearing to consider final approval of the Disclosure Statement and confirmation of the Plan (the “**Confirmation Hearing**”) as soon as possible, at the United States Bankruptcy Court for the Southern District of Texas. Further information regarding the Confirmation Hearing, including the exact date and time on which it will be held and the timing and procedures for objecting to this Disclosure Statement or the Plan, will be included in the order scheduling the Confirmation Hearing.

B. OBJECTIONS TO CONFIRMATION

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan of reorganization. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Local Rules, must set forth the name of the objecting party, the nature and amount of Claims and/or Equity Interests held or asserted by

the objecting party against the Debtors' estates or properties, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court so as to be actually received no later than the date and time designated in the notice of the Confirmation Hearing.

**UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY FILED, IT MAY NOT
BE CONSIDERED BY THE BANKRUPTCY COURT.**

C. EFFECT OF CONFIRMATION OF THE PLAN

Article X of the Plan contains certain provisions relating to (a) the compromise and settlement of Claims, (b) the release of the Released Parties by the Debtors and certain Holders of Claims and Equity Interests, and each of their respective Related Persons, and (c) exculpation of certain parties. **It is important to read such provisions carefully so that you understand the implications of these provisions with respect to your Claim or Equity Interest such that you may cast your vote accordingly.**

THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (A) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, (B) HAS FILED A PROOF OF CLAIM OR EQUITY INTEREST IN THE CHAPTER 11 CASES OR (C) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.

D. CONSUMMATION OF THE PLAN

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

E. CONFIRMATION PROCEDURES

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold a hearing on confirmation of a plan of reorganization. On the first day of the Debtors' Chapter 11 Cases, the Debtors will request that the Bankruptcy Court schedule the Confirmation Hearing on shortened notice. Notice of the Confirmation Hearing will be provided to all known creditors and equity holders or their representatives. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned or continued date made at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing.

F. STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (i) the Plan satisfies or will satisfy all of the statutory requirements of chapter 11 of the Bankruptcy Code; (ii) the Debtors have complied or will have complied with all of the requirements of chapter

11 of the Bankruptcy Code; and (iii) the Plan has been proposed in good faith. Specifically, the Debtors believe that the Plan satisfies or will satisfy the applicable confirmation requirements of section 1129 of the Bankruptcy Code set forth below:

- The Plan complies with the applicable provisions of the Bankruptcy Code;
- The Debtors complied with the applicable provisions of the Bankruptcy Code;
- The Plan has been proposed in good faith and not by any means forbidden by law;
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the cases, has been or will be disclosed to the Bankruptcy Court, and any such payment: (a) made before the confirmation of the Plan is reasonable; or (b) if it is to be fixed after confirmation of the Plan, is subject to the approval of the Bankruptcy Court for the determination of reasonableness;
- The Debtors have disclosed or will disclose in the Plan Supplement the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director, officer, or voting trustee of the Debtors, an affiliate of the Debtors participating in the Plan with the Debtors, or a successor to the Debtors under the Plan. The appointment to, or continuance in, such office by such individual, will be consistent with the interests of creditors and equity security holders and with public policy and the Debtors will have disclosed the identity of any insider that the Reorganized Debtors will employ or retain, and the nature of any compensation for such insider;
- Either each Holder of an Impaired Claim or Equity Interest will have accepted the Plan, or will receive or retain under the Plan on account of such Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code;
- Each Class of Claims that is entitled to vote on the Plan will either have accepted the Plan or will not be impaired under the Plan, or the Plan can be confirmed without the approval of such Voting Class pursuant to section 1129(b) of the Bankruptcy Code;
- Except to the extent that the Holder of a particular Claim will agree to a different treatment of its Claim, the Plan provides that Administrative Claims and Other Priority Claims will be paid in full in Cash on the Effective Date, or as soon thereafter as is reasonably practicable, and that Priority Tax Claims will be paid in accordance with section 1129(a)(9)(C) of the Bankruptcy Code;
- At least one Class of Impaired Claims will accept the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in that Class;
- Confirmation of the Plan will not likely be followed by the liquidation or the need for further financial reorganization of the Debtors or any successor thereto under the Plan; and

- All outstanding fees payable pursuant to section 1930 of title 28 of the United States Code will be paid when due.

1. Best Interests of Creditors Test/Liquidation Analysis

Often called the “best interests” test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provide, with respect to each class, that each holder of a claim or an equity interest in such class either (a) has accepted the plan or (b) will receive or retain under the plan property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor or debtors are liquidated under chapter 7 of the Bankruptcy Code. To make these findings, the Bankruptcy Court must: (a) estimate the cash liquidation proceeds that a chapter 7 trustee would generate if the chapter 11 cases were converted to a chapter 7 case and the assets of the particular debtors’ estate were liquidated; (b) determine the liquidation distribution that each non-accepting holder of a claim or an equity interest would receive from such liquidation proceeds under the priority scheme dictated in chapter 7; and (c) compare such holder’s liquidation distribution to the distribution under the chapter 11 plan that such holder would receive if the chapter 11 plan were confirmed.

In chapter 7 cases, creditors and interest holders of a debtor are paid from available assets generally in the following order, with no junior class receiving any payments until all amounts due to senior classes have been paid in full: (a) holders of secured claims (to the extent of the value of their collateral); (b) holders of priority claims; (c) holders of unsecured claims; (d) holders of debt expressly subordinated by its terms or by order of the bankruptcy court; and (e) holders of equity interests.

Accordingly, the Cash amount that would be available for satisfaction of claims (other than secured claims) would consist of the proceeds resulting from the disposition of the unencumbered assets of the debtors, augmented by the unencumbered Cash held by the debtors at the time of the commencement of the liquidation. Such Cash would be reduced by the amount of the costs and expenses of the liquidation and by such additional administrative and priority claims that may result from termination of the debtor’s business and the use of chapter 7 for purposes of a liquidation.

As described in more detail in the liquidation analysis attached hereto as Exhibit C (the “**Liquidation Analysis**”), the Debtors believe that confirmation of the Plan will provide each Holder of an Allowed Claim or Equity Interest in each Class with a recovery greater than or equal to the value of any distributions if the Chapter 11 Cases were converted to a case under chapter 7 of the Bankruptcy Code because, among other reasons, proceeds received in a chapter 7 liquidation are likely to be significantly discounted due to the distressed nature of the sale of the Debtors’ assets and the fees and expenses of a chapter 7 trustee would likely further reduce Cash available for distribution. In addition, distributions in a chapter 7 case may not occur for a longer period of time than distributions under the Plan, thereby reducing the present value of such distributions. In this regard, it is possible that distribution of the proceeds of a liquidation could be delayed for a significant period while the chapter 7 trustee and its advisors become knowledgeable about, among other things, the Chapter 11 Cases and the Claims against the Debtors.

2. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that the bankruptcy court find that confirmation is not likely to be followed by the liquidation of the Reorganized Debtors or the need for further financial reorganization, unless the plan contemplates such liquidation. For purposes of demonstrating that the Plan meets this “feasibility” standard, the Debtors have analyzed the ability of the Reorganized Debtors to meet their obligations under the Plan and to retain sufficient liquidity and capital resources to conduct their businesses.

The Debtors believe that the Plan meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code. In connection with the development of the Plan and for the purposes of determining whether the Plan satisfies this feasibility standard, the Debtors analyzed the ability of the Reorganized Debtors to satisfy their financial obligations while maintaining sufficient liquidity and capital resources. Financial projections of the Reorganized Debtors for the years ending 2021, 2022, and 2023 (the “**Financial Projections**”) are attached hereto as Exhibit D.

In general, as illustrated by the Financial Projections, the Debtors believe that as a result of the transactions contemplated by the Plan, including the Exit Facility Credit Agreement and the Equity Rights Offering, the Reorganized Debtors should have sufficient cash flow and availability to make all payments required pursuant to the Plan while conducting ongoing business operations. The Debtors believe that confirmation and consummation is, therefore, not likely to be followed by the liquidation or further reorganization of the Reorganized Debtors. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code.

THE FINANCIAL PROJECTIONS, INCLUDING THE UNDERLYING ASSUMPTIONS, SHOULD BE CAREFULLY REVIEWED IN EVALUATING THE PLAN. WHILE MANAGEMENT BELIEVES THE ASSUMPTIONS UNDERLYING THE FINANCIAL PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES AND EXPECTATIONS, NO ASSURANCE CAN BE GIVEN THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED.

THE FINANCIAL PROJECTIONS HAVE NOT BEEN EXAMINED OR COMPILED BY INDEPENDENT ACCOUNTANTS. THE DEBTORS MAKE NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS OR THEIR ABILITY TO ACHIEVE THE PROJECTED RESULTS. MANY OF THE ASSUMPTIONS ON WHICH THE PROJECTIONS ARE BASED ARE INHERENTLY SUBJECT TO SIGNIFICANT ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES WHICH ARE BEYOND THE CONTROL OF THE DEBTORS. INEVITABLY, SOME ASSUMPTIONS WILL NOT MATERIALIZE AND UNANTICIPATED EVENTS AND CIRCUMSTANCES MAY AFFECT THE ACTUAL FINANCIAL RESULTS. THEREFORE, THE ACTUAL RESULTS ACHIEVED THROUGHOUT THE PERIOD OF THE FINANCIAL PROJECTIONS MAY VARY FROM THE PROJECTED RESULTS AND THE VARIATIONS MAY BE MATERIAL. ALL HOLDERS OF CLAIMS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN ARE URGED TO EXAMINE CAREFULLY ALL OF THE ASSUMPTIONS ON WHICH THE FINANCIAL PROJECTIONS ARE BASED IN CONNECTION WITH THEIR EVALUATION OF THE PLAN.

BASED ON THE FINANCIAL PROJECTIONS SET FORTH IN EXHIBIT D HERETO, THE DEBTORS BELIEVE THAT THEY WILL BE ABLE TO MAKE ALL DISTRIBUTIONS AND PAYMENTS UNDER THE PLAN AND THAT CONFIRMATION OF THE PLAN IS NOT LIKELY TO BE FOLLOWED BY LIQUIDATION OF THE REORGANIZED DEBTORS OR THE NEED FOR FURTHER FINANCIAL REORGANIZATION OF THE REORGANIZED DEBTORS.

3. Acceptance by Impaired Classes

The Bankruptcy Code requires, as a condition to confirmation, that, except as described in the following section, each class of claims or equity interests that is impaired under a plan, accept the plan. A class that is not “impaired” under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such class is not required. A class is “impaired” unless the plan: (a) leaves unaltered the legal, equitable and contractual rights to which the claim or the equity interest entitles the holder of such claim or equity interest; (b) cures any default and reinstates the original terms of such obligation; or (c) provides that, on the consummation date, the holder of such claim or equity interest receives Cash equal to the allowed amount of that claim or, with respect to any equity interest, any fixed liquidation preference to which the holder of such equity interest is entitled to any fixed price at which the debtor may redeem the security.

The Bankruptcy Code defines “acceptance” of a plan by a class of (i) claims as acceptance by creditors in that class that hold at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the claims that cast ballots for acceptance or rejection of the plan and (ii) equity interests as acceptance by interest holders in that class that hold at least two-thirds (2/3) in amount of the equity interests that cast ballots for acceptance or rejection of the plan. Holders of claims or equity interests that fail to vote are not counted in determining the thresholds for acceptance of the plan.

Claims in Classes 1, 2, 3, 4, 8, and 9 and Equity Interests in Class 11 are not Impaired under the Plan, and, as a result, the Holders of such Claims and Equity Interests are deemed to have accepted the Plan. Accordingly, the Debtors are not required to solicit their vote.

Equity Interests in Class 10 and Claims in Class 12 are Impaired under the Plan and are not receiving any recovery under the Plan and, as a result, the Holders of such Equity Interests and Claims are deemed to reject the Plan. Accordingly, the Debtors are not required to solicit their vote.

Claims in Classes 5, 6, and 7 are Impaired under the Plan, and as a result, the Holders of such Claims are entitled to vote on the Plan. Pursuant to section 1129 of the Bankruptcy Code, the Holders of Claims in the Voting Classes must accept the Plan for the Plan to be confirmed without application of the “fair and equitable test” to Classes 5, 6, and 7 and without considering whether the Plan “discriminates unfairly” with respect to Classes 5, 6, and 7 as both standards are described herein. As explained above, Classes 5, 6, and 7 will have accepted the Plan if the Plan is accepted by at least two-thirds (2/3) in amount and a majority in number of the Claims in each of Classes 5, 6, and 7 (other than any Claims of creditors designated under section 1126(e) of the Bankruptcy Code) that will have voted to accept or reject the Plan.

4. Confirmation Without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if less than all impaired classes entitled to vote on the plan have accepted it, provided that the plan has been accepted by at least one impaired class of claims. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired Class's rejection or deemed rejection of the Plan, the Plan will be confirmed, at the Debtors' request, in a procedure commonly known as "cram down," so long as the Plan does not "discriminate unfairly" and is "fair and equitable" with respect to each Class of Claims or Equity Interests that is impaired under, and has not accepted, the Plan.

5. No Unfair Discrimination

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

6. Fair and Equitable Test

This test applies to classes of different priority and status (e.g., secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the amount of the allowed claims in such class. As to the dissenting class, the test sets different standards depending on the type of claims or equity interests in such class:

- Secured Claims. The condition that a plan be "fair and equitable" to a non-accepting class of secured claims includes the requirements that: (a) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the plan; and (b) each holder of a secured claim in the class receives deferred Cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant's interest in the debtor's property subject to the liens.
- Unsecured Claims. The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the following requirement that either: (a) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or any equity interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or junior equity interest any property.
- Equity Interests. The condition that a plan be "fair and equitable" to a non-accepting class of equity interests includes the requirements that either:
 - o the plan provides that each holder of an equity interest in that class receives or retains under the plan on account of that equity interest property of a value, as of

the effective date of the plan, equal to the greater of: (a) the allowed amount of any fixed liquidation preference to which such holder is entitled; (b) any fixed redemption price to which such holder is entitled; or (c) the value of such interest; or

- o if the class does not receive the amount required in the paragraph directly above, no class of equity interests junior to the non-accepting class may receive a distribution under the plan.

To the extent that any of the Voting Classes votes to reject the Plan, the Debtors reserve the right to seek (a) confirmation of the Plan under section 1129(b) of the Bankruptcy Code and/or (b) modify the Plan in accordance with Article XII of the Plan.

The Debtors do not believe that the Plan discriminates unfairly against any Impaired Class of Claims or Equity Interests. The Debtors believe that the Plan and the treatment of all Classes of Claims and Equity Interests under the Plan satisfy the foregoing requirements for non-consensual confirmation of the Plan.

G. CONSUMMATION OF THE PLAN

The Plan will be consummated on the Effective Date. For a more detailed discussion of the conditions precedent to the consummation of the Plan and the impact of failure to meet such conditions, see Article IX.B of the Plan.

VIII. VALUATION ANALYSIS

Attached hereto as Exhibit E is a valuation analysis of the Reorganized Debtors, which was performed and prepared by Ducera and Johnson Rice and is incorporated by reference herein.

IX. EXEMPTIONS FROM SECURITIES ACT REGISTRATION

The Solicitation is being made before the Petition Date only to Eligible Holders of Prepetition Notes Claims who are (i) located inside the United States and are (a) “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) or (b) “accredited investors” (as defined in Rule 501(a) of Regulation D under the Securities Act) or (ii) located outside the United States and are persons other than “U.S. persons” (as defined in Rule 902 under the Securities Act).

The issuance of and the distribution under the Plan of the New Common Stock (other than pursuant to the Equity Rights Offering which will be issued and distributed pursuant to section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder) will be exempt from registration under the Securities Act and any other applicable securities laws pursuant to section 1145 of the Bankruptcy Code. No offer of securities to the public is made, or will be made, in any member state of the European Economic Area that requires the publication of a prospectus within the meaning of the EU Prospectus Directive (Directive 2003/71/EC), as amended, or the EU Prospectus Regulation (Regulation (EU) 2017/1129).

Section 1145 of the Bankruptcy Code generally exempts from registration under the Securities Act the offer or sale under a chapter 11 plan of a security of the debtor, of an affiliate participating in a joint plan with the debtor, or of a successor to the debtor under a plan, if such securities are offered or sold in exchange for a claim against, or an interest in, the debtor or such affiliate, or principally in such exchange and partly for cash. In reliance upon this exemption, the New Common Stock (other than any New Common Stock to be issued upon exercise of any Subscription Rights) will be exempt from the registration requirements of the Securities Act, and state and local securities laws. These securities may be resold without registration under the Securities Act or other federal or state securities laws pursuant to the exemption provided by section 4(a)(7) of the Securities Act, unless the holder is an “underwriter” with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code. In addition, such section 1145 exempt securities generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of the several states.

Further, section 4(a)(2) of the Securities Act generally exempts from registration under the Securities Act a transaction by an issuer that does not involve a public offering. However, securities issued in such a transaction, including the New Common Stock issued upon exercise of Subscription Rights, are “restricted securities” as described in Article V.J of the Plan. Resales of such restricted securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law.

Notwithstanding the foregoing, persons may be able to sell such securities without registration pursuant to the resale safe harbor of Rule 144 of the Securities Act which, in effect, permits the resale of securities received by such persons pursuant to a chapter 11 plan, subject to applicable holding periods, volume limitations, notice and manner of sale requirements, and certain other conditions. Parties who believe they may be statutory underwriters as defined in section 1145 of the Bankruptcy Code are advised to consult with their own legal advisers as to the availability of the safe harbor provided by Rule 144. In any case, would-be recipients of new securities to be issued under the prepackaged Plan are advised to consult with their own legal advisers as to the availability of any such exemption from registration under the Securities Act or any other applicable federal or state law in any given instance and as to any applicable requirements or conditions to such availability.

X.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. INTRODUCTION

The following discussion summarizes certain U.S. federal income tax consequences expected to result from the consummation of the Plan. This discussion is only for general information purposes and only describes the expected tax consequences to the Debtors and Holders of Prepetition Notes Claims and General Unsecured Claims against the Parent (each a “**Holder**”). It is not a complete analysis of all potential U.S. federal income tax consequences and does not address any tax consequences arising under any state, local or foreign tax laws or federal estate or gift tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the “**IRC**” or “**Tax Code**”), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the “**IRS**”), all as in effect on the date of this Disclosure Statement. These authorities may change, possibly

retroactively, resulting in U.S. federal income tax consequences different from those discussed below. No ruling has been or will be sought from the IRS, and no legal opinion of counsel will be rendered, with respect to the matters discussed below. There can be no assurance that the IRS will not take a contrary position regarding the U.S. federal income tax consequences resulting from the consummation of the Plan or that any contrary position would not be sustained by a court.

This discussion assumes that Holders of Prepetition Notes Claims and General Unsecured Claims against Parent have held such property as “capital assets” within the meaning of IRC Section 1221 (generally, property held for investment) and will hold the New Common Stock as capital assets. This discussion also assumes that the Claims to which any of the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form, and that the Claims constitute interests in the Debtors “solely as a creditor” for purposes of Section 897 of the Tax Code.

This discussion does not address all U.S. federal income tax considerations that may be relevant to a particular Holder in light of that Holder’s particular circumstances, including the impact of the tax on net investment income imposed by Section 1411 of the Tax Code. In addition, it does not address considerations relevant to Holders subject to special rules under the U.S. federal income tax laws, such as “qualified foreign pension funds” (as defined in Section 897(l)(2) of the Tax Code), entities all of the interests of which are held by qualified foreign pension funds, financial institutions, insurance companies, brokers, dealers or traders in securities, commodities or currencies, tax-exempt organizations, tax-qualified retirement plans, partnerships and other pass-through entities, Holders subject to the alternative minimum tax, Holders who utilize installment method reporting with respect to their Claims, Holders holding the Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment, Holders subject to special tax accounting rules as a result of any item of gross income with respect to the Prepetition Notes being taken into account in an applicable financial statement and U.S. Holders (as defined below) who have a functional currency other than the U.S. dollar.

This discussion also does not address the U.S. federal income tax consequences to holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full under the Plan, or (b) that are deemed to accept or deemed to reject the Plan. Additionally, this discussion does not address the receipt of property by Holders of Prepetition Notes Claims or General Unsecured Claims against Parent other than in their capacity as such (e.g., this summary does not discuss the treatment of any increase to a Prepetition Notes Claim as a result of the RSA Premium (as defined in the Restructuring Support Agreement), any commitment fee or similar arrangement, any backstop commitments or any equity commitments) or the separate payment of professional fees incurred by any Holders. This discussion also does not discuss the treatment of the receipt of New Common Stock pursuant to the New Management Incentive Plan.

HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE CONSUMMATION OF THE PLAN AND THE RECEIPT, OWNERSHIP AND DISPOSITION OF NEW COMMON STOCK RECEIVED PURSUANT TO THE PLAN, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS, OR ANY OTHER FEDERAL TAX LAWS. THE DEBTORS AND THE REORGANIZED DEBTORS SHALL NOT BE LIABLE TO ANY HOLDER OR ANY

AFFILIATES OF SUCH HOLDER FOR ANY TAX LIABILITY WITH RESPECT TO SUCH HOLDERS' TAX LIABILITY IN WHATSOEVER MANNER.

B. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO THE DEBTORS

1. Characterization of the Restructuring Transactions

The tax consequences of the implementation of the Plan to the Debtors will depend on the ultimate form of the Restructuring Transactions. The Debtors and the Consenting Noteholders have not yet determined how the Restructuring Transactions will be structured, either in whole or in part. However, the Restructuring Transactions are currently expected to be structured as taxable exchanges pursuant to which the New Common Stock, together with the other consideration distributed pursuant to the Plan, would be issued to the applicable Holders in exchange for their applicable Claims, and the Old Parent Interests would be terminated and cancelled.

The form of the Restructuring Transactions is subject to potential change. The discussion herein assumes the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan in one or more taxable transactions as described above. Holders are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

2. Cancellation of Indebtedness and Reduction of Tax Attributes

The Debtors generally should realize cancellation of indebtedness ("COD") income to the extent the adjusted issue price of the Prepetition Notes exceeds the sum of (i) the amount of cash treated as additional consideration for the Prepetition Notes Claims and (ii) the fair market value of the New Common Stock received by Holders on account of their Allowed Prepetition Notes Claims against any Affiliate Debtors. The amount of COD income that will be realized by the Debtors is uncertain because it will depend in part on the fair market value of the New Common Stock and other consideration distributed under the Plan on the Effective Date.

Under IRC Section 108, COD income realized by a debtor will be excluded from gross income if the discharge of debt occurs in a case brought under the Bankruptcy Code, the debtor is under the court's jurisdiction in such case and the discharge is granted by the court or is pursuant to a plan approved by the court (the "**Bankruptcy Exception**"). Because the Debtors are in bankruptcy, the Bankruptcy Exception should apply to the transactions consummated pursuant to the Plan and, as a result, the Debtors should be entitled to exclude from gross income any COD income realized as a result of the implementation of the Plan.

Under IRC Section 108(b), a debtor that excludes COD income from gross income under the Bankruptcy Exception generally must reduce certain tax attributes by the amount of the excluded COD income. Attributes subject to reduction include net operating losses ("**NOLs**"), NOL carryforwards and certain other losses, credits and carryforwards, and the debtor's tax basis in its assets (including stock of subsidiaries). In the case of a group of corporations filing a consolidated return, the attribute reduction rules apply first to the separate attributes of or attributable to the particular corporation whose debt is being discharged, and then, if necessary, to certain attributes of other members of the group. Accordingly, COD income of a debtor would result first in the reduction of any NOLs and other attributes, including asset basis, of or attributable to such debtor, and then, potentially, of consolidated NOLs and/or basis of or attributable to other

members of the group. The reduction in a debtor's tax basis in its assets generally does not have to exceed the excess of (i) its tax basis in assets held immediately after the discharge of indebtedness over (ii) the amount of liabilities remaining immediately after the discharge of indebtedness (the "**Liability Floor**"). NOLs for the taxable year of the discharge and NOL carryovers to such year generally are the first attributes subject to reduction. However, a debtor may elect under IRC Section 108(b)(5) (the "**Section 108(b)(5) Election**") to reduce its basis in its depreciable property first. If a debtor makes a Section 108(b)(5) Election, the Liability Floor does not apply to the reduction in basis of depreciable property. The Debtors do not currently intend to make the Section 108(b)(5) Election.

For tax periods through the tax year ending December 31, 2019, the Parent Group reported on its consolidated federal income tax return approximately \$160 million of consolidated NOL carryforwards. The Debtors' NOLs are subject to audit and possible challenge by the IRS. Accordingly, the amount of the Debtors' NOLs ultimately may vary from the amounts set forth above.

The Debtors currently anticipate that the application of IRC Section 108(b) (assuming no Section 108(b)(5) Election is made) will result in the reduction of their NOLs and basis in their assets. However, the ultimate effect of the attribute reduction rules is uncertain because, among other things, it will depend on the amount of COD income realized by the Debtors, which cannot be determined until after the Plan is consummated.

3. Section 382 Limitation on Net Operating Losses and Built-In Losses

Under IRC Section 382, if a corporation or a consolidated group of corporations with NOLs, interest deductions suspended under Section 163(j) of the Tax Code or built-in losses (collectively with NOLs and certain other tax attributes, such as foreign tax credits, the "**Pre-Change Tax Attributes**") (each such corporation, a "**loss corporation**") undergoes an "ownership change," the loss corporation's use of its Pre-Change Tax Attributes and recognized built-in losses ("**RBILs**") generally will be subject to an annual limitation in the post-change period. In general, an "ownership change" occurs if the percentage of the value of the loss corporation's stock owned by one or more direct or indirect "five percent shareholders" increases by more than fifty percentage points over the lowest percentage of value owned by the five percent shareholders at any time during the applicable testing period (an "**Ownership Change**"). The testing period generally is the shorter of (i) the three-year period preceding the testing date or (ii) the period of time since the most recent Ownership Change of the corporation.

Subject to the special bankruptcy rules discussed below, the amount of the annual limitation on a loss corporation's use of its Pre-Change Tax Attributes and RBILs is generally equal to the product of the applicable long-term tax-exempt rate (as published by the IRS for the month in which the Ownership Change occurs) and the value of the loss corporation's outstanding stock immediately before the Ownership Change (excluding certain capital contributions). If a loss corporation has a net unrealized built-in gain ("**NUBIG**") immediately prior to the Ownership Change, the annual limitation may be increased as certain gains are recognized (or, unless certain provisions of proposed Treasury Regulations are enacted and apply to the Plan, treated as recognized pursuant to the safe harbors provided in IRS Notice 2003-65) during the five-year period beginning on the date of the Ownership Change (the "**Recognition Period**"). If a loss corporation has a net unrealized built-in loss ("**NUBIL**") immediately prior to the Ownership

Change, certain losses recognized during the Recognition Period also would be subject to the annual limitation and thus may reduce the amount of Pre-Change Tax Attributes that could be used by the loss corporation during the Recognition Period.

A NUBIG or NUBIL is generally the difference between the fair market value of a loss corporation's assets (or, if greater, the amount of a loss corporation's relevant liabilities, unless certain provisions of proposed Treasury Regulations are enacted and apply to the Plan) and its tax basis in the assets, subject to a statutorily-defined threshold amount. The amount of a loss corporation's NUBIG or NUBIL must be adjusted for built-in items of income or deduction that would be attributable to a pre-change period if recognized during the Recognition Period. The NUBIG or NUBIL of a consolidated group generally is calculated on a consolidated basis, subject to special rules.

If a loss corporation has a NUBIG immediately prior to an Ownership Change, any recognized built-in gains ("**RBIGs**") will increase the annual limitation in the taxable year the RBIG is recognized. An RBIG generally is any gain (and certain income) with respect to an asset held immediately before the date of the Ownership Change that is recognized during the Recognition Period to the extent of the fair market value of the asset over its tax basis immediately prior to the Ownership Change. However, the annual limitation will not be increased to the extent that the aggregate amount of all RBIGs that are recognized during the Recognition Period exceed the NUBIG. On the other hand, if a loss corporation has a NUBIL immediately prior to an Ownership Change, any RBILs will be subject to the annual limitation in the same manner as Pre-Change Tax Attributes. An RBIL generally is any loss (and certain deductions) with respect to an asset held immediately before the date of the Ownership Change that is recognized during the Recognition Period to the extent of the excess of the tax basis of the asset over its fair market value immediately prior to the Ownership Change. However, once the aggregate amount of all RBILs that are recognized during the Recognition Period exceeds the NUBIL, such excess RBILs are not subject to the annual limitation. Unless certain provisions of proposed Treasury Regulations are enacted and apply to the Plan, RBIGs and RBILs may be recognized during the Recognition Period for depreciable and amortizable assets that are not actually disposed. It is unclear whether the Parent Group will have a NUBIG or NUBIL on the Effective Date.

The Debtors expect the consummation of the Plan to result in an Ownership Change for the Reorganized Debtors. Because the Ownership Change will occur in a case brought under the Bankruptcy Code, one of the following two special rules should apply in determining the Reorganized Debtors' ability to utilize in post-Effective Date tax periods Pre-Change Tax Attributes and any RBILs attributable to tax periods preceding the Effective Date provided there is no Ownership Change prior to the Effective Date.

The first of these special rules applies when so-called "qualified creditors" of a debtor corporation in bankruptcy receive, in respect of their Claims, at least 50% of the vote and value of the stock of the reorganized debtor (or a controlling corporation if also in bankruptcy) pursuant to a confirmed bankruptcy plan (the "**382(l)(5) Exception**"). Under the 382(l)(5) Exception, a debtor's Pre-Change Tax Attributes are not limited on an annual basis, but, instead, NOL carryforwards will be reduced by the amount of any interest deductions claimed during any taxable year ending during the three-year period preceding the taxable year that includes the effective date of the plan of reorganization, and during the part of the taxable year prior to and including the effective date of the plan of reorganization, in respect of all debt converted into stock in the

reorganization. If the 382(l)(5) Exception applies and the Reorganized Debtors undergo another Ownership Change within two years after the Effective Date, then the Reorganized Debtors' Pre-Change Tax Attributes effectively would be eliminated in their entirety.

If an Ownership Change pursuant to a bankruptcy plan does not satisfy the requirements of the 382(l)(5) Exception, or if a debtor elects not to apply the 382(l)(5) Exception, the debtor's use of its Pre-Change Tax Attributes and RBILs arising during the Recognition Period will be subject to an annual limitation as determined under IRC Section 382(l)(6) (the "**382(l)(6) Exception**"). In such case, the amount of the annual limitation generally will be equal to the product of the applicable long-term tax-exempt rate (0.99% for December 2020) and the value of the debtor's outstanding stock immediately after the bankruptcy reorganization, provided such value may not exceed the value of the debtor's gross assets immediately before the Ownership Change, subject to certain adjustments. However, if any Pre-Change Tax Attributes and built-in losses of the debtor already are subject to an annual limitation at the time of an Ownership Change, those Pre-Change Tax Attributes and built-in losses will generally be subject to the lower of the two annual limitations.

It is currently anticipated that the Debtors either will not qualify for or will elect not to apply the 382(l)(5) Exception. Accordingly, the Debtors' Pre-Change Tax Attributes remaining after reduction for excluded COD income should be subject to an annual limitation generally equal to the lower of (i) any preexisting limitation imposed under IRC Section 382 and (ii) the product of the long-term tax-exempt rate for the month in which the Ownership Change resulting from the Plan occurs and the value of the Reorganized Debtors' outstanding stock immediately after consummation of the Plan pursuant to IRC Section 382(l)(6), prior to giving effect to the NUBIG and NUBIL rules described above. Pre-Change Tax Attributes not utilized in a given year due to the annual limitation may be carried forward for use in future years. To the extent the annual limitation of the Reorganized Debtors exceeds the Reorganized Debtors' taxable income (for purposes of IRC Section 382) in a given year, the excess will increase the annual limitation in future taxable years.

C. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF CERTAIN CLAIMS

1. Definition of U.S. Holder and Non-U.S. Holder

A "U.S. Holder" is a beneficial owner of the Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or

- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Tax Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

A “Non-U.S. Holder” means a beneficial owner of the Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock that is not a U.S. Holder and is, for U.S. federal income tax purposes, an individual, corporation (or other entity classified as a corporation for U.S. federal income tax purposes), estate or trust.

If a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes holds Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. Beneficial owners of the Prepetition Notes Claims, General Unsecured Claims against Parent and/or New Common Stock who are partners in a partnership holding any of such instruments should consult their tax advisors.

2. U.S. Holders of General Unsecured Claims Against Parent (Class 6)

Treatment of Exchanges. A U.S. Holder of a General Unsecured Claim against Parent should generally be treated as receiving its distributions (if any) of cash in a taxable exchange under Section 1001 of the Internal Revenue Code.

Recognition of Gain or Loss. Other than with respect to any amounts received that are attributable to accrued but untaxed interest (or OID), each U.S. Holder of a General Unsecured Claim against Parent should recognize gain or loss equal to the difference between the (a) amount of cash received in exchange for the Claim and (b) such U.S. Holder’s adjusted tax basis, if any, in such Claim. A U.S. Holder’s ability to deduct any loss recognized on the exchange of its Claims will depend on such U.S. Holder’s own circumstances and may be restricted under the IRC. The character of any gain or loss as capital gain or loss or ordinary income or loss and, in the case of capital gain or loss, as short-term or long-term, will depend on a number of factors, including: (a) the nature and origin of the Claim; (b) the tax status of the U.S. Holder of such Claim; (c) whether such Claim has been held for more than one year; (d) the extent to which the U.S. Holder previously claimed a loss or bad debt deduction with respect to such Claim; and (e) whether such Claim was acquired at a market discount. A U.S. Holder that purchased its Claim from a prior Holder at a market discount may be subject to the market discount rules of the IRC as described below under “—U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—Exchange of Prepetition Notes Claims for Cash—Market Discount.”

A portion of the consideration received by a U.S. Holder of a General Unsecured Claim against Parent may be attributable to accrued interest or OID on such Claim. Such amount should be taxable to that U.S. Holder as interest income if such accrued interest or OID has not been previously included in the U.S. Holder’s gross income for U.S. federal income tax purposes. Conversely, U.S. Holders of a General Unsecured Claim against Parent may be able to recognize a deductible loss to the extent any accrued interest or OID on such Claim was previously included in the U.S. Holder’s gross income but was not paid in full by the Debtors. If the fair value of the consideration is not sufficient to fully satisfy all principal, interest or OID on the Claim, the extent

to which such consideration will be attributable to accrued interest and OID is unclear. The Debtors intend to take the position, and the Plan provides, that, to the extent permitted by applicable law, the distributions in full or partial satisfaction of Allowed Claims shall be allocated for income tax purposes first to the principal amount of Allowed Claims, with any excess allocated to unpaid interest that accrued, including OID, on such Claims.

3. U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)

(a) Exchange of Prepetition Notes Claims for Cash

Treatment of Exchanges. A U.S. Holder of Prepetition Notes Claims against Parent will not share in any distribution from the Parent GUC Recovery Cash Pool. The exchange of a Prepetition Notes Claim against an Affiliate Debtor for cash pursuant to the Plan will result in a taxable sale of such Prepetition Notes Claim for U.S. federal income tax purposes.

Recognition of Gain or Loss. A U.S. Holder receiving cash in exchange for a Prepetition Notes Claim against an Affiliate Debtor generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the amount of cash received in exchange for such Prepetition Notes Claim (excluding any amount allocable to accrued but unpaid interest on the Prepetition Note, which will be taxable as interest to the extent not previously included in income) and (ii) the U.S. Holder's adjusted tax basis in the Prepetition Note at the time of exchange for cash. A U.S. Holder's adjusted tax basis in a Prepetition Note generally will be equal to the cost of the Prepetition Note, increased by market discount and "original issue discount" ("**OID**"), if any, previously included in the U.S. Holder's income with respect to the Prepetition Note, and reduced (but not below zero) by any amortizable bond premium that the U.S. Holder has previously amortized. Subject to the market discount rules discussed below, any gain or loss recognized by a U.S. Holder exchanging a Prepetition Notes Claim against an Affiliate Debtor for cash generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Prepetition Note for more than one year at the time of sale. Otherwise, such gain or loss will be short-term capital gain or loss. Long-term capital gains recognized by non-corporate U.S. Holders, including individuals, generally will be taxable at a reduced rate. The deductibility of capital losses is subject to limitations.

Market Discount. A U.S. Holder that acquired a Prepetition Note at any time other than at its original issuance at a market discount would generally be required to treat any gain recognized on the exchange or taxable disposition of a Prepetition Note as ordinary income to the extent of accrued market discount (on a straight line basis or, at the election of the holder, on a constant yield basis), unless an election to include market discount in income currently as it accrues was made by the U.S. Holder. A U.S. Holder will be considered to have acquired a Prepetition Note at a market discount if its tax basis in the Prepetition Note immediately after acquisition was less than the sum of all amounts payable thereon, other than payments of qualified stated interest, (or, in the case of a Prepetition Note issued with OID, less than the revised issue price within the meaning of the applicable tax rules) after the acquisition date, unless the difference is less than 0.25% of the Prepetition Note's issue price multiplied by the number of complete years from the acquisition date to maturity (in which case, the difference is de minimis market discount and the market discount rules would not apply).

(b) Exchange of Prepetition Notes Claims for New Common Stock

Treatment of Exchange. If the Restructuring Transactions are structured as taxable exchanges as described above, a U.S. Holder of Prepetition Notes Claims against an Affiliate Debtor receiving New Common Stock would generally be expected to receive its distribution under the Plan in a taxable exchange under Section 1001 of the Tax Code. In addition, a U.S. Holder of Prepetition Notes Claims against an Affiliate Debtor may receive Subscription Rights, and New Common Stock received pursuant to the exercise of such Subscription Rights, pursuant to the Equity Rights Offering. While not free from doubt, for U.S. federal income tax purposes, the Debtors intend to treat the Subscription Rights as rights to purchase New Common Stock from a holder of Prepetition Notes Claims against an Affiliate Debtor that is receiving the Cash Payout by a participant in the Equity Rights Offering rather than a right received in exchange for a Prepetition Notes Claim. U.S. Holders of Prepetition Notes Claims against an Affiliate Debtor should consult their tax advisors regarding the treatment of the receipt of the Subscription Rights.

Recognition of Gain or Loss. In a taxable exchange of Prepetition Notes Claims against an Affiliate Debtor for New Common Stock, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the fair market value of the New Common Stock and (ii) the U.S. Holder's "adjusted tax basis" in the Prepetition Notes. A U.S. Holder's adjusted tax basis in the Prepetition Notes is described above under "*U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—Exchange of Prepetition Notes Claims for Cash—Recognition of Gain or Loss.*" Subject to the market discount rules discussed below, gain or loss generally will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the Prepetition Notes for more than one year as of the Effective Date. Long-term capital gains recognized by non-corporate U.S. Holders, including individuals, generally will be taxable at a reduced rate. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired Prepetition Notes with market discount (determined in the manner described in "*U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—Exchange of Prepetition Notes Claims for Cash—Market Discount*" above), any gain recognized on receipt of New Common Stock will be treated as ordinary income to the extent of the market discount accrued (on a straight line basis or, at the election of the U.S. Holder, on a constant yield basis) during such U.S. Holder's period of ownership, unless such U.S. Holder previously elected to include market discount in income as it accrued for U.S. federal income tax purposes. A U.S. Holder's tax basis in the New Common Stock generally would be equal to its fair market value as of the Effective Date, and its holding period in the New Common Stock would generally begin on the day after the Effective Date.

(c) Ownership of New Common Stock

Distributions. A U.S. Holder of New Common Stock generally will be required to include in gross income as ordinary dividend income the amount of any distributions paid on the New Common Stock to the extent such distributions are paid out of Reorganized Parent's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Distributions not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a U.S. Holder's adjusted tax basis in the New Common Stock, but not below zero. Any excess amount will be treated as gain from a sale or

exchange of the New Common Stock. U.S. Holders that are treated as corporations for U.S. federal income tax purposes may be entitled to a dividends received deduction with respect to distributions out of Reorganized Parent's earnings and profits. Additionally, non-corporate U.S. Holders that satisfy certain holding period requirements will generally be eligible for the reduced tax rates that apply to "qualified dividend income."

Sale or Other Taxable Disposition. A U.S. Holder of New Common Stock will recognize gain or loss upon the sale or other taxable disposition of New Common Stock equal to the difference between the amount realized upon the disposition and the U.S. Holder's adjusted tax basis in the New Common Stock. Subject to the recapture rules under IRC Section 108(e)(7), any such gain or loss generally will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the New Common Stock for more than one year as of the date of disposition. Long-term capital gains recognized by non-corporate U.S. Holders generally will be taxable at a reduced rate. Under the IRC Section 108(e)(7) recapture rules, a U.S. Holder may be required to treat gain recognized on the taxable disposition of New Common Stock as ordinary income if the U.S. Holder took a bad debt deduction with respect to the Prepetition Note exchanged for the applicable New Common Stock. U.S. Holders should consult their tax advisors regarding the applicable tax rates and netting rules for capital gains and losses. The deductibility of capital losses is subject to limitations.

4. Non-U.S. Holders

The following discussion assumes the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan in one or more taxable transactions as described above in "*Certain U.S. Federal Income Tax Consequences to the Debtors—Characterization of the Restructuring Transactions.*" The rules governing U.S. federal income taxation of a Non-U.S. Holder are complex. The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. Non-U.S. Holders should consult with their own tax advisors to determine the effect of U.S. federal, state, and local tax laws, as well as any other applicable non-U.S. tax laws and/or treaties, with regard to their participation in the transactions contemplated by the Plan, their ownership of Claims, and the ownership and disposition of Prepetition Notes Claims, General Unsecured Claims against Parent and New Common Stock, as applicable.

Whether a Non-U.S. Holder realizes gain or loss on an exchange and the amount of such gain or loss should generally be determined in the same manner as set forth above in connection with U.S. Holders.

(a) Gain Recognition

As discussed above, an exchange of Prepetition Notes Claims against Affiliate Debtors or General Unsecured Claims against Parent pursuant to the Plan is currently expected to result in gain or loss by a Holder. To the extent any gain is recognized, subject to the discussions below regarding FATCA (as defined below) and backup withholding, any gain recognized by a Non-U.S. Holder on the exchange of General Unsecured Claims against Parent for cash (as described above in "*—U.S. Holders of General Unsecured Claims Against Parent (Class 6)—Recognition of Gain or Loss*") or Prepetition Notes Claims against an Affiliate Debtor for cash or New Common Stock,

as applicable (as described above in “—U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—Exchange of Prepetition Notes Claims for Cash” and in “—U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—Exchange of Prepetition Notes Claims for New Common Stock”), or a subsequent sale or other taxable disposition of New Common Stock (as described above in “—U.S. Holders of Prepetition Notes Claims Against Parent (Class 5) and Prepetition Notes Claims Against Affiliate Debtors (Class 7)—New Common Stock—Sale or Other Taxable Disposition”) generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the relevant sale, exchange or other taxable disposition occurs and certain other conditions are met, (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and if required by an applicable income tax treaty, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) or (c) solely with respect to the New Common Stock, the issuer of such equity is or has been during a specified testing period a “U.S. real property holding corporation” (a “**USRPHC**”) as defined in Section 897 of the Tax Code.

If the first exception applies, to the extent that any gain is recognized, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder’s capital gains allocable to U.S. sources exceed its capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain recognized in the same manner as a U.S. Holder. In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates) to the withholding agent. In addition, a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder’s effectively connected earnings and profits that are attributable to such gain at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). With respect to the third exception above, the Parent does not believe that it is or has been, and does not expect Reorganized Parent to become, a USRPHC.

(b) Interest

Subject to the discussions below regarding FATCA (as defined below) and backup withholding, payments to a Non-U.S. Holder that are attributable to interest (including, for purposes of this discussion of Non-U.S. Holders, any OID) that is not effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States generally will not be subject to U.S. federal income or withholding tax, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person. Interest income, however, may be subject to U.S. withholding tax if, at the applicable time:

- the Non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes of voting stock of the Parent with respect to payments of interest on the Prepetition Notes;

- the Non-U.S. Holder is a “controlled foreign corporation” that is a “related person” (each, within the meaning of the Tax Code) with respect to the Parent; or
- the Non-U.S. Holder is a bank receiving interest described in Section 881(c)(3)(A) of the Tax Code.

If interest paid to a Non-U.S. Holder is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and if required by an applicable income tax treaty, such interest is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States), the Non-U.S. Holder generally will not be subject to U.S. federal withholding tax, provided such Non-U.S. Holder provides a properly executed W-8ECI (or such successor form as the IRS designates) to the applicable withholding agent, as described above, but will be subject to U.S. federal income tax with respect to such interest in the same manner as a U.S. Holder under rules similar to those discussed above with respect to gain that is effectively connected with the conduct of a trade or business in the United States (see “—*Gain Recognition*” above).

A Non-U.S. Holder that does not qualify for the above exemption with respect to interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax on such interest at a 30% rate, unless such Non-U.S. Holder is entitled to a reduction in or exemption from withholding on such interest as a result of an applicable income tax treaty. To claim such entitlement, the Non-U.S. Holder must provide the applicable withholding agent with a properly executed IRS Form W-8BEN or W-8BEN-E claiming a reduction in or exemption from withholding tax on such payments of interest under the benefit of an income tax treaty between the United States and the country in which the Non-U.S. Holder resides or is established. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers’ securities in the ordinary course of their trade or business.

(c) Distributions

As described above, distributions made on account of New Common Stock will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Reorganized Parent, as determined under U.S. federal income tax principles. Distributions not treated as dividends for U.S. federal income tax purposes will be treated first as a non-taxable return of capital reducing the Non-U.S. Holder’s basis in its New Common Stock. Any excess amount will generally be treated as gain from the sale or exchange of New Common Stock (which is subject to tax only in the circumstances described above).

Except as described below, dividends paid with respect to New Common Stock that are not effectively connected with the Non-U.S. Holder’s conduct of a U.S. trade or business will be subject to U.S. federal withholding tax at a rate of 30% (or lower, if there is an applicable treaty rate or exemption from tax under the applicable income tax treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by providing the applicable withholding agent with a properly executed IRS Form W-8BEN or W-8BEN-E (or a successor form). Dividends paid

with respect to New Common Stock held by a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment or fixed base maintained by such Non-U.S. Holder in the United States) generally will not be subject to withholding tax if the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent. Instead, such Non-U.S. Holder would be subject to U.S. federal income tax with respect to such dividends in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty).

(d) Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Tax Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "**FATCA**") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on interest on the Prepetition Notes, dividends (including constructive dividends) on the New Common Stock, or (subject to the proposed Treasury Regulations discussed below), gross proceeds from the sale or other disposition of Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Tax Code), unless (1) the foreign financial institution undertakes certain diligence, reporting and withholding obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Tax Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence, reporting and withholding requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States-owned foreign entities" (each as defined in the Tax Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Prior to the issuance of proposed Treasury Regulations, withholding under FATCA would have also applied to payments of gross proceeds from the sale or other disposition of Prepetition Notes Claims, General Unsecured Claims against Parent or New Common Stock on or after January 1, 2019. However, the proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

5. Accrued Interest

To the extent a Holder of a Claim receives consideration that is attributable to unpaid accrued interest on the Claim, the Holder may be required to treat such consideration as a payment of interest. In this regard, the Plan provides that distributions in full or partial satisfaction of

Allowed Claims shall be allocated first to the principal amount (as determined for U.S. federal income tax purposes) of Allowed Claims, with any excess allocated to unpaid interest that accrued on such Claims. Notwithstanding the Plan, there is general uncertainty regarding the extent to which the receipt of cash or other property should be treated as attributable to unpaid accrued interest. To the extent any property received pursuant to the Plan is considered attributable to unpaid accrued interest, a Holder will recognize ordinary income to the extent the value of the property exceeds the amount of unpaid accrued interest previously included in gross income by the Holder. A Holder's tax basis in such property (other than cash) should be equal to the amount of interest income treated as satisfied by the receipt of the property, and its holding period in the property should begin on the day after the Effective Date. A Holder generally will be entitled to recognize a loss to the extent any accrued interest previously included in its gross income is not paid in full.

HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE EXTENT TO WHICH CONSIDERATION RECEIVED UNDER THE PLAN SHOULD BE TREATED AS ATTRIBUTABLE TO UNPAID ACCRUED INTEREST, AS WELL AS REGARDING THE CHARACTER OF ANY LOSS RECOGNIZED TO THE EXTENT ANY ACCRUED INTEREST PREVIOUSLY INCLUDED IN GROSS INCOME IS NOT PAID IN FULL.

6. Information Reporting and Backup Withholding

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

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

THE FOREGOING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. EACH HOLDER SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN DESCRIBED HEREIN. NEITHER THE PROPONENTS NOR THEIR PROFESSIONALS WILL HAVE ANY LIABILITY TO ANY PERSON OR HOLDER ARISING FROM OR RELATED TO THE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN OR THE FOREGOING DISCUSSION.

XI.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. LIQUIDATION UNDER CHAPTER 7 OF THE BANKRUPTCY CODE

If the Plan or an alternative chapter 11 plan of reorganization cannot be confirmed, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code in which case, a trustee would be elected or appointed to liquidate the Debtors' assets. A discussion of the effect a chapter 7 liquidation would have on the recovery of Holders of Claims or Equity Interests is set forth in Section VII.F herein, titled "Statutory Requirements for Confirmation of the Plan." The Debtors believe that liquidation under chapter 7 would result in (i) smaller distributions being made to creditors and equity interest holders entitled to a recovery than those provided for in the Plan based on the liquidation value of the Debtors' assets and because of the additional administrative expenses involved in the appointment of a trustee and attorneys and other professionals to assist such trustee, (ii) additional expenses and claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of unexpired leases and executory contracts in connection with the cessation of the Debtors' operations, and (iii) the failure to realize the greater, going-concern value of all of the Debtors' assets.

B. FILING OF AN ALTERNATIVE PLAN OF REORGANIZATION

If the Plan is not confirmed, the Debtors or any other party in interest could attempt to formulate a different chapter 11 plan of reorganization. Such a plan might involve either a reorganization and continuation of the Debtors' businesses or an orderly liquidation of the Debtors' assets. As discussed above, during the negotiations prior to the filing of the Chapter 11 Cases and the Plan, the Debtors explored various alternatives to the Plan.

The Debtors believe that the Plan, and the associated Exit Facility, and the Equity Rights Offering enables the Debtors to emerge from chapter 11 successfully and expeditiously, preserving their businesses and allowing their creditors to realize the highest recoveries under the circumstances. In a liquidation under chapter 11 of the Bankruptcy Code, the assets of the Debtors would be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7, and a trustee need not be appointed. Accordingly, creditors would receive greater recoveries than in a chapter 7 liquidation. Although a chapter 11 liquidation is preferable to a chapter 7 liquidation, the Debtors believe that a liquidation under chapter 11 is a much less attractive alternative to creditors than the Plan because the Plan provides for a greater return to creditors.

The prolonged continuation of the Chapter 11 Cases is likely to adversely affect the Debtors' businesses and operations. So long as the Chapter 11 Cases continue, senior management of the Debtors will be required to spend a significant amount of time and effort dealing with the Debtors' reorganization instead of focusing exclusively on business operations. In addition, the longer the Chapter 11 Cases continue, the more likely it is that the Debtors' vendors and service providers will lose confidence in the Debtors' ability to reorganize their businesses successfully and will seek to establish alternative commercial relationships. Furthermore, so long as the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the proceedings. The prolonged continuation of the Chapter 11 Cases may also result in the termination of the Restructuring Support Agreement which would be value destructive for all parties in interest. In addition, the Debtors may no longer be permitted to use cash collateral on a consensual basis. Under these circumstances, it is unlikely the Debtors could successfully reorganize without damage to their business operations and material decreases in recoveries for creditors.

RECOMMENDATION

In the opinion of the Debtors, the Plan is preferable to the alternatives described in this Disclosure Statement because it provides for a larger distribution to the Debtors' creditors than would otherwise result in a liquidation under chapter 7 of the Bankruptcy Code. In addition, any alternative other than confirmation of the Plan could result in extensive delays and increased administrative expenses resulting in smaller distributions to Holders of Allowed Claims than that which is proposed under the Plan. Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan support confirmation of the Plan and vote to accept the Plan.

Respectfully submitted,

/s/ Westervelt T. Ballard

Superior Energy Services, Inc.

By:

Title:

Dated: December 7, 2020

Prepared by:

HUNTON ANDREWS KURTH LLP

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Proposed Counsel to the Debtors and Debtors-in-Possession

Exhibit A

Plan of Reorganization

SOLICITATION VERSION

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

-----	X	
In re:	:	Chapter 11
	:	
SUPERIOR ENERGY SERVICES, INC., <i>et al.</i> , ¹	:	Case No. 20-35812 (DRJ)
	:	
Debtors.	:	(Joint Administration Requested)
	:	
-----	X	

**JOINT PREPACKAGED PLAN OF REORGANIZATION FOR
SUPERIOR ENERGY SERVICES, INC. AND ITS AFFILIATE DEBTORS
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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Proposed Counsel for the Debtors and Debtors-in-Possession

Dated: December 7, 2020
Houston, Texas

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Superior Energy Services, Inc. (9388), SESI, L.L.C. (4124), Superior Energy Services-North America Services, Inc. (5131), Complete Energy Services, Inc. (9295), Warrior Energy Services Corporation (9424), SPN Well Services, Inc. (2682), Pumpco Energy Services, Inc. (7310), 1105 Peters Road, L.L.C. (4198), Connection Technology, L.L.C. (4128), CSI Technologies, LLC (6936), H.B. Rentals, L.C. (7291), International Snubbing Services, L.L.C. (4134), Stabil Drill Specialties, L.L.C. (4138), Superior Energy Services, L.L.C. (4196), Superior Inspection Services, L.L.C. (4991), Wild Well Control, Inc. (3477), Workstrings International, L.L.C. (0390). The Debtors’ address is 1001 Louisiana Street, Suite 2900, Houston, Texas 77002.

NO CHAPTER 11 CASES HAVE BEEN COMMENCED AT THIS TIME. THIS PREPACKAGED PLAN OF REORGANIZATION, AND THE SOLICITATION MATERIALS ACCOMPANYING THIS PLAN, HAVE NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING “ADEQUATE INFORMATION” WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. IN THE EVENT THE CHAPTER 11 CASES ARE COMMENCED, THE DEBTORS EXPECT TO PROMPTLY SEEK AN ORDER OF THE BANKRUPTCY COURT (1) APPROVING THE SOLICITATION OF VOTES AS HAVING BEEN IN COMPLIANCE WITH SECTIONS 1126(b) AND 1125(g) OF THE BANKRUPTCY CODE; (2) APPROVING THE ADEQUACY OF THE DISCLOSURE STATEMENT; AND (3) CONFIRMING THE PLAN PURSUANT TO SECTION 1129 OF THE BANKRUPTCY CODE. THE DEBTORS RESERVE THE RIGHT TO CONSUMMATE THE RESTRUCTURING TRANSACTIONS WITHOUT COMMENCING ANY CHAPTER 11 CASES.

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**JOINT PREPACKAGED PLAN OF REORGANIZATION FOR
SUPERIOR ENERGY SERVICES, INC. AND ITS AFFILIATE DEBTORS
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

The above-captioned debtors (each a “**Debtor**” and, collectively, the “**Debtors**”) jointly propose the following prepackaged chapter 11 plan of reorganization (this “**Plan**”) for the resolution of the outstanding Claims (as defined below) against, and Equity Interests (as defined below) in, each of the Debtors. Although proposed jointly for administrative purposes, this Plan constitutes a separate Plan for each Debtor for the resolution of outstanding Claims against and Equity Interests in each Debtor pursuant to the Bankruptcy Code (as defined below). This Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Equity Interests set forth in the Plan. The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. Reference is made to the Disclosure Statement (as such term is defined herein and distributed contemporaneously herewith) for a discussion of the Debtors’ history, business, results of operations, historical financial information, projections, a summary and analysis of this Plan, the treatment provided for herein and certain related matters. There also are other agreements and documents, which shall be filed with the Bankruptcy Court (as defined below), that are referenced in this Plan or the Disclosure Statement as Exhibits and Plan Schedules. All such Exhibits and Plan Schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019 and the terms and conditions set forth in this Plan, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

ARTICLE I.

RULES OF INTERPRETATION, COMPUTATION OF TIME AND DEFINED TERMS

A. Rules of Interpretation; Computation of Time

For purposes herein: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) subject to the terms of the Restructuring Support Agreement, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced item shall be substantially in that form or substantially on those terms and conditions; (c) except as otherwise provided herein, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document shall mean as it may be amended, restated, modified or supplemented from time to time; (d) any reference to a Person or an Entity as a Holder of a Claim or an Equity Interest includes that Person’s or Entity’s respective successors and assigns; (e) unless otherwise specified, all references herein to “Articles,” “Sections,” “Exhibits” and “Plan Schedules” are references to Articles, Sections, Exhibits and Plan Schedules hereof or hereto; (f) unless otherwise stated, the words “herein,” “hereof,” “hereunder” and “hereto” refer to this Plan in its entirety rather than

to a particular portion of this Plan; (g) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, indenture, or other agreement or document entered into in connection with this Plan and except as expressly provided in Article XII.D of this Plan, the rights and obligations arising pursuant to this Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (h) except as otherwise specifically provided herein or the Restructuring Support Agreement, any provision in this Plan, the Exhibits and Plan Schedules hereto, and the Plan Supplement shall be in form and substance consistent in all respects with the Restructuring Support Agreement and subject to all consent and consultation rights of the parties thereto (as specified in the Restructuring Support Agreement) in all respects; (i) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (j) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to this Plan; (k) references to a specific article, section, or subsection of any statute, rule, or regulation expressly referenced herein shall, unless otherwise specified, include any amendments to or successor provisions of such article, section, or subsection; (l) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (m) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; (n) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; and (o) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation.” Except as otherwise specifically provided in this Plan to the contrary, references in this Plan to “the Debtors” or to “the Reorganized Debtors” shall mean “the Debtors and the Reorganized Debtors,” as applicable, to the extent the context requires.

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

B. Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

“*510(b) Equity Claim*” means any Claim subordinated pursuant to section 510(b) of the Bankruptcy Code.

“*Accredited Cash Opt-Out Noteholder*” means a Cash Opt-Out Noteholder who (a) is an “*accredited investor*” (within the meaning of Rule 501(a) under the Securities Act (as defined below)) or a “*qualified institutional buyer*” (within the meaning of Rule 144A of the Securities Act), and (b) holds at least \$1,000 in principal amount of Prepetition Notes.

“*Accrued Professional Compensation*” means, with respect to a particular Professional, an Administrative Claim of such Professional for compensation for services rendered or

reimbursement of costs, expenses or other charges incurred on or after the Petition Date and prior to and including the Effective Date.

“Ad Hoc Noteholder Group” means that certain ad hoc group of Holders of the Prepetition Notes represented by the Ad Hoc Noteholder Group Professionals.

“Ad Hoc Noteholder Group Fees and Expenses” means all unpaid reasonable and documented fees and out-of-pocket expenses of the Ad Hoc Noteholder Group Professionals incurred in connection with the Chapter 11 Cases or in furtherance of the Plan.

“Ad Hoc Noteholder Group Professionals” means, collectively, (a) Davis Polk & Wardwell LLP and Porter Hedges LLP, as legal counsel to the Ad Hoc Noteholder Group, (b) Evercore Group L.L.C., as financial advisor to the Ad Hoc Noteholder Group, and (c) any other advisors to the Ad Hoc Noteholder Group.

“Administrative Claim” means a Claim for costs and expenses of administration incurred during the Chapter 11 Cases that are Allowed under sections 503(b), 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred on or after the Petition Date and prior to and including the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) Professional Fee Claims and any other compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under sections 328, 330, 331 or 503(b) of the Bankruptcy Code to the extent incurred on or after the Petition Date and prior to and including the Effective Date; (c) all fees and charges assessed against the Estates under section 1930, chapter 123, of title 28, United States Code; (d) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases Allowed pursuant to sections 503(b)(3), (4) and (5) of the Bankruptcy Code; and (e) the Cure Claim Amounts.

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

“Affiliate Debtor(s)” means, individually or collectively, any Debtor or Debtors other than Parent.

“Allowed” means, with respect to a Claim or Equity Interest: (a) any Claim or Equity Interest as to which no objection to allowance has been interposed (either in the Bankruptcy Court or in the ordinary course of business) on or before the applicable time period fixed by applicable non-bankruptcy law or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or as to which any objection has been determined by a Final Order, either before or after the Effective Date, to the extent such objection is determined in favor of the respective Holder; (b) any Claim or Equity Interest as to which the liability of the Debtors and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court, either before or after the Effective Date; or (c) any Claim or Equity Interest expressly deemed Allowed by this Plan.

“Amended/New Corporate Governance Documents” means, as applicable, the amended and restated or new applicable corporate governance documents (including, without limitation, the bylaws, certificates of incorporation, LLC agreements, stockholders agreements, registration rights agreements and other governance documents, as applicable) of the Reorganized Debtors in substantially the form Filed with the Plan Supplement, which documents shall be acceptable to the Required Consenting Noteholders, in consultation with the Debtors, and consistent with the Restructuring Support Agreement.

“Avoidance Actions” means any and all actual or potential avoidance, recovery, subordination or similar actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under chapter 5 of the Bankruptcy Code or under similar local, state, federal or foreign statutes and common law, including fraudulent transfer, conveyance laws or similar laws.

“Ballots” means the ballots accompanying the Disclosure Statement upon which Holders of Impaired Claims entitled to vote shall, among other things, indicate their acceptance or rejection of this Plan in accordance with this Plan and the procedures governing the solicitation process, and which must be actually received by the Voting and Claims Agent on or before the Voting Deadline.

“Bankruptcy Code” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time and as applicable to the Chapter 11 Cases.

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of Texas, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of any reference under section 157 of title 28 of the United States Code and/or the Order of the United States District Court for the Southern District of Texas pursuant to section 157(a) of title 28 of the United States Code, the United States District Court for the Southern District of Texas.

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, in each case as amended from time to time and as applicable to the Chapter 11 Cases.

“Business Day” means any day, other than a Saturday, Sunday or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).

“Cash” means the legal tender of the United States of America or the equivalent thereof, including bank deposits, checks and cash equivalents, as applicable.

“Cash Opt-Out Noteholder” means a Holder of Prepetition Notes Claims that validly and timely elects on or before the Voting Deadline, in accordance with the instructions set forth on the Ballot provided to such Holder, to affirmatively opt-out of the Cash Payout and, in lieu of receiving its Pro Rata portion of the Cash Payout, (a) receive its Pro Rata portion of the New Common Stock and (b) become eligible to exercise its Subscription Rights, to the extent such Holder is an Accredited Cash Opt-Out Noteholder; *provided* that all Consenting Noteholders shall be Cash Opt-Out Noteholders.

“*Cash Payout*” means Cash in an aggregate amount equal to 2.00% of the principal due under the Prepetition Notes held by all Cash Payout Noteholders.

“*Cash Payout Noteholder*” means a Holder of Prepetition Notes Claims that is not a Cash Opt-Out Noteholder.

“*Causes of Action*” means any and all claims, causes of action (including Avoidance Actions), controversy, demands, right, lien, indemnity, guaranty, suit, loss, debt, damage, judgment, account, defense, remedy, power, privilege, proceeding, actions, suits, obligations, liabilities, cross-claims, counterclaims, offsets, or setoffs of any kind or character whatsoever, in each case whether known or unknown, contingent or non-contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, under statute, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, federal or state, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

“*Chapter 11 Case(s)*” means (a) when used with reference to a particular Debtor, the case under chapter 11 of the Bankruptcy Code that shall be commenced by such Debtor in the Bankruptcy Court, and (b) when used with reference to all Debtors, the cases under chapter 11 of the Bankruptcy Code that shall be commenced by the Debtors in the Bankruptcy Court.

“*Claim*” means any “claim” (as defined in section 101(5) of the Bankruptcy Code) against any Debtor, whether or not assessed or Allowed.

“*Claims Register*” means the official register of Claims and Equity Interests maintained by the Voting and Claims Agent.

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

“*Collateral*” means any property or interest in property of the Debtors’ Estates that is subject to a valid and enforceable Lien to secure a Claim.

“*Committee*” means the official committee of unsecured creditors appointed in the Chapter 11 Cases, if any.

“*Confirmation*” means the occurrence of the Confirmation Date, subject to all conditions specified in Article IX of this Plan having been satisfied or waived pursuant to Article IX of this Plan.

“*Confirmation Date*” means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court in the Chapter 11 Cases.

“*Confirmation Hearing*” means the combined hearing held by the Bankruptcy Court pursuant to sections 105(d)(2)(B)(vi) and 1128 of the Bankruptcy Code and paragraph M of the

Procedures for Complex Cases in the Southern District of Texas to consider (a) final approval of the Disclosure Statement under sections 1125 and 1126(b) of the Bankruptcy Code and (b) confirmation of this Plan, as such hearing may be adjourned or continued from time to time with the consent of the Required Consenting Noteholders.

“*Confirmation Order*” means the order of the Bankruptcy Court (a) approving the Disclosure Statement on a final basis and (b) confirming this Plan pursuant to sections 1125, 1126(b) and 1129 of the Bankruptcy Code, which order shall be acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Consenting Noteholders*” has the meaning set forth in the Restructuring Support Agreement.

“*Consummation*” means the occurrence of the Effective Date.

“*Cure Claim Amount*” has the meaning set forth in Article VI.B of this Plan.

“*D&O Liability Insurance Policies*” means all insurance policies (including, without limitation, the D&O Tail Policy, any general liability policies, any errors and omissions policies, and, in each case, any agreements, documents, or instruments related thereto) maintained by the Debtors as of the Effective Date for liabilities against any of the Debtors’ respective directors, managers, and officers.

“*D&O Tail Policy*” means the extension of any of the D&O Liability Insurance Policies for any period beyond the end of the policy period, and for claims based on conduct occurring prior to the Effective Date, including but not limited to that certain directors’ & officers’ liability insurance policy purchased by the Debtors on or about December 3, 2020.

“*Debtor Release*” has the meaning set forth in Article X.B hereof.

“*Debtor Releasing Parties*” has the meaning set forth in Article X.B hereof.

“*Delayed-Draw Term Loan Facility*” means that certain \$200,000,000 Delayed-Draw Term Loan Facility described in the Delayed-Draw Term Loan Commitment Letter.

“*Delayed-Draw Term Loan Commitment Letter*” means the commitment letter governing the Delayed-Draw Term Loan Facility and entered into by Parent and the Delayed-Draw Commitment Parties on September 30, 2020, as amended, supplemented or otherwise modified from time to time.

“*Delayed-Draw Commitment Parties*” means those Prepetition Noteholders that are parties to the Delayed-Draw Term Loan Commitment Letter and have agreed, pursuant to the Delayed-Draw Term Loan Commitment Letter, to provide the Delayed-Draw Term Loan Facility, each in its respective capacity as such.

“*DIP Agent*” means JPMorgan Chase Bank, N.A., or its duly appointed successor, in its capacity as administrative agent and collateral agent under the DIP Agreement.

“*DIP Agreement*” means that certain Senior Secured Debtor-In-Possession Credit Agreement, dated as of December [•], 2020, by and among the Debtors, the DIP Agent, and the DIP Lenders, as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof prior to the Effective Date.

“*DIP Contingent Obligations*” means all contingent obligations not due and payable under the DIP Documents on the Effective Date, including any and all indemnification and expense reimbursement obligations of the Debtors that are contingent as of the Effective Date.

“*DIP Documents*” means the “Loan Documents” as defined in the DIP Agreement, in each case as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof prior to the Effective Date.

“*DIP Facility Claims*” means any and all Claims arising from, under, or in connection with the DIP Agreement or any of the DIP Documents.

“*DIP Final Order*” means that certain *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection to Prepetition ABL Secured Parties, (V) Modifying Automatic Stay, and (VII) Granting Related Relief* entered by the Bankruptcy Court on [•], 2020 (Docket No. [•]), as amended, supplemented or modified from time to time.

“*DIP Interim Order*” means that certain *Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection to Prepetition ABL Secured Parties, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* entered by the Bankruptcy Court on [•], 2020 (Docket No. [•]), as amended, supplemented or modified from time to time.

“*DIP Lenders*” means, collectively, the banks, financial, institutions, and other lenders party to the DIP Agreement from time to time, and each arranger, bookrunner, syndication agent, manager, and documentation agent party to the DIP Agreement from time to time.

“*DIP Liens*” means the Liens securing the payment of the DIP Super-Priority Claims.

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

“*DIP Required Lenders*” shall mean the “Required Lenders” as defined in the DIP Agreement.

“*DIP Super-Priority Claims*” means any and all Claims arising from, under, or in connection with the DIP Agreement or any other DIP Documents, including Claims for all principal amounts outstanding, interest, fees, expenses, costs, and other charges and all other “Obligations” as defined in the DIP Agreement.

“*Disclosure Statement*” means that certain *Disclosure Statement for the Joint Prepackaged Plan of Reorganization for Superior Energy Services, Inc. and its Affiliate Debtors under Chapter*

11 of the Bankruptcy Code, dated as of December 7, 2020 (as amended, supplemented, or modified from time to time and including all exhibits and schedules thereto and references therein that relate to this Plan and as approved by the Disclosure Statement Interim Order or Confirmation Order).

“*Disclosure Statement Interim Order*” means that certain Order (I) Conditionally Approving Disclosure Statement, (II) Scheduling Combined Hearing on (A) Adequacy Of Disclosure Statement and (B) Confirmation of Plan, (III) Establishing Deadline to Object to Disclosure Statement and Plan and Form of Notice Thereof, (IV) Approving Solicitation Procedures and Forms of Ballots and Notice of Non-Voting Status, (V) Conditionally Waiving Requirement of Filing Schedules and Statements and of Convening Section 341 Meeting of Creditors, and (IV) Granting Related Relief, entered by the Bankruptcy Court on [●], 2020 (Docket No. [●]), as amended, supplemented or modified from time to time, which, among other things, conditionally approves the Disclosure Statement, on an interim basis, and approves the Equity Rights Offering Procedures.

“*Disputed*” means any Claim or any portion thereof, that has not been Allowed, but has not been disallowed pursuant to this Plan or a Final Order of the Bankruptcy Court or other court of competent jurisdiction.

“*Distribution Agent*” means the Reorganized Debtors or any party designated by the Reorganized Debtors to serve as distribution agent under this Plan. For purposes of distributions under this Plan to the Holders of Allowed DIP Super-Priority Claims, Allowed Prepetition Credit Agreement Claims and Allowed Prepetition Notes Claims, the DIP Agent, the Prepetition Credit Agreement Agent, and the Prepetition Notes Indenture Trustee, respectively, shall be and shall act as the Distribution Agent.

“*Distribution Record Date*” means the date for determining which Holders of Claims and Equity Interests are eligible to receive distributions under this Plan, which date shall be the Effective Date or such other date acceptable to the Required Consenting Noteholders. The Distribution Record Date shall not apply to securities of the Debtors deposited with DTC, the holders of which shall receive a distribution in accordance with Article VII of this Plan and, as applicable, the customary procedures of DTC.

“*DTC*” means the Depository Trust Company.

“*Effective Date*” means the first Business Day on which the conditions specified in Article IX of this Plan have been satisfied or waived in accordance with the terms of Article IX.

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

“*Equity Interest*” means (a) any Equity Security or other ownership interest in any Debtor, including, without limitation, all issued, unissued, authorized or outstanding units, shares of stock and other ownership interests, together with (i) any options, warrants or contractual rights to purchase or acquire any such Equity Securities at any time with respect to any Debtor, and all rights arising with respect thereto and (ii) the rights of any Person or Entity to purchase or demand the issuance of any of the foregoing and shall include: (1) conversion, exchange, voting, participation, and dividend rights; (2) liquidation preferences; (3) options, warrants, and call and

put rights; (4) share-appreciation rights; and (5) all Unexercised Equity Interests, in each case, as in existence immediately prior to the Effective Date; and (b) any 510(b) Equity Claim, in each case, as in existence immediately prior to the Effective Date.

“Equity Rights Offering” means that certain offering of Subscription Rights exercisable solely by electing Accredited Cash Opt-Out Noteholders, to purchase the New Common Stock on a Pro Rata basis for up to an aggregate amount equal to the Equity Rights Offering Amount.

“Equity Rights Offering Amount” means an amount equal to the cash proceeds of the Equity Rights Offering, which amount shall not exceed the amount of the Cash Payout.

“Equity Rights Offering Procedures” means the procedures for the implementation of the Equity Rights Offering as approved in the Disclosure Statement Interim Order.

“Equity Rights Offering Shares” means the shares of New Common Stock issued pursuant to the Equity Rights Offering.

“Equity Security” means an “equity security” as defined in section 101(16) of the Bankruptcy Code.

“Estate(s)” means, individually, the estate of each of the Debtors and, collectively, the estates of all of the Debtors created under section 541 of the Bankruptcy Code.

“Exchange Act” means the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a *et seq.*, as now in effect or hereafter amended, and any rules and regulations promulgated thereunder.

“Excluded Parties” means, collectively, (i) any director, officer, manager, or employee of the Debtors that did not serve in such capacity on or after the Restructuring Support Agreement Effective Date or (ii) any other entity named as a defendant in a pending suit by the Debtors.

“Exculpated Parties” means, collectively, in each case in their capacities as such:

- (a) the Debtors;
- (b) the Reorganized Debtors;
- (c) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (d) the DIP Agent;
- (e) the DIP Lenders;
- (f) the Prepetition Notes Indenture Trustee;
- (g) the Ad Hoc Noteholder Group and the members thereof;
- (h) the Consenting Noteholders;

- (i) the Delayed-Draw Commitment Parties;
- (j) the Distribution Agents;
- (k) each Exit Facility Agent;
- (l) the Exit Facility Lenders; and
- (m) with respect to each of the foregoing Persons and Entities in clauses (a) through (l), each such Person's and Entity's respective Related Persons, in each case solely in their capacity as such.

"Exculpation" means the exculpation provision set forth in Article X.E hereof.

"Executory Contract" means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"Exhibit" means an exhibit annexed to either this Plan or as an appendix to the Disclosure Statement (as such exhibits are amended, modified or otherwise supplemented from time to time).

"Exit ABL Facility" means a secured asset-based revolving credit facility, if any, entered into on the Effective Date in accordance with the Restructuring Documents and the Restructuring Support Agreement.

"Exit DDTL Facility" means a delayed-draw term loan facility up to \$200 million, if any, that may be provided by the Delayed-Draw Commitment Parties upon the terms and subject to the conditions of the Delayed-Draw Term Loan Commitment Letter and entered into on the Effective Date in accordance with the Restructuring Documents and the Delayed-Draw Term Loan Commitment Letter.

"Exit Facility" means any Exit ABL Facility and/or the Exit DDTL Facility, as applicable.

"Exit Facility Agent" means the administrative agent and collateral agent under any Exit Facility Credit Agreement, solely in its capacity as such.

"Exit Facility Credit Agreement" means each credit agreement in respect of the Exit Facility, in substantially the form as Filed, or consistent with a term sheet as Filed, with the Plan Supplement, the terms and conditions of which are acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

"Exit Facility Lenders" means the lenders under each Exit Facility Credit Agreement, solely in their respective capacities as such.

"Exit Facility Loan Documents" means each Exit Facility Credit Agreement and any other guarantee, security agreement, deed of trust, mortgage, and other documents (including UCC financing statements), contracts, and agreements entered into with respect to, or in connection with, the applicable Exit Facility Credit Agreement.

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

“*Final Order*” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the subject matter, 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 shall have been denied, resulted in no stay pending appeal of such order, or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under 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 shall not preclude such order from being a Final Order.

“*General Unsecured Claim*” means any Claim that is not a/an: Administrative Claim; DIP Facility Claim; Professional Fee Claim; Priority Tax Claim; Secured Tax Claim; Other Priority Claim; Other Secured Claim; Intercompany Claim; Prepetition Debt Claim; or 510(b) Equity Claim.

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

“*Holder*” means a Person or an Entity holding a Claim or Equity Interest, as the context requires.

“*Impaired*” means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is “impaired” within the meaning of section 1124 of the Bankruptcy Code.

“*Indemnification Provisions*” means, collectively, each of the provisions in place as of the Restructuring Support Agreement Effective Date (whether in bylaws, certificates of formation or incorporation, board resolutions, employment contracts or otherwise) whereby any Debtor agrees to indemnify, reimburse, provide contribution or advance fees and expenses to or for the benefit of, defend, exculpate, or limit the liability of, any Indemnified Party.

“*Indemnified Parties*” means each of the Debtors’ and their respective subsidiaries’ directors, officers, and managers in their respective capacities as such that served in such capacity on or after the Restructuring Support Agreement Effective Date and is not an Excluded Party.

“*Insurance and Surety Contracts*” means all insurance policies and all surety bonds and related agreements of indemnity that have been issued at any time to, or provide coverage to, any of the Debtors and all agreements, documents, or instruments relating thereto.

“*Intercompany Claim*” means any Claim against any of the Debtors held by another Debtor, other than an Administrative Claim.

“Intercompany Equity Interest” means direct and indirect Equity Interests in a Debtor (other than Parent) held by another Debtor.

“Lien” means a “lien” as defined in section 101(37) of the Bankruptcy Code, and, with respect to any property or asset, includes, without limitation, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a security interest, in respect of such property or asset.

“Local Rules” means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of Texas.

“New Board” means the initial board of directors of Reorganized Parent to be put in place on and as of the Effective Date in accordance with the Restructuring Support Agreement. The members of the initial board of directors of Reorganized Parent, if known, shall be identified in the Plan Supplement.

“New Common Stock” means the new common stock of Reorganized Parent to be issued pursuant to this Plan and the Amended/New Corporate Governance Documents.

“New Common Stock Pool” means 100% of the New Common Stock issued and outstanding on the Effective Date. For the avoidance of doubt, from and after the Effective Date, the New Common Stock Pool shall be subject to dilution by the New MIP Equity.

“New Management Incentive Plan” has the meaning set forth in Article V.H of this Plan.

“New MIP Equity” means the New Common Stock or other equity interests issued from time to time pursuant to or in connection with the New Management Incentive Plan.

“New Registration Rights Agreement” means, if applicable, the registration rights agreement with respect to the New Common Stock, in substantially the form Filed with the Plan Supplement, which agreement shall contain terms and conditions which are acceptable to the Required Consenting Noteholders, in consultation with the Debtors.

“New Stockholders Agreement” means, if applicable, that certain stockholders agreement of Reorganized Parent, in substantially the form Filed with the Plan Supplement, which agreement shall contain terms and conditions acceptable to the Required Consenting Noteholders, in consultation with the Debtors.

“Non-Debtor Releasing Parties” means, collectively, in each case in their capacities as such:

- (a) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (b) the DIP Agent;
- (c) the DIP Lenders;

- (d) the Prepetition Notes Indenture Trustee;
- (e) the Ad Hoc Noteholder Group and the members thereof;
- (f) the Consenting Noteholders;
- (g) the Delayed-Draw Commitment Parties;
- (h) the Distribution Agents;
- (i) each Exit Facility Agent;
- (j) the Exit Facility Lenders;
- (k) those Holders of Claims presumed to accept this Plan that do not affirmatively opt out of the Third Party Release;
- (l) the Holders of Claims and Old Parent Interests that vote to accept this Plan;
- (m) the Releasing Old Parent Interestholders; and
- (n) the Prepetition Noteholders that are not Consenting Noteholders and do not affirmatively opt out of the Third Party Release.

“*Notice*” has the meaning set forth in Article XII.K of this Plan.

“*Notice of Non-Voting Status*” means that form of notice sent to Holders of Claims and Equity Interests in Classes 1-4, 8, 10 and 12 notifying them of, among other things, their non-voting status and providing them with the opportunity to opt out of the Third Party Releases.

“*Old Parent Interest*” means the Equity Interests in Parent, as in existence immediately prior to the Effective Date.

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

“*Other Secured Claim*” means any Secured Claim other than an Administrative Claim, Secured Tax Claim, DIP Facility Claim, or Prepetition Credit Agreement Claim.

“*Parent*” means Superior Energy Services, Inc., as a debtor-in-possession in these Chapter 11 Cases.

“*Parent GUC Recovery Cash Pool*” means Cash in the aggregate amount equal to \$125,000.

“*Parent Subsidiary*” means each direct and indirect, wholly-owned subsidiary of Parent.

“*Person*” means a “person” as defined in section 101(41) of the Bankruptcy Code and also includes any natural person, corporation, general or limited partnership, limited liability company, firm, trust, association, government, governmental agency or other Entity, whether acting in an individual, fiduciary or other capacity.

“*Petition Date*” means the date on which the Debtors commence the Chapter 11 Cases.

“*Plan*” means this *Joint Prepackaged Plan of Reorganization for Superior Energy Services, Inc. and its Affiliate Debtors under Chapter 11 of the Bankruptcy Code*, dated December 7, 2020, including the Exhibits and all supplements, appendices, and schedules thereto (including any appendices, exhibits, schedules, and supplements to this Plan that are contained in the Plan Supplement), either in its present form or as the same may be amended, supplemented, or modified from time to time.

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

“*Plan Schedule*” means a schedule annexed to this Plan or an appendix to the Disclosure Statement (as amended, modified or otherwise supplemented from time to time).

“*Plan Securities*” has the meaning set forth in Article V.I of this Plan.

“*Plan Securities and Documents*” has the meaning set forth in Article V.I of this Plan.

“*Plan Supplement*” means, collectively, the compilation of term sheets, documents and forms of documents, and all exhibits, attachments, schedules, agreements, documents and instruments referred to therein, ancillary or otherwise, including, without limitation, the Exhibits and Plan Schedules, all of which are incorporated by reference into, and are an integral part of, this Plan, as all of the same may be amended, supplemented, or modified from time to time at any time prior to the Effective Date. The Plan Supplement shall be in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders and shall be Filed initially with the Bankruptcy Court at least seven (7) days prior to the Confirmation Hearing.

“*Prepetition Credit Agreement*” means that certain Fifth Amended and Restated Credit Agreement, dated as of October 20, 2017, by and among SESI, L.L.C., as borrower, Parent, the Prepetition Credit Agreement Agent, and the Prepetition Credit Agreement Lenders, as amended, supplemented, or modified from time to time prior to the Petition Date.

“*Prepetition Credit Agreement Agent*” means JPMorgan Chase Bank, N.A., in its capacity as administrative agent under the Prepetition Credit Agreement.

“*Prepetition Credit Agreement Claims*” means any and all Claims arising from, under or in connection with the Prepetition Credit Agreement (including, without limitation, any and all “Rate Management Obligations,” “Specified Cash Management Obligations” and other “Obligations” as defined therein) or any other Prepetition Loan Document relating to the Prepetition Credit Agreement.

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

“*Prepetition Credit Agreement Liens*” means the Liens securing the Prepetition Credit Agreement Claims.

“*Prepetition Debt Claims*” means, collectively, the Prepetition Credit Agreement Claims and the Prepetition Notes Claims.

“*Prepetition Debt Documents*” means, collectively, the Prepetition Credit Agreement, the Prepetition Loan Documents, the Prepetition Notes and the Prepetition Notes Indentures.

“*Prepetition Loan Documents*” means the “Loan Documents” as defined in the Prepetition Credit Agreement, in each case as amended, supplemented, or modified from time to time prior to the Petition Date.

“*Prepetition Noteholders*” means, collectively, the record holders of and owners of beneficial interests in the Prepetition Notes.

“*Prepetition Notes*” means, collectively, those certain 7.125% senior unsecured notes due 2021 (the “**2021 Notes**”) and those certain 7.750% senior unsecured notes due 2024 (the “**2024 Notes**”) issued by SESI, L.L.C. pursuant to the applicable Prepetition Notes Indentures, in an aggregate principal amount of \$1.30 billion.

“*Prepetition Notes Claims*” means any and all Claims arising from, under, or in connection with the Prepetition Notes, the Prepetition Notes Indentures or any document or agreement related to the Prepetition Notes or the Prepetition Notes Indentures.

“*Prepetition Notes Indentures*” means, collectively, (a) that certain Indenture, dated as of December 6, 2011, by and among SESI, L.L.C., as issuer, each of the guarantors party thereto from time to time, the Prepetition Notes Indenture Trustee, and the Prepetition Noteholders party thereto from time to time, governing the issuance of the 2021 Notes, and (b) that certain Indenture, dated as of August 17, 2017, by and among SESI, L.L.C., as issuer, each of the guarantors party thereto from time to time, the Prepetition Notes Indenture Trustee, and the Prepetition Noteholders party thereto from time to time, governing the issuance of the 2024 Notes, in each case as amended, restated, modified, supplemented, or replaced from time to time prior to the Petition Date.

“*Prepetition Notes Indenture Trustee*” means The Bank of New York Mellon Trust Company, N.A., solely in its capacity as indenture trustee and in each other capacity for which it serves under or in connection with the Prepetition Notes Indentures; provided that if the context requires only certain of the foregoing capacities, then only in such capacity(ies).

“*Prepetition Notes Indenture Trustee Charging Lien*” means any Lien or other priority in payment arising prior to the Effective Date to which the Prepetition Notes Indenture Trustee is entitled, pursuant to the Prepetition Notes Indentures, against distributions to be made to Holders of Allowed Prepetition Notes Claims for payment of any Prepetition Notes Indenture Trustee Fees and Expenses.

“*Prepetition Notes Indenture Trustee Fees and Expenses*” means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims incurred by the Prepetition Notes Indenture Trustee, including without limitation, attorneys’ and agents’ fees, expenses and disbursements, incurred by the Prepetition Notes Indenture Trustee, whether prior to or after the Petition Date and whether prior to or after consummation of this Plan, in each case to the extent payable or reimbursable under the Prepetition Notes Indentures.

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

“*Pro Rata*” means the proportion that an Allowed Claim or Allowed Equity Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Equity Interests in such Class.

“*Professional*” means any Person or Entity retained by the Debtors or the Committee in the Chapter 11 Cases pursuant to section 327, 328, 363, and/or 1103 of the Bankruptcy Code (other than an ordinary course professional).

“*Professional Fee Claim*” means a Claim for Accrued Professional Compensation under sections 328, 330, 331, or 503 of the Bankruptcy Code.

“*Professional Fee Claim Reserve*” means the reserve established and maintained in an amount reasonably determined by the Reorganized Debtors, in consultation with the Required Consenting Noteholders, from Cash on hand existing immediately prior to the Effective Date to pay in full in Cash the Professional Fee Claims incurred on or prior to the Effective Date, as and when such claims become Allowed; provided, however, that the Required Consenting Noteholders shall have the right to challenge the reasonableness of any such amount.

“*Professional Fees Bar Date*” means the Business Day that is forty-five (45) days after the Effective Date or such other date as approved by Final Order of the Bankruptcy Court.

“*Regulation D*” means Regulation D promulgated under the Securities Act.

“*Regulation S*” means Regulation S promulgated under the Securities Act.

“*Related Persons*” means, with respect to any Person or Entity, such Person’s or Entity’s respective predecessors, successors, assigns and present and former Affiliates (whether by operation of law or otherwise) and subsidiaries, and each of their respective current and former officers, directors, principals, employees, shareholders, members (including *ex officio* members and managing members), managers, managed accounts or funds, management companies, fund advisors, advisory or subcommittee board members, partners, agents, financial advisors, attorneys, accountants, investment bankers, investment advisors, consultants, representatives, and other professionals, and any Person or Entity claiming by or through any of them, including such Related Persons’ respective heirs, executors, estates, servants, and nominees; provided, however, that no insurer of any Debtor shall constitute a Related Person.

“*Release*” means the release given by the Releasing Parties to the Released Parties as set forth in Article X.B hereof.

“*Released Party*” means, collectively:

- (a) the Debtors;
- (b) the Reorganized Debtors;
- (c) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (d) the DIP Agent;
- (e) the DIP Lenders;
- (f) the Prepetition Notes Indenture Trustee;
- (g) the Ad Hoc Noteholder Group and the members thereof in their capacities as such;
- (h) the Consenting Noteholders;
- (i) the Delayed-Draw Commitment Parties;
- (j) the Distribution Agents;
- (k) each Exit Facility Agent;
- (l) the Exit Facility Lenders;
- (m) the Releasing Old Parent Interestholders; and
- (n) with respect to each of the foregoing Persons and Entities in clauses (a) through (m), each such Person’s and Entity’s respective Related Persons, in each case solely in their capacity as such; provided, however, that the Released Parties shall not include any Excluded Parties.

“*Releasing Old Parent Interestholder*” means a Holder of an Old Parent Interest that does not affirmatively opt out of the Third Party Release, as provided on its Notice of Non-Voting Status.

“*Releasing Party*” has the meaning set forth in Article X.B hereof.

“*Reorganization Steps Overview*” means the description of the steps of the Restructuring Transactions, substantially in the form Filed with the Plan Supplement in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Reorganized Debtors*” means, subject to the Restructuring Transactions, the Debtors as reorganized pursuant to this Plan on or after the Effective Date, and their respective successors.

“*Reorganized Parent*” means, subject to the Restructuring Transactions, Superior Energy Services, Inc., as reorganized pursuant to this Plan on the Effective Date, and its successors.

“*Required Consenting Noteholders*” has the meaning set forth in the Restructuring Support Agreement.

“*Restructuring Documents*” means, collectively, the documents and agreements (and the exhibits, schedules, annexes and supplements thereto) necessary to implement, or entered into in connection with, this Plan, including, without limitation, the Plan Supplement, the Exhibits, the Plan Schedules, the Reorganization Steps Overview, the Equity Rights Offering Procedures, the Amended/New Corporate Governance Documents, the Exit Credit Agreements, and, in each case, all documents and agreements related thereto, all of which Restructuring Documents shall be in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Restructuring Support Agreement*” means that certain Amended and Restated Restructuring Support Agreement, dated as of December 4, 2020, by and among the Debtors and the Consenting Noteholders (as amended, supplemented or modified from time to time).

“*Restructuring Support Agreement Effective Date*” means September 29, 2020.

“*Restructuring Term Sheet*” means the term sheet attached as Exhibit A to the Restructuring Support Agreement.

“*Restructuring Transactions*” has the meaning ascribed thereto in Article V of this Plan.

“*Retained Litigation Claims*” means the claims, rights of action, suits or proceedings, whether in law, equity, or otherwise, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, that any Debtor or any Estate may hold against any Person or Entity, including, without limitation, the Causes of Action of the Debtors or their Estates, in each case solely to the extent of the Debtors’ or their Estates’ interest therein. A non-exclusive list of the Retained Litigation Claims held by the Debtors as of the Effective Date shall be Filed with the Plan Supplement, which shall be deemed to include any derivative actions filed against any Debtor as of the Effective Date.

“*Schedules*” means the schedules of assets and liabilities, schedules of Executory Contracts, and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and the applicable Bankruptcy Rules, as such Schedules may be amended, modified, or supplemented from time to time, if any such Schedules are required to be Filed by order of the Bankruptcy Court.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Secured Claim*” means a Claim that is secured by a Lien on property in which any of the Debtors’ Estates have an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder’s interest in such 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.

“*Secured Tax Claim*” means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

“*Securities Act*” means the Securities Act of 1933, 15 U.S.C. §§ 77c-77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

“*Specified Employee Plans*” has the meaning set forth in Article VI.G of this Plan.

“*Stamp or Similar Tax*” means any stamp tax, recording tax, conveyance fee, intangible or similar tax, mortgage tax, personal or real property tax, real estate transfer tax, sales tax, use tax, transaction privilege tax (including, without limitation, such taxes on prime contracting and owner-builder sales), privilege taxes (including, without limitation, privilege taxes on construction contracting with regard to speculative builders and owner builders), and other similar taxes or fees imposed or assessed by any Governmental Unit.

“*Subscription Rights*” means the right to participate in the Equity Rights Offering as set forth in the Equity Rights Offering Procedures.

“*Third Party Release*” has the meaning set forth in Article X.B hereof.

“*Unexercised Equity Interests*” means any and all unexercised options, performance, stock units, restricted stock units, restricted stock awards, warrants, calls, rights, puts, awards, commitments, or any other agreements, arrangements, or commitments of any character, kind, or nature to acquire, exchange for, or convert into an Old Parent Interest, as in existence immediately prior to the Effective Date.

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

“*Unimpaired*” means, with respect to a Class of Claims or Equity Interests, a Claim or an Equity Interest that is “unimpaired” within the meaning of section 1124 of the Bankruptcy Code.

“*Unused Cash Reserve Amount*” means the remaining Cash, if any, in the Professional Fee Claim Reserve after all obligations and liabilities for which such reserve was established are paid, satisfied, and discharged in full in Cash or are disallowed by Final Order in accordance with this Plan.

“*Voting and Claims Agent*” means Kurtzman Carson Consultants LLC, in its capacity as solicitation, notice, claims and balloting agent for the Debtors.

“*Voting Classes*” means Classes 5, 6 and 7.

“*Voting Deadline*” means the date and time, as such date and time may be extended, by which all Ballots must be received by the Voting and Claims Agent in accordance with the Disclosure Statement Interim Order.

“*Voting Record Date*” means the date for determining which Holders of Claims in the Voting Classes are entitled, as applicable, to receive the Disclosure Statement and to vote to accept or reject this Plan, which date is December 3, 2020.

ARTICLE II.

ADMINISTRATIVE, DIP FACILITY, AND PRIORITY TAX CLAIMS

A. *Administrative Claims*

Subject to sub-paragraph 1 below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim (other than an Allowed Professional Fee Claim) shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) Cash equal to the amount of such Allowed Administrative Claim; or (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Administrative Claim shall have agreed upon in writing; provided, however, that Administrative Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court.

1. Professional Fee Claims

Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and such other Entities who are designated in the Confirmation Order an application for final allowance of such Professional Fee Claim no later than the Professional Fees Bar Date; provided that no application or notice to or order of the Bankruptcy Court shall be required in order for the Reorganized Debtors to pay Professionals for any work performed after the Effective Date, including those reasonable and documented fees and expenses incurred by Professionals in connection with the implementation and consummation of this Plan.

Objections to any Professional Fee Claim must be Filed and served on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and the requesting party by no later than twenty-one (21) days after the Filing of the applicable final request for payment of the Professional Fee Claim. Each Holder of an Allowed Professional Fee Claim shall be paid in full in Cash by the Reorganized Debtors, first from the Professional Fee Claim Reserve, within five (5) Business Days after entry of the order approving such Allowed Professional Fee Claim. The Reorganized Debtors shall not commingle any funds contained in the Professional Fee Claim Reserve and shall use such funds to pay only the Professional Fee Claims, as and when allowed by order of the Bankruptcy Court. Notwithstanding anything to the contrary contained in this Plan, the failure of the Professional Fee Claim Reserve to satisfy in full the Professional Fee Claims shall not, in any way, operate or be construed as a cap or limitation on the amount of Professional Fee Claims due and payable by the Reorganized Debtors. The Professional Fee Claim Reserve shall be maintained in trust for the Professionals and shall not be considered property of the Debtors' Estates; provided that the Reorganized Debtors shall have a reversionary interest in the

Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals shall have an Allowed Administrative Claim for any such deficiency, which shall be satisfied in full in Cash in accordance with Article II.A of this Plan.

B. DIP Super-Priority Claims

The DIP Super-Priority Claims shall be Allowed in the full amount due and owing under the DIP Documents, including all principal, accrued and accruing postpetition interest, costs, fees and expenses. On the Effective Date, the Allowed DIP Super-Priority Claims shall, in full satisfaction, settlement, discharge and release of, and in exchange for such the DIP Super-Priority Claims, be indefeasibly paid in full in Cash from the proceeds of each Exit Facility, and the DIP Liens shall be deemed discharged, released, and terminated for all purposes without further action of or by any Person or Entity, or shall be deemed by the Confirmation Order to continue so as to secure the Exit Facility, as the case may be; provided that the DIP Contingent Obligations shall survive the Effective Date on an unsecured basis and shall be paid by the Reorganized Debtors as and when due, provided further that any Allowed DIP Super-Priority Claims related to letters of credit issued and outstanding as of the Effective Date, or to cash management obligations or hedging obligations in existence on the Effective Date, may be deemed outstanding under the Exit ABL Facility or receive such other treatment as may be acceptable to the Debtors, the DIP Agent and the Required Consenting Noteholders.

C. Priority Tax Claims

Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Priority Tax Claim shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors, as applicable: (i) Cash equal to the amount of such Allowed Priority Tax Claim; (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Priority Tax Claim have agreed upon in writing; (iii) such other treatment such that it shall not be Impaired pursuant to section 1124 of the Bankruptcy Code; or (iv) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, however, that Priority Tax Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (iii) or (iv) above shall be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Priority Tax Claim.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

A. *Summary*

This Plan constitutes a separate plan of reorganization for each Debtor. All Claims and Equity Interests, except Administrative Claims, DIP Super-Priority Claims, and Priority Tax Claims, are placed in the Classes set forth below. For all purposes under this Plan, each Class shall contain sub-Classes for each of the Debtors (*i.e.*, there shall be twelve (12) Classes for each Debtor); provided, that any Class that is vacant as to a particular Debtor shall be treated in accordance with Article III.D below.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, for voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. This Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remaining portion of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released, disallowed or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Classified Claims and Equity Interests

<u>Class</u>	<u>Claim/Equity Interest</u>	<u>Status</u>	<u>Voting Rights</u>
1.	Other Priority Claims	Unimpaired	Presumed to Accept
2.	Other Secured Claims	Unimpaired	Presumed to Accept
3.	Secured Tax Claims	Unimpaired	Presumed to Accept
4.	Prepetition Credit Agreement Claims	Unimpaired	Presumed to Accept
5.	<i>Prepetition Notes Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
6.	<i>General Unsecured Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
7.	<i>Prepetition Notes Claims Against Affiliate Debtors</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
8.	General Unsecured Claims Against Affiliate Debtors	Unimpaired	Presumed to Accept

<u>Class</u>	<u>Claim/Equity Interest</u>	<u>Status</u>	<u>Voting Rights</u>
9.	Intercompany Claims	Unimpaired	Presumed to Accept
10.	Old Parent Interests	Impaired	Deemed to Reject
11.	Intercompany Equity Interests	Unimpaired	Presumed to Accept
12.	510(b) Equity Claims	Impaired	Deemed to Reject

B. Classification and Treatment of Claims and Equity Interests

1. Class 1 - Other Priority Claims

- (a) *Classification:* Class 1 consists of the Other Priority Claims.
- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 1 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders): (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 1 Claim shall have agreed upon in writing; or (C) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 1 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.
- (c) *Voting:* Class 1 is an Unimpaired Class, and the Holders of Claims in Class 1 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 1 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 1 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

2. Class 2 - Other Secured Claims

- (a) *Classification:* Class 2 consists of the Other Secured Claims. Class 2 consists of separate subclasses for each Other Secured Claim.

- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 2 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 2 Claim shall have agreed upon in writing; (C) the Collateral securing such Allowed Class 2 Claim; or (D) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 2 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.
- (c) *Voting:* Class 2 is an Unimpaired Class, and the Holders of Claims in Class 2 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 2 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 2 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

3. Class 3 - Secured Tax Claims

- (a) *Classification:* Class 3 consists of the Secured Tax Claims.
- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 3 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 3 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 3 Claim shall have agreed upon in writing; (C) the Collateral securing such Allowed Class 3 Claim; (D) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; or (E) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any

outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, however, that Class 3 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (D) or (E) above shall be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Class 3 Claim.

- (c) *Voting:* Class 3 is an Unimpaired Class, and the Holders of Claims in Class 3 shall be conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class 3 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 3 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

4. Class 4 – Prepetition Credit Agreement Claims

- (a) *Classification:* Class 4 consists of the Prepetition Credit Agreement Claims.
- (b) *Allowance:* The Prepetition Credit Agreement Claims are deemed Allowed in the aggregate principal amount of \$47,357,275, plus accrued and unpaid interest thereon.
- (c) *Treatment:* On the Effective Date, the Allowed Prepetition Credit Agreement Claims, other than Prepetition Credit Agreement Claims related to any outstanding letters of credit, shall, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims, be indefeasibly paid in full in Cash. To the extent any Prepetition Credit Agreement Claims related to letters of credit issued and outstanding, cash management obligations, or hedging obligations, in each case, as of the Effective Date under the Prepetition Credit Agreement, have not been deemed outstanding under the DIP Facility pursuant to the DIP Orders, such Claims shall in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims either be (i) in the case of Claims in respect of letters of credit, 105% cash collateralized, (ii) be deemed outstanding under the Exit ABL Facility, or (iii) receive such other treatment as may be acceptable to the Debtors, the Prepetition Credit Agreement Agent, the Issuing Lenders if applicable (as defined in the Prepetition Credit Agreement) and the Required Consenting Noteholders.

- (d) *Voting:* Class 4 is an Unimpaired Class, and the Holders of Claims in Class 4 shall be conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class 4 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 4 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases

5. Class 5 – Prepetition Notes Claims Against Parent

- (a) *Classification:* Class 5 consists of the Prepetition Notes Claims against Parent only.
- (b) *Allowance:* The Prepetition Notes Claims against Parent are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - (i) \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - (ii) \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- (c) *Treatment:* On, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed Prepetition Notes Claim against Parent shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 6) of the Parent GUC Recovery Cash Pool; *provided* that the Holders of the Prepetition Notes Claims against Parent shall waive any distribution from the Parent GUC Recovery Cash Pool.
- (d) *Voting:* Class 5 is Impaired, and Holders of Claims in Class 5 are entitled to vote to accept or reject this Plan.

The foregoing is offered to Class 5 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming this Plan and the occurrence of the Effective Date.

6. Class 6 – General Unsecured Claims Against Parent

- (a) *Classification:* Class 6 consists of the General Unsecured Claims against Parent only.
- (b) *Treatment:* Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed General Unsecured Claim against Parent shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 5) of the Parent GUC Recovery Cash Pool.

- (c) *Voting:* Class 6 is Impaired, and Holders of Claims in Class 6 are entitled to vote to accept or reject this Plan.

The foregoing is offered to Class 6 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming this Plan and the occurrence of the Effective Date.

7. Class 7 - Prepetition Notes Claims Against Affiliate Debtors

- (a) *Classification:* Class 7 consists of the Prepetition Notes Claims against any Affiliate Debtor.
- (b) *Allowance:* The Prepetition Notes Claims against any Affiliate Debtor are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - (i) \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - (ii) \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- (c) *Treatment:* On the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Prepetition Notes Claim against any Affiliate Debtor shall receive, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share of:
 - (i) the Cash Payout, or
 - (ii) solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (A) 100% of the New Common Stock Pool, subject to dilution from and after the Effective Date on account of the New MIP Equity, and (B), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights.

In order to opt out of the Cash Payout with respect to all or any portion of its Allowed Prepetition Notes Claim, such applicable Prepetition Noteholder will be required to tender the underlying Prepetition Notes into a contra-CUSIP pursuant to DTC's ATOP procedures at the time such Holder submits its Ballot, and Prepetition Notes that are tendered into the contra-CUSIP may no longer be transferable.

Notwithstanding anything to the contrary herein, the Cash Payout is contingent upon the consummation of the Equity Rights Offering, and in the event that the Equity Rights Offering is not consummated, no Cash

Payout will be distributed to any Holder of an Allowed Prepetition Notes Claim and each Holder of Allowed Prepetition Notes Claims shall receive the distribution set forth in subsection (ii) above, regardless of whether such Holder timely and validly elected to be a Cash Opt-Out Noteholder.

Voting: Class 7 is Impaired, and Holders of Claims in Class 7 are entitled to vote to accept or reject this Plan.

8. Class 8 – General Unsecured Claims Against Affiliate Debtors

- (a) *Classification:* Class 8 consists of the General Unsecured Claims against any Affiliate Debtor.
- (b) *Treatment:* The legal, equitable, and contractual rights of the holders of General Unsecured Claims against any Affiliate Debtor are unaltered by this Plan. Except to the extent that a holder of a General Unsecured Claim against any Affiliate Debtor agrees to a different treatment, on and after the Effective Date, the Debtors shall continue to pay (if Allowed) or dispute each General Unsecured Claim against any Affiliate Debtor in the ordinary course of business in accordance with applicable law.
- (c) *Voting:* Class 8 is an Unimpaired Class, and the Holders of Claims in Class 8 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 8 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 8 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

9. Class 9 – Intercompany Claims

- (a) *Classification:* Class 9 consists of the Intercompany Claims.
- (b) *Treatment:* Subject to the Restructuring Transactions, the Intercompany Claims shall be adjusted, reinstated, compromised, or cancelled in such manner as is acceptable to the Required Consenting Noteholders, in consultation with the Debtors.
- (c) *Voting:* Class 9 is an Unimpaired Class and the Holders of Claims in Class 9 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 9 are not entitled to vote to accept or reject this Plan.

10. Class 10 – Old Parent Interests

- (a) *Classification:* Class 10 consists of the Old Parent Interests.
- (b) *Treatment:* The Old Parent Interests shall be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Equity Interests.
- (c) *Voting:* Class 10 is an Impaired Class and the Holders of Old Parent Interests in Class 10 are conclusively deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Old Parent Interests in Class 10 are not entitled to vote to accept or reject this Plan. Holders of Old Parent Interests in Class 10 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

11. Class 11 – Intercompany Equity Interests

- (a) *Classification:* Class 11 consists of Intercompany Equity Interests.
- (b) *Treatment:* Subject to the Restructuring Transactions, the Intercompany Equity Interests shall remain effective and outstanding on the Effective Date and shall be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date.
- (c) *Voting:* Class 11 is an Unimpaired Class and the Holders of Equity Interests in Class 11 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Equity Interests in Class 11 are not entitled to vote to accept or reject this Plan.

12. Class 12 – 510(b) Equity Claims

- (a) *Classification:* Class 12 consists of the 510(b) Equity Claims.
- (b) *Treatment:* The 510(b) Equity Claims shall be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Claims.
- (c) *Voting:* Class 12 is an Impaired Class and the Holders of Claims in Class 12 are conclusively deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 12 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 12 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided herein, nothing under this Plan shall affect or limit the Debtors' or the Reorganized Debtors' rights and defenses (whether legal or equitable) in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

D. Elimination of Vacant Classes

Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, shall be deemed eliminated from this Plan for purposes of voting to accept or reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

ARTICLE IV.

ACCEPTANCE OR REJECTION OF THE PLAN

A. Presumed Acceptance of Plan

Classes 1-4, 8, 9 and 11 are Unimpaired under this Plan. Therefore, the Holders of Claims or Equity Interests in such Classes are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject this Plan.

B. Deemed Rejection of Plan

Classes 10 and 12 are Impaired and Holders of Old Parent Interests and 510(b) Equity Claims in Classes 10 and 12, respectively, are not entitled to receive or retain any property under this Plan. Accordingly, under section 1126(g) of the Bankruptcy Code, the votes of Holders of Old Parent Interests and 510(b) Equity Claims shall not be solicited, and such Holders are deemed to reject this Plan.

C. Voting Classes

Classes 5, 6, and 7 are Impaired and entitled to vote under this Plan. The Holders of Claims in Classes 5, 6 and 7 as of the Voting Record Date are entitled to vote to accept or reject this Plan.

D. Acceptance by Impaired Class of Claims

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted this Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in such Class actually voting have voted to accept this Plan.

E. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code; Cram Down

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of this Plan by Class 5 or Class 7. The Debtors request confirmation of this Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept this Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right,

in accordance with the terms of the Restructuring Support Agreement, to modify this Plan or any Exhibit or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

F. Votes Solicited in Good Faith

The Debtors have, and upon the Confirmation Date shall be deemed to have, solicited votes on this Plan from the Voting Classes in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125 and 1126 of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with the solicitation. Accordingly, the Debtors, the Reorganized Debtors, and each of their respective Related Parties shall be entitled to, and upon the Confirmation Date are hereby granted, the protections of section 1125(e) of the Bankruptcy Code.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. Restructuring Transactions

Without limiting any rights and remedies of the Debtors or Reorganized Debtors under this Plan or applicable law, but in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents and any consents or approvals required thereunder, the entry of the Confirmation Order shall constitute authorization for the Reorganized Debtors to take, or to cause to be taken, all reasonable actions necessary or appropriate to consummate and implement the provisions of this Plan, including but not limited to the actions set forth in the Reorganization Steps Overview, on and after the Confirmation Date, including such reasonable actions set forth in the Reorganization Steps Overview as may be necessary or appropriate to effectuate a corporate restructuring of their respective businesses, to otherwise simplify the overall corporate structure of the Reorganized Debtors, or to reincorporate certain of the Debtors under the laws of jurisdictions other than the laws of which the applicable Debtors are presently formed or incorporated. Such restructuring may include one or more mergers, amalgamations, consolidations, restructures, dispositions, liquidations, dissolutions, or creations of one or more new Entities, as may be reasonably determined by the Debtors or Reorganized Debtors to be necessary or appropriate (with the consent of the Required Consenting Noteholders), set forth in the steps described in the Reorganization Steps Overview, but in all cases subject to the terms and conditions of this Plan, the Restructuring Documents, the Restructuring Support Agreement, and any consents or approvals required hereunder or thereunder (collectively, the **“Restructuring Transactions”**).

All such Restructuring Transactions taken, or caused to be taken, shall be deemed to have been authorized and approved by the Bankruptcy Court upon the entry of the Confirmation Order. The actions to effectuate the Restructuring Transactions may include: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, disposition, liquidation, or dissolution containing terms that are consistent with the terms of this Plan and that satisfy the applicable requirements of applicable state law and such other terms to which the applicable Entities may agree; (ii) the execution and delivery of

appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, or obligation on terms consistent with the terms of this Plan and having such other terms to which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of merger, amalgamation, consolidation, or dissolution pursuant to applicable state law; (iv) the creation of one or more new Entities; and (v) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders and to the extent necessary to implement this Plan or as set forth in the Reorganization Steps Overview, and in all cases subject to the terms and conditions of the Restructuring Support Agreement, this Plan and the Restructuring Documents and any consents or approvals required thereunder.

B. Continued Corporate Existence

Subject to the Restructuring Transactions permitted by Article V of this Plan, after the Effective Date, the Reorganized Debtors shall continue to exist as separate legal Entities in accordance with the applicable law in the respective jurisdiction in which they are incorporated or formed and pursuant to their respective certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, in effect immediately prior to the Effective Date, except to the extent such certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, are amended, restated or otherwise modified under this Plan (subject to such amendment, restatement, or replacement being in accordance with applicable law of the Debtor's jurisdiction of incorporation), including pursuant to the Amended/New Corporate Governance Documents, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders. Notwithstanding anything to the contrary herein, the Claims against a particular Debtor or Reorganized Debtor shall remain the obligations solely of such Debtor or Reorganized Debtor and shall not become obligations of any other Debtor or Reorganized Debtor solely by virtue of this Plan or the Chapter 11 Cases.

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

Except as otherwise expressly provided in this Plan, the Confirmation Order, or any Restructuring Document, pursuant to sections 1123(a)(5), 1123(b)(3), 1141(b) and (c) and other applicable provisions of the Bankruptcy Code, on and after the Effective Date, all property and assets of the Estates of the Debtors, including all claims, rights, and Retained Litigation Claims of the Debtors, and any other assets or property acquired by the Debtors or the Reorganized Debtors during the Chapter 11 Cases or under or in connection with this Plan (other than the Claims or Causes of Action subject to the Debtor Release, Professional Fee Claim Reserve and any rejected Executory Contracts and/or Unexpired Leases), shall vest in each of the Reorganized Debtors free and clear of all Claims, Liens, charges, and other encumbrances, subject to the Liens which survive the occurrence of the Effective Date as described in Article III of this Plan (including, without limitation, the Liens that secure the Exit Facilities). On and after the Effective Date, each of the Reorganized Debtors may (i) operate their respective businesses, (ii) use, acquire, and dispose of their respective property and (iii) compromise or settle any Claims, in each case without notice to, supervision of or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than restrictions expressly imposed by this Plan or the Confirmation Order.

D. Exit Facility Loan Documents

On the Effective Date, the Debtors and the Reorganized Debtors, as applicable, shall be authorized to execute and deliver, and to consummate the transactions contemplated by, the Exit Facility Loan Documents, in each case in form and substance acceptable to the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement and, in the case of an Exit DDTL Facility, the Delayed-Draw Term Loan Commitment Letter and to the applicable Exit Facility Lenders and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the applicable Exit Facility Loan Documents or as set forth as conditions precedent in the DIP Facility). On the Effective Date, each Exit Facility Loan Document shall constitute legal, valid, binding and authorized indebtedness and obligations of the Reorganized Debtors party thereto, enforceable in accordance with its respective terms and such indebtedness and obligations shall not be, and shall not be deemed to be, enjoined or subject to discharge, impairment, release or avoidance under this Plan, the Confirmation Order or on account of the Confirmation or Consummation of this Plan.

E. New Common Stock; Book Entry

On the Effective Date, subject to the terms and conditions of this Plan and the Restructuring Transactions and as described more fully in the Reorganization Steps Overview, Reorganized Parent shall issue the New Common Stock pursuant to this Plan and the Amended/New Corporate Governance Documents. For the avoidance of doubt, no distributions shall be made to Holders of Unexercised Equity Interests under this Plan, and any such Unexercised Equity Interests shall be deemed automatically terminated and cancelled as of the Effective Date.

Distributions of the New Common Stock may be made by delivery or book-entry transfer thereof by the applicable Distribution Agent in accordance with this Plan and the Amended/New Corporate Governance Documents. Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized share capital or other equity securities of Reorganized Parent shall be that number of shares of New Common Stock as may be designated in the Amended/New Corporate Governance Documents.

F. Listing of New Securities; SEC Reporting

Prior to the Effective Date, the Required Consenting Noteholders shall determine, in consultation with the Debtors, whether to list the New Common Stock for trading on the New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or any other national securities exchange selected by the Required Consenting Noteholders and reasonably acceptable to the Debtors, with such listing, if any, to be effective on, or as soon as reasonably practicable after, the Effective Date.

The Required Consenting Noteholders, in consultation with the Debtors, shall determine whether the Reorganized Debtors shall maintain their current status and continue as a public reporting company under applicable U.S. securities laws and shall continue to file annual, quarterly and current reports in accordance with the Exchange Act, as amended, and the rules and regulations promulgated thereunder.

G. New Stockholders Agreement; New Registration Rights Agreement

Subject to the Restructuring Transactions permitted by Article V.A of this Plan, on the Effective Date, Reorganized Parent shall enter into, if applicable, the New Stockholders Agreement and, if applicable, the New Registration Rights Agreement, each of which shall become effective and binding in accordance with its terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the New Stockholders Agreement and the New Registration Rights Agreement, as applicable).

On and as of the Effective Date, all of the Holders of New Common Stock shall be deemed to be parties to the New Stockholders Agreement, if any, without the need for execution by such Holder. The New Stockholders Agreement, if any, shall be binding on all Persons or Entities receiving, and all Holders of, the New Common Stock (and their respective successors and assigns), whether such New Common Stock is received or to be received on or after the Effective Date and regardless of whether such Person or Entity executes or delivers a signature page to the New Stockholders Agreement.

H. New Management Incentive Plan

The New Board shall be authorized to implement a management incentive plan (the “**New Management Incentive Plan**”) that provides for the issuance of options and/or other equity-based compensation to the management and directors of Reorganized Parent. Up to ten percent (10%) of the New Common Stock, on a fully diluted basis, shall be reserved for issuance in connection with the New Management Incentive Plan, with the actual amount to be reserved as determined by the New Board. The participants in the New Management Incentive Plan, the allocations and form of the options and other equity-based compensation to such participants (including the amount of allocations and the timing of the grant of the options and other equity-based compensation), and the terms and conditions of such options and other equity-based compensation (including vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) shall be determined by the New Board. Any shares of New MIP Equity shall dilute equally the shares of New Common Stock otherwise distributed pursuant to this Plan (including, without limitation, pursuant to or in connection with the Equity Rights Offering).

Notwithstanding the foregoing, (i) the New Board shall retain a compensation consultant acceptable to the Required Consenting Noteholders prior to the Effective Date to advise them regarding the development of the New Management Incentive Plan and (ii) the New Management Incentive Plan shall be adopted by the New Board within one-hundred twenty (120) days after the Effective Date.

I. *[Intentionally Deleted]*

J. *Plan Securities and Related Documentation; Exemption from Securities Laws*

On and after the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to and shall provide or issue the New Common Stock to be distributed and issued under this Plan (collectively, the “**Plan Securities**”) and any and all other notes, stock, instruments, certificates, and other documents or agreements required to be distributed, issued, executed or delivered pursuant to or in connection with this Plan (collectively, the “**Plan Securities and Documents**”), in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

The offer, distribution, and issuance, as applicable, of the Plan Securities and Documents under this Plan (including New Common Stock issued in connection with the Equity Rights Offering) shall be exempt from or not subject to, or shall be effected in a manner that is exempt from or not subject to, any registration or prospectus delivery requirements under applicable securities laws (including, as applicable, Section 5 of the Securities Act or any other federal, state or local law or regulation requiring the registration and/or delivery of a prospectus for offer or sale of a security or registration or licensing of an issuer of a security) pursuant to section 1145(a) of the Bankruptcy Code and/or other applicable exemptions; provided, however, that New Common Stock issued to Cash Opt-Out Noteholders in the Equity Rights Offering pursuant to Article V of this Plan will be issued and distributed pursuant to section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder. An offering of Plan Securities provided in reliance on the exemption from registration under the Securities Act pursuant to section 1145(a) of the Bankruptcy Code may be sold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and deemed to be a public offering thereunder, and such Plan Securities may be resold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and other applicable law.

Persons or Entities who purchase securities pursuant to the exemption from registration set forth in Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder shall acquire “restricted securities.” Resales of such restricted securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Holders of restricted securities would, however, be permitted to resell Plan Securities without registration if they are able to comply with the applicable provisions of Rule 144 promulgated under the Securities Act or Rule 144A under the Securities Act or any other applicable registration exemption under the Securities Act, or in a transaction that is registered with the SEC.

In the event that the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the Plan Securities through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than this Plan or the Confirmation Order with respect to the treatment of such securities under applicable securities laws. DTC shall accept and be entitled to conclusively rely upon this Plan or the Confirmation Order in lieu of a legal opinion regarding whether such securities are exempt from registration and/or eligible for DTC book entry delivery, settlement and depository services.

K. Release of Liens and Claims

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

L. Corporate Governance Documents of the Reorganized Debtors

The respective corporate governance documents of each of the Debtors shall be amended and restated or replaced (as applicable) by the Amended/New Corporate Governance Documents. Such corporate governance documents shall: (i) to the extent required by section 1123(a)(6) of the Bankruptcy Code, include a provision prohibiting the issuance of non-voting equity securities; (ii) authorize the issuance of New Common Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by this Plan; and (iii) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate this Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Debtors may, subject to the terms and conditions of the Amended/New Corporate Governance Documents, amend and restate their respective corporate governance documents as permitted thereby and by applicable law.

M. New Board; Initial Officers

The initial members of the New Board shall be selected in accordance with the terms and conditions of the Restructuring Support Agreement. After the initial directors of the New Board are selected, future directors shall be elected in accordance with Amended/New Corporate Governance Documents. All officers of the Debtors immediately prior to the Effective Date shall be retained in their existing positions upon the Effective Date, subject to the terms of this Plan.

Pursuant to and to the extent required by section 1129(a)(5) of the Bankruptcy Code, the Debtors shall disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the New Board or as an officer of each of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director or an officer, the nature of any compensation for such Person. Each such director and officer shall serve from and after the

Effective Date pursuant to applicable law and the terms of the Amended/New Corporate Governance Documents and the other constituent and corporate governance documents of the applicable Reorganized Debtors. The existing boards of directors and other governing bodies of the Debtors shall be deemed to have resigned on and as of the Effective Date, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

N. Corporate Action

Each of the Debtors and the Reorganized Debtors may take any and all actions reasonably necessary to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be reasonably necessary or appropriate to effectuate and implement the provisions of this Plan, including, without limitation, the issuance and the distribution of the securities to be issued pursuant hereto, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors or by any other Person or Entity (except for those expressly required pursuant hereto or by the Restructuring Documents).

After the Confirmation Date, all matters provided for pursuant to this Plan that would otherwise require approval of the stockholders, directors, officers, managers, members or partners of the Debtors (as of prior to the Effective Date) shall be deemed to have been so approved and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by such Persons or Entities or the need for any approvals, authorizations, actions or consents of or from any such Persons or Entities.

As of the Effective Date, all matters provided for in this Plan involving the legal or corporate structure of the Debtors or the Reorganized Debtors (including, without limitation, the adoption of the Amended/New Corporate Governance Documents and similar constituent and corporate governance documents, and the selection of directors and officers for, each of the Reorganized Debtors), and any legal or corporate action required by the Debtors or the Reorganized Debtors in connection with this Plan shall be deemed to have occurred and shall be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On and after the Effective Date, the appropriate officers of the Debtors and the Reorganized Debtors are authorized to issue, execute, deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in this Plan in the name of and on behalf of the Debtors and the Reorganized Debtors, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity. The secretary and any assistant secretary of the Debtors and the Reorganized Debtors shall be authorized to certify or attest to any of the foregoing actions.

O. Cancellation of Notes, Certificates and Instruments

On the Effective Date, except to the extent otherwise provided in this Plan and the Restructuring Documents (including, without limitation, Article II.B and Article V.B of this Plan), all notes, indentures, instruments, certificates, agreements and other documents evidencing or relating to any Impaired Claim (including, for the avoidance of doubt and without limitation, the Prepetition Notes Indentures and the Prepetition Notes) or any Claim being paid in full in Cash under this Plan shall be fully released, terminated, extinguished and discharged (including, in respect of DIP Documents, any duties or obligations of the DIP Agent thereunder), in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity and in the case of any Claim being paid in full in Cash upon the indefeasible payment of such Claim in full in Cash as contemplated by this Plan; provided that the Prepetition Debt Documents and the DIP Documents shall continue in effect for the limited purpose of (i) allowing Holders of Claims thereunder to receive, and allowing and preserving the rights of the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee or other applicable Distribution Agents thereunder to make, distributions under this Plan; (ii) permitting the Prepetition Notes Indenture Trustee to exercise its Prepetition Notes Indenture Trustee Charging Lien against such distributions for payment of the Prepetition Notes Indenture Trustee Fees and Expenses; (iii) preserving any rights of the DIP Agent to payment of fees, costs, and expenses and otherwise allowing the DIP Agent to take any actions contemplated by this Plan, and (iv) preserving the DIP Contingent Obligations as contemplated by Article II.B of this Plan; provided further that, upon completion of the distribution with respect to a specific Prepetition Debt Claim, the Prepetition Debt Documents in connection thereto and any and all notes, securities and instruments issued in connection with such Prepetition Debt Claim shall terminate completely without further notice or action and be deemed surrendered.

P. Existing Equity Interests

On the Effective Date, the Old Parent Interests shall be terminated and cancelled without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On the Effective Date, the Intercompany Equity Interests shall remain effective and outstanding, except to the extent modified pursuant to the terms of the Reorganization Steps Overview, and shall be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date. Each Parent Subsidiary shall continue to be governed by the terms and conditions of its applicable corporate governance documents as in effect immediately prior to the Effective Date, except as amended or modified by this Plan or the Plan Supplement.

Q. Sources of Cash for Plan Distributions

All Cash necessary for the Debtors or the Reorganized Debtors, as applicable, to make payments required pursuant to this Plan shall be obtained from their respective Cash balances, including Cash from operations, the Equity Rights Offering and the Exit Facility Credit

Agreements. The Debtors and the Reorganized Debtors, as applicable, may also make such payments using Cash received from their subsidiaries through their respective consolidated cash management systems and the incurrence of intercompany transactions, in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents.

R. Funding and Use of Professional Fee Claim Reserve

On or before the Effective Date, the Debtors shall fund the Professional Fee Claim Reserve in such amount as determined by the Debtors, with the consent of the Required Consenting Noteholders or as determined by order of the Bankruptcy Court, as necessary in order to be able to pay in full in Cash the Professional Fee Claims, as and when Allowed.

The Cash contained in the Professional Fee Claim Reserve shall be used solely to pay the Allowed Professional Fee Claims, with the Unused Cash Reserve Amount (if any) being returned to the Reorganized Debtors within three (3) Business Days after determining the Unused Cash Reserve Amount. The Debtors and the Reorganized Debtors, as applicable, shall maintain detailed records of all payments made from the Professional Fee Claim Reserve, such that all payments and transactions shall be adequately and promptly documented in, and readily ascertainable from, their respective books and records.

The Professional Fee Claim Reserve shall be maintained in trust for the Professionals and shall not be considered property of the Debtors' Estates; provided that the Reorganized Debtors shall have a reversionary interest in the Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals shall have an Allowed Administrative Claim for any such deficiency, which shall be satisfied in full in Cash in accordance with Article II.A of this Plan.

After the Effective Date, neither the Debtors nor the Reorganized Debtors shall deposit any other funds or property into the Professional Fee Claim Reserve without further order of the Bankruptcy Court or otherwise commingle funds in the Professional Fee Claim Reserve. To the extent the Professional Fee Claim Reserve is insufficient to pay in full in Cash the obligations and liabilities for which such reserve was established, then the Reorganized Debtors shall, within five (5) Business Days, pay such obligations and liabilities in full in Cash.

S. Continuing Effectiveness of Final Orders

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

T. Payment of Fees and Expenses of Certain Creditors

The Debtors and the Reorganized Debtors, as applicable, shall, on and after the Confirmation Date and to the extent invoiced in accordance with the terms of the applicable engagement letter(s), pay the Ad Hoc Noteholder Group Fees and Expenses (whether accrued

prepetition or postpetition and to the extent not otherwise paid prior to or during the Chapter 11 Cases), without the need for application by any such parties to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise.

U. Payment of Fees and Expenses of the Prepetition Notes Indenture Trustee

The Debtors shall, on and after the Effective Date, and upon the presentment of invoices in customary form (which may be redacted to preserve any confidential or privileged information), pay the Prepetition Notes Indenture Trustee Fees and Expenses (in each case whether accrued prepetition or postpetition and to the extent not otherwise paid during the Chapter 11 Cases), without the need for application by any party to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise. From and after the Effective Date, the Reorganized Debtors shall pay any Prepetition Notes Indenture Trustee Fees and Expenses in full in Cash without further court approval.

V. Equity Rights Offering

Pursuant to the terms of this Plan and the Equity Rights Offering Procedures, each Accredited Cash Opt-Out Noteholder shall have the opportunity but not the obligation to subscribe for its Pro Rata share of an amount of New Common Stock to be issued as of the Effective Date necessary to fully fund the Cash Payout at the Purchase Price (as defined in the Equity Rights Offering Procedures) set forth in the Equity Rights Offering Procedures.

Each Accredited Cash Opt-Out Noteholder that elects to purchase the maximum number of Equity Rights Offering Shares that such Accredited Cash Opt-Out Noteholder may purchase in the Equity Rights Offering will also have the right to elect to purchase additional Equity Rights Offering Shares that are not timely, duly and validly subscribed and paid for in the Equity Rights Offering, as more fully set forth in the Rights Offering Procedures.

The Equity Rights Offering will be conducted in reliance upon the exemption from registration set forth in Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

The proceeds of the Equity Rights Offering shall be used exclusively to fund the Cash Payout provided to Cash Payout Noteholders, in full and final satisfaction of such Holders' Prepetition Notes Claims, which shall be released and discharged pursuant to Article XI herein. Notwithstanding anything to the contrary herein, if the Equity Rights Offering Amount is less than the aggregate amount of the Cash Payout, then the amount of Prepetition Notes Claims held by the Cash Payout Noteholders satisfied by the Cash Payout shall automatically be reduced, and any remaining portion of such Cash Payout Noteholders' Prepetition Notes Claims that is not satisfied through the Cash Payout as a result of such automatic reduction shall receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder. For the avoidance of doubt, under no circumstance shall the amount actually paid out in the Cash Payout exceed the Equity Rights Offering Amount.

Consummation of the Equity Rights Offering and delivery of any Cash Payout is contingent upon the consent of the Required Consenting Noteholders. In the event the Equity Rights Offering

is not consummated, then no Cash Payout will be made to any Cash Payout Noteholder and such Holder will receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder.

Notwithstanding anything in this Plan to the contrary, the New Common Stock issued in connection with the Equity Rights Offering shall be subject to dilution by the New MIP Equity.

ARTICLE VI.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption of Executory Contracts and Unexpired Leases

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors shall be assumed by the Debtors in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code (including, for the avoidance of doubt, the Restructuring Support Agreement), except for those Executory Contracts and Unexpired Leases that:

- (i) have been assumed or rejected by the Debtors by prior order of the Bankruptcy Court;
- (ii) are the subject of a motion to reject filed by the Debtors pending on the Effective Date;
- (iii) are identified by the Debtors (with the consent of the Required Consenting Noteholders) and Filed in the Plan Supplement as rejected Executory Contracts and Unexpired Leases, which Plan Schedule may be amended by the Debtors (with the consent of the Required Consenting Noteholders) to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended Plan Schedule and serving it on the affected non-Debtor contract parties at least seven (7) days prior to the Plan Objection Deadline; or
- (iv) are rejected or terminated by the Debtors pursuant to the terms of this Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned (as applicable) pursuant to this Plan or any prior order of the Bankruptcy Court (including, without limitation, any “change in control” provision, “change of control” provision, or provision with words of similar import) (a) prohibits, restricts or conditions, or purports to prohibit, restrict or condition, (b) is modified, breached or terminated (or deemed

modified, breached or terminated), (c) increases, accelerates or otherwise alters any obligations or liabilities of the Debtors or Reorganized Debtors (or purports to increase, accelerate or otherwise alter any obligations or liabilities of the Debtors or Reorganized Debtors), or (d) results in the creation or imposition of any Lien upon any property or assert of any of the Debtors or Reorganized Debtors (or purports to result in the creation or imposition of any Lien upon any property or asset of any of the Debtors or Reorganized Debtors), in each case as a result of (i) the commencement of these Chapter 11 Cases or the insolvency or financial condition of any Debtor at any time before the closing of its respective Chapter 11 Case, (ii) any Debtor's or any Reorganized Debtor's assumption or assumption and assignment (as applicable) of such Executory Contract or Unexpired Lease or (iii) the Confirmation or Consummation of this Plan, then such provision shall, to the extent provided by section 365 of the Bankruptcy Code, be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-debtor party thereto to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease shall be deemed satisfied by the Confirmation of this Plan.

Each Executory Contract and Unexpired Lease assumed and/or assigned pursuant to this Plan shall revert in and be fully enforceable by the applicable Reorganized Debtor or the applicable assignee in accordance with its terms and conditions, except as modified by the provisions of this Plan, any order of the Bankruptcy Court approving its assumption and/or assignment, or applicable law.

The inclusion or exclusion of a contract or lease on any schedule or exhibit shall not constitute an admission by any Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder.

B. Cure of Defaults; Assignment of Executory Contracts and Unexpired Leases

Any defaults under each Executory Contract and Unexpired Lease to be assumed, or assumed and assigned, pursuant to this Plan shall be satisfied, pursuant to and to the extent required by section 365(b)(1) of the Bankruptcy Code, by payment of the applicable default amount in Cash on or in connection with the Effective Date or on such other terms as the Bankruptcy Court may order or the parties to such Executory Contracts or Unexpired Leases may otherwise agree in writing (with the consent of the Required Consenting Noteholders) (the "**Cure Claim Amount**").

In the event of an assumption, or an assumption and assignment, of an Executory Contract or Unexpired Lease that is in default under this Plan, at least seven (7) days prior to the Plan Objection Deadline (or, in the case of an Executory Contract or Unexpired Lease removed from the Plan Schedule after such date, no later than one (1) Business Day after such removal), the Debtors shall File and serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption, or proposed assumption and assignment, which shall: (a) list the applicable Cure Claim Amount, if any; (b) if applicable, identify the party to which the Executory Contract or Unexpired Lease shall be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes shall be resolved by the Bankruptcy Court.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption, or proposed assumption and assignment under this Plan, or any related cure amount, must be Filed, served and actually received by the Debtors and counsel to the Ad Hoc Noteholder Group prior to the Plan Objection Deadline (notwithstanding anything in the Schedules or a proof of Claim to the contrary). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption, or proposed assumption and assignment, or cure amount shall be deemed to have consented to such matters and shall be deemed to have forever released and waived any objection to such proposed assumption, proposed assumption and assignment, and cure amount. The Confirmation Order shall constitute an order of the Bankruptcy Court approving each proposed assumption, or proposed assumption and assignment, of Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any Debtor or assignee to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or assumed and assigned or (c) any other matter pertaining to assumption or assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving such assumption or assumption and assignment. If such objection is sustained by Final Order of the Bankruptcy Court, the Debtors or the Reorganized Debtors, as applicable, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming or assigning it. The Debtors or the Reorganized Debtors, as applicable, shall be authorized to effect such rejection by filing a written notice of rejection with the Bankruptcy Court and serving such notice on the applicable counterparty within ten (10) days of the entry of such Final Order.

Subject to any cure claims Filed with respect thereto, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to this Plan shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment, in each case as provided in section 365 of the Bankruptcy Code, in each case subject to the remaining terms and conditions of this Article VI. Any proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed or assumed and assigned by Final Order shall be deemed disallowed and expunged (subject to any cure claims Filed with respect thereto), without further notice to or action, order, or approval of the Bankruptcy Court.

With respect to any Executory Contract or Unexpired Lease assumed and assigned pursuant to this Plan, upon and as of the Effective Date, the applicable assignee shall be deemed to be substituted as a party thereto for the applicable Debtor party to such assigned Executory Contract or Unexpired Lease and, accordingly, the Debtors and the Reorganized Debtors shall be relieved, pursuant to and to the extent set forth in section 365(k) of the Bankruptcy Code, from any further liability under such assigned Executory Contract or Unexpired Lease.

C. Rejection of Executory Contracts and Unexpired Leases

The Debtors reserve the right, at any time prior to the Effective Date, except as otherwise specifically provided herein, to seek to reject (with the consent of the Required Consenting Noteholders) any Executory Contract or Unexpired Lease and to file a motion requesting authorization for the rejection of any such contract or lease. All Executory Contracts and Unexpired Leases listed on a Plan Schedule as rejected Executory Contracts and Unexpired Leases shall be deemed rejected as of the Effective Date. The Confirmation Order shall constitute an order of the Bankruptcy Court approving the rejections described in this Article VI pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Rejection of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall not constitute a termination of any preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases.

D. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to this Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after service of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection.

Any Person or Entity that is required to file a proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so shall be forever barred, estopped and enjoined from asserting such Claim, and such Claim shall not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and their respective assets and property shall be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article X.G hereof.

E. D&O Liability Insurance Policies

On the Effective Date, each D&O Liability Insurance Policy shall be deemed and treated as an Executory Contract that is and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the D&O Liability Insurance Policies shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the D&O Liability Insurance Policies.

After assumption of the D&O Liability Insurance Policies, nothing in this Plan otherwise alters the terms and conditions of the D&O Liability Insurance Policies. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors under the D&O Liability Insurance Policies. For the avoidance of doubt, the D&O Liability Insurance Policies shall continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the D&O Liability Insurance Policies.

The Debtors are further authorized to take such reasonable actions, and to execute and deliver such documents, as may be reasonably necessary or appropriate to implement, maintain, cause the binding of, satisfy any terms or conditions of, or otherwise secure for the insureds the benefits of the D&O Tail Policy, without further notice to or order of the Bankruptcy Court or approval or consent of any Person or Entity.

Notwithstanding anything to the contrary in any D&O Liability Insurance Policies issued prior to the Effective Date, the Reorganized Debtors shall not have any obligation or responsibility for the payment of any self-insured retention thereunder or in connection therewith, and no Person or Entity shall be entitled to seek reimbursement from or to subrogate against any Reorganized Debtors with respect to any payments made under such policies.

F. Indemnification Provisions

On the Effective Date, all Indemnification Provisions shall be deemed and treated as Executory Contracts that are and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Indemnification Provisions shall survive the Effective Date and be Unimpaired; provided, however, that, to the maximum extent permitted under applicable law, this provision shall not include any such Claims arising from or related to (i) any Excluded Party or (ii) any indemnification Claims against the Parent that are based on fraud, gross negligence, or willful misconduct, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Indemnification Provisions. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Indemnification Provisions. For the avoidance of doubt, the Indemnification Provisions shall continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the Indemnification Provisions.

G. Employment Plans

On the Effective Date, all employment agreements and severance policies, including all employment, compensation, and benefit plans, policies, and programs of the Debtors applicable to any of their respective officers, employees or retirees, and any of the officers, employees or retirees of their respective subsidiaries, including, without limitation, all workers' compensation programs, savings plans, retirement plans, SERP plans, healthcare plans, disability plans, severance benefit plans, incentive plans, change-in-control plans, insurance plans including but not limited to life and accidental death and dismemberment insurance plans, health and welfare plans, and 401(k) plans (in each case, as applicable) (collectively, the "Specified Employee Plans") shall be deemed and treated as Executory Contracts that are and shall, subject to the following proviso, be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed; provided that (a) the Debtors, pursuant to the Restructuring Support Agreement, acknowledged and agreed that the Consummation of this Plan shall not constitute a change in control or term of similar meaning pursuant to any of the

Specified Employee Plans, and the Confirmation Order shall contain a finding and such other provisions acceptable to the Required Consenting Noteholders confirming the same, and (b) each “Executive” employment agreement, “Level I” employment agreement and “Level II” employment agreement shall only be maintained and assumed by the Debtors (and assigned to the Reorganized Debtors, if necessary) and considered a Specified Employee Plan if the employee party to such agreement, on or prior to the Effective Date, (i) confirms that the Consummation of this Plan does not constitute a change in control and (ii) waives any right to resign with “good reason” solely or in part as a result of the Consummation of this Plan.

All Claims arising from the Specified Employee Plans shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ assumption of each of the Specified Employee Plans. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Specified Employee Plans.

H. Insurance and Surety Contracts

On the Effective Date, each Insurance and Surety Contract shall be deemed and treated as an Executory Contract that is and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Insurance and Surety Contracts shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ assumption of each of the Insurance and Surety Contracts. After assumption of the Insurance and Surety Contracts, nothing in this Plan otherwise alters the terms and conditions of the Insurance and Surety Contracts. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable counterparties under the Insurance and Surety Contracts.

I. Extension of Time to Assume or Reject

Notwithstanding anything to the contrary set forth in Article VI of this Plan, in the event of a dispute as to whether a contract is executory or a lease is unexpired, the right of the Reorganized Debtors to move to assume or reject such contract or lease shall be extended until the date that is ten (10) days after entry of a Final Order by the Bankruptcy Court determining that the contract is executory or the lease is unexpired. The deemed assumption provided for in Article VI.A of this Plan shall not apply to any such contract or lease, and any such contract or lease shall be assumed or rejected only upon motion of the Reorganized Debtors following the Bankruptcy Court’s determination that the contract is executory or the lease is unexpired.

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

Unless otherwise provided in this Plan, each Executory Contract or Unexpired Lease that is assumed by the Debtors or the Reorganized Debtors shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such

Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing has been previously rejected or repudiated or is rejected or repudiated hereunder. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

ARTICLE VII.

PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the “Treatment” sections in Article III hereof or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Effective Date or as soon as reasonably practicable thereafter. Any payment or distribution required to be made under this Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Article VIII hereof.

B. No Postpetition Interest on Claims

Unless otherwise specifically provided for in this Plan, the Confirmation Order or Final Order of the Bankruptcy Court, or required by applicable bankruptcy law (including, without limitation, as required pursuant to section 506(b) or section 511 of the Bankruptcy Code), postpetition interest shall not accrue or be paid on any Claims (except DIP Super-Priority Claims) and no Holder of a Claim (except DIP Super-Priority Claims) shall be entitled to interest accruing on or after the Petition Date on any Claim.

C. Distributions by the Reorganized Debtors or Other Applicable Distribution Agent

Other than as specifically set forth below or as otherwise provided in this Plan, the Reorganized Debtors or other applicable Distribution Agent shall make all distributions required to be distributed under this Plan. Distributions on account of the Allowed Prepetition Debt Claims and Allowed DIP Super-Priority Claims shall be made to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee, and the DIP Agent, as applicable, and such agent or trustee shall be, and shall act as, the Distribution Agent with respect to its respective Class of Claims in accordance with the terms and conditions of this Plan and the applicable debt documents. All distributions to Holders of Prepetition Debt Claims and DIP Super-Priority Claims shall be deemed completed when made by the Reorganized Debtors to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee (or as directed by the Prepetition Notes Indenture Trustee), and the DIP Agent, or as otherwise provided in this Plan, as applicable. The Reorganized Debtors may employ or contract with other Entities to assist in or make the distributions required by this Plan and may pay the reasonable fees and expenses of such Entities and the Distribution Agents in the ordinary course of business. No Distribution Agent shall be required to give any bond or

surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

The distributions of New Common Stock to be made under this Plan to Holders of Allowed Prepetition Notes Claims shall be made by the Debtors or Reorganized Debtors, as applicable, to the Prepetition Notes Indenture Trustee, which shall transmit (or cause to be transmitted) such distributions to Holders of Allowed Prepetition Notes Claims in accordance with the Prepetition Notes Indenture or as set forth below. Notwithstanding anything to the contrary in this Plan, the Prepetition Notes Indenture Trustee may transfer or direct the transfer of such distributions through the facilities of DTC and, in such event, shall be entitled to recognize and deal for all purposes under this Plan with Holders of the Prepetition Notes to the extent consistent with the policies or customary practices of DTC. If such distributions cannot be made through the facilities of DTC, the Debtors or Reorganized Debtors, as applicable, shall implement procedures in consultation with the Prepetition Notes Indenture Trustee and reasonably acceptable to the Required Consenting Noteholders to make distributions with respect to the Prepetition Notes. The Debtors or Reorganized Debtors (as applicable) shall use their best efforts to make the New Common Stock to be distributed to Holders of the Prepetition Notes eligible for distribution through the facilities of DTC. The distributions of Subscription Rights under this Plan to Accredited Cash Opt-Out Noteholders shall be made by the Voting and Claims Agent as provided in the Equity Rights Offering Procedures. The obligations of the Prepetition Notes Indenture Trustee under the Prepetition Notes Indentures, the Prepetition Notes, and this Plan shall be deemed fully satisfied upon DTC's receipt of the distributions with respect to the Prepetition Notes.

D. Delivery and Distributions; Undeliverable or Unclaimed Distributions

1. Record Date for Distributions

On the Distribution Record Date, the Claims Register (and the Debtors' books and records with respect to the Holders of Equity Interests in Parent) shall be closed. Accordingly, the Debtors, the Reorganized Debtors or other applicable Distribution Agent shall have no obligation to recognize the assignment, transfer or other disposition of, or the sale of any participation in, any Allowed Claim (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest that occurs after the close of business on the Distribution Record Date, and shall be entitled for all purposes herein to recognize and distribute securities, property, notices and other documents only to those Holders of Allowed Claims (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest who are Holders of such Claims or Equity Interests, or participants therein, as of the close of business on the Distribution Record Date. The Reorganized Debtors or other applicable Distribution Agent shall be entitled to recognize and deal for all purposes under this Plan with only those record holders stated on the Claims Register, or their books and records, as of the close of business on the Distribution Record Date; provided, however, that the Distribution Record Date shall not apply to the DIP Super-Priority Claims, Prepetition Debt Claims, or any securities of the Debtors deposited with DTC.

2. Delivery of Distributions in General

Except as otherwise provided herein, the Debtors, the Reorganized Debtors or other applicable Distribution Agent, as applicable, shall make distributions to Holders of Allowed Claims, or in care of their authorized agents, as appropriate, at the address for each such Holder or

agent as indicated on the Debtors' or other applicable Distribution Agent's books and records as of the date of any such distribution; provided, however, that the manner of such distributions shall be determined in the discretion of the applicable Distribution Agent (subject to the terms and conditions of the DIP Agreement and the relevant Prepetition Debt Documents, if applicable); provided further, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in the latest proof of Claim, if any, Filed by such Holder pursuant to Bankruptcy Rule 3001 as of the Distribution Record Date.

3. Minimum Distributions

Notwithstanding anything herein to the contrary, no Distribution Agent shall be required to make distributions or payments of less than \$100.00 (whether in Cash or otherwise) or to make partial distributions or payments of fractions of dollars or New Common Stock, in each case with respect to Impaired Claims. With respect to Impaired Claims, whenever any payment or distribution of a fraction of a dollar or a fraction of a share of New Common Stock under this Plan would otherwise be called for, the actual payment or distribution shall reflect a rounding of such fraction down to the nearest whole dollar or share of New Common Stock (and no Cash shall be distributed in lieu of such fractional New Common Stock). For the avoidance of doubt, DTC shall be considered a single holder for purposes of distributions.

No Distribution Agent shall have any obligation to make a distribution on account of an Allowed Claim that is Impaired under this Plan if: (a) the aggregate amount of all distributions authorized to be made on the Effective Date is or has an economic value less than \$25,000, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on the Effective Date does not constitute a final distribution to such Holder and is or has an economic value less than \$25.00, which shall be treated as an undeliverable distribution under Article VII.D.4 below.

4. Undeliverable Distributions

(a) Holding of Certain Undeliverable Distributions

If the distribution to any Holder of an Allowed Claim is returned to the Distribution Agent as undeliverable or is otherwise unclaimed, no further distributions shall be made to such Holder unless and until the Distribution Agent is notified in writing of such Holder's then current address in accordance with the time frames described in Article VII.D.4(b) hereof, at which time (or as soon as reasonably practicable thereafter) all currently due but missed distributions shall be made to such Holder. Undeliverable distributions shall remain in the possession of the Reorganized Debtors or in the applicable reserve, subject to Article VII.D.4(b) hereof, until such time as any such distributions become deliverable. Undeliverable distributions shall not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.

(b) Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a right pursuant to this Plan for an undeliverable or unclaimed distribution within ninety (90) days after the later of the

Effective Date or the date such distribution is due shall be deemed to have forfeited its rights for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such rights for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their respective assets or property, or any Distribution Agent. In such case, any Cash, Plan Securities or other property reserved for distribution on account of such Claim shall become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash, Plan Securities or other property shall thereafter be distributed or allocated in accordance with the applicable terms and conditions of this Plan; provided, however, that if the aggregate amount of Allowed Claims in Class 6 is less than the Parent GUC Recovery Cash Pool, then the excess Parent GUC Recovery Cash Pool shall constitute property of the Reorganized Debtors. Nothing contained in this Plan shall require the Debtors, the Reorganized Debtors, or any Distribution Agent to attempt to locate any Holder of an Allowed Claim.

(c) Failure to Present Checks

Checks issued by the Distribution Agent on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days after the issuance of such check. Requests for reissuance of any check shall be made directly to the Distribution Agent by the Holder of the relevant Allowed Claim with respect to which such check originally was issued. Any Holder of an Allowed Claim holding an un-negotiated check that does not request reissuance of such un-negotiated check within ninety (90) days after the date of mailing or other delivery of such check shall have its rights for such un-negotiated check discharged and be forever barred, estopped and enjoined from asserting any such right against the Debtors, their Estates, the Reorganized Debtors, or their respective assets or property. In such case, any Cash held for payment on account of such Claims shall become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash shall thereafter be distributed or allocated in accordance with the applicable terms and conditions of this Plan.

E. Compliance with Tax Requirements

In connection with this Plan and all distributions hereunder, the Reorganized Debtors or other applicable Distribution Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions hereunder shall be subject to any such applicable withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, the Reorganized Debtors or other applicable Distribution Agent shall be authorized to take any and all reasonable actions that may be necessary or appropriate to comply with such applicable withholding and reporting requirements. All Persons and Entities holding Claims or Equity Interests shall be required to provide any information necessary to effect information reporting and the withholding of such taxes (or establish eligibility for an exclusion for the withholding of taxes), and each Holder of an Allowed Claim shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such distribution. Any amounts withheld or reallocated pursuant to this **Error! Reference source not found.** shall be treated as if distributed to the Holder of the Allowed Claim.

F. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for U.S. federal income tax purposes to the principal amount of the Claim first and then, to the extent that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

G. Means of Cash Payment

Payments of Cash made pursuant to this Plan shall be in U.S. dollars and shall be made, at the option of the applicable Distribution Agent, by checks drawn on, or wire transfer from, a domestic bank selected by such Distribution Agent. Cash payments to foreign creditors may be made, at the option of the applicable Distribution Agent, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

H. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the “Treatment” sections in Article III hereof or as ordered by the Bankruptcy Court, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Claim shall receive the full amount of the distributions that this Plan provides for Allowed Claims in the applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in the applicable class treatment or in Article VIII hereof. Except as otherwise provided herein, Holders of Claims shall not be entitled to interest, dividends or accruals on the distributions provided for herein, regardless of whether such distributions are delivered on or at any time after the Effective Date.

I. Setoffs

Without altering or limiting any of the rights and remedies of the Debtors and the Reorganized Debtors under section 502(d) of the Bankruptcy Code, all of which rights and remedies are hereby reserved, the Debtors and the Reorganized Debtors may, but shall not be required to, withhold (but not setoff except as set forth below) from the distributions called for hereunder on account of any Allowed Claim an amount equal to any claims, Causes of Action and Retained Litigation Claims of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim; provided that, at least ten (10) days prior to effectuating such withholding, the Debtors or the Reorganized Debtors, as applicable, shall provide written notice thereof to the applicable Holder of such Claim, and all objections and defenses of such Holder to such withholding are preserved. In the event that any such claims, Causes of Action or Retained Litigation Claims are adjudicated by Final Order or otherwise resolved against the applicable Holder, the Debtors and the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the amount of such adjudicated or resolved claims, Causes of Action or Retained Litigation Claims. Neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, Causes of Action or Retained Litigation Claims, all of which are reserved unless expressly released or compromised pursuant to this Plan

or the Confirmation Order. Notwithstanding anything to the contrary herein, the Allowed Prepetition Notes Claims and the distributions to be made pursuant hereto on account of such Claims will not be subject to set off by the Debtors or the Reorganized Debtors pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, and the Debtors and the Reorganized Debtors hereby waive any and all rights of set-off against such Claims.

ARTICLE VIII.

PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. *Resolution of Disputed Claims and Equity Interests*

1. Allowance of Claims

After the Effective Date, and except as otherwise provided in this Plan, the Reorganized Debtors shall have and shall retain any and all available rights and defenses that the Debtors had with respect to any Claim, including, without limitation, the right to assert any objection to Claims based on the limitations imposed by section 502 or section 510 of the Bankruptcy Code. The Debtors and the Reorganized Debtors may contest the amount and validity of any Disputed Claim in the ordinary course of business in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced.

2. Prosecution of Objections to Claims

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors, shall have the authority to File objections to Claims (other than those that are Allowed under this Plan) and settle, compromise, withdraw or litigate to judgment objections to any and all such Claims, regardless of whether such Claims are in an Unimpaired Class or otherwise; provided, however, that this provision shall not apply to Professional Fee Claims, which may be objected to by any party-in-interest in these Chapter 11 Cases. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtors shall have the sole authority to administer and adjust the Claims Register and their respective books and records to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Estimation

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any Disputed Claim or contingent or unliquidated Claim pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, whether for allowance or to determine the maximum amount of such Claim, including during the litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not exclusive of one another.

Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation.

4. No Filings of Proofs of Claim

Except as otherwise provided in this Plan, Holders of Claims, including the Prepetition Notes Indenture Trustee with respect to the Prepetition Notes Indentures and the Prepetition Notes and the DIP Agent with respect to the DIP Super-Priority Claims, shall not be required to File a proof of Claim, and no such parties should File a proof of Claim; provided that Holders of General Unsecured Claims against Parent only shall be required to file a proof of claim pursuant to separate bar date procedures to be provided to such parties by the Debtors. Other than with respect to the General Unsecured Claims against Parent only, the Debtors do not intend to object in the Bankruptcy Court to the allowance of Claims Filed; provided, however, that the Debtors and the Reorganized Debtors, as applicable, reserve the right to object to any Claim or Equity Interest that is entitled, or deemed to be entitled, to a distribution under this Plan or is rendered Unimpaired under this Plan. Instead, the Debtors intend to make distributions, as required by this Plan, in accordance with the books and records of the Debtors. Unless disputed by a Holder of a Claim, the amount set forth in the books and records of the Debtors shall constitute the amount of the Allowed Claim of such Holder. If any such Holder of a Claim disagrees with the Debtors' books and records with respect to the Allowed amount of such Holder's Claim, such Holder must so advise the Debtors in writing, in which event the Claim shall become a Disputed Claim. The Debtors intend to attempt to resolve any such disputes consensually or through judicial means outside the Bankruptcy Court subject to the consent of the Required Consenting Noteholders. Nevertheless, the Debtors may, in their discretion and with the consent of the Required Consenting Noteholders, File with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to the allowance of any Claim or any other appropriate motion or adversary proceeding with respect thereto. All such objections shall be litigated to Final Order; provided, however, that the Debtors may, with the consent of the Required Consenting Noteholders, compromise, settle, withdraw or resolve by any other method approved by the Bankruptcy Court any objections to Claims.

B. No Distributions Pending Allowance

Notwithstanding any other provision of this Plan to the contrary, no payments or distributions of any kind or nature shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled (with the consent of the Required Consenting Noteholders) or withdrawn or have been determined by Final Order, and the Disputed Claim is or becomes Allowed by Final Order; provided, however, that notwithstanding the foregoing, payments or distributions under this Plan to Holders of Allowed Prepetition Notes Claims will be made in full on the Effective Date, regardless of whether such Holders hold any Disputed Claims.

C. Distributions on Account of Disputed Claims Once They Are Allowed

The Reorganized Debtors or other applicable Distribution Agent shall make distributions on account of any Disputed Claim that has become Allowed after the Effective Date at such time

that such Claim becomes Allowed (or as soon as reasonably practicable thereafter). Such distributions shall be made pursuant to the applicable provisions of Article VII of this Plan.

D. Reserve for Disputed Claims

The Debtors, the Reorganized Debtors, and the Distribution Agent may establish such appropriate reserves for Disputed Claims in the applicable Class(es) as they determine necessary and appropriate, in each case with the consent of the Required Consenting Noteholders or as approved by order of the Bankruptcy Court. Without limiting the foregoing, reserves (if any) for Disputed Claims shall equal, as applicable, an amount of property equal to 100% of distributions to which Holders of Disputed Claims in each applicable Class would otherwise be entitled under this Plan as of such date if such Disputed Claims were Allowed based on the Debtors' books and records; provided, however, that the Debtors and the Reorganized Debtors, as applicable, shall have the right to file a motion seeking to estimate any Disputed Claims.

ARTICLE IX.

**CONDITIONS PRECEDENT TO CONFIRMATION
AND CONSUMMATION OF THE PLAN**

A. Conditions Precedent to Confirmation

Unless satisfied or waived pursuant to the provisions of Article IX.C hereof, the following are conditions precedent to Confirmation of this Plan.

1. This Plan and the Restructuring Documents are in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders;

2. The Confirmation Order has been entered by the clerk of the Bankruptcy Court, and such order is in form and substance consistent in all respects with the Restructuring Term Sheet and the Restructuring Support Agreement and otherwise reasonably acceptable to the Debtors and to the Required Consenting Noteholders; and

3. The Restructuring Support Agreement is in full force and effect and has not been validly terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement.

B. Conditions Precedent to Consummation

Unless satisfied or waived pursuant to the provisions of Article IX.C hereof, the following are conditions precedent to Consummation of this Plan.

1. The Confirmation Order has become a Final Order and such order has not been amended, modified, vacated, stayed, or reversed;

2. The Bankruptcy Court has entered one or more Final Orders (which may include the Confirmation Order), in form and substance reasonably acceptable to the Debtors and Required Consenting Noteholders, authorizing the assumption, assumption and assignment and rejection of

the Executory Contracts and Unexpired Leases by the Debtors as contemplated in this Plan and the Plan Supplement;

3. This Plan and the Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all respects with the Restructuring Term Sheet, and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders;

4. The Restructuring Documents (including the Exit Facility Loan Documents) have been filed, tendered for delivery, and have been effectuated or executed by all Persons and Entities party thereto (as appropriate), and in each case in full force and effect, each to the extent required prior to Consummation. All conditions precedent to the effectiveness of such Restructuring Documents, including, without limitation, the Exit Facility Credit Agreements, have been satisfied or waived pursuant to the terms of such applicable Restructuring Documents (or shall be satisfied concurrently with the occurrence of the Effective Date) and such agreements have closed or shall close simultaneously with the effectiveness of this Plan;

5. The Debtors have received, or concurrently with the occurrence of the Effective Date shall receive (a) an Exit ABL Facility on terms and conditions acceptable to the Required Consenting Noteholders, and/or (b) the Exit DDTL Facility;

6. The Amended/New Corporate Governance Documents have become effective or shall become effective concurrently with the effectiveness of this Plan;

7. All consents, actions, documents, certificates and agreements necessary to implement this Plan and the transactions contemplated by this Plan have been, as applicable, obtained and not otherwise subject to unfulfilled conditions, effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws, and in each case in full force and effect;

8. All governmental approvals and consents, including Bankruptcy Court approval, that are applicable and legally required for the consummation of this Plan have been obtained, not be subject to unfulfilled conditions and be in full force and effect;

9. The New Board has been selected in accordance with the Restructuring Support Agreement;

10. The Restructuring Support Agreement is in full force and effect and has not been terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement;

11. The Professional Fee Claim Reserve has been funded in full in Cash by the Debtors in accordance with the terms and conditions of this Plan;

12. To the extent invoiced, all Ad Hoc Noteholder Group Fees and Expenses and Prepetition Notes Indenture Trustee Fees and Expenses have been paid in full in Cash;

13. There shall be no ruling, judgment, or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions, unless such ruling, judgment, or order has been stayed, reversed or vacated within three (3) Business Days after such issuance;

14. There shall be no material litigation or investigation by any Governmental Unit involving the Debtors as of the Effective Date that has had, or would reasonably be expected to have, a material adverse effect on the business, financial condition or results of operations of the Reorganized Debtors, taken as a whole; and

15. Since the Petition Date, there shall have been no event, change, effect, occurrence, development, circumstance, condition, result, state of fact or change of fact (each, an “Event”) that, individually or together with all other Events, has had, or would reasonably be expected to have, a material adverse effect on either the business, operations, finances, properties, condition (financial or otherwise), assets or liabilities of the Debtors, taken as a whole, or the ability of the Debtors taken as a whole, to perform their respective obligations under, or to consummate the Restructuring Transactions; provided, however, that in no case shall any Event arising from, as a result of, or in connection with (a) the public announcement of the Restructuring Support Agreement, this Plan, or any other Restructuring Document, (b) the pursuit or public announcement of the Restructuring Transaction, (c) the commencement or prosecution of the Chapter 11 Cases, or (d) the pursuit of Confirmation or Consummation, be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect for purposes of this Plan.

C. Waiver of Conditions

Subject to section 1127 of the Bankruptcy Code, the conditions to Confirmation and Consummation of this Plan set forth in this Article IX may be waived by the Debtors, with the consent of the Required Consenting Noteholders, without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate this Plan. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each right shall be deemed an ongoing right that may be asserted at any time.

D. Effect of Non-Occurrence of Conditions to Confirmation or Consummation

If the Confirmation or the Consummation of this Plan does not occur with respect to one or more of the Debtors, then this Plan shall, solely with respect to such applicable Debtor or Debtors, be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (2) prejudice in any manner the rights of the Debtors, any Holders or any other Person or Entity; (3) constitute an Allowance of any Claim or Equity Interest; or (4) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Person or Entity in any respect.

ARTICLE X.

RELEASE, DISCHARGE, INJUNCTION AND RELATED PROVISIONS

A. *General*

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to this Plan. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Equity Interests and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and any Holders of Claims or Equity Interests and is fair, equitable and reasonable.

Notwithstanding anything contained herein to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, are settled, compromised, terminated and released pursuant hereto; provided, however, that nothing contained herein shall preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with this Plan.

B. *Release of Claims and Causes of Action*

1. **Release by the Debtors and their Estates.** Pursuant to section 1123(b) and any other applicable provisions of the Bankruptcy Code, and except as otherwise expressly provided in this Plan, effective as of the Effective Date, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, the Debtors and the Reorganized Debtors, in their respective individual capacities and as debtors-in-possession, and on behalf of themselves and their respective Estates, including, without limitation, any successor to the Debtors or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code (collectively, the "**Debtor Releasing Parties**"), shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released shall be deemed forever released, waived and discharged by the Debtor Releasing Parties) and their respective assets and properties (the "**Debtor Release**") from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies,

and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, this Plan, the Plan Supplement, the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in this Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation dissemination, entry into, or filing of the Restructuring Support Agreement, this Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11 Cases, (vi) the purchase, sale, or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of this Plan, the solicitation of votes on this Plan or the issuance or distribution of Plan Securities pursuant to this Plan that such Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) or that any Holder of a Claim or Equity Interest or other Person or Entity would have been legally entitled to assert for, or on behalf or in the name of, any Debtor, its respective Estate or any Reorganized Debtor (whether directly or derivatively) against any of the Released Parties; provided, however, that the foregoing provisions of this Debtor Release shall not operate to waive or release (i) the rights of such Debtor Releasing Party to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with this Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to this Plan or pursuant to a Final Order of the Bankruptcy Court, (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction, and (iii) any claims against the Excluded Parties. The foregoing release shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Debtor Release. Notwithstanding the foregoing, nothing in this Article X.B shall or shall be deemed to (i) prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors and/or (ii) operate as a release or waiver of any Intercompany Claims, in each case unless otherwise expressly provided for in this Plan.

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 herein, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the Claims released by the Debtor Release; (iii) in the best interest of the Debtors and their Estates; (iv) fair, equitable and reasonable; (v) given and made after due notice and opportunity for hearing; and (vi) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any claim or Cause of Action released pursuant to the Debtor Release.

2. **Release By Third Parties.** Except as otherwise expressly provided in this Plan, effective as of the Effective Date, to the fullest extent permitted by applicable law, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, and without limiting or otherwise modifying the scope of the Debtor Release provided by the Debtor Releasing Parties above, each Non-Debtor Releasing Party (together with the Debtor Releasing Parties, the "**Releasing Parties**") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released shall be deemed forever released, waived and discharged by the Non-Debtor Releasing Parties) and their respective assets and properties (the "**Third Party Release**") from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, this Plan, the Plan Supplement, the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in this Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation, dissemination, entry into or filing of the Restructuring Support Agreement, this Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11 Cases, (vi) the purchase, sale or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of this Plan, the solicitation of votes on this Plan or the issuance or distribution of Plan Securities pursuant to this Plan that such Non-Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) against any of the Released Parties; *provided, however*, that the foregoing provisions of this Third Party Release shall not operate to waive or release (i) the rights of such Non-Debtor Releasing Party to enforce this Plan and the contracts, instruments,

releases, indentures, and other agreements or documents delivered under or in connection with this Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to this Plan or pursuant to a Final Order of the Bankruptcy Court or (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. The foregoing release shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Third Party Release.

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: (i) consensual; (ii) essential to the confirmation of this Plan; (iii) in exchange for the good and valuable consideration provided by the Released Parties; (iv) a good faith settlement and compromise of the Claims released by the Third Party Release; (v) in the best interest of the Debtors and all Holders of Claims and Equity Interests; (vi) fair, equitable and reasonable; (vii) given and made after due notice and opportunity for hearing; and (viii) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third Party Release.

C. Waiver of Statutory Limitations on Releases

Each of the Releasing Parties in each of the releases contained above expressly acknowledges that although ordinarily a general release may not extend to Claims which 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 the possible existence of such unknown losses or claims. Without limiting the generality of the foregoing, each Releasing Party expressly waives any and all rights conferred upon it by any statute or rule of law which provides that a release does not extend to claims which the claimant does not know or suspect to exist in its favor at the time of providing the release, which if known by it may have materially affected its settlement with the released party. The releases contained in this Plan are effective regardless of whether those released matters are presently known, unknown, suspected or unsuspected, foreseen or unforeseen.

D. Discharge of Claims and Equity Interests

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, effective as of the Effective Date, all consideration distributed under this Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims, Equity Interests and Causes of Action of any kind or nature whatsoever against the Debtors and the Reorganized Debtors or any of their respective assets or properties, including any interest accrued on such Claims or Equity

Interests from and after the Petition Date, and regardless of whether any property shall have been abandoned by order of the Bankruptcy Court, distributed or retained pursuant to this Plan on account of such Claims, Equity Interests or Causes of Action.

Except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, upon the Effective Date, the Debtors and their Estates shall be deemed discharged and released under and to the fullest extent provided under sections 524 and 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code. Such discharge shall void any judgment obtained against the Debtors or the Reorganized Debtors at any time, to the extent that such judgment relates to a discharged Claim.

Except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, upon the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests shall be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their respective assets, property, or Estates; (ii) all Claims and Equity Interests shall be satisfied, discharged, and released in full, and each of the Debtors' liability with respect thereto shall be extinguished completely without further notice or action; and (iii) all Persons and Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

E. Exculpation

Effective as of the Effective Date, to the fullest extent permitted by law, the Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any claims or Causes of Action arising prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Confirmation or Consummation of this Plan, the Disclosure Statement, the Restructuring Documents, the DIP Documents, or any contract, instrument, release or other agreement or document created or entered into in connection with this Plan, including the Restructuring Support Agreement, or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or Confirmation or Consummation of this Plan; provided, however, that the foregoing provisions of this exculpation shall not operate to waive or release: (i) any Causes of Action arising from willful misconduct, fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; and/or (ii) the rights of any Person or Entity to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with this Plan or assumed pursuant to this Plan or Final Order of the Bankruptcy Court; provided, further, that each Exculpated Party shall be entitled to rely upon

the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions or inactions. The foregoing exculpation shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity. Notwithstanding the foregoing, nothing in this Article X.E shall or shall be deemed to prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors, in each case unless otherwise expressly provided for in this Plan.

F. Preservation of Causes of Action

1. Maintenance of Causes of Action

Except as otherwise provided in this Article X (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof) or elsewhere in this Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors shall retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Retained Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Cases. The Reorganized Debtors, as the successors-in-interest to the Debtors and the Estates, may, and shall have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of such Retained Litigation Claims without notice to or approval from the Bankruptcy Court.

2. Preservation of All Causes of Action Not Expressly Settled or Released

The Debtors expressly reserve all Causes of Action and Retained Litigation Claims for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Retained Litigation Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action or Retained Litigation Claims upon or after the Confirmation or Consummation of this Plan based on the Disclosure Statement, this Plan or the Confirmation Order, except in each case where such Causes of Action or Retained Litigation Claims have been expressly waived, relinquished, released, compromised or settled in this Plan (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any of the Debtors are a plaintiff, defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

No Person or Entity may rely on the absence of a specific reference in this Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action or Retained Litigation Claim against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action or Retained Litigation Claim against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action and Retained Litigation Claim against any Person or Entity, except as otherwise expressly provided in this Plan or the Confirmation Order (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof).

G. Injunction

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN OR THE CONFIRMATION ORDER, FROM AND AFTER THE EFFECTIVE DATE, ALL PERSONS AND ENTITIES ARE, TO THE FULLEST EXTENT PROVIDED UNDER SECTION 524 AND OTHER APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, PERMANENTLY ENJOINED FROM (I) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY SUIT, ACTION OR OTHER PROCEEDING; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE, OR ORDER; (III) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR ENCUMBRANCE; (IV) ASSERTING A SETOFF OR RIGHT OF SUBROGATION OF ANY KIND; OR (V) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND, IN EACH CASE ON ACCOUNT OF OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, SETTLED OR TO BE SETTLED OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER AGAINST ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED (OR THE PROPERTY OR ESTATE OF ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED). ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASES UNDER SECTION 105 OR SECTION 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE CONFIRMATION DATE, SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

H. Binding Nature Of Plan

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THIS PLAN SHALL BIND, AND SHALL BE DEEMED BINDING UPON, THE DEBTORS, THE REORGANIZED DEBTORS, ANY AND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, ALL PERSONS AND ENTITIES THAT ARE PARTIES TO OR ARE SUBJECT TO THE SETTLEMENTS, COMPROMISES, RELEASES, EXCULPATIONS, DISCHARGES, AND INJUNCTIONS DESCRIBED IN THIS PLAN, EACH PERSON AND ENTITY ACQUIRING PROPERTY UNDER THIS PLAN, ANY AND ALL NON-DEBTOR PARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES WITH THE DEBTORS AND THE RESPECTIVE SUCCESSORS AND ASSIGNS OF EACH OF THE FOREGOING, TO

THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AND NOTWITHSTANDING WHETHER OR NOT SUCH PERSON OR ENTITY (I) SHALL RECEIVE OR RETAIN ANY PROPERTY, OR INTEREST IN PROPERTY, UNDER THIS PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THIS PLAN, AFFIRMATIVELY VOTED TO REJECT THIS PLAN OR IS CONCLUSIVELY DEEMED TO REJECT THIS PLAN.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE INJUNCTION DOES NOT ENJOIN ANY PARTY UNDER THE RESTRUCTURING SUPPORT AGREEMENT OR THIS PLAN OR UNDER ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE INCLUDED IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THIS PLAN.

I. Protection Against Discriminatory Treatment

To the extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Persons and Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant, against the Reorganized Debtors, or another Person or Entity with whom the Reorganized Debtors have been associated, solely because any Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

J. Integral Part of Plan

Each of the provisions set forth in this Plan with respect to the settlement, release, discharge, exculpation, and injunction for or with respect to Claims and/or Causes of Action are an integral part of this Plan and essential to its implementation. Accordingly, each Person or Entity that is a beneficiary of such provision shall have the right to independently seek to enforce such provision and such provision may not be amended, modified, or waived after the Effective Date without the prior written consent of such beneficiary.

ARTICLE XI.

RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, on and after the Effective Date, retain exclusive jurisdiction over the Chapter 11 Cases and all Persons and Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and this Plan as legally permissible, including, without limitation, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including, without limitation, the

resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any such Claim or Equity Interest;

2. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan, for periods ending on or before the Effective Date; provided, however, that, from and after the Effective Date, the Reorganized Debtors may pay Professionals in the ordinary course of business for any work performed after the Effective Date and such payment shall not be subject to the approval of the Bankruptcy Court;

3. resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to this Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected (as applicable);

4. resolve any issues related to any matters adjudicated in the Chapter 11 Cases;

5. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

6. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving the Debtors that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, provided, however, that the Reorganized Debtors shall reserve the right to commence actions in all appropriate forums and jurisdictions;

7. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with this Plan, the Plan Supplement or the Disclosure Statement;

8. resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of this Plan or any Person or Entity's obligations incurred in connection with this Plan;

9. hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;

10. issue injunctions and enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with Consummation or enforcement of this Plan;

11. enforce the terms and conditions of this Plan, the Confirmation Order, and the Restructuring Documents;

12. resolve any cases, controversies, suits or disputes with respect to the Release, the Exculpation, the indemnification and other provisions contained in Article X hereof and enter such

orders or take such others actions as may be necessary or appropriate to implement or enforce all such provisions;

13. hear and determine all Retained Litigation Claims;

14. enter and implement such orders or take such other actions as may be necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

15. resolve any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order or any release or exculpation adopted in connection with this Plan; and

16. enter an order concluding or closing the Chapter 11 Cases.

Notwithstanding the foregoing, (i) any dispute arising under or in connection with any Exit Facility or any other contract or agreement binding on the Reorganized Debtors that contains provisions governing jurisdiction for litigation of disputes thereunder shall be addressed in accordance with the provisions of the applicable document and (ii) if the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in this Article of this Plan, the provisions of this Article XI shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

ARTICLE XII.

MISCELLANEOUS PROVISIONS

A. *Substantial Consummation*

“Substantial Consummation” of this Plan, as defined in 11 U.S.C. § 1101(2), shall be deemed to occur on the Effective Date.

B. *Payment of Statutory Fees; Post-Effective Date Fees and Expenses*

All fees payable pursuant to section 1930(a) of the Judicial Code, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code to the extent necessary, shall be paid by each of the Debtors or the Reorganized Debtors (or the Distribution Agent on behalf of each of the Debtors or Reorganized Debtors), as applicable, for each quarter (including any fraction thereof) until the earliest to occur of the entry of (a) a final decree closing such Debtor’s Chapter 11 Case, (b) an order dismissing such Debtor’s Chapter 11 Case, or (c) an order converting such Debtor’s Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

The Reorganized Debtors may pay the liabilities and charges that they incur on or after the Effective Date for Professionals’ fees, disbursements, expenses, or related support services (including reasonable fees, costs and expenses incurred by Professionals relating to the preparation of interim and final fee applications and obtaining Bankruptcy Court approval thereof) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court,

including, without limitation, the reasonable fees, expenses, and disbursements of the Distribution Agents and the fees, costs and expenses incurred by Professionals in connection with the implementation, enforcement and Consummation of this Plan and the Restructuring Documents.

C. Statutory Committee

On the Effective Date, the current and former members of the Committee, if any, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases and the Committee shall dissolve. Following the completion of the Committee's remaining duties set forth above, the Committee shall be dissolved, and the retention or employment of the Committee's respective attorneys, accountants and other agents shall terminate without further notice to, or action by, any Person or Entity.

D. Conflicts

In the event that a provision of the Restructuring Documents or the Disclosure Statement (including any and all exhibits and attachments thereto) conflicts with a provision of this Plan or the Confirmation Order, the provision of this Plan and the Confirmation Order (as applicable) shall govern and control to the extent of such conflict. In the event that a provision of this Plan conflicts with a provision of the Confirmation Order, the provision of the Confirmation Order shall govern and control to the extent of such conflict.

E. Modification of Plan

Effective as of the date hereof and subject to the limitations and rights contained in this Plan: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify this Plan prior to the entry of the Confirmation Order in a way that is in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(a) of the Bankruptcy Code; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as applicable, may, upon order of the Bankruptcy Court, amend or modify this Plan in a way that is in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(b) of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan. A Holder of a Claim that has accepted this Plan shall be presumed to have accepted this Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

F. Revocation or Withdrawal of Plan

The Debtors reserve the right to revoke or withdraw this Plan prior to the Effective Date and/or to File subsequent chapter 11 plans, with respect to one or more of the Debtors; provided that any rights under the Restructuring Support Agreement, including any consent rights contained therein, shall remain unaffected. If the Debtors revoke or withdraw this Plan, or if Confirmation

or Consummation of this Plan does not occur with respect to one or more of the Debtors, then with respect to the applicable Debtor or Debtors for which this Plan was revoked or withdrawn or for which Confirmation or Consummation of this Plan did not occur: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan and any document or agreement executed pursuant hereto shall be deemed null and void except as may be set forth in a separate order entered by the Bankruptcy Court; and (3) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the applicable Debtors or any other Person or Entity; (b) prejudice in any manner the rights of the applicable Debtors or any other Person or Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the applicable Debtors or any other Person or Entity.

G. Successors and Assigns

This Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all present and former Holders of Claims and Equity Interests, other parties-in-interest, and their respective heirs, executors, administrators, successors, and assigns. The rights, benefits, and obligations of any Person or Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person or Entity.

H. Reservation of Rights

Except as expressly set forth herein, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and this Plan is Consummated. Neither the filing of this Plan, any statement or provision contained herein, nor the taking of any action by the Debtors or any other Person or Entity with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Person or Entity; or (2) any Holder of a Claim or an Equity Interest or other Person or Entity prior to the Effective Date.

I. Further Assurances

The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims receiving distributions hereunder and all other Persons and Entities shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan or the Confirmation Order.

J. Severability

If, prior to the Confirmation Date, any term or provision of this Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan,

as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

K. Service of Documents

Any notice, direction or other communication given regarding the matters contemplated by this Plan (each, a “**Notice**”) must be in writing, sent by personal delivery, electronic mail, courier or facsimile and addressed as follows:

If to the Debtors:

Superior Energy Services, Inc.
1001 Louisiana Street, Suite 2900
Houston, Texas 77002
Attn: William B. Masters
Email: bill.masters@superiorenergy.com

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attn: Keith A. Simon and George Klidonas
Direct Dial: (212) 906-1200
Fax: (212) 751-4864
Email: keith.simon@lw.com and george.klidonas@lw.com

If to the Ad Hoc Noteholder Group:

Davis Polk & Wardwell LLP
405 Lexington Ave.
New York, NY 10017
Attn: Damian S. Schaible and Adam L. Shpeen
Direct Dial: (212) 450-4000
Fax: (212) 701-5800
Email: damian.schaible@davispolk.com and
adam.shpeen@davispolk.com

A Notice is deemed to be given and received (a) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (b) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile, or (c) if sent by electronic mail, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section. Any party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any element of a party’s address that is not specifically changed in a Notice shall be assumed not to be changed. Sending a copy of a Notice to a party’s legal counsel as contemplated above is for information purposes only and does not

constitute delivery of the Notice to that party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a party.

L. Exemption from Transfer Taxes Pursuant to Section 1146(a) of the Bankruptcy Code

Pursuant to and to the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer of property, pursuant to or in connection with this Plan or the Restructuring Documents shall not be subject to any Stamp or Similar Tax or governmental assessment in the United States or by any other Governmental Unit, and the Confirmation Order shall direct the appropriate federal, state or local (domestic or foreign) governmental officials or agents to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents evidencing such action or event without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of, transactions contemplated by and the distributions to be made under this Plan or the Restructuring Documents, (ii) the issuance and distribution of the New Common Stock or Plan Securities and Documents, and (iii) the maintenance or creation of security interests or any Lien as contemplated by this Plan or the Restructuring Documents.

M. Governing Law

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that a Restructuring Document or an exhibit or schedule to this Plan provides otherwise, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of New York, without giving effect to the principles of conflicts of law of such jurisdiction.

N. Tax Reporting and Compliance

The Reorganized Debtors are hereby authorized, on behalf of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through and including the Effective Date.

O. Exhibits and Schedules

All exhibits and schedules to this Plan, including the Exhibits and Plan Schedules, are incorporated herein and are a part of this Plan as if set forth in full herein.

P. No Strict Construction

This Plan is the product of extensive discussions and negotiations between and among, *inter alia*, the Debtors, the Consenting Noteholders, and their respective professionals. Each of the foregoing was represented by counsel of its choice who either participated in the formulation and documentation of, or was afforded the opportunity to review and provide comments on, this Plan, the Disclosure Statement, the Exhibits and the Plan Schedules, and the agreements and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as “*contra proferentem*” or other rule of strict

construction shall not apply to the construction or interpretation of any provision of this Plan, the Disclosure Statement, the Exhibits or the Plan Schedules, or the documents ancillary and related thereto.

Q. Entire Agreement

Except as otherwise provided herein or therein, this Plan and the Restructuring Documents supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan and the Restructuring Documents.

R. Closing of Chapter 11 Cases

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

S. 2002 Notice Parties

After the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to limit the list of Persons and Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Persons and Entities who have Filed a renewed request after the Confirmation Hearing to receive documents pursuant to Bankruptcy Rule 2002.

Dated: December 7, 2020

Respectfully submitted,

SUPERIOR ENERGY SERVICES, INC. AND
ITS AFFILIATE DEBTORS

By: /s/ Westervelt T. Ballard

Title: Chief Financial Officer

Exhibit B

Restructuring Support Agreement

AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

This Amended and Restated Restructuring Support Agreement (the “**A&R RSA**”), dated as of December 4, 2020, is entered into by and among (i) Superior Energy Services, Inc. (“**Parent**”), (ii) each direct and indirect wholly-owned, domestic subsidiary of Parent party hereto (each an “**SPN Subsidiary**,” and together with Parent, the “**Company**”), and (iii) the Noteholders (as defined below) party hereto (the “**Consenting Noteholders**” and, together with the Company, the “**Parties**” and each a “**Party**”) and amends and restates the Restructuring Support Agreement (the “**Original RSA**”) dated as of September 29, 2020 (the “**Agreement Effective Date**”), by and among the Parties (as amended by that certain First Amendment to Restructuring Support Agreement dated as of October 14, 2020 (the “**First Amendment**”), that certain Second Amendment to Restructuring Support Agreement dated as of October 22, 2020 (the “**Second Amendment**”) this A&R RSA, and as amended, restated, supplemented or otherwise modified from time to time, the “**Agreement**”).

RECITALS

WHEREAS, reference is made to that certain Fifth Amended and Restated Credit Agreement, dated as of October 20, 2017 (as amended, restated, modified, supplemented or replaced from time to time), by and among SESI, L.L.C., a Delaware limited liability company and a wholly owned subsidiary of Parent (“**SESI**”), as borrower, Parent and the other guarantors party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, together with any successor agent, the “**ABL Agent**”), and the lenders party thereto from time to time (the “**ABL Lenders**,” such agreement, the “**ABL Agreement**,” and such facility, the “**ABL Facility**”). Any and all claims and obligations arising under or in connection with the ABL Agreement and related loan documents are defined herein as the “**ABL Claims**.” As of the date hereof, the ABL Facility had an aggregate outstanding principal amount of \$48,477,076 in the form of letters of credit (the “**Aggregate Outstanding ABL Amount**”), plus any accrued but unpaid interest, fees, costs, expenses, and other amounts payable thereunder in accordance with the terms of the ABL Agreement;

WHEREAS, reference is made to (a) that certain Indenture, dated as of December 6, 2011 (as amended, restated, modified, supplemented or replaced from time to time, the “**2021 Indenture**”), by and among SESI, as issuer, each of the guarantors party thereto from time to time, The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, together with any successor trustee thereto, the “**2021 Notes Trustee**”), and the noteholders party thereto from time to time (the “**2021 Noteholders**”), governing the issuance of the 7.125% Senior Notes due 2021 (the “**2021 Notes**”), and (b) that certain Indenture, dated as of August 17, 2017 (as amended, restated, modified, supplemented or replaced from time to time, the “**2024 Indenture**” and, together with the 2021 Indenture, the “**Indentures**”), by and among SESI, as issuer, each of the guarantors party thereto from time to time, The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, together with any successor trustee thereto, the “**2024 Notes Trustee**”, and, together with the 2021 Notes Trustee, the “**Notes Trustee**”), and the noteholders party thereto from time to time (the “**2024 Noteholders**” and, together with the 2021 Noteholders, the “**Noteholders**”) governing the issuance of the 7.750% Senior Notes due 2024 (the “**2024 Notes**”

and, together with the 2021 Notes, the “**Notes**”). Any and all claims and obligations arising under or in connection with either Indenture are defined herein as the “**Notes Claims**.” As of the date hereof, the Notes had an aggregate outstanding principal amount of \$1,300,000,000 (the “**Aggregate Outstanding Notes Amount**”), plus any accrued but unpaid interest, fees, costs, expenses, and other amounts payable thereunder in accordance with the terms of the Indentures;

WHEREAS, the Parties have engaged in good faith, arm’s length negotiations regarding the terms of this Agreement and the principal terms of a restructuring that is contemplated to be consummated through a chapter 11 plan of reorganization, pursuant to which the Company will seek to restructure its debt obligations and capital structure and to recapitalize the Company in accordance with the terms and conditions set forth in a plan of reorganization conforming in all material respects to the plan of reorganization attached hereto as Exhibit A (as the same may be amended, modified, or supplemented from time to time in accordance with the terms hereof and thereof, the “**Plan**”) and incorporated herein by reference.¹ The restructuring contemplated by the Plan is referred to in this Agreement as the “**Transaction**.”

WHEREAS, in furtherance of such Transaction, the Parties entered into the Existing RSA, which was amended pursuant to the First Amendment and Second Amendment thereto;

WHEREAS, Section 13 hereof permits certain modifications and amendments to the Agreement by written agreement executed by the Company Parties and the Required Consenting Noteholders;

WHEREAS, pursuant to Section 13 hereof, the Company Parties and the Noteholders party hereto, constituting the Required Consenting Noteholders, desire to further amend the Agreement to, among other things, reflect revised Transaction terms;

WHEREAS, the Company Parties and the Noteholders party hereto, constituting the Required Consenting Noteholders, desire to restate the Agreement for the convenience of the Parties to incorporate all changes to this Agreement effectuated through the First Amendment, Second Amendment and this A&R RSA; and

WHEREAS, the Consenting Noteholders party to the Original RSA shall remain and be bound by this Agreement in all respects.

AGREEMENT

NOW, THEREFORE, in consideration of the promises, covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which

¹ Capitalized terms used but not otherwise defined herein have the meaning given them in the Plan.

are hereby acknowledged, the Parties, intending to be legally bound by this Agreement, agree as follows:

1. The Transaction

Subject to the terms and conditions of this Agreement and the exhibits attached hereto, the Parties agree as follows during the RSA Time Period (as defined below):

a. Generally. Each of the Parties will use commercially reasonable efforts to cause to occur and cooperate in the prompt consummation of the Transaction on terms and conditions consistent in all material respects with the Plan and this Agreement. Each of the Parties shall also cooperate with each other in good faith and shall use commercially reasonable efforts to coordinate their activities in connection with all matters concerning the pursuit, implementation, and consummation of the Transaction. The agreements, representations, warranties, covenants, and obligations of each Consenting Noteholder under or in connection with this Agreement are several and not joint in all respects, even if such agreement, representation, warranty, covenant or obligation is phrased as if given or owed by the Consenting Noteholders collectively. The agreements, covenants, and obligations of each Party under this Agreement are conditioned upon and subject to the terms and conditions of the Transaction and the Definitive Documents (as defined below) being consistent in all material respects with the Plan.

b. Form of Transaction. The Transaction shall be effectuated through prepackaged jointly administered voluntary cases to be commenced by the Company (the “**Chapter 11 Cases**”) under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”) that shall contemplate a chapter 11 plan of reorganization that is consistent in all material respects with the terms and conditions of the Plan.

2. Agreement Effective Date

The Agreement, as presently amended, shall become effective and binding on the Parties upon execution by (a) the Company Parties and (b) the Required Consenting Noteholders. As used herein, the term “**RSA Time Period**” means the time period commencing on the Agreement Effective Date or, with respect to a Consenting Noteholder that became, or becomes, a Consenting Noteholder by executing a Joinder (as defined below) to this Agreement after the Agreement Effective Date, the date of such Joinder or execution, and ending on the Agreement Termination Date (as defined below).

3. All Parties: Implementation of the Transaction

a. Subject to the terms and conditions of this Agreement and the exhibits attached hereto, each Party hereby covenants and agrees as follows during the RSA Time Period:

(1) to negotiate in good faith the definitive documents implementing, achieving or relating to the Transaction or described in or contemplated by this Agreement or the Plan (collectively, such definitive documents, the “**Definitive Documents**”),

including, but not limited to, the Plan (and all exhibits, ballots, solicitation procedures and other documents and instruments related thereto, including any plan supplement documents), the disclosure statement used to solicit votes on the Plan (the “**Disclosure Statement**”), the motion seeking approval of the Disclosure Statement, the order approving the Disclosure Statement, the Plan solicitation procedures and the solicitation of the Plan, the order of the Bankruptcy Court confirming such Plan (the “**Plan Confirmation Order**”), the documents and agreements for the governance of the Reorganized Company,² including any shareholders’ agreements and certificates of incorporation (the “**New Organizational Documents**”), any management incentive plan and related documents or agreements, a DIP financing credit agreement and related documentation, any motion seeking approval of any DIP financing or use of cash collateral, any and all documentation required to implement, issue, and distribute the new equity of the Reorganized Company, any and all documentation related to the ABL Agreement and the ABL Facility, any and all documentation related to any Delayed-Draw Term Loan Facility, any and all documentation related to the Equity Rights Offering, and any motion seeking approval thereof, any bar date motion or similar motion and related proposed order seeking to establish dates or deadlines for the filing of proofs of claim, any “first day” pleadings and all orders sought pursuant thereto to be filed by the Company in connection with the Chapter 11 Cases, and any material (with materiality determined in the reasonable discretion of the advisors to that certain ad hoc group of Consenting Noteholders represented by Davis Polk & Wardwell LLP (the “**Ad Hoc Group**”) in consultation with the Company’s advisors) chapter 11 motions, orders and related documents, including, but not limited to, exit financing documents, cash collateral orders and related budgets, and all related agreements, documents, exhibits, annexes and schedules thereto;

(2) to promptly execute and deliver (to the extent they are a party thereto), and otherwise support the prompt consummation of the transactions contemplated by, the Definitive Documents; and

(3) not object to, delay, impede, commence any proceeding, or take any other action to interfere, directly or indirectly, in any material respect with the prompt consummation of the Transaction (or instruct, direct, encourage or support any person or entity to do any of the foregoing).

b. The Definitive Documents that are not executed or in a form attached to this Agreement as of the Agreement Effective Date (or the date of any amendment hereto) remain subject to negotiation and completion. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Transaction shall contain terms, conditions, representations, warranties, and covenants not inconsistent with the terms of this Agreement, as they may be modified, amended, or supplemented in accordance with Section 13. The terms and conditions of the Definitive Documents shall be consistent in all material respects with the Plan and at all times reasonably acceptable to the Company and, as of the date of determination, at least three unaffiliated Consenting Noteholders who executed this Agreement on the Agreement Effective Date holding at least 66.6% of the

² The term “**Reorganized Company**” means the Company from and after the effective date of the Plan, as reorganized under and pursuant to the Plan, including any successor thereto (to the extent applicable), by merger, consolidation, transfer of all or substantially all its assets or otherwise.

aggregate principal amount of Notes held by all Consenting Noteholders who executed this Agreement on the Agreement Effective Date (the “**Required Consenting Noteholders**”).

c. In the case of Definitive Documents that the Company intends to file with the Bankruptcy Court, the Company acknowledges and agrees that they will provide advance draft copies of such Definitive Documents to the counsel to the Ad Hoc Group at least three (3) business days prior to the date when the Company intends to file such Definitive Documents; provided, that if three (3) business days in advance is not reasonably practicable, such Definitive Document shall be delivered as soon as reasonably practicable prior to filing, but in no event later than one (1) business day in advance of any filing thereof unless exigent circumstances require otherwise.

4. Milestones

a. The Company shall, during the RSA Time Period, fully comply with the following milestones (the “**Milestones**”) unless extended or waived in writing by the Required Consenting Noteholders:

(1) no later than December 6, 2020, the Company shall commence solicitation of votes on the Plan;

(2) no later than December 7, 2020, the Company shall have commenced the Chapter 11 Cases (the “**Petition Date**”);

(3) no later than December 7, 2020, the Company shall have filed the Plan, the Disclosure Statement and a motion seeking to schedule a combined hearing on the Plan and Disclosure Statement (the “**Combined Hearing Motion**”);

(4) no later than December 11, 2020, the Bankruptcy Court shall have entered an order granting the relief requested in the Combined Hearing Motion;

(5) no later than January 25, 2021, the Bankruptcy Court shall have entered the Plan Confirmation Order and an order approving the Disclosure Statement (which order may be the Plan Confirmation Order); and

(6) no later than February 1, 2021, the effective date of the Plan (the “**Plan Effective Date**”) shall have occurred.

5. Support of the Transaction

a. Consenting Noteholders Support. Subject to the terms and conditions of this Agreement and the exhibits attached hereto, each Consenting Noteholder severally, and not jointly, agrees that, during the RSA Time Period, it will:

(i) upon reasonable request, give any notice, order, instruction, or direction to the applicable Notes Trustee necessary to give effect to the Transaction;

(ii) prior to the Petition Date, not accelerate the Notes Claims, not commence an involuntary bankruptcy case against the Company, and not take any enforcement action or otherwise exercise any remedy against the Company;

(iii) not object to, or otherwise commence any proceeding to oppose (and not instruct or direct the Notes Trustee, as applicable, to object to, or otherwise commence any proceeding to oppose) the Transaction, the confirmation or consummation of the Plan, or approval of the Disclosure Statement;

(iv) not take any action (and not instruct or direct the Notes Trustee, as applicable, to take any action), including, without limitation, initiating or joining in any legal proceeding or filing any pleading, that is inconsistent with its obligations under this Agreement;

(v) provided that such Consenting Noteholder has been solicited in accordance with Sections 1125 and 1126 of the Bankruptcy Code, if applicable, and other applicable law, vote all claims (as defined in Section 101(5) of the Bankruptcy Code) beneficially owned by such Consenting Noteholder, or for which it is the nominee, investment manager, or advisor for beneficial holders thereof, in favor of the Transaction (and to accept the Plan) and in favor of the releases, indemnity and exculpation provided under the Plan in accordance with the applicable procedures set forth in the Disclosure Statement and accompanying voting materials, and return a duly-executed ballot in connection therewith no later than the applicable deadline set forth in the Disclosure Statement;

(vi) other than in connection with or in furtherance of the Transaction, not actively seek, solicit, or support any Alternative Transaction (as defined below);

(vii) not change, withdraw or revoke (or seek to change, withdraw or revoke) any vote to accept the Plan;

(viii) not “opt out” of or object to any releases, indemnity or exculpation provided under the Plan (and to the extent required by such ballot, affirmatively “opt in” to such releases, indemnity and exculpation) and not elect the Cash Payout pursuant to the Plan; and

(ix) not support or vote in favor (or instruct or direct the Notes Trustee, as applicable, to support or vote in favor) of any plan of reorganization or liquidation proposed or filed, or to be proposed or filed, in the Chapter 11 Cases other than the Plan.

Notwithstanding the foregoing, nothing herein shall require any Consenting Noteholder to incur any expenses, liabilities, or other obligations, or to agree to any commitments, undertakings, concessions, indemnities, or other arrangement that could result in expenses, liabilities, or other obligations, in each case, other than to the extent contemplated by this Agreement or the Plan.

b. Service on Committee. Notwithstanding anything in this Agreement to the contrary, if any Consenting Noteholder is appointed to or serves on a committee in the Chapter 11 Cases, the terms of this Agreement shall not be construed to limit its exercise of fiduciary duties in its role as a member of such committee, and any exercise of such fiduciary duties shall not be deemed to constitute a breach of the terms of this Agreement; provided, however, that service as a member of a committee shall not relieve such Consenting Noteholder of its obligations to affirmatively support, and vote to accept, the Plan, on the terms and conditions set forth herein; provided, further, that nothing in this Agreement shall be construed as requiring any Consenting Noteholder to serve on any committee in the Chapter 11 Cases.

c. Other Rights Reserved. Unless expressly limited herein, nothing contained herein shall limit the ability of a Consenting Noteholder to (i) consult with the Company or any other Party (or any of their respective professionals or advisors) or (ii) appear and be heard concerning any matter arising in the Chapter 11 Cases; provided, that such consultation or appearance is not inconsistent with such Party's covenants and obligations under this Agreement. Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall (i) prevent any Consenting Noteholder from enforcing this Agreement or contesting whether any matter, fact or thing is a breach of, or is inconsistent with this Agreement, (ii) subject to its agreements and covenants contained in Section 5 above, be construed to limit any Consenting Noteholder's rights under the applicable Indenture(s), (iii) impair or waive the rights of any Consenting Noteholder to assert or raise any objection permitted under this Agreement in connection with any hearing on confirmation of the Plan or in the Bankruptcy Court, (iv) prevent any Consenting Noteholder from taking any action that is required by applicable law, or (v) require any Consenting Noteholder to take any action that is prohibited by applicable law or to waive or forego the benefit of any applicable legal privilege (*provided, however,* that if any Consenting Noteholder proposes to take any action that is otherwise inconsistent with this Agreement in order to comply with applicable law, such Consenting Noteholder shall provide at least three (3) business days' advance notice to the Company to the extent the provision of notice is practicable under the circumstances).

6. Company's Obligations to Support the Transaction

a. Subject to the terms and conditions of this Agreement and the exhibits attached hereto, the Company shall, subject to its applicable fiduciary duties and during the RSA Time Period:

(i) support the Transaction within the timeframes outlined herein and in the Definitive Documents, as applicable, and on terms and conditions consistent in all respects with this Agreement and the Plan;

(ii) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Transaction contemplated in this Agreement, support and take all steps reasonably necessary and desirable to address such impediment;

(iii) obtain any and all required regulatory and/or third-party approvals for the Transaction as expeditiously as practicable (if any, and to the extent such approvals are not overridden by the Bankruptcy Code);

(iv) negotiate in good faith and use commercially reasonable efforts to execute and deliver the Definitive Documents and any other required agreements to effectuate and consummate the Transaction as contemplated by this Agreement;

(v) actively oppose and object to the efforts of any person seeking to object to, delay, impede, or take any other action to interfere with the acceptance, implementation, or consummation of the Transaction (including, if applicable, the filing of timely filed objections or written responses) to the extent such opposition or objection is reasonably necessary or desirable to facilitate implementation of the Transaction;

(vi) comply with each Milestone set forth in this Agreement;

(vii) not later than 24 hours after receipt, provide copies of any term sheets, offers, letters, or other proposals received by the Company or its advisors, whether solicited or unsolicited, for, in connection with, or related to any commitment to provide ABL financing, cash flow revolver, or other revolving credit or similar working capital financing to the Reorganized Company (the “**ABL Financing Commitment**”), and provide, upon reasonable request from advisors to the Ad Hoc Group, detailed updates regarding the status of the Company’s process for obtaining an ABL Financing Commitment;

(viii) not later than 6:00 p.m. (prevailing New York City time) on each Wednesday, beginning with the week ended October 9th, provide a 13-Week Forecast covering the 13-week period beginning on such calendar week, together with a variance report (a “**Variance Report**”) in form and level of detail reasonably satisfactory to the Required Consenting Noteholders and their advisors reconciling the applicable 13-Week Forecast to the actual sources and uses of cash for the rolling four-week period (or, if a four-week period has not elapsed since the Agreement Effective Date, the cumulative period since the Agreement Effective Date) most recently ended on the last Friday prior to the delivery of each Variance Report (a) showing, for such periods, actual results for the following items: (i) cash receipts, (ii) operating disbursements, (iii) payroll, (iv) capital expenditures, (v) operating cash flow, (vi) non-operating disbursements and (vii) net cash flow; (b) noting a line-by-line reconciliation of variances from values set forth for such periods in the relevant 13-Week Forecast; and (c) providing an explanation for all material variances;

(ix) at its own expense, facilitate and hold calls between the Consenting Noteholders, their advisors, and members of the Company’s executive management team and/or their advisors not less than on a bi-weekly basis;

(x) not take any action that is inconsistent with, or is intended or is reasonably likely to interfere with or impede or delay consummation of, the Transaction;

(xi) not file or otherwise pursue a chapter 11 plan or any other Definitive Document that is inconsistent with the terms of this Agreement and the Plan;

(xii) except as contemplated by this Agreement or any Definitive Documents, not (a) operate its business outside the ordinary course, taking into account the Transaction, without the consent of the Consenting Noteholders or (b) transfer any material asset or right of the Company or any material asset or right used in the business of the Company to any person or entity outside the ordinary course of business;

(xiii) maintain the good standing and legal existence of each Company entity under the Laws of the state in which it is incorporated, organized or formed;

(xiv) not grant or agree to grant any additional or any increase in the wages, salary, bonus, commissions, retirement benefits, pension, severance or other compensation or benefits (including in the form of any vested or unvested equity interests of any other kind or nature) of any director, manager, officer or employee of, or any consultant or advisor that is retained or engaged by the Company except in the ordinary course of business, or grant or agree to grant, pursuant to a key employee retention or incentive plan or other similar agreement, any additional or any increase in the wages, salary, bonus or other compensation;

(xv) not enter into, adopt or establish any new compensation or benefit plans or arrangements (including employment agreements and any retention, success or other bonus plans), or amend or terminate any existing compensation or benefit plans or arrangements (including employment agreements);

(xvi) not make or change any tax election (including, with respect to any Company entity that is treated as a partnership or disregarded entity for U.S. federal income tax purposes, an election to be treated as a corporation for U.S. federal income tax purposes), file any amended U.S. federal or state or local income tax return, enter into any closing agreement with respect to material taxes, consent to any extension or waiver of the limitations period applicable to any material tax claim or assessment, change any accounting methods, practices or periods for tax purposes, make or request any tax ruling, enter into any tax sharing or similar agreement or arrangement, or settle any tax material claim or assessment, or take or fail to take any action outside the ordinary course of business (except as contemplated by this Agreement or any Definitive Documents) if such action or failure to act would cause a change to the tax status of the Company or be expected to cause, individually or in the aggregate, a material adverse tax consequence to the Company, in each case, unless the Company has received the consent of the Required Consenting Noteholders;

(xvii) not allow or permit any of their respective material permits to lapse, expire, terminate or be revoked, suspended or modified, or to suffer any material fine, penalty or other sanctions related to any of their respective permits;

(xviii) other than in the ordinary course of business, not (A) enter into any contract which, if existing as of the date of this Agreement, would constitute a material contract had it been entered into prior to the date of this Agreement, or (B) amend, supplement, modify or terminate any material contract;

(xix) not engage in any merger, consolidation, material disposition, material acquisition, investment, dividend, incurrence of indebtedness or other similar transaction in each case outside of the ordinary course of business, other than the transactions contemplated herein and on the terms hereof;

(xx) not enter into, amend, or terminate any engagement letter or retention agreement with any professional, advisor, attorney, agent, banker, or other retained professional, without the consent of the Required Consenting Noteholders, which consent shall not be unreasonably withheld, conditioned or delayed;

(xxi) not pay any discretionary fee payable under that certain engagement letter between Ducera Partners LLC and Johnson Rice & Company L.L.C. and Latham & Watkins LLP, dated as of May 21, 2020, without the consent of the Required Consenting Noteholders;

(xxii) (i) on the date hereof, pay all reasonable and documented fees and expenses of Davis Polk & Wardwell LLP, Evercore Group L.L.C., Porter Hedges LLP, and any other advisors retained by the Ad Hoc Group (collectively, the “**Restructuring Expenses**”), accrued but unpaid as of such date (to the extent invoiced), and fund or replenish, as the case may be, any retainers reasonably requested by any of the foregoing professionals as of such date; (ii) after the Agreement Effective Date, pay all accrued but unpaid Restructuring Expenses on a regular and continuing basis (to the extent invoiced); and (iii) on the Plan Effective Date, so long as this Agreement has not been terminated as to all Parties, pay all accrued and unpaid Restructuring Expenses incurred up to (and including) the Plan Effective Date (to the extent invoiced), without any requirement for Bankruptcy Court review or further Bankruptcy Court order;

(xxiii) as soon as reasonably practicable, notify counsel to the Ad Hoc Group of any governmental or third party complaints, litigations, investigations, or hearings (or communications indicating that the same may be contemplated or threatened) that would prevent, hinder, or delay the consummation of the transactions contemplated in this Agreement or the Plan by furnishing written notice to counsel to the Ad Hoc Group within two (2) business days of actual knowledge of such event;

(xxiv) as soon as reasonably practicable, notify counsel to the Ad Hoc Group of any material breach by the Company in respect of any of the obligations, representations, warranties, or covenants set forth in this Agreement by furnishing written notice to counsel to the Ad Hoc Group within three (3) business days of actual knowledge of such breach;

(xxv) other than in connection with or in furtherance of the Transaction, not actively seek, solicit, or support any (i) competing plan of reorganization

or other financial and/or corporate restructuring of the Company, (ii) issuance, sale or other disposition of any equity or debt interests, or any material assets, of the Company, or (iii) merger, consolidation, business combination, liquidation, recapitalization, refinancing or similar transaction involving the Company (each, an “**Alternative Transaction**”), and if the Company receives an unsolicited bona fide proposal or expression of interest in undertaking an Alternative Transaction that the boards of directors, members, or managers (as applicable) of the Company, determine in their good-faith judgment provides a higher or better economic recovery to the Company’s creditors than that set forth in this Agreement and such Alternative Transaction is from a proponent that the boards of directors, members, or managers (as applicable) of the Company have reasonably determined is capable of timely consummating such Alternative Transaction, the Company will, within 24 hours of the receipt of such proposal or expression of interest, notify counsel to the Ad Hoc Group of the receipt thereof, with such notice to include the material terms thereof, including the identity of the person or group of persons involved; provided that such information remains confidential and is treated on a “professional’s eyes only” basis in accordance with the confidentiality agreement between the Company and counsel to the Ad Hoc Group; and

(xxvi) in the event that the SPN Filing Entities enter into any DIP financing agreement, deliver to the legal and financial advisors to the Ad Hoc Group any notices, reports, or other deliverables required to be delivered to the agent or lenders under such DIP financing agreement at the time such notices, reports, or other deliverables are required to be delivered under such DIP financing agreement.

b. Other Rights Reserved. Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall (i) prevent the Company from enforcing this Agreement or contesting whether any matter, fact or thing is a breach of, or is inconsistent with this Agreement; (ii) prevent the Company from taking any action that is required by applicable law or to waive or forego the benefit of any applicable legal privilege; or (iii) require the Company or the board of directors, board of managers, or similar governing body of the Company, after consulting with outside counsel, to take any action or to refrain from taking any action with respect to the Transaction, including terminating this Agreement pursuant to Section 7 below, to the extent taking or failing to take such action would be inconsistent with applicable law or its fiduciary obligations under applicable law, and this Section 6(b) shall not impede any Party’s right to terminate this Agreement pursuant to Section 7 below.

7. Termination

a. All Parties. This Agreement shall immediately and automatically terminate as to all Parties upon the earliest to occur of any of the following, without any requirement to provide notice to any other Party (the date of such termination, the “**Agreement Termination Date**”):

- (i) the Plan Effective Date;
- (ii) the date that is one hundred eighty (180) days after the Agreement Effective Date (the “**Outside Date**”), as such date may be further extended in writing from time to time by the Company and each Consenting Noteholder, if the Plan Effective Date has not occurred;
- (iii) the termination of this Agreement by the Company or the Required Consenting Noteholders; or
- (iv) the Company and the Required Consenting Noteholders mutually agree to such termination in writing.

b. The Company. The Company may terminate this Agreement by written notice to the other Parties upon the occurrence of any of the following events:

- (i) upon a material breach by any Consenting Noteholder of its obligations, representations, warranties, undertakings, commitments or covenants hereunder (a “**Defaulting Creditor**”), which breach is not cured within five (5) business days after the giving of written notice by the Company to all other Parties of a description of such breach; provided, however, the Company may not terminate this Agreement if the Consenting Noteholders that would remain party to this Agreement after excluding such Defaulting Creditor still constitute Noteholders holding at least 66 2/3% of the then outstanding aggregate principal amount of the Notes (the “**Super-Majority Noteholders**”);
- (ii) if the board of directors, members, or managers, as applicable, of the Company reasonably determines, in good faith and based upon advice of outside legal counsel, that proceeding with the Transaction would be inconsistent with the exercise of its applicable fiduciary duties;
- (iii) if the Bankruptcy Court enters an order converting one or more of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code or dismissing any of the Chapter 11 Cases; or
- (iv) if the Bankruptcy Court or other governmental authority with jurisdiction shall have issued any order, injunction or other decree or taken any other action, in each case, which has become final and non-appealable and which restrains, enjoins or otherwise prohibits the implementation of the Transaction or declares this Agreement or any material provision contained herein to be unenforceable.

c. Consenting Noteholders. The Required Consenting Noteholders may terminate this Agreement by written notice to the other Parties upon the occurrence of any of the following events:

(i) upon a material breach by the Company of its obligations, representations, warranties, undertakings, commitments or covenants hereunder, which breach is not cured within five (5) business days after the giving of written notice by the Required Consenting Noteholders to all other Parties of a description of such breach;

(ii) the occurrence of an event set forth in Section 7(b) hereof (other than Section 7(b)(i));

(iii) the failure of the Company to comply with any Milestone;

(iv) the exercise of any rights or remedies against any material assets or property of the Company as a result of the occurrence of a default or event of default under the ABL Agreement;

(v) the occurrence of an event of default under any DIP financing credit agreement or the termination of the SPN Filing Entities' consensual use of any cash collateral;

(vi) the occurrence of any event, change, effect, occurrence, development, circumstance, condition, result, state of fact or change of fact (each, an "Event") that, individually or together with all other Events, has had, or would reasonably be expected to have, a material adverse effect on either the business, operations, finances, properties, condition (financial or otherwise), assets or liabilities of the Company, taken as a whole, or the ability of the Company taken as a whole, to perform their respective obligations under, or to consummate the transactions contemplated by, this Agreement; provided, however, that in no case shall any Event arising from, as a result of, or in connection with (a) the public announcement of this Agreement, the Chapter 11 Plan, or any other Definitive Document, (b) the pursuit or public announcement of the Transaction, (c) the commencement or prosecution of the Chapter 11 Cases, or (d) the pursuit of confirmation or consummation of the Chapter 11 Plan, be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect for purposes of this Agreement;

(vii) if the Company (a) withdraws the Plan, (b) publicly announces their intention not to support the Transaction, or (c) publicly announces or executes a definitive written agreement with respect to an Alternative Transaction;

(viii) if (1) the Company (a) moves to voluntarily dismiss any of the Chapter 11 Cases, (b) moves for conversion of any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, or (c) moves for appointment of a trustee, receiver, or examiner with expanded powers beyond those set forth in Section 1104(a)(3) and (4) of the Bankruptcy Code, or (2) a final order is entered by the Bankruptcy Court granting any of the relief described in clause (1) above;

(ix) if the Company files a motion or application seeking an order (a) terminating exclusivity under Section 1121 of the Bankruptcy Code or (b) rejecting this Agreement;

(x) if the Company files or otherwise makes public any of the Definitive Documents (including any modification or amendments thereto) in a form that is materially inconsistent with this Agreement;

(xi) if the Company files any motion or pleading with the Bankruptcy Court indicating its intention to support or pursue, or files with the Bankruptcy Court, any chapter 11 plan of reorganization (or related disclosure statement) that is inconsistent in any material respect with this Agreement;

(xii) if the Bankruptcy Court grants relief that is not consistent in any material respect with this Agreement or the Transaction;

(xiii) if the Company files any motion or other pleading with the Bankruptcy Court to approve or otherwise pursue an Alternative Transaction;

(xiv) if the Company enters into an Alternative Transaction or shall have publicly announced its intention to support or pursue, or entered into any agreement to support or pursue, an Alternative Transaction;

(xv) if any of the following shall have occurred: (a) the Company or any affiliate of the Company shall have filed any motion, application, adversary proceeding or cause of action (1) challenging the validity, enforceability, or seek avoidance or subordination of the Notes Claims or (2) otherwise seeking to impose liability upon the Consenting Noteholders, or (b) the Company or any affiliate of the Company shall have supported any application, adversary proceeding or cause of action referred to in the immediately preceding clause (a) filed by another person;

(xvi) if the Bankruptcy Court grants relief terminating, annulling or modifying the automatic stay (as set forth in Section 362 of the Bankruptcy Code) with regard to any assets of the Company having an aggregate fair market value in excess of \$1 million; or

(xvii) if the Bankruptcy Court or other governmental authority with jurisdiction shall have issued any order, injunction or other decree or taken any other action, in each case, which has become final and non-appealable and which restrains, enjoins or otherwise prohibits the implementation of the Transaction or declares this Agreement or any material provision contained herein to be unenforceable.

For the avoidance of doubt, any right to terminate this Agreement as to the Consenting Noteholders may be exercised only by the Required Consenting Noteholders on behalf of all Consenting Noteholders, and may not be exercised by one or more individual Consenting Noteholders not constituting the Required Consenting Noteholders.

d. Effect of Termination. If this Agreement is terminated pursuant to this Section 7, any and all further commitments, undertakings, agreements, obligations, and covenants of the applicable Parties as to whom this Agreement is terminated hereunder shall be terminated without further liability (except for such agreements, obligations, and covenants that expressly survive such termination), and each Party as to whom this Agreement is terminated 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 Transaction or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Notes Claims or causes of action. Further, if this Agreement is terminated prior to the Plan Confirmation Order being entered by the Bankruptcy Court, any and all consents or ballots tendered by the Parties subject to such termination shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Transaction and this Agreement or otherwise. The Company acknowledges and agrees, and shall not dispute, that during the Chapter 11 Cases (i) the giving of notice of termination, or the exercise of the right to terminate this Agreement, by the Required Consenting Noteholders pursuant to this Agreement shall not be a violation of the automatic stay of Section 362 of the Bankruptcy Code (and the Company hereby waives, to the greatest extent possible, the applicability of the automatic stay to the giving of such notice or the exercise of such right to terminate this Agreement). Notwithstanding anything to the contrary in this Agreement, (i) no termination of this Agreement shall relieve any Party from liability for its breach or non-performance of its obligations hereunder prior to the date of such termination; (ii) the right to terminate this Agreement under this Section 7 shall not be available to any Party whose failure to fulfill any of its material obligations under this Agreement has been the cause of, or resulted in, the occurrence of the proposed termination event; and (iii) nothing in this Agreement shall be construed as prohibiting the Parties from contesting whether any such termination is in accordance with the terms or to seek enforcement of any rights under this Agreement that arose or existed before the date of such termination. Except as expressly provided in this Agreement, nothing in this Agreement is intended to, or does, in any manner waive, limit, impair, or restrict any right of the Parties to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any other Party.

8. Representations of the Company

The Company hereby jointly and severally represents and warrants to the other Parties that the following statements are true and correct in all material respects as of the date hereof:

a. Power and Authority. It has all requisite corporate, partnership, limited liability company or other organizational power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its obligations under this Agreement, including the corporate or other organizational power or authority to cause the Company to comply with this Agreement and implement the Transaction.

b. Authorization. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate, partnership, limited liability company or other organizational action on its part.

c. No Conflicts. The execution and delivery of this Agreement and the performance of its obligations hereunder do not and shall not (i) violate any provision of law, rule, or regulation applicable to it or its certificates of incorporation, or bylaws, or organizational documents or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party or under its organizational documents.

d. Governmental Consents. The execution and delivery of this Agreement and the performance of its obligations hereunder do not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, other than such filings as may be necessary and/or required for disclosure by the Securities and Exchange Commission or in connection with the Transaction or the Chapter 11 Cases.

e. Binding Obligation. This Agreement is the legally valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization moratorium, or other similar laws relating to or relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

f. No Litigation. No litigation or proceeding before any court, arbitrator, or administrative or governmental body is pending against it that would adversely affect its ability to enter into this Agreement or perform its obligations hereunder.

g. Representation. It has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement and the Plan, and has had the contents hereof fully explained by such counsel and is fully aware of such contents and legal effect.

9. Representations of the Consenting Noteholders

Each of the Consenting Noteholders severally, but not jointly, represents and warrants to the other Parties that the following statements are true and correct in all material respects as of the Agreement Effective Date with respect to itself only:

a. Holdings by Consenting Noteholders. It either (i) is the sole legal and beneficial owner of the principal amount of Notes set forth on its respective signature page hereto (for each such Consenting Noteholder, the "**Consenting Noteholder Claims**"), in each case free and clear of all claims, liens, or encumbrances or (ii) has full investment or voting discretion with respect to such Consenting Noteholder Claims over which it holds investment discretion and has the power and authority to bind the beneficial owner(s) of such Consenting Noteholder Claims to the terms of this Agreement. In addition, it has full and sole power and authority to vote on and consent to matters concerning such Consenting Noteholder Claims with respect to the Transaction.

b. Prior Transfers. It has made no prior assignment, sale, grant, pledge, conveyance, or other transfer of, and has not entered into any agreement to assign, sell, grant, pledge, convey or otherwise transfer, in whole or in part, any portion of its right, title, or interests in its Consenting Noteholder Claims or its voting rights with respect thereto.

c. Power and Authority. It has all requisite corporate, partnership or limited liability company power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its obligations under, this Agreement.

d. Authorization. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate, partnership or limited liability company action on its part.

e. No Conflicts. The execution and delivery of this Agreement and the performance of its obligations hereunder do not and shall not (i) violate any provision of law, rule, or regulation applicable to it or its certificate of incorporation or by-laws (or other organizational documents) or (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party or under its certificate of incorporation or by-laws (or other organizational documents).

f. Governmental Consents. The execution and delivery of this Agreement and the performance of its obligations hereunder do not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, other than (i) such filings as may be necessary and/or required for disclosure by the Securities and Exchange Commission, and (ii) such filings as may be necessary or required in connection with the Chapter 11 Cases.

g. Binding Obligation. This Agreement is the legally valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization moratorium, or other similar laws relating to or relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

h. No Litigation. No litigation or proceeding before any court, arbitrator, or administrative or governmental body is pending against it that would adversely affect its ability to enter into this Agreement or perform its obligations hereunder.

i. Representation. It has been represented, or is part of the Ad Hoc group which is represented, by counsel in connection with this Agreement and the transactions contemplated by this Agreement and the Plan, and has had the contents hereof fully explained by such counsel and is fully aware of such contents and legal effect.

j. Accredited Investor. It is (i) a sophisticated investor with respect to the transactions described herein with sufficient knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of owning and investing in securities of the Company (including any securities that may be issued in connection with the Transaction), making an informed decision with respect thereto, and evaluating properly the terms and conditions of this Agreement, and it has made its own analysis and decision to enter in this Agreement, (ii) an "accredited investor" within the meaning of Rule 501 of the Securities Act of 1933 (as amended) or a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act of 1933 (as amended) and (iii) acquiring any securities that may be issued in connection with the Transaction for its own account and not with a view to the distribution thereof.

Each Consenting Noteholder hereby further confirms that it has made its own decision to execute this Agreement based upon its own independent assessment of documents and information available to it, as it deemed appropriate and sufficient.

10. Additional Claims and Interests

This Agreement shall in no way be construed to preclude a Consenting Noteholder from acquiring additional claims against or equity interests in the Company (collectively, the “**Additional Claims/Interests**”). However, in the event a Consenting Noteholder (or any of their respective controlled funds) shall acquire any such Additional Claims/Interests after the date hereof (or holds such Additional Claims/Interests as of the date hereof), such Additional Claims/Interests shall automatically be deemed, without further notice to or action of any Party, to be subject to the terms and conditions of this Agreement.

11. Transfer of Claims and Existing Equity Interests

a. Each Consenting Noteholder agrees that, during the RSA Time Period, it will not, directly or indirectly, (i) sell, transfer, pledge, assign, hypothecate, grant an option on, or otherwise convey or dispose of any of its Consenting Noteholder Claims (except in connection with consummation of the Transaction), unless such transferee or other recipient is either a Party hereto or has executed and delivered to the Company and counsel to the Ad Hoc Group a joinder, substantially in the form attached hereto as Exhibit B (a “**Joinder**”) or (ii) grant any proxies or enter into a voting agreement with respect to any of the Consenting Noteholder Claims (collectively, a “**Claim Transfer**”). A Consenting Noteholder making a Claim Transfer pursuant to this Section 11 is referred to as a “**Transferor**” and a transferee receiving a Claim Transfer pursuant to this Section 11 is referred to as a “**Transferee**.” Any Claim Transfer that does not comply with the foregoing shall be deemed void *ab initio* and of no force or effect (other than pledges, transfers or security interests that such Consenting Noteholder may have created in favor of a prime broker under and in accordance with its prime brokerage agreement with such prime broker).

b. Upon compliance with the requirements of Section 11(a) of this Agreement, (i) with respect to Consenting Noteholder Claims held by the relevant Transferee upon consummation of a Claim Transfer in accordance herewith, such Transferee is deemed to make all of the representations, warranties, and covenants of a Consenting Noteholder set forth in this Agreement as of the date of such Claim Transfer and (ii) the Transferee shall be deemed a Consenting Noteholder, and the Transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of its rights and obligations in respect of such transferred Consenting Noteholder Claims. No Consenting Noteholder shall have any liability under this Agreement arising from or related to the failure of its transferee to comply with the terms of this Agreement.

c. Notwithstanding anything to the contrary herein, (i) this Section 11 shall not preclude any Consenting Noteholder from transferring Notes Claims to affiliates of such Consenting Noteholder (each, a “**Consenting Noteholder Affiliate**”), which Consenting Noteholder Affiliate shall be automatically bound by this Agreement upon the transfer of such Notes Claims without the requirement that such Consenting Noteholder Affiliate execute a

Joinder; and (ii) to the extent that a Consenting Noteholder is acting in its capacity as a Qualified Marketmaker,³ it may transfer (by purchase, sale, assignment, participation, or otherwise) any right, title or interests in Notes Claims that the Qualified Marketmaker acquires after the Agreement Effective Date and with the purpose and intent of acting as a Qualified Marketmaker for such Notes Claims from a holder that is not a Consenting Noteholder without the requirement that the transferee execute a Joinder or otherwise agree to be bound by the terms and conditions set forth in this Agreement.

d. This Section 11 shall not impose any obligation on the Company to issue any “cleansing letter” or otherwise publicly disclose information for the purpose of enabling a Consenting Noteholder to transfer any of its Consenting Noteholder Claims. 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 continue to apply and 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 agreement.

12. Prior Negotiations

Except with respect to terms set forth on the Plan Term Sheet (as defined in the Original RSA) attached to the Original RSA as Exhibit A thereto that are both (a) not superseded by express Plan provisions and (b) otherwise not inconsistent with the Plan (including, without limitation, the terms set forth in the section of the Plan Term Sheet entitled “New Boards”), which terms, for the avoidance of doubt, shall remain binding and enforceable on all of the Parties, this Agreement and the exhibits attached hereto set forth in full the terms of agreement between the Parties and is intended as the full, complete and exclusive contract governing the relationship between the Parties with respect to the transactions contemplated herein, superseding all other discussions, promises, representations, warranties, agreements and understandings, whether written or oral, between or among the Parties with respect thereto; provided, that any confidentiality agreement between or among the Parties shall remain in full force and effect in accordance with its terms; provided, further, that the Parties intend to enter into the Definitive Documents after the date hereof to consummate the Transaction.

13. Amendment or Waiver

No waiver, modification, supplement or amendment of the terms of this Agreement or the exhibits attached hereto shall be valid unless such waiver, modification, supplement or amendment is in writing and has been signed by the Company and the Required Consenting Noteholders; provided, that any term or provision of this Agreement or the exhibits attached hereto that expressly requires the consent or approval of a particular Party shall require, as applicable, the written consent or approval of such Party to waive, amend or modify such term or provision. No waiver of any of the provisions of this Agreement or the exhibits attached hereto shall be deemed or constitute a waiver of any other provision of this Agreement or the exhibits attached hereto,

³ As used herein, the term “**Qualified Marketmaker**” means an entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers claims against the Company (or enter with customers into long and short positions in claims against the Company), in its capacity as a dealer or market maker in claims against the Company and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

whether or not similar, nor shall any waiver be deemed a continuing waiver. Any amendment, waiver, or modification of this Section 13 or the definitions of “Outside Date” or “Required Consenting Noteholders” shall require the written consent of all Parties. Any amendment, waiver, or modification that treats any Consenting Noteholder in a manner that is disproportionately adverse, on an economic or non-economic basis, to the treatment of their Notes Claims relative to other Consenting Noteholders shall also require the written consent of such Consenting Noteholder. In determining whether any consent or approval has been given or obtained by the Required Consenting Noteholders, each then existing Defaulting Creditor and its respective Consenting Noteholder Claims shall be excluded from such determination. Any amendment or modification of this Agreement that requires any Consenting Noteholder to incur any expenses, liabilities or other obligations, or to agree to any commitments, undertakings, concessions, indemnities or other arrangements that could result in expenses, liabilities or other obligations, in each case, except as set forth herein as of the time of such Consenting Noteholder’s execution of this Agreement, shall require the consent of each such impacted Consenting Noteholder in order for such waiver, modification, amendment or supplement.

14. RSA Premium

In consideration for entry into the Agreement, each Consenting Noteholder was paid a premium (the “**RSA Premium**”) payable in cash equal to the accrued interest outstanding as of the Agreement Effective Date under the Notes held by each Consenting Noteholder. The RSA Premium was (i) fully earned by each Consenting Noteholder upon execution of the Existing RSA or a Joinder by such Consenting Noteholder on or before the date (the “**RSA Premium Outside Date**”) that was the later of (1) five (5) business days after the Agreement Effective Date or (2) such other date as agreed to in writing between the Company and the Required Consenting Noteholders and (ii) paid by the Company on the date on which the applicable Consenting Noteholder executed the Agreement or a Joinder, but in no event later than the RSA Premium Outside Date. For the avoidance of doubt, any RSA Premium shall not reduce the amount of any Notes Claims (including, without limitation, any Notes Claims on account of accrued and unpaid interest), but rather shall be in addition to any such Notes Claims. In the event that a Consenting Noteholder acquired additional Notes Claims from a party that was not a Consenting Noteholder or otherwise bound to comply with the terms of this Agreement prior to the RSA Premium Outside Date, such Consenting Noteholder was entitled to receive the RSA Premium with respect to such additional Notes Claims.

15. WAIVER OF JURY TRIAL

EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE EXHIBITS ATTACHED HERETO.

16. Governing Law and Consent to Jurisdiction and Venue

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to such state’s choice of law provisions which would require the application of the law of any other jurisdiction. By its execution and delivery of this

Agreement, each of the Parties hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter arising under or arising out of or in connection with this Agreement or the exhibits attached hereto or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, shall be brought in the United States District Court for the Southern District of New York and only to the extent such court lacks jurisdiction, in the New York State Supreme Court sitting in the Borough of Manhattan, and by execution and delivery of this Agreement, each of the Parties hereby irrevocably accepts and submits itself to the jurisdiction of such courts, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to jurisdiction and venue, upon any commencement of the Chapter 11 Cases and until the Plan Effective Date, each of the Parties agrees that the Bankruptcy Court shall have jurisdiction over all matters arising out of or in connection with this Agreement or the exhibits attached hereto.

17. Specific Performance

It is understood and agreed by the Parties that, without limiting any rights or remedies available under applicable law or in equity, money damages would not be a sufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy of any such breach, including, without limitation, an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

18. Reservation of Rights; Settlement Discussions

Except as expressly provided in this Agreement or the exhibits attached hereto, nothing herein is intended to, or does, in any manner, waive, limit, impair or restrict the ability of each Party to protect and preserve its rights, remedies and interests. Notwithstanding anything to the contrary contained in this Agreement or the exhibits attached hereto, nothing in this Agreement or the exhibits attached hereto shall be, or shall be deemed to be or constitute: (i) a release, waiver, novation, cancellation, termination or discharge of the Consenting Noteholders' Notes Claims; or (ii) an amendment, modification or waiver of any term or provision of the Notes or the Indentures, which are hereby reserved and reaffirmed in full. If the Transaction is not consummated, or if this Agreement is terminated for any reason, the Parties hereto fully reserve any and all of their respective rights and remedies thereunder and applicable law.

This Agreement and the Transaction are part of a proposed settlement of a dispute among the Parties. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408, any applicable state rules of evidence and any other applicable law, foreign or domestic, this Agreement and the exhibits attached hereto and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement or the exhibits attached hereto (as applicable).

19. Headings; Recitals

The section headings of this Agreement are for convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement. The recitals to this Agreement are true and correct and incorporated by reference into this Section 19.

20. Notice

Any notices or other communications required or permitted under, or otherwise in connection with, this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person, by email, or upon confirmation of receipt when transmitted by facsimile transmission (but only if followed by transmittal by national overnight courier or hand for delivery on the next business day) or on receipt after dispatch by registered or certified mail, postage prepaid, or on the next business day if transmitted by national overnight courier, addressed in each case as follows:

If to the Company:

Superior Energy Services, Inc.
1001 Louisiana Street
Suite 2900
Houston, TX 77002
Attn: David Dunlap
Telephone (713) 654-2200

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022-4834
Attn: Keith A. Simon
George Klidonas
Hugh Murtagh
Telephone: 212.906.1200
Fax: 212.751.4864
Email: keith.simon@lw.com
george.klidonas@lw.com
hugh.murtagh@lw.com

If to any Consenting Noteholder:

To the address (if any) specified on the signature page of this Agreement for the applicable Consenting Noteholder

with a copy to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attn: Damian S. Schaible
Adam L. Shpeen
Email: damian.schaible@davispolk.com
adam.shpeen@davispolk.com

21. Successors and Assigns

Subject to Section 11, neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party hereto, without the prior written consent of the other Parties hereto, and then only to a Person who has agreed to be bound by the provisions of this Agreement. This Agreement is intended to and shall bind and inure to the benefit of the Parties and their respective successors, permitted assigns, heirs, executors, administrators and representatives, as applicable.

22. No Third-Party Beneficiaries

Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties hereto and no other person or entity shall be a third party beneficiary hereof or shall otherwise be entitled to enforce any provision hereof.

23. Counterparts

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same agreement. Any Party hereto may execute and deliver a counterpart of this Agreement by delivery by facsimile transmission or electronic mail of a signature page of this Agreement signed by such Party, and any such facsimile or electronic mail signature shall be treated in all respects as having the same effect as having an original signature. The Company shall redact the Consenting Noteholders' individual fund names as listed on their respective signature page in any publicly filed version of this Agreement.

24. [Reserved]25. Acknowledgement; Not a Solicitation

This Agreement does not constitute, and shall not be deemed to constitute (i) an offer for the purchase, sale, exchange, hypothecation, or other transfer of securities for purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934 (or any other federal or state law or regulation), or (ii) a solicitation of votes on the Plan for purposes of the Bankruptcy Code. The vote of each Consenting Noteholder to accept or reject the Plan shall not be solicited except in accordance with applicable law.

26. Public Announcement and Filings

The Company shall submit drafts to counsel to the Ad Hoc Group of any press releases and public documents that constitute disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement at least one (1) business day prior to making any such disclosure, and shall afford such counsel a reasonable opportunity under the circumstances to comment on such documents and disclosures and shall incorporate any such reasonable comments in good faith. Except as required by applicable law or regulation, or the rules of any applicable stock exchange or regulatory body, or in filings to be made with the Bankruptcy Court, no Party or its advisors shall (a) use the name of any Consenting Noteholder in any public manner (including in any press release) with respect to this Agreement, or (b) disclose to any Person, other than advisors to the Company, the principal amount or percentage of any Notes Claims held by any Consenting Noteholder without such Consenting Noteholder's prior written consent; provided, however, that the foregoing shall not prohibit the disclosure of the aggregate percentage or aggregate principal amount of Notes Claims held by all Consenting Noteholders. Except as required by applicable law or regulation, or the rules of any applicable stock exchange or regulatory body, or in filings to be made with the Bankruptcy Court, no Party shall, nor shall it permit any of its respective affiliates to, make any public announcement in respect of this Agreement or the transactions contemplated hereby or by the Plan without the prior written consent of the Company and the Required Consenting Noteholders (in each case such consent not to be unreasonably withheld); provided, however, for the avoidance of doubt, any public announcement required to be made by a Consenting Noteholder or its affiliates in its capacity as an ABL Lender or another type of Company creditor or that contains only publicly-available information regarding this Agreement, the Plan or the Transaction shall not constitute a violation of this Section 26.

27. Relationship Among Parties

It is understood and agreed that no Party has any duty of trust or confidence in any form with any other Party, and there are no commitments among or between them, in each case arising solely from or in connection with this Agreement. No prior history, pattern or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement. Nothing contained in this Agreement, and no action taken by any Consenting Noteholder hereto is intended to constitute the Consenting Noteholders as a partnership, an association, a joint venture, or any other kind of entity, or create a presumption that any Consenting Noteholder is in any way acting in concert or as a member of a "group" with any other Consenting Noteholder within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended.

28. No Strict Construction

Each Party acknowledges that it has received adequate information to enter into this Agreement, and that this Agreement and the exhibits attached hereto have been prepared through the joint efforts of all of the Parties. Neither the provisions of this Agreement or the exhibits attached hereto nor any alleged ambiguity herein or therein shall be interpreted or resolved against any Party on the ground that such Party's counsel drafted this Agreement or the exhibits attached hereto, or based on any other rule of strict construction.

29. Remedies Cumulative; No Waiver

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. The failure of any Party hereto to exercise any right, power, or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon strict compliance by any other Party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such Party of its right to exercise any such or other right, power, or remedy or to demand such strict compliance.

30. Severability

If any portion of this Agreement or the exhibits attached hereto shall be held by a court of competent jurisdiction to be invalid, unenforceable, void or voidable, or violative of applicable law, the remaining portions of this Agreement and the exhibits attached hereto (as applicable) so far as they may practicably be performed shall remain in full force and effect and binding on the Parties hereto, provided that, this provision shall not operate to waive any condition precedent to any event set forth herein.

31. Time

If any time period or other deadline provided in this Agreement expires on a day that is not a business day, then such time period or other deadline, as applicable, shall be deemed extended to the next succeeding business day.

32. Additional Parties

Without in any way limiting the provisions hereof, additional Noteholders may elect to become Parties by executing and delivering to the Company a counterpart hereof. Such additional Noteholders shall become a Party to this Agreement as a Consenting Noteholder in accordance with the terms of this Agreement.

33. Rules of Interpretation

For purposes of this Agreement, unless otherwise specified: (a) each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) all references herein to “Articles”, “Sections”, and “Exhibits” are references to Articles, Sections, and Exhibits of this Agreement; and (c) the words “herein,” “hereof,” “hereunder” and “hereto” refer to this Agreement in its entirety rather than to a particular portion of this Agreement.

34. Plan

The Plan is expressly incorporated herein by reference and made part of this Agreement as if fully set forth herein. The Plan sets forth the material terms and conditions of the

Transaction; provided, however, the Plan is supplemented by the other terms and conditions of this Agreement and, with respect to terms set forth on the Plan Term Sheet that are both (a) not superseded by express Plan provisions and (b) otherwise not inconsistent with the Plan (including, without limitation, the terms set forth in the section of the Plan Term Sheet entitled “New Boards”), the Plan Term Sheet. In the event of any conflict or inconsistency between the Plan and any other provision of this Agreement, the Plan will govern and control to the extent of such conflict or inconsistency.

35. Email Consents

Where a written consent, acceptance, approval, extension, or waiver is required pursuant to or contemplated under this Agreement, such written consent, acceptance, approval, extension, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, extension, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized signatories, solely in their respective capacity as such and not in any other capacity, as of the date first set forth above.

DEBTOR PARENT:

SUPERIOR ENERGY SERVICES, INC.

By: 

Name: David D. Dunlap

Title: President and Chief Executive Officer

DEBTOR SUBSIDIARIES:

**1105 PETERS ROAD, L.L.C.
ADVANCED OILWELL SERVICES, INC.
COMPLETE ENERGY SERVICES, INC.
CONNECTION TECHNOLOGY, L.L.C.
CSI TECHNOLOGIES, L.L.C.
GUARD DRILLING MUD DISPOSAL, INC.
H.B. RENTALS, L.C.
INTERNATIONAL SNUBBING SERVICES, L.L.C.
PUMPCO ENERGY SERVICES, INC.
SEMO, L.L.C.
SEMSE, L.L.C.
SERVICIOS HOLDING I, INC.
SES INTERNATIONAL HOLDINGS GP, LLC
SES TRINIDAD, L.L.C.
SESI, L.L.C.
SESI CORPORATE, LLC
SESI GLOBAL, LLC
SPN WELL SERVICES, INC.
STABIL DRILL SPECIALTIES, L.L.C.
SUPERIOR ENERGY SERVICES, L.L.C.
SUPERIOR ENERGY SERVICES COLOMBIA, LLC
SUPERIOR ENERGY SERVICES GP, LLC
SUPERIOR ENERGY SERVICES-NORTH
AMERICA SERVICES, INC.
SUPERIOR INSPECTION SERVICES, L.L.C.
SUPERIOR HOLDING, INC.
WARRIOR ENERGY SERVICES CORPORATION
WILD WELL CONTROL, INC.
WORKSTRINGS INTERNATIONAL, L.L.C.**

By: 

Name: David D. Dunlap

Title: President and Chief Executive Officer

[Consenting Lender Signature Pages Omitted]

Exhibit A

Plan

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

In re:	X	
	:	Chapter 11
	:	
SUPERIOR ENERGY SERVICES, INC., <i>et al.</i> , ¹	:	Case No. 20-_____ (____)
	:	
Debtors.	:	(Joint Administration Requested)
	:	
	X	

**JOINT PREPACKAGED PLAN OF REORGANIZATION FOR
SUPERIOR ENERGY SERVICES, INC. AND ITS AFFILIATE DEBTORS
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

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New York, New York 10022
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Proposed Counsel for the Debtors and Debtors-in-Possession

Dated: December [•], 2020
Houston, Texas

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Superior Energy Services, Inc. (9388), SESI, L.L.C. (4124), Superior Energy Services-North America Services, Inc. (5131), Complete Energy Services, Inc. (9295), Warrior Energy Services Corporation (9424), SPN Well Services, Inc. (2682), Pumpco Energy Services, Inc. (7310), 1105 Peters Road, L.L.C. (4198), Connection Technology, L.L.C. (4128), CSI Technologies, LLC (6936), H.B. Rentals, L.C. (7291), International Snubbing Services, L.L.C. (4134), Stabil Drill Specialties, L.L.C. (4138), Superior Energy Services, L.L.C. (4196), Superior Inspection Services, L.L.C. (4991), Wild Well Control, Inc. (3477), Workstrings International, L.L.C. (0390). The Debtors’ address is 1001 Louisiana Street, Suite 2900, Houston, Texas 77002.

NO CHAPTER 11 CASES HAVE BEEN COMMENCED AT THIS TIME. THIS PREPACKAGED PLAN OF REORGANIZATION, AND THE SOLICITATION MATERIALS ACCOMPANYING THIS PLAN, HAVE NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING “ADEQUATE INFORMATION” WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. IN THE EVENT THE CHAPTER 11 CASES ARE COMMENCED, THE DEBTORS EXPECT TO PROMPTLY SEEK AN ORDER OF THE BANKRUPTCY COURT (1) APPROVING THE SOLICITATION OF VOTES AS HAVING BEEN IN COMPLIANCE WITH SECTIONS 1126(b) AND 1125(g) OF THE BANKRUPTCY CODE; (2) APPROVING THE ADEQUACY OF THE DISCLOSURE STATEMENT; AND (3) CONFIRMING THE PLAN PURSUANT TO SECTION 1129 OF THE BANKRUPTCY CODE. THE DEBTORS RESERVE THE RIGHT TO CONSUMMATE THE RESTRUCTURING TRANSACTIONS WITHOUT COMMENCING ANY CHAPTER 11 CASES.

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**JOINT PREPACKAGED PLAN OF REORGANIZATION FOR
SUPERIOR ENERGY SERVICES, INC. AND ITS AFFILIATE DEBTORS
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

The above-captioned debtors (each a “**Debtor**” and, collectively, the “**Debtors**”) jointly propose the following prepackaged chapter 11 plan of reorganization (this “**Plan**”) for the resolution of the outstanding Claims (as defined below) against, and Equity Interests (as defined below) in, each of the Debtors. Although proposed jointly for administrative purposes, this Plan constitutes a separate Plan for each Debtor for the resolution of outstanding Claims against and Equity Interests in each Debtor pursuant to the Bankruptcy Code (as defined below). This Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Equity Interests set forth in the Plan. The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. Reference is made to the Disclosure Statement (as such term is defined herein and distributed contemporaneously herewith) for a discussion of the Debtors’ history, business, results of operations, historical financial information, projections, a summary and analysis of this Plan, the treatment provided for herein and certain related matters. There also are other agreements and documents, which shall be filed with the Bankruptcy Court (as defined below), that are referenced in this Plan or the Disclosure Statement as Exhibits and Plan Schedules. All such Exhibits and Plan Schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019 and the terms and conditions set forth in this Plan, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

ARTICLE I.

RULES OF INTERPRETATION, COMPUTATION OF TIME AND DEFINED TERMS

A. Rules of Interpretation; Computation of Time

For purposes herein: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) subject to the terms of the Restructuring Support Agreement, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced item shall be substantially in that form or substantially on those terms and conditions; (c) except as otherwise provided herein, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document shall mean as it may be amended, restated, modified or supplemented from time to time; (d) any reference to a Person or an Entity as a Holder of a Claim or an Equity Interest includes that Person’s or Entity’s respective successors and assigns; (e) unless otherwise specified, all references herein to “Articles,” “Sections,” “Exhibits” and “Plan Schedules” are references to Articles, Sections, Exhibits and Plan Schedules hereof or hereto; (f) unless otherwise stated, the words “herein,” “hereof,” “hereunder” and “hereto” refer to this Plan in its entirety rather than

to a particular portion of this Plan; (g) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, indenture, or other agreement or document entered into in connection with this Plan and except as expressly provided in Article XII.D of this Plan, the rights and obligations arising pursuant to this Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (h) except as otherwise specifically provided herein or the Restructuring Support Agreement, any provision in this Plan, the Exhibits and Plan Schedules hereto, and the Plan Supplement shall be in form and substance consistent in all respects with the Restructuring Support Agreement and subject to all consent and consultation rights of the parties thereto (as specified in the Restructuring Support Agreement) in all respects; (i) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (j) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to this Plan; (k) references to a specific article, section, or subsection of any statute, rule, or regulation expressly referenced herein shall, unless otherwise specified, include any amendments to or successor provisions of such article, section, or subsection; (l) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (m) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; (n) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; and (o) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation.” Except as otherwise specifically provided in this Plan to the contrary, references in this Plan to “the Debtors” or to “the Reorganized Debtors” shall mean “the Debtors and the Reorganized Debtors,” as applicable, to the extent the context requires.

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

B. Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

“*510(b) Equity Claim*” means any Claim subordinated pursuant to section 510(b) of the Bankruptcy Code.

“*Accredited Cash Opt-Out Noteholder*” means a Cash Opt-Out Noteholder who (a) is an “*accredited investor*” (within the meaning of Rule 501(a) under the Securities Act (as defined below)) or a “*qualified institutional buyer*” (within the meaning of Rule 144A of the Securities Act), and (b) holds at least \$1,000 in principal amount of Prepetition Notes.

“*Accrued Professional Compensation*” means, with respect to a particular Professional, an Administrative Claim of such Professional for compensation for services rendered or

reimbursement of costs, expenses or other charges incurred on or after the Petition Date and prior to and including the Effective Date.

“Ad Hoc Noteholder Group” means that certain ad hoc group of Holders of the Prepetition Notes represented by the Ad Hoc Noteholder Group Professionals.

“Ad Hoc Noteholder Group Fees and Expenses” means all unpaid reasonable and documented fees and out-of-pocket expenses of the Ad Hoc Noteholder Group Professionals incurred in connection with the Chapter 11 Cases or in furtherance of the Plan.

“Ad Hoc Noteholder Group Professionals” means, collectively, (a) Davis Polk & Wardwell LLP and Porter Hedges LLP, as legal counsel to the Ad Hoc Noteholder Group, (b) Evercore Group L.L.C., as financial advisor to the Ad Hoc Noteholder Group, and (c) any other advisors to the Ad Hoc Noteholder Group.

“Administrative Claim” means a Claim for costs and expenses of administration incurred during the Chapter 11 Cases that are Allowed under sections 503(b), 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred on or after the Petition Date and prior to and including the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) Professional Fee Claims and any other compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under sections 328, 330, 331 or 503(b) of the Bankruptcy Code to the extent incurred on or after the Petition Date and prior to and including the Effective Date; (c) all fees and charges assessed against the Estates under section 1930, chapter 123, of title 28, United States Code; (d) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases Allowed pursuant to sections 503(b)(3), (4) and (5) of the Bankruptcy Code; and (e) the Cure Claim Amounts.

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

“Affiliate Debtor(s)” means, individually or collectively, any Debtor or Debtors other than Parent.

“Allowed” means, with respect to a Claim or Equity Interest: (a) any Claim or Equity Interest as to which no objection to allowance has been interposed (either in the Bankruptcy Court or in the ordinary course of business) on or before the applicable time period fixed by applicable non-bankruptcy law or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or as to which any objection has been determined by a Final Order, either before or after the Effective Date, to the extent such objection is determined in favor of the respective Holder; (b) any Claim or Equity Interest as to which the liability of the Debtors and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court, either before or after the Effective Date; or (c) any Claim or Equity Interest expressly deemed Allowed by this Plan.

“Amended/New Corporate Governance Documents” means, as applicable, the amended and restated or new applicable corporate governance documents (including, without limitation, the bylaws, certificates of incorporation, LLC agreements, stockholders agreements, registration rights agreements and other governance documents, as applicable) of the Reorganized Debtors in substantially the form Filed with the Plan Supplement, which documents shall be acceptable to the Required Consenting Noteholders, in consultation with the Debtors, and consistent with the Restructuring Support Agreement.

“Avoidance Actions” means any and all actual or potential avoidance, recovery, subordination or similar actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under chapter 5 of the Bankruptcy Code or under similar local, state, federal or foreign statutes and common law, including fraudulent transfer, conveyance laws or similar laws.

“Ballots” means the ballots accompanying the Disclosure Statement upon which Holders of Impaired Claims entitled to vote shall, among other things, indicate their acceptance or rejection of this Plan in accordance with this Plan and the procedures governing the solicitation process, and which must be actually received by the Voting and Claims Agent on or before the Voting Deadline.

“Bankruptcy Code” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time and as applicable to the Chapter 11 Cases.

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of Texas, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of any reference under section 157 of title 28 of the United States Code and/or the Order of the United States District Court for the Southern District of Texas pursuant to section 157(a) of title 28 of the United States Code, the United States District Court for the Southern District of Texas.

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, in each case as amended from time to time and as applicable to the Chapter 11 Cases.

“Business Day” means any day, other than a Saturday, Sunday or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).

“Cash” means the legal tender of the United States of America or the equivalent thereof, including bank deposits, checks and cash equivalents, as applicable.

“Cash Opt-Out Noteholder” means a Holder of Prepetition Notes Claims that validly and timely elects on or before the Voting Deadline, in accordance with the instructions set forth on the Ballot provided to such Holder, to affirmatively opt-out of the Cash Payout and, in lieu of receiving its Pro Rata portion of the Cash Payout, (a) receive its Pro Rata portion of the New Common Stock and (b) become eligible to exercise its Subscription Rights, to the extent such Holder is an Accredited Cash Opt-Out Noteholder; *provided* that all Consenting Noteholders shall be Cash Opt-Out Noteholders.

“*Cash Payout*” means Cash in an aggregate amount equal to 2.00% of the principal due under the Prepetition Notes held by all Cash Payout Noteholders.

“*Cash Payout Noteholder*” means a Holder of Prepetition Notes Claims that is not a Cash Opt-Out Noteholder.

“*Causes of Action*” means any and all claims, causes of action (including Avoidance Actions), controversy, demands, right, lien, indemnity, guaranty, suit, loss, debt, damage, judgment, account, defense, remedy, power, privilege, proceeding, actions, suits, obligations, liabilities, cross-claims, counterclaims, offsets, or setoffs of any kind or character whatsoever, in each case whether known or unknown, contingent or non-contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, under statute, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, federal or state, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

“*Chapter 11 Case(s)*” means (a) when used with reference to a particular Debtor, the case under chapter 11 of the Bankruptcy Code that shall be commenced by such Debtor in the Bankruptcy Court, and (b) when used with reference to all Debtors, the cases under chapter 11 of the Bankruptcy Code that shall be commenced by the Debtors in the Bankruptcy Court.

“*Claim*” means any “claim” (as defined in section 101(5) of the Bankruptcy Code) against any Debtor, whether or not assessed or Allowed.

“*Claims Register*” means the official register of Claims and Equity Interests maintained by the Voting and Claims Agent.

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

“*Collateral*” means any property or interest in property of the Debtors’ Estates that is subject to a valid and enforceable Lien to secure a Claim.

“*Committee*” means the official committee of unsecured creditors appointed in the Chapter 11 Cases, if any.

“*Confirmation*” means the occurrence of the Confirmation Date, subject to all conditions specified in Article IX of this Plan having been satisfied or waived pursuant to Article IX of this Plan.

“*Confirmation Date*” means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court in the Chapter 11 Cases.

“*Confirmation Hearing*” means the combined hearing held by the Bankruptcy Court pursuant to sections 105(d)(2)(B)(vi) and 1128 of the Bankruptcy Code and paragraph M of the

Procedures for Complex Cases in the Southern District of Texas to consider (a) final approval of the Disclosure Statement under sections 1125 and 1126(b) of the Bankruptcy Code and (b) confirmation of this Plan, as such hearing may be adjourned or continued from time to time with the consent of the Required Consenting Noteholders.

“*Confirmation Order*” means the order of the Bankruptcy Court (a) approving the Disclosure Statement on a final basis and (b) confirming this Plan pursuant to sections 1125, 1126(b) and 1129 of the Bankruptcy Code, which order shall be acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Consenting Noteholders*” has the meaning set forth in the Restructuring Support Agreement.

“*Consummation*” means the occurrence of the Effective Date.

“*Cure Claim Amount*” has the meaning set forth in Article VI.B of this Plan.

“*D&O Liability Insurance Policies*” means all insurance policies (including, without limitation, the D&O Tail Policy, any general liability policies, any errors and omissions policies, and, in each case, any agreements, documents, or instruments related thereto) maintained by the Debtors as of the Effective Date for liabilities against any of the Debtors’ respective directors, managers, and officers.

“*D&O Tail Policy*” means the extension of any of the D&O Liability Insurance Policies for any period beyond the end of the policy period, and for claims based on conduct occurring prior to the Effective Date, including but not limited to that certain directors’ & officers’ liability insurance policy purchased by the Debtors on or about December 3, 2020.

“*Debtor Release*” has the meaning set forth in Article X.B hereof.

“*Debtor Releasing Parties*” has the meaning set forth in Article X.B hereof.

“*Delayed-Draw Term Loan Facility*” means that certain \$200,000,000 Delayed-Draw Term Loan Facility described in the Delayed-Draw Term Loan Commitment Letter.

“*Delayed-Draw Term Loan Commitment Letter*” means the commitment letter governing the Delayed-Draw Term Loan Facility and entered into by Parent and the Delayed-Draw Commitment Parties on September 30, 2020, as amended, supplemented or otherwise modified from time to time.

“*Delayed-Draw Commitment Parties*” means those Prepetition Noteholders that are parties to the Delayed-Draw Term Loan Commitment Letter and have agreed, pursuant to the Delayed-Draw Term Loan Commitment Letter, to provide the Delayed-Draw Term Loan Facility, each in its respective capacity as such.

“*DIP Agent*” means JPMorgan Chase Bank, N.A., or its duly appointed successor, in its capacity as administrative agent and collateral agent under the DIP Agreement.

“*DIP Agreement*” means that certain Senior Secured Debtor-In-Possession Credit Agreement, dated as of December [•], 2020, by and among the Debtors, the DIP Agent, and the DIP Lenders, as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof prior to the Effective Date.

“*DIP Contingent Obligations*” means all contingent obligations not due and payable under the DIP Documents on the Effective Date, including any and all indemnification and expense reimbursement obligations of the Debtors that are contingent as of the Effective Date.

“*DIP Documents*” means the “Loan Documents” as defined in the DIP Agreement, in each case as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof prior to the Effective Date.

“*DIP Facility Claims*” means any and all Claims arising from, under, or in connection with the DIP Agreement or any of the DIP Documents.

“*DIP Final Order*” means that certain *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection to Prepetition ABL Secured Parties, (V) Modifying Automatic Stay, and (VII) Granting Related Relief* entered by the Bankruptcy Court on [•], 2020 (Docket No. [•]), as amended, supplemented or modified from time to time.

“*DIP Interim Order*” means that certain *Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection to Prepetition ABL Secured Parties, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* entered by the Bankruptcy Court on [•], 2020 (Docket No. [•]), as amended, supplemented or modified from time to time.

“*DIP Lenders*” means, collectively, the banks, financial, institutions, and other lenders party to the DIP Agreement from time to time, and each arranger, bookrunner, syndication agent, manager, and documentation agent party to the DIP Agreement from time to time.

“*DIP Liens*” means the Liens securing the payment of the DIP Super-Priority Claims.

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

“*DIP Required Lenders*” shall mean the “Required Lenders” as defined in the DIP Agreement.

“*DIP Super-Priority Claims*” means any and all Claims arising from, under, or in connection with the DIP Agreement or any other DIP Documents, including Claims for all principal amounts outstanding, interest, fees, expenses, costs, and other charges and all other “Obligations” as defined in the DIP Agreement.

“*Disclosure Statement*” means that certain *Disclosure Statement for the Joint Prepackaged Plan of Reorganization for Superior Energy Services, Inc. and its Affiliate Debtors under Chapter*

11 of the Bankruptcy Code, dated as of December [•], 2020 (as amended, supplemented, or modified from time to time and including all exhibits and schedules thereto and references therein that relate to this Plan and as approved by the Disclosure Statement Interim Order or Confirmation Order).

“*Disclosure Statement Interim Order*” means that certain Order (I) *Conditionally Approving Disclosure Statement*, (II) *Scheduling Combined Hearing on (A) Adequacy Of Disclosure Statement and (B) Confirmation of Plan*, (III) *Establishing Deadline to Object to Disclosure Statement and Plan and Form of Notice Thereof*, (IV) *Approving Solicitation Procedures and Forms of Ballots and Notice of Non-Voting Status*, (V) *Conditionally Waiving Requirement of Filing Schedules and Statements and of Convening Section 341 Meeting of Creditors*, and (IV) *Granting Related Relief*, entered by the Bankruptcy Court on [•], 2020 (Docket No. [•]), as amended, supplemented or modified from time to time, which, among other things, conditionally approves the Disclosure Statement, on an interim basis, and approves the Equity Rights Offering Procedures.

“*Disputed*” means any Claim or any portion thereof, that has not been Allowed, but has not been disallowed pursuant to this Plan or a Final Order of the Bankruptcy Court or other court of competent jurisdiction.

“*Distribution Agent*” means the Reorganized Debtors or any party designated by the Reorganized Debtors to serve as distribution agent under this Plan. For purposes of distributions under this Plan to the Holders of Allowed DIP Super-Priority Claims, Allowed Prepetition Credit Agreement Claims and Allowed Prepetition Notes Claims, the DIP Agent, the Prepetition Credit Agreement Agent, and the Prepetition Notes Indenture Trustee, respectively, shall be and shall act as the Distribution Agent.

“*Distribution Record Date*” means the date for determining which Holders of Claims and Equity Interests are eligible to receive distributions under this Plan, which date shall be the Effective Date or such other date acceptable to the Required Consenting Noteholders. The Distribution Record Date shall not apply to securities of the Debtors deposited with DTC, the holders of which shall receive a distribution in accordance with Article VII of this Plan and, as applicable, the customary procedures of DTC.

“*DTC*” means the Depository Trust Company.

“*Effective Date*” means the first Business Day on which the conditions specified in Article IX of this Plan have been satisfied or waived in accordance with the terms of Article IX.

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

“*Equity Interest*” means (a) any Equity Security or other ownership interest in any Debtor, including, without limitation, all issued, unissued, authorized or outstanding units, shares of stock and other ownership interests, together with (i) any options, warrants or contractual rights to purchase or acquire any such Equity Securities at any time with respect to any Debtor, and all rights arising with respect thereto and (ii) the rights of any Person or Entity to purchase or demand the issuance of any of the foregoing and shall include: (1) conversion, exchange, voting,

participation, and dividend rights; (2) liquidation preferences; (3) options, warrants, and call and put rights; (4) share-appreciation rights; and (5) all Unexercised Equity Interests, in each case, as in existence immediately prior to the Effective Date; and (b) any 510(b) Equity Claim, in each case, as in existence immediately prior to the Effective Date.

“Equity Rights Offering” means that certain offering of Subscription Rights exercisable solely by electing Accredited Cash Opt-Out Noteholders, to purchase the New Common Stock on a Pro Rata basis for up to an aggregate amount equal to the Equity Rights Offering Amount.

“Equity Rights Offering Amount” means an amount equal to the cash proceeds of the Equity Rights Offering, which amount shall not exceed the amount of the Cash Payout.

“Equity Rights Offering Procedures” means the procedures for the implementation of the Equity Rights Offering as approved in the Disclosure Statement Interim Order.

“Equity Rights Offering Shares” means the shares of New Common Stock issued pursuant to the Equity Rights Offering.

“Equity Security” means an “equity security” as defined in section 101(16) of the Bankruptcy Code.

“Estate(s)” means, individually, the estate of each of the Debtors and, collectively, the estates of all of the Debtors created under section 541 of the Bankruptcy Code.

“Exchange Act” means the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a *et seq.*, as now in effect or hereafter amended, and any rules and regulations promulgated thereunder.

“Excluded Parties” means, collectively, (i) any director, officer, manager, or employee of the Debtors that did not serve in such capacity on or after the Restructuring Support Agreement Effective Date or (ii) any other entity named as a defendant in a pending suit by the Debtors.

“Exculpated Parties” means, collectively, in each case in their capacities as such:

- (a) the Debtors;
- (b) the Reorganized Debtors;
- (c) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (d) the DIP Agent;
- (e) the DIP Lenders;
- (f) the Prepetition Notes Indenture Trustee;
- (g) the Ad Hoc Noteholder Group and the members thereof;
- (h) the Consenting Noteholders;

- (i) the Delayed-Draw Commitment Parties;
- (j) the Distribution Agents;
- (k) each Exit Facility Agent;
- (l) the Exit Facility Lenders; and
- (m) with respect to each of the foregoing Persons and Entities in clauses (a) through (l), each such Person's and Entity's respective Related Persons, in each case solely in their capacity as such.

"Exculpation" means the exculpation provision set forth in Article X.E hereof.

"Executory Contract" means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"Exhibit" means an exhibit annexed to either this Plan or as an appendix to the Disclosure Statement (as such exhibits are amended, modified or otherwise supplemented from time to time).

"Exit ABL Facility" means a secured asset-based revolving credit facility, if any, entered into on the Effective Date in accordance with the Restructuring Documents and the Restructuring Support Agreement.

"Exit DDTL Facility" means a delayed-draw term loan facility up to \$200 million, if any, that may be provided by the Delayed-Draw Commitment Parties upon the terms and subject to the conditions of the Delayed-Draw Term Loan Commitment Letter and entered into on the Effective Date in accordance with the Restructuring Documents and the Delayed-Draw Term Loan Commitment Letter.

"Exit Facility" means any Exit ABL Facility and/or the Exit DDTL Facility, as applicable.

"Exit Facility Agent" means the administrative agent and collateral agent under any Exit Facility Credit Agreement, solely in its capacity as such.

"Exit Facility Credit Agreement" means each credit agreement in respect of the Exit Facility, in substantially the form as Filed, or consistent with a term sheet as Filed, with the Plan Supplement, the terms and conditions of which are acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

"Exit Facility Lenders" means the lenders under each Exit Facility Credit Agreement, solely in their respective capacities as such.

"Exit Facility Loan Documents" means each Exit Facility Credit Agreement and any other guarantee, security agreement, deed of trust, mortgage, and other documents (including UCC financing statements), contracts, and agreements entered into with respect to, or in connection with, the applicable Exit Facility Credit Agreement.

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

“*Final Order*” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the subject matter, 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 shall have been denied, resulted in no stay pending appeal of such order, or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under 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 shall not preclude such order from being a Final Order.

“*General Unsecured Claim*” means any Claim that is not a/an: Administrative Claim; DIP Facility Claim; Professional Fee Claim; Priority Tax Claim; Secured Tax Claim; Other Priority Claim; Other Secured Claim; Intercompany Claim; Prepetition Debt Claim; or 510(b) Equity Claim.

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

“*Holder*” means a Person or an Entity holding a Claim or Equity Interest, as the context requires.

“*Impaired*” means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is “impaired” within the meaning of section 1124 of the Bankruptcy Code.

“*Indemnification Provisions*” means, collectively, each of the provisions in place as of the Restructuring Support Agreement Effective Date (whether in bylaws, certificates of formation or incorporation, board resolutions, employment contracts or otherwise) whereby any Debtor agrees to indemnify, reimburse, provide contribution or advance fees and expenses to or for the benefit of, defend, exculpate, or limit the liability of, any Indemnified Party.

“*Indemnified Parties*” means each of the Debtors’ and their respective subsidiaries’ directors, officers, and managers in their respective capacities as such that served in such capacity on or after the Restructuring Support Agreement Effective Date and is not an Excluded Party.

“*Insurance and Surety Contracts*” means all insurance policies and all surety bonds and related agreements of indemnity that have been issued at any time to, or provide coverage to, any of the Debtors and all agreements, documents, or instruments relating thereto.

“*Intercompany Claim*” means any Claim against any of the Debtors held by another Debtor, other than an Administrative Claim.

“*Intercompany Equity Interest*” means direct and indirect Equity Interests in a Debtor (other than Parent) held by another Debtor.

“*Lien*” means a “lien” as defined in section 101(37) of the Bankruptcy Code, and, with respect to any property or asset, includes, without limitation, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a security interest, in respect of such property or asset.

“*Local Rules*” means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of Texas.

“*New Board*” means the initial board of directors of Reorganized Parent to be put in place on and as of the Effective Date in accordance with the Restructuring Support Agreement. The members of the initial board of directors of Reorganized Parent, if known, shall be identified in the Plan Supplement.

“*New Common Stock*” means the new common stock of Reorganized Parent to be issued pursuant to this Plan and the Amended/New Corporate Governance Documents.

“*New Common Stock Pool*” means 100% of the New Common Stock issued and outstanding on the Effective Date. For the avoidance of doubt, from and after the Effective Date, the New Common Stock Pool shall be subject to dilution by the New MIP Equity.

“*New Management Incentive Plan*” has the meaning set forth in Article V.H of this Plan.

“*New MIP Equity*” means the New Common Stock or other equity interests issued from time to time pursuant to or in connection with the New Management Incentive Plan.

“*New Registration Rights Agreement*” means, if applicable, the registration rights agreement with respect to the New Common Stock, in substantially the form Filed with the Plan Supplement, which agreement shall contain terms and conditions which are acceptable to the Required Consenting Noteholders, in consultation with the Debtors.

“*New Stockholders Agreement*” means, if applicable, that certain stockholders agreement of Reorganized Parent, in substantially the form Filed with the Plan Supplement, which agreement shall contain terms and conditions acceptable to the Required Consenting Noteholders, in consultation with the Debtors.

“*Non-Debtor Releasing Parties*” means, collectively, in each case in their capacities as such:

- (a) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (b) the DIP Agent;
- (c) the DIP Lenders;

- (d) the Prepetition Notes Indenture Trustee;
- (e) the Ad Hoc Noteholder Group and the members thereof;
- (f) the Consenting Noteholders;
- (g) the Delayed-Draw Commitment Parties;
- (h) the Distribution Agents;
- (i) each Exit Facility Agent;
- (j) the Exit Facility Lenders;
- (k) those Holders of Claims presumed to accept this Plan that do not affirmatively opt out of the Third Party Release;
- (l) the Holders of Claims and Old Parent Interests that vote to accept this Plan;
- (m) the Releasing Old Parent Interestholders; and
- (n) the Prepetition Noteholders that are not Consenting Noteholders and do not affirmatively opt out of the Third Party Release.

“*Notice*” has the meaning set forth in Article XII.K of this Plan.

“*Notice of Non-Voting Status*” means that form of notice sent to Holders of Claims and Equity Interests in Classes 1-4, 8, 10 and 12 notifying them of, among other things, their non-voting status and providing them with the opportunity to opt out of the Third Party Releases.

“*Old Parent Interest*” means the Equity Interests in Parent, as in existence immediately prior to the Effective Date.

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

“*Other Secured Claim*” means any Secured Claim other than an Administrative Claim, Secured Tax Claim, DIP Facility Claim, or Prepetition Credit Agreement Claim.

“*Parent*” means Superior Energy Services, Inc., as a debtor-in-possession in these Chapter 11 Cases.

“*Parent GUC Recovery Cash Pool*” means Cash in the aggregate amount equal to \$125,000.

“*Parent Subsidiary*” means each direct and indirect, wholly-owned subsidiary of Parent.

“*Person*” means a “person” as defined in section 101(41) of the Bankruptcy Code and also includes any natural person, corporation, general or limited partnership, limited liability company, firm, trust, association, government, governmental agency or other Entity, whether acting in an individual, fiduciary or other capacity.

“*Petition Date*” means the date on which the Debtors commence the Chapter 11 Cases.

“*Plan*” means this *Joint Prepackaged Plan of Reorganization for Superior Energy Services, Inc. and its Affiliate Debtors under Chapter 11 of the Bankruptcy Code*, dated December [•], 2020, including the Exhibits and all supplements, appendices, and schedules thereto (including any appendices, exhibits, schedules, and supplements to this Plan that are contained in the Plan Supplement), either in its present form or as the same may be amended, supplemented, or modified from time to time.

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

“*Plan Schedule*” means a schedule annexed to this Plan or an appendix to the Disclosure Statement (as amended, modified or otherwise supplemented from time to time).

“*Plan Securities*” has the meaning set forth in Article V.I of this Plan.

“*Plan Securities and Documents*” has the meaning set forth in Article V.I of this Plan.

“*Plan Supplement*” means, collectively, the compilation of term sheets, documents and forms of documents, and all exhibits, attachments, schedules, agreements, documents and instruments referred to therein, ancillary or otherwise, including, without limitation, the Exhibits and Plan Schedules, all of which are incorporated by reference into, and are an integral part of, this Plan, as all of the same may be amended, supplemented, or modified from time to time at any time prior to the Effective Date. The Plan Supplement shall be in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders and shall be Filed initially with the Bankruptcy Court at least seven (7) days prior to the Confirmation Hearing.

“*Prepetition Credit Agreement*” means that certain Fifth Amended and Restated Credit Agreement, dated as of October 20, 2017, by and among SESI, L.L.C., as borrower, Parent, the Prepetition Credit Agreement Agent, and the Prepetition Credit Agreement Lenders, as amended, supplemented, or modified from time to time prior to the Petition Date.

“*Prepetition Credit Agreement Agent*” means JPMorgan Chase Bank, N.A., in its capacity as administrative agent under the Prepetition Credit Agreement.

“*Prepetition Credit Agreement Claims*” means any and all Claims arising from, under or in connection with the Prepetition Credit Agreement (including, without limitation, any and all “Rate Management Obligations,” “Specified Cash Management Obligations” and other “Obligations” as defined therein) or any other Prepetition Loan Document relating to the Prepetition Credit Agreement.

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

“*Prepetition Credit Agreement Liens*” means the Liens securing the Prepetition Credit Agreement Claims.

“*Prepetition Debt Claims*” means, collectively, the Prepetition Credit Agreement Claims and the Prepetition Notes Claims.

“*Prepetition Debt Documents*” means, collectively, the Prepetition Credit Agreement, the Prepetition Loan Documents, the Prepetition Notes and the Prepetition Notes Indentures.

“*Prepetition Loan Documents*” means the “Loan Documents” as defined in the Prepetition Credit Agreement, in each case as amended, supplemented, or modified from time to time prior to the Petition Date.

“*Prepetition Noteholders*” means, collectively, the record holders of and owners of beneficial interests in the Prepetition Notes.

“*Prepetition Notes*” means, collectively, those certain 7.125% senior unsecured notes due 2021 (the “**2021 Notes**”) and those certain 7.750% senior unsecured notes due 2024 (the “**2024 Notes**”) issued by SESI, L.L.C. pursuant to the applicable Prepetition Notes Indentures, in an aggregate principal amount of \$1.30 billion.

“*Prepetition Notes Claims*” means any and all Claims arising from, under, or in connection with the Prepetition Notes, the Prepetition Notes Indentures or any document or agreement related to the Prepetition Notes or the Prepetition Notes Indentures.

“*Prepetition Notes Indentures*” means, collectively, (a) that certain Indenture, dated as of December 6, 2011, by and among SESI, L.L.C., as issuer, each of the guarantors party thereto from time to time, the Prepetition Notes Indenture Trustee, and the Prepetition Noteholders party thereto from time to time, governing the issuance of the 2021 Notes, and (b) that certain Indenture, dated as of August 17, 2017, by and among SESI, L.L.C., as issuer, each of the guarantors party thereto from time to time, the Prepetition Notes Indenture Trustee, and the Prepetition Noteholders party thereto from time to time, governing the issuance of the 2024 Notes, in each case as amended, restated, modified, supplemented, or replaced from time to time prior to the Petition Date.

“*Prepetition Notes Indenture Trustee*” means The Bank of New York Mellon Trust Company, N.A., solely in its capacity as indenture trustee and in each other capacity for which it serves under or in connection with the Prepetition Notes Indentures; provided that if the context requires only certain of the foregoing capacities, then only in such capacity(ies).

“*Prepetition Notes Indenture Trustee Charging Lien*” means any Lien or other priority in payment arising prior to the Effective Date to which the Prepetition Notes Indenture Trustee is entitled, pursuant to the Prepetition Notes Indentures, against distributions to be made to Holders of Allowed Prepetition Notes Claims for payment of any Prepetition Notes Indenture Trustee Fees and Expenses.

“Prepetition Notes Indenture Trustee Fees and Expenses” means the reasonable and documented compensation, fees, expenses, disbursements and indemnity claims incurred by the Prepetition Notes Indenture Trustee, including without limitation, attorneys’ and agents’ fees, expenses and disbursements, incurred by the Prepetition Notes Indenture Trustee, whether prior to or after the Petition Date and whether prior to or after consummation of this Plan, in each case to the extent payable or reimbursable under the Prepetition Notes Indentures.

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

“Pro Rata” means the proportion that an Allowed Claim or Allowed Equity Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Equity Interests in such Class.

“Professional” means any Person or Entity retained by the Debtors or the Committee in the Chapter 11 Cases pursuant to section 327, 328, 363, and/or 1103 of the Bankruptcy Code (other than an ordinary course professional).

“Professional Fee Claim” means a Claim for Accrued Professional Compensation under sections 328, 330, 331, or 503 of the Bankruptcy Code.

“Professional Fee Claim Reserve” means the reserve established and maintained in an amount reasonably determined by the Reorganized Debtors, in consultation with the Required Consenting Noteholders, from Cash on hand existing immediately prior to the Effective Date to pay in full in Cash the Professional Fee Claims incurred on or prior to the Effective Date, as and when such claims become Allowed; provided, however, that the Required Consenting Noteholders shall have the right to challenge the reasonableness of any such amount.

“Professional Fees Bar Date” means the Business Day that is forty-five (45) days after the Effective Date or such other date as approved by Final Order of the Bankruptcy Court.

“Regulation D” means Regulation D promulgated under the Securities Act.

“Regulation S” means Regulation S promulgated under the Securities Act.

“Related Persons” means, with respect to any Person or Entity, such Person’s or Entity’s respective predecessors, successors, assigns and present and former Affiliates (whether by operation of law or otherwise) and subsidiaries, and each of their respective current and former officers, directors, principals, employees, shareholders, members (including *ex officio* members and managing members), managers, managed accounts or funds, management companies, fund advisors, advisory or subcommittee board members, partners, agents, financial advisors, attorneys, accountants, investment bankers, investment advisors, consultants, representatives, and other professionals, and any Person or Entity claiming by or through any of them, including such Related Persons’ respective heirs, executors, estates, servants, and nominees; provided, however, that no insurer of any Debtor shall constitute a Related Person.

“Release” means the release given by the Releasing Parties to the Released Parties as set forth in Article X.B hereof.

“*Released Party*” means, collectively:

- (a) the Debtors;
- (b) the Reorganized Debtors;
- (c) the Prepetition Credit Agreement Agent and the Prepetition Credit Agreement Lenders;
- (d) the DIP Agent;
- (e) the DIP Lenders;
- (f) the Prepetition Notes Indenture Trustee;
- (g) the Ad Hoc Noteholder Group and the members thereof in their capacities as such;
- (h) the Consenting Noteholders;
- (i) the Delayed-Draw Commitment Parties;
- (j) the Distribution Agents;
- (k) each Exit Facility Agent;
- (l) the Exit Facility Lenders;
- (m) the Releasing Old Parent Interestholders; and
- (n) with respect to each of the foregoing Persons and Entities in clauses (a) through (m), each such Person’s and Entity’s respective Related Persons, in each case solely in their capacity as such; provided, however, that the Released Parties shall not include any Excluded Parties.

“*Releasing Old Parent Interestholder*” means a Holder of an Old Parent Interest that does not affirmatively opt out of the Third Party Release, as provided on its Notice of Non-Voting Status.

“*Releasing Party*” has the meaning set forth in Article X.B hereof.

“*Reorganization Steps Overview*” means the description of the steps of the Restructuring Transactions, substantially in the form Filed with the Plan Supplement in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Reorganized Debtors*” means, subject to the Restructuring Transactions, the Debtors as reorganized pursuant to this Plan on or after the Effective Date, and their respective successors.

“*Reorganized Parent*” means, subject to the Restructuring Transactions, Superior Energy Services, Inc., as reorganized pursuant to this Plan on the Effective Date, and its successors.

“*Required Consenting Noteholders*” has the meaning set forth in the Restructuring Support Agreement.

“*Restructuring Documents*” means, collectively, the documents and agreements (and the exhibits, schedules, annexes and supplements thereto) necessary to implement, or entered into in connection with, this Plan, including, without limitation, the Plan Supplement, the Exhibits, the Plan Schedules, the Reorganization Steps Overview, the Equity Rights Offering Procedures, the Amended/New Corporate Governance Documents, the Exit Credit Agreements, and, in each case, all documents and agreements related thereto, all of which Restructuring Documents shall be in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement.

“*Restructuring Support Agreement*” means that certain Amended and Restated Restructuring Support Agreement, dated as of December 4, 2020, by and among the Debtors and the Consenting Noteholders (as amended, supplemented or modified from time to time).

“*Restructuring Support Agreement Effective Date*” means September 29, 2020.

“*Restructuring Term Sheet*” means the term sheet attached as Exhibit A to the Restructuring Support Agreement.

“*Restructuring Transactions*” has the meaning ascribed thereto in Article V of this Plan.

“*Retained Litigation Claims*” means the claims, rights of action, suits or proceedings, whether in law, equity, or otherwise, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, that any Debtor or any Estate may hold against any Person or Entity, including, without limitation, the Causes of Action of the Debtors or their Estates, in each case solely to the extent of the Debtors’ or their Estates’ interest therein. A non-exclusive list of the Retained Litigation Claims held by the Debtors as of the Effective Date shall be Filed with the Plan Supplement, which shall be deemed to include any derivative actions filed against any Debtor as of the Effective Date.

“*Schedules*” means the schedules of assets and liabilities, schedules of Executory Contracts, and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and the applicable Bankruptcy Rules, as such Schedules may be amended, modified, or supplemented from time to time, if any such Schedules are required to be Filed by order of the Bankruptcy Court.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Secured Claim*” means a Claim that is secured by a Lien on property in which any of the Debtors’ Estates have an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder’s interest in such 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.

“*Secured Tax Claim*” means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

“*Securities Act*” means the Securities Act of 1933, 15 U.S.C. §§ 77c-77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

“*Specified Employee Plans*” has the meaning set forth in Article VI.G of this Plan.

“*Stamp or Similar Tax*” means any stamp tax, recording tax, conveyance fee, intangible or similar tax, mortgage tax, personal or real property tax, real estate transfer tax, sales tax, use tax, transaction privilege tax (including, without limitation, such taxes on prime contracting and owner-builder sales), privilege taxes (including, without limitation, privilege taxes on construction contracting with regard to speculative builders and owner builders), and other similar taxes or fees imposed or assessed by any Governmental Unit.

“*Subscription Rights*” means the right to participate in the Equity Rights Offering as set forth in the Equity Rights Offering Procedures.

“*Third Party Release*” has the meaning set forth in Article X.B hereof.

“*Unexercised Equity Interests*” means any and all unexercised options, performance, stock units, restricted stock units, restricted stock awards, warrants, calls, rights, puts, awards, commitments, or any other agreements, arrangements, or commitments of any character, kind, or nature to acquire, exchange for, or convert into an Old Parent Interest, as in existence immediately prior to the Effective Date.

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

“*Unimpaired*” means, with respect to a Class of Claims or Equity Interests, a Claim or an Equity Interest that is “unimpaired” within the meaning of section 1124 of the Bankruptcy Code.

“*Unused Cash Reserve Amount*” means the remaining Cash, if any, in the Professional Fee Claim Reserve after all obligations and liabilities for which such reserve was established are paid, satisfied, and discharged in full in Cash or are disallowed by Final Order in accordance with this Plan.

“*Voting and Claims Agent*” means Kurtzman Carson Consultants LLC, in its capacity as solicitation, notice, claims and balloting agent for the Debtors.

“*Voting Classes*” means Classes 5, 6 and 7.

“*Voting Deadline*” means the date and time, as such date and time may be extended, by which all Ballots must be received by the Voting and Claims Agent in accordance with the Disclosure Statement Interim Order.

“*Voting Record Date*” means the date for determining which Holders of Claims in the Voting Classes are entitled, as applicable, to receive the Disclosure Statement and to vote to accept or reject this Plan, which date is December 3, 2020.

ARTICLE II.

ADMINISTRATIVE, DIP FACILITY, AND PRIORITY TAX CLAIMS

A. *Administrative Claims*

Subject to sub-paragraph 1 below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim (other than an Allowed Professional Fee Claim) shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) Cash equal to the amount of such Allowed Administrative Claim; or (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Administrative Claim shall have agreed upon in writing; provided, however, that Administrative Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court.

1. Professional Fee Claims

Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and such other Entities who are designated in the Confirmation Order an application for final allowance of such Professional Fee Claim no later than the Professional Fees Bar Date; provided that no application or notice to or order of the Bankruptcy Court shall be required in order for the Reorganized Debtors to pay Professionals for any work performed after the Effective Date, including those reasonable and documented fees and expenses incurred by Professionals in connection with the implementation and consummation of this Plan.

Objections to any Professional Fee Claim must be Filed and served on counsel to the Reorganized Debtors, counsel to the Ad Hoc Noteholder Group and the requesting party by no later than twenty-one (21) days after the Filing of the applicable final request for payment of the Professional Fee Claim. Each Holder of an Allowed Professional Fee Claim shall be paid in full in Cash by the Reorganized Debtors, first from the Professional Fee Claim Reserve, within five (5) Business Days after entry of the order approving such Allowed Professional Fee Claim. The Reorganized Debtors shall not commingle any funds contained in the Professional Fee Claim Reserve and shall use such funds to pay only the Professional Fee Claims, as and when allowed by order of the Bankruptcy Court. Notwithstanding anything to the contrary contained in this Plan, the failure of the Professional Fee Claim Reserve to satisfy in full the Professional Fee Claims shall not, in any way, operate or be construed as a cap or limitation on the amount of Professional Fee Claims due and payable by the Reorganized Debtors. The Professional Fee Claim Reserve shall be maintained in trust for the Professionals and shall not be considered property of the Debtors' Estates; provided that the Reorganized Debtors shall have a reversionary interest in the

Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals shall have an Allowed Administrative Claim for any such deficiency, which shall be satisfied in full in Cash in accordance with Article II.A of this Plan.

B. DIP Super-Priority Claims

The DIP Super-Priority Claims shall be Allowed in the full amount due and owing under the DIP Documents, including all principal, accrued and accruing postpetition interest, costs, fees and expenses. On the Effective Date, the Allowed DIP Super-Priority Claims shall, in full satisfaction, settlement, discharge and release of, and in exchange for such the DIP Super-Priority Claims, be indefeasibly paid in full in Cash from the proceeds of each Exit Facility, and the DIP Liens shall be deemed discharged, released, and terminated for all purposes without further action of or by any Person or Entity, or shall be deemed by the Confirmation Order to continue so as to secure the Exit Facility, as the case may be; provided that the DIP Contingent Obligations shall survive the Effective Date on an unsecured basis and shall be paid by the Reorganized Debtors as and when due, provided further that any Allowed DIP Super-Priority Claims related to letters of credit issued and outstanding as of the Effective Date, or to cash management obligations or hedging obligations in existence on the Effective Date, may be deemed outstanding under the Exit ABL Facility or receive such other treatment as may be acceptable to the Debtors, the DIP Agent and the Required Consenting Noteholders.

C. Priority Tax Claims

Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Priority Tax Claim shall receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors, as applicable: (i) Cash equal to the amount of such Allowed Priority Tax Claim; (ii) such other less favorable treatment as to which the Debtors (with the consent of the Required Consenting Noteholders) or Reorganized Debtors, as applicable, and the Holder of such Allowed Priority Tax Claim have agreed upon in writing; (iii) such other treatment such that it shall not be Impaired pursuant to section 1124 of the Bankruptcy Code; or (iv) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, however, that Priority Tax Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (iii) or (iv) above shall be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Priority Tax Claim.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

A. *Summary*

This Plan constitutes a separate plan of reorganization for each Debtor. All Claims and Equity Interests, except Administrative Claims, DIP Super-Priority Claims, and Priority Tax Claims, are placed in the Classes set forth below. For all purposes under this Plan, each Class shall contain sub-Classes for each of the Debtors (*i.e.*, there shall be twelve (12) Classes for each Debtor); provided, that any Class that is vacant as to a particular Debtor shall be treated in accordance with Article III.D below.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, for voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. This Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remaining portion of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released, disallowed or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Classified Claims and Equity Interests

<u>Class</u>	<u>Claim/Equity Interest</u>	<u>Status</u>	<u>Voting Rights</u>
1.	Other Priority Claims	Unimpaired	Presumed to Accept
2.	Other Secured Claims	Unimpaired	Presumed to Accept
3.	Secured Tax Claims	Unimpaired	Presumed to Accept
4.	Prepetition Credit Agreement Claims	Unimpaired	Presumed to Accept
5.	<i>Prepetition Notes Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
6.	<i>General Unsecured Claims Against Parent</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
7.	<i>Prepetition Notes Claims Against Affiliate Debtors</i>	<i>Impaired</i>	<i>Entitled to Vote</i>
8.	General Unsecured Claims Against Affiliate Debtors	Unimpaired	Presumed to Accept

<u>Class</u>	<u>Claim/Equity Interest</u>	<u>Status</u>	<u>Voting Rights</u>
9.	Intercompany Claims	Unimpaired	Presumed to Accept
10.	Old Parent Interests	Impaired	Deemed to Reject
11.	Intercompany Equity Interests	Unimpaired	Presumed to Accept
12.	510(b) Equity Claims	Impaired	Deemed to Reject

B. Classification and Treatment of Claims and Equity Interests

1. Class 1 - Other Priority Claims

- (a) *Classification:* Class 1 consists of the Other Priority Claims.
- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 1 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders): (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 1 Claim shall have agreed upon in writing; or (C) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 1 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.
- (c) *Voting:* Class 1 is an Unimpaired Class, and the Holders of Claims in Class 1 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 1 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 1 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

2. Class 2 - Other Secured Claims

- (a) *Classification:* Class 2 consists of the Other Secured Claims. Class 2 consists of separate subclasses for each Other Secured Claim.

- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 2 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 2 Claim shall have agreed upon in writing; (C) the Collateral securing such Allowed Class 2 Claim; or (D) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; provided, however, that Class 2 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with the terms and conditions of any agreements relating thereto without further notice to or order of the Bankruptcy Court.
- (c) *Voting:* Class 2 is an Unimpaired Class, and the Holders of Claims in Class 2 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 2 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 2 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting-out of the Third Party Releases.

3. Class 3 - Secured Tax Claims

- (a) *Classification:* Class 3 consists of the Secured Tax Claims.
- (b) *Treatment:* Subject to Article VIII hereof, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Class 3 Claim shall receive in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors, as applicable (with the consent of the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement): (A) Cash equal to the amount of such Allowed Class 3 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors, as applicable, and the Holder of such Allowed Class 3 Claim shall have agreed upon in writing; (C) the Collateral securing such Allowed Class 3 Claim; (D) such other treatment such that it shall not be impaired pursuant to section 1124 of the Bankruptcy Code; or (E) pursuant to and in accordance with sections 1129(a)(9)(C) and 1129(a)(9)(D) of the Bankruptcy Code, Cash in an aggregate amount of such Allowed Class 3 Claim payable in regular installment payments over a period ending not more than five (5) years after the Petition Date, plus simple interest at the rate required by applicable non-bankruptcy law on any

outstanding balance from the Effective Date, or such lesser rate as is agreed to in writing by a particular taxing authority and the Debtors or Reorganized Debtors, as applicable, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code; provided, however, that Class 3 Claims incurred by any Debtor in the ordinary course of business may be paid in the ordinary course of business following the occurrence of the Effective Date by the applicable Reorganized Debtor in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. Any installment payments to be made under clause (D) or (E) above shall be made in equal quarterly Cash payments beginning on the Effective Date (or as soon as reasonably practicable thereafter), and continuing on a quarterly basis until payment in full of the applicable Allowed Class 3 Claim.

- (c) *Voting:* Class 3 is an Unimpaired Class, and the Holders of Claims in Class 3 shall be conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class 3 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 3 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

4. Class 4 – Prepetition Credit Agreement Claims

- (a) *Classification:* Class 4 consists of the Prepetition Credit Agreement Claims.
- (b) *Allowance:* The Prepetition Credit Agreement Claims are deemed Allowed in the aggregate principal amount of \$47,357,275, plus accrued and unpaid interest thereon.
- (c) *Treatment:* On the Effective Date, the Allowed Prepetition Credit Agreement Claims, other than Prepetition Credit Agreement Claims related to any outstanding letters of credit, shall, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims, be indefeasibly paid in full in Cash. To the extent any Prepetition Credit Agreement Claims related to letters of credit issued and outstanding, cash management obligations, or hedging obligations, in each case, as of the Effective Date under the Prepetition Credit Agreement, have not been deemed outstanding under the DIP Facility pursuant to the DIP Orders, such Claims shall in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claims either be (i) in the case of Claims in respect of letters of credit, 105% cash collateralized, (ii) be deemed outstanding under the Exit ABL Facility, or (iii) receive such other treatment as may be acceptable to the Debtors, the Prepetition Credit Agreement Agent, the Issuing Lenders if applicable (as defined in the Prepetition Credit Agreement) and the Required Consenting Noteholders.

- (d) *Voting:* Class 4 is an Unimpaired Class, and the Holders of Claims in Class 4 shall be conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Claims in Class 4 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 4 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases

5. Class 5 – Prepetition Notes Claims Against Parent

- (a) *Classification:* Class 5 consists of the Prepetition Notes Claims against Parent only.
- (b) *Allowance:* The Prepetition Notes Claims against Parent are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - (i) \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - (ii) \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- (c) *Treatment:* On, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed Prepetition Notes Claim against Parent shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 6) of the Parent GUC Recovery Cash Pool; *provided* that the Holders of the Prepetition Notes Claims against Parent shall waive any distribution from the Parent GUC Recovery Cash Pool.
- (d) *Voting:* Class 5 is Impaired, and Holders of Claims in Class 5 are entitled to vote to accept or reject this Plan.

The foregoing is offered to Class 5 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming this Plan and the occurrence of the Effective Date.

6. Class 6 – General Unsecured Claims Against Parent

- (a) *Classification:* Class 6 consists of the General Unsecured Claims against Parent only.
- (b) *Treatment:* Subject to Article VIII hereof, on, or as soon as reasonably practicable after, the Effective Date, each Holder of an Allowed General Unsecured Claim against Parent shall receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share (calculated together with the Claims in Class 5) of the Parent GUC Recovery Cash Pool.

- (c) *Voting:* Class 6 is Impaired, and Holders of Claims in Class 6 are entitled to vote to accept or reject this Plan.

The foregoing is offered to Class 6 solely for settlement purposes under Rule 408 of the Federal Rules of Evidence and analogous state law, and such settlement is conditioned on the Bankruptcy Court confirming this Plan and the occurrence of the Effective Date.

7. Class 7 - Prepetition Notes Claims Against Affiliate Debtors

- (a) *Classification:* Class 7 consists of the Prepetition Notes Claims against any Affiliate Debtor.
- (b) *Allowance:* The Prepetition Notes Claims against any Affiliate Debtor are deemed Allowed in the aggregate principal amount of \$1.30 billion, plus accrued and unpaid interest thereon, consisting of:
 - (i) \$800 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2021 Notes; and
 - (ii) \$500 million in aggregate principal amount, plus accrued and unpaid interest on account of the 2024 Notes.
- (c) *Treatment:* On the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Prepetition Notes Claim against any Affiliate Debtor shall receive, in full and final satisfaction, settlement, discharge and release of, and in exchange for, such Claim, its Pro Rata share of:
 - (i) the Cash Payout, or
 - (ii) solely to the extent that such Holder timely and validly elects to be a Cash Opt-Out Noteholder on the Ballot provided to such Holder or is otherwise deemed to be a Cash Opt-Out Noteholder, (A) 100% of the New Common Stock Pool, subject to dilution from and after the Effective Date on account of the New MIP Equity, and (B), to the extent such Holder is an Accredited Cash Opt-Out Noteholder, Subscription Rights.

In order to opt out of the Cash Payout with respect to all or any portion of its Allowed Prepetition Notes Claim, such applicable Prepetition Noteholder will be required to tender the underlying Prepetition Notes into a contra-CUSIP pursuant to DTC's ATOP procedures at the time such Holder submits its Ballot, and Prepetition Notes that are tendered into the contra-CUSIP may no longer be transferable.

Notwithstanding anything to the contrary herein, the Cash Payout is contingent upon the consummation of the Equity Rights Offering, and in the event that the Equity Rights Offering is not consummated, no Cash

Payout will be distributed to any Holder of an Allowed Prepetition Notes Claim and each Holder of Allowed Prepetition Notes Claims shall receive the distribution set forth in subsection (ii) above, regardless of whether such Holder timely and validly elected to be a Cash Opt-Out Noteholder.

Voting: Class 7 is Impaired, and Holders of Claims in Class 7 are entitled to vote to accept or reject this Plan.

8. Class 8 – General Unsecured Claims Against Affiliate Debtors

- (a) *Classification:* Class 8 consists of the General Unsecured Claims against any Affiliate Debtor.
- (b) *Treatment:* The legal, equitable, and contractual rights of the holders of General Unsecured Claims against any Affiliate Debtor are unaltered by this Plan. Except to the extent that a holder of a General Unsecured Claim against any Affiliate Debtor agrees to a different treatment, on and after the Effective Date, the Debtors shall continue to pay (if Allowed) or dispute each General Unsecured Claim against any Affiliate Debtor in the ordinary course of business in accordance with applicable law.
- (c) *Voting:* Class 8 is an Unimpaired Class, and the Holders of Claims in Class 8 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 8 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 8 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

9. Class 9 – Intercompany Claims

- (a) *Classification:* Class 9 consists of the Intercompany Claims.
- (b) *Treatment:* Subject to the Restructuring Transactions, the Intercompany Claims shall be adjusted, reinstated, compromised, or cancelled in such manner as is acceptable to the Required Consenting Noteholders, in consultation with the Debtors.
- (c) *Voting:* Class 9 is an Unimpaired Class and the Holders of Claims in Class 9 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 9 are not entitled to vote to accept or reject this Plan.

10. Class 10 – Old Parent Interests

- (a) *Classification:* Class 10 consists of the Old Parent Interests.
- (b) *Treatment:* The Old Parent Interests shall be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Equity Interests.
- (c) *Voting:* Class 10 is an Impaired Class and the Holders of Old Parent Interests in Class 10 are conclusively deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Old Parent Interests in Class 10 are not entitled to vote to accept or reject this Plan. Holders of Old Parent Interests in Class 10 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

11. Class 11 – Intercompany Equity Interests

- (a) *Classification:* Class 11 consists of Intercompany Equity Interests.
- (b) *Treatment:* Subject to the Restructuring Transactions, the Intercompany Equity Interests shall remain effective and outstanding on the Effective Date and shall be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date.
- (c) *Voting:* Class 11 is an Unimpaired Class and the Holders of Equity Interests in Class 11 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Equity Interests in Class 11 are not entitled to vote to accept or reject this Plan.

12. Class 12 – 510(b) Equity Claims

- (a) *Classification:* Class 12 consists of the 510(b) Equity Claims.
- (b) *Treatment:* The 510(b) Equity Claims shall be discharged and terminated on and as of the Effective Date without any distribution or retaining any property on account of such Claims.
- (c) *Voting:* Class 12 is an Impaired Class and the Holders of Claims in Class 12 are conclusively deemed to have rejected this Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 12 are not entitled to vote to accept or reject this Plan. Holders of Claims in Class 12 will be provided a Notice of Non-Voting Status solely for purposes of affirmatively opting out of the Third Party Releases.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided herein, nothing under this Plan shall affect or limit the Debtors' or the Reorganized Debtors' rights and defenses (whether legal or equitable) in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

D. Elimination of Vacant Classes

Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a claim temporarily allowed under Bankruptcy Rule 3018, or as to which no vote is cast, shall be deemed eliminated from this Plan for purposes of voting to accept or reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

ARTICLE IV.

ACCEPTANCE OR REJECTION OF THE PLAN

A. Presumed Acceptance of Plan

Classes 1-4, 8, 9 and 11 are Unimpaired under this Plan. Therefore, the Holders of Claims or Equity Interests in such Classes are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote to accept or reject this Plan.

B. Deemed Rejection of Plan

Classes 10 and 12 are Impaired and Holders of Old Parent Interests and 510(b) Equity Claims in Classes 10 and 12, respectively, are not entitled to receive or retain any property under this Plan. Accordingly, under section 1126(g) of the Bankruptcy Code, the votes of Holders of Old Parent Interests and 510(b) Equity Claims shall not be solicited, and such Holders are deemed to reject this Plan.

C. Voting Classes

Classes 5, 6, and 7 are Impaired and entitled to vote under this Plan. The Holders of Claims in Classes 5, 6 and 7 as of the Voting Record Date are entitled to vote to accept or reject this Plan.

D. Acceptance by Impaired Class of Claims

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted this Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in such Class actually voting have voted to accept this Plan.

E. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code; Cram Down

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of this Plan by Class 5 or Class 7. The Debtors request confirmation of this Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept this Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors reserve the right,

in accordance with the terms of the Restructuring Support Agreement, to modify this Plan or any Exhibit or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

F. Votes Solicited in Good Faith

The Debtors have, and upon the Confirmation Date shall be deemed to have, solicited votes on this Plan from the Voting Classes in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, without limitation, sections 1125 and 1126 of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with the solicitation. Accordingly, the Debtors, the Reorganized Debtors, and each of their respective Related Parties shall be entitled to, and upon the Confirmation Date are hereby granted, the protections of section 1125(e) of the Bankruptcy Code.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. Restructuring Transactions

Without limiting any rights and remedies of the Debtors or Reorganized Debtors under this Plan or applicable law, but in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents and any consents or approvals required thereunder, the entry of the Confirmation Order shall constitute authorization for the Reorganized Debtors to take, or to cause to be taken, all reasonable actions necessary or appropriate to consummate and implement the provisions of this Plan, including but not limited to the actions set forth in the Reorganization Steps Overview, on and after the Confirmation Date, including such reasonable actions set forth in the Reorganization Steps Overview as may be necessary or appropriate to effectuate a corporate restructuring of their respective businesses, to otherwise simplify the overall corporate structure of the Reorganized Debtors, or to reincorporate certain of the Debtors under the laws of jurisdictions other than the laws of which the applicable Debtors are presently formed or incorporated. Such restructuring may include one or more mergers, amalgamations, consolidations, restructures, dispositions, liquidations, dissolutions, or creations of one or more new Entities, as may be reasonably determined by the Debtors or Reorganized Debtors to be necessary or appropriate (with the consent of the Required Consenting Noteholders), set forth in the steps described in the Reorganization Steps Overview, but in all cases subject to the terms and conditions of this Plan, the Restructuring Documents, the Restructuring Support Agreement, and any consents or approvals required hereunder or thereunder (collectively, the **“Restructuring Transactions”**).

All such Restructuring Transactions taken, or caused to be taken, shall be deemed to have been authorized and approved by the Bankruptcy Court upon the entry of the Confirmation Order. The actions to effectuate the Restructuring Transactions may include: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, disposition, liquidation, or dissolution containing terms that are consistent with the terms of this Plan and that satisfy the applicable requirements of applicable state law and such other terms to which the applicable Entities may agree; (ii) the execution and delivery of

appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, or obligation on terms consistent with the terms of this Plan and having such other terms to which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of merger, amalgamation, consolidation, or dissolution pursuant to applicable state law; (iv) the creation of one or more new Entities; and (v) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders and to the extent necessary to implement this Plan or as set forth in the Reorganization Steps Overview, and in all cases subject to the terms and conditions of the Restructuring Support Agreement, this Plan and the Restructuring Documents and any consents or approvals required thereunder.

B. Continued Corporate Existence

Subject to the Restructuring Transactions permitted by Article V of this Plan, after the Effective Date, the Reorganized Debtors shall continue to exist as separate legal Entities in accordance with the applicable law in the respective jurisdiction in which they are incorporated or formed and pursuant to their respective certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, in effect immediately prior to the Effective Date, except to the extent such certificates or articles of incorporation and by-laws, or other applicable corporate governance documents, are amended, restated or otherwise modified under this Plan (subject to such amendment, restatement, or replacement being in accordance with applicable law of the Debtor's jurisdiction of incorporation), including pursuant to the Amended/New Corporate Governance Documents, in each case in form and substance reasonably acceptable to the Required Consenting Noteholders. Notwithstanding anything to the contrary herein, the Claims against a particular Debtor or Reorganized Debtor shall remain the obligations solely of such Debtor or Reorganized Debtor and shall not become obligations of any other Debtor or Reorganized Debtor solely by virtue of this Plan or the Chapter 11 Cases.

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

Except as otherwise expressly provided in this Plan, the Confirmation Order, or any Restructuring Document, pursuant to sections 1123(a)(5), 1123(b)(3), 1141(b) and (c) and other applicable provisions of the Bankruptcy Code, on and after the Effective Date, all property and assets of the Estates of the Debtors, including all claims, rights, and Retained Litigation Claims of the Debtors, and any other assets or property acquired by the Debtors or the Reorganized Debtors during the Chapter 11 Cases or under or in connection with this Plan (other than the Claims or Causes of Action subject to the Debtor Release, Professional Fee Claim Reserve and any rejected Executory Contracts and/or Unexpired Leases), shall vest in each of the Reorganized Debtors free and clear of all Claims, Liens, charges, and other encumbrances, subject to the Liens which survive the occurrence of the Effective Date as described in Article III of this Plan (including, without limitation, the Liens that secure the Exit Facilities). On and after the Effective Date, each of the Reorganized Debtors may (i) operate their respective businesses, (ii) use, acquire, and dispose of their respective property and (iii) compromise or settle any Claims, in each case without notice to, supervision of or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than restrictions expressly imposed by this Plan or the Confirmation Order.

D. Exit Facility Loan Documents

On the Effective Date, the Debtors and the Reorganized Debtors, as applicable, shall be authorized to execute and deliver, and to consummate the transactions contemplated by, the Exit Facility Loan Documents, in each case in form and substance acceptable to the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement and, in the case of an Exit DDTL Facility, the Delayed-Draw Term Loan Commitment Letter and to the applicable Exit Facility Lenders and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the applicable Exit Facility Loan Documents or as set forth as conditions precedent in the DIP Facility). On the Effective Date, each Exit Facility Loan Document shall constitute legal, valid, binding and authorized indebtedness and obligations of the Reorganized Debtors party thereto, enforceable in accordance with its respective terms and such indebtedness and obligations shall not be, and shall not be deemed to be, enjoined or subject to discharge, impairment, release or avoidance under this Plan, the Confirmation Order or on account of the Confirmation or Consummation of this Plan.

E. New Common Stock; Book Entry

On the Effective Date, subject to the terms and conditions of this Plan and the Restructuring Transactions and as described more fully in the Reorganization Steps Overview, Reorganized Parent shall issue the New Common Stock pursuant to this Plan and the Amended/New Corporate Governance Documents. For the avoidance of doubt, no distributions shall be made to Holders of Unexercised Equity Interests under this Plan, and any such Unexercised Equity Interests shall be deemed automatically terminated and cancelled as of the Effective Date.

Distributions of the New Common Stock may be made by delivery or book-entry transfer thereof by the applicable Distribution Agent in accordance with this Plan and the Amended/New Corporate Governance Documents. Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized share capital or other equity securities of Reorganized Parent shall be that number of shares of New Common Stock as may be designated in the Amended/New Corporate Governance Documents.

F. Listing of New Securities; SEC Reporting

Prior to the Effective Date, the Required Consenting Noteholders shall determine, in consultation with the Debtors, whether to list the New Common Stock for trading on the New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or any other national securities exchange selected by the Required Consenting Noteholders and reasonably acceptable to the Debtors, with such listing, if any, to be effective on, or as soon as reasonably practicable after, the Effective Date.

The Required Consenting Noteholders, in consultation with the Debtors, shall determine whether the Reorganized Debtors shall maintain their current status and continue as a public reporting company under applicable U.S. securities laws and shall continue to file annual, quarterly and current reports in accordance with the Exchange Act, as amended, and the rules and regulations promulgated thereunder.

G. New Stockholders Agreement; New Registration Rights Agreement

Subject to the Restructuring Transactions permitted by Article V.A of this Plan, on the Effective Date, Reorganized Parent shall enter into, if applicable, the New Stockholders Agreement and, if applicable, the New Registration Rights Agreement, each of which shall become effective and binding in accordance with its terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity (other than as expressly required by the New Stockholders Agreement and the New Registration Rights Agreement, as applicable).

On and as of the Effective Date, all of the Holders of New Common Stock shall be deemed to be parties to the New Stockholders Agreement, if any, without the need for execution by such Holder. The New Stockholders Agreement, if any, shall be binding on all Persons or Entities receiving, and all Holders of, the New Common Stock (and their respective successors and assigns), whether such New Common Stock is received or to be received on or after the Effective Date and regardless of whether such Person or Entity executes or delivers a signature page to the New Stockholders Agreement.

H. New Management Incentive Plan

The New Board shall be authorized to implement a management incentive plan (the “**New Management Incentive Plan**”) that provides for the issuance of options and/or other equity-based compensation to the management and directors of Reorganized Parent. Up to ten percent (10%) of the New Common Stock, on a fully diluted basis, shall be reserved for issuance in connection with the New Management Incentive Plan, with the actual amount to be reserved as determined by the New Board. The participants in the New Management Incentive Plan, the allocations and form of the options and other equity-based compensation to such participants (including the amount of allocations and the timing of the grant of the options and other equity-based compensation), and the terms and conditions of such options and other equity-based compensation (including vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) shall be determined by the New Board. Any shares of New MIP Equity shall dilute equally the shares of New Common Stock otherwise distributed pursuant to this Plan (including, without limitation, pursuant to or in connection with the Equity Rights Offering).

Notwithstanding the foregoing, (i) the New Board shall retain a compensation consultant acceptable to the Required Consenting Noteholders prior to the Effective Date to advise them regarding the development of the New Management Incentive Plan and (ii) the New Management Incentive Plan shall be adopted by the New Board within one-hundred twenty (120) days after the Effective Date.

I. [Intentionally Deleted]

J. Plan Securities and Related Documentation; Exemption from Securities Laws

On and after the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to and shall provide or issue the New Common Stock to be distributed and issued under this Plan (collectively, the “**Plan Securities**”) and any and all other notes, stock, instruments, certificates, and other documents or agreements required to be distributed, issued, executed or delivered pursuant to or in connection with this Plan (collectively, the “**Plan Securities and Documents**”), in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

The offer, distribution, and issuance, as applicable, of the Plan Securities and Documents under this Plan (including New Common Stock issued in connection with the Equity Rights Offering) shall be exempt from or not subject to, or shall be effected in a manner that is exempt from or not subject to, any registration or prospectus delivery requirements under applicable securities laws (including, as applicable, Section 5 of the Securities Act or any other federal, state or local law or regulation requiring the registration and/or delivery of a prospectus for offer or sale of a security or registration or licensing of an issuer of a security) pursuant to section 1145(a) of the Bankruptcy Code and/or other applicable exemptions; provided, however, that New Common Stock issued to Cash Opt-Out Noteholders in the Equity Rights Offering pursuant to Article V of this Plan will be issued and distributed pursuant to section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder. An offering of Plan Securities provided in reliance on the exemption from registration under the Securities Act pursuant to section 1145(a) of the Bankruptcy Code may be sold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and deemed to be a public offering thereunder, and such Plan Securities may be resold without registration under such laws or regulations to the extent permitted under section 1145 of the Bankruptcy Code and other applicable law.

Persons or Entities who purchase securities pursuant to the exemption from registration set forth in Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder shall acquire “restricted securities.” Resales of such restricted securities would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Holders of restricted securities would, however, be permitted to resell Plan Securities without registration if they are able to comply with the applicable provisions of Rule 144 promulgated under the Securities Act or Rule 144A under the Securities Act or any other applicable registration exemption under the Securities Act, or in a transaction that is registered with the SEC.

In the event that the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of the Plan Securities through the facilities of DTC, the Reorganized Debtors need not provide any further evidence other than this Plan or the Confirmation Order with respect to the treatment of such securities under applicable securities laws. DTC shall accept and be entitled to conclusively rely upon this Plan or the Confirmation Order in lieu of a legal opinion regarding whether such securities are exempt from registration and/or eligible for DTC book entry delivery, settlement and depository services.

K. Release of Liens and Claims

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

L. Corporate Governance Documents of the Reorganized Debtors

The respective corporate governance documents of each of the Debtors shall be amended and restated or replaced (as applicable) by the Amended/New Corporate Governance Documents. Such corporate governance documents shall: (i) to the extent required by section 1123(a)(6) of the Bankruptcy Code, include a provision prohibiting the issuance of non-voting equity securities; (ii) authorize the issuance of New Common Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by this Plan; and (iii) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate this Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Debtors may, subject to the terms and conditions of the Amended/New Corporate Governance Documents, amend and restate their respective corporate governance documents as permitted thereby and by applicable law.

M. New Board; Initial Officers

The initial members of the New Board shall be selected in accordance with the terms and conditions of the Restructuring Support Agreement. After the initial directors of the New Board are selected, future directors shall be elected in accordance with Amended/New Corporate Governance Documents. All officers of the Debtors immediately prior to the Effective Date shall be retained in their existing positions upon the Effective Date, subject to the terms of this Plan.

Pursuant to and to the extent required by section 1129(a)(5) of the Bankruptcy Code, the Debtors shall disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the New Board or as an officer of each of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director or an officer, the nature of any compensation for such Person. Each such director and officer shall serve from and after the

Effective Date pursuant to applicable law and the terms of the Amended/New Corporate Governance Documents and the other constituent and corporate governance documents of the applicable Reorganized Debtors. The existing boards of directors and other governing bodies of the Debtors shall be deemed to have resigned on and as of the Effective Date, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity.

N. Corporate Action

Each of the Debtors and the Reorganized Debtors may take any and all actions reasonably necessary to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be reasonably necessary or appropriate to effectuate and implement the provisions of this Plan, including, without limitation, the issuance and the distribution of the securities to be issued pursuant hereto, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors or by any other Person or Entity (except for those expressly required pursuant hereto or by the Restructuring Documents).

After the Confirmation Date, all matters provided for pursuant to this Plan that would otherwise require approval of the stockholders, directors, officers, managers, members or partners of the Debtors (as of prior to the Effective Date) shall be deemed to have been so approved and shall be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by such Persons or Entities or the need for any approvals, authorizations, actions or consents of or from any such Persons or Entities.

As of the Effective Date, all matters provided for in this Plan involving the legal or corporate structure of the Debtors or the Reorganized Debtors (including, without limitation, the adoption of the Amended/New Corporate Governance Documents and similar constituent and corporate governance documents, and the selection of directors and officers for, each of the Reorganized Debtors), and any legal or corporate action required by the Debtors or the Reorganized Debtors in connection with this Plan shall be deemed to have occurred and shall be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On and after the Effective Date, the appropriate officers of the Debtors and the Reorganized Debtors are authorized to issue, execute, deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in this Plan in the name of and on behalf of the Debtors and the Reorganized Debtors, in each case in form and substance acceptable to the Required Consenting Noteholders, and without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity. The secretary and any assistant secretary of the Debtors and the Reorganized Debtors shall be authorized to certify or attest to any of the foregoing actions.

O. Cancellation of Notes, Certificates and Instruments

On the Effective Date, except to the extent otherwise provided in this Plan and the Restructuring Documents (including, without limitation, Article II.B and Article V.B of this Plan), all notes, indentures, instruments, certificates, agreements and other documents evidencing or relating to any Impaired Claim (including, for the avoidance of doubt and without limitation, the Prepetition Notes Indentures and the Prepetition Notes) or any Claim being paid in full in Cash under this Plan shall be fully released, terminated, extinguished and discharged (including, in respect of DIP Documents, any duties or obligations of the DIP Agent thereunder), in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity and in the case of any Claim being paid in full in Cash upon the indefeasible payment of such Claim in full in Cash as contemplated by this Plan; provided that the Prepetition Debt Documents and the DIP Documents shall continue in effect for the limited purpose of (i) allowing Holders of Claims thereunder to receive, and allowing and preserving the rights of the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee or other applicable Distribution Agents thereunder to make, distributions under this Plan; (ii) permitting the Prepetition Notes Indenture Trustee to exercise its Prepetition Notes Indenture Trustee Charging Lien against such distributions for payment of the Prepetition Notes Indenture Trustee Fees and Expenses; (iii) preserving any rights of the DIP Agent to payment of fees, costs, and expenses and otherwise allowing the DIP Agent to take any actions contemplated by this Plan, and (iv) preserving the DIP Contingent Obligations as contemplated by Article II.B of this Plan; provided further that, upon completion of the distribution with respect to a specific Prepetition Debt Claim, the Prepetition Debt Documents in connection thereto and any and all notes, securities and instruments issued in connection with such Prepetition Debt Claim shall terminate completely without further notice or action and be deemed surrendered.

P. Existing Equity Interests

On the Effective Date, the Old Parent Interests shall be terminated and cancelled without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person or Entity.

On the Effective Date, the Intercompany Equity Interests shall remain effective and outstanding, except to the extent modified pursuant to the terms of the Reorganization Steps Overview, and shall be owned and held by the same applicable Person or Entity that held and/or owned such Intercompany Equity Interests immediately prior to the Effective Date. Each Parent Subsidiary shall continue to be governed by the terms and conditions of its applicable corporate governance documents as in effect immediately prior to the Effective Date, except as amended or modified by this Plan or the Plan Supplement.

Q. Sources of Cash for Plan Distributions

All Cash necessary for the Debtors or the Reorganized Debtors, as applicable, to make payments required pursuant to this Plan shall be obtained from their respective Cash balances, including Cash from operations, the Equity Rights Offering and the Exit Facility Credit

Agreements. The Debtors and the Reorganized Debtors, as applicable, may also make such payments using Cash received from their subsidiaries through their respective consolidated cash management systems and the incurrence of intercompany transactions, in all cases subject to the terms and conditions of the Restructuring Support Agreement and the Restructuring Documents.

R. Funding and Use of Professional Fee Claim Reserve

On or before the Effective Date, the Debtors shall fund the Professional Fee Claim Reserve in such amount as determined by the Debtors, with the consent of the Required Consenting Noteholders or as determined by order of the Bankruptcy Court, as necessary in order to be able to pay in full in Cash the Professional Fee Claims, as and when Allowed.

The Cash contained in the Professional Fee Claim Reserve shall be used solely to pay the Allowed Professional Fee Claims, with the Unused Cash Reserve Amount (if any) being returned to the Reorganized Debtors within three (3) Business Days after determining the Unused Cash Reserve Amount. The Debtors and the Reorganized Debtors, as applicable, shall maintain detailed records of all payments made from the Professional Fee Claim Reserve, such that all payments and transactions shall be adequately and promptly documented in, and readily ascertainable from, their respective books and records.

The Professional Fee Claim Reserve shall be maintained in trust for the Professionals and shall not be considered property of the Debtors' Estates; provided that the Reorganized Debtors shall have a reversionary interest in the Unused Cash Reserve Amount. To the extent that funds held in the Professional Fee Claim Reserve do not or are unable to satisfy the full amount of the Allowed Professional Fee Claims, such Professionals shall have an Allowed Administrative Claim for any such deficiency, which shall be satisfied in full in Cash in accordance with Article II.A of this Plan.

After the Effective Date, neither the Debtors nor the Reorganized Debtors shall deposit any other funds or property into the Professional Fee Claim Reserve without further order of the Bankruptcy Court or otherwise commingle funds in the Professional Fee Claim Reserve. To the extent the Professional Fee Claim Reserve is insufficient to pay in full in Cash the obligations and liabilities for which such reserve was established, then the Reorganized Debtors shall, within five (5) Business Days, pay such obligations and liabilities in full in Cash.

S. Continuing Effectiveness of Final Orders

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

T. Payment of Fees and Expenses of Certain Creditors

The Debtors and the Reorganized Debtors, as applicable, shall, on and after the Confirmation Date and to the extent invoiced in accordance with the terms of the applicable engagement letter(s), pay the Ad Hoc Noteholder Group Fees and Expenses (whether accrued

prepetition or postpetition and to the extent not otherwise paid prior to or during the Chapter 11 Cases), without the need for application by any such parties to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise.

U. Payment of Fees and Expenses of the Prepetition Notes Indenture Trustee

The Debtors shall, on and after the Effective Date, and upon the presentment of invoices in customary form (which may be redacted to preserve any confidential or privileged information), pay the Prepetition Notes Indenture Trustee Fees and Expenses (in each case whether accrued prepetition or postpetition and to the extent not otherwise paid during the Chapter 11 Cases), without the need for application by any party to the Bankruptcy Court, and without notice and a hearing pursuant to section 1129(a)(4) of the Bankruptcy Code or otherwise. From and after the Effective Date, the Reorganized Debtors shall pay any Prepetition Notes Indenture Trustee Fees and Expenses in full in Cash without further court approval.

V. Equity Rights Offering

Pursuant to the terms of this Plan and the Equity Rights Offering Procedures, each Accredited Cash Opt-Out Noteholder shall have the opportunity but not the obligation to subscribe for its Pro Rata share of an amount of New Common Stock to be issued as of the Effective Date necessary to fully fund the Cash Payout at the Purchase Price (as defined in the Equity Rights Offering Procedures) set forth in the Equity Rights Offering Procedures.

Each Accredited Cash Opt-Out Noteholder that elects to purchase the maximum number of Equity Rights Offering Shares that such Accredited Cash Opt-Out Noteholder may purchase in the Equity Rights Offering will also have the right to elect to purchase additional Equity Rights Offering Shares that are not timely, duly and validly subscribed and paid for in the Equity Rights Offering, as more fully set forth in the Rights Offering Procedures.

The Equity Rights Offering will be conducted in reliance upon the exemption from registration set forth in Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

The proceeds of the Equity Rights Offering shall be used exclusively to fund the Cash Payout provided to Cash Payout Noteholders, in full and final satisfaction of such Holders' Prepetition Notes Claims, which shall be released and discharged pursuant to Article XI herein. Notwithstanding anything to the contrary herein, if the Equity Rights Offering Amount is less than the aggregate amount of the Cash Payout, then the amount of Prepetition Notes Claims held by the Cash Payout Noteholders satisfied by the Cash Payout shall automatically be reduced, and any remaining portion of such Cash Payout Noteholders' Prepetition Notes Claims that is not satisfied through the Cash Payout as a result of such automatic reduction shall receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder. For the avoidance of doubt, under no circumstance shall the amount actually paid out in the Cash Payout exceed the Equity Rights Offering Amount.

Consummation of the Equity Rights Offering and delivery of any Cash Payout is contingent upon the consent of the Required Consenting Noteholders. In the event the Equity Rights Offering

is not consummated, then no Cash Payout will be made to any Cash Payout Noteholder and such Holder will receive the treatment such Holder would receive if such Holder were a Cash Opt-Out Noteholder.

Notwithstanding anything in this Plan to the contrary, the New Common Stock issued in connection with the Equity Rights Offering shall be subject to dilution by the New MIP Equity.

ARTICLE VI.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption of Executory Contracts and Unexpired Leases

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors shall be assumed by the Debtors in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code (including, for the avoidance of doubt, the Restructuring Support Agreement), except for those Executory Contracts and Unexpired Leases that:

- (i) have been assumed or rejected by the Debtors by prior order of the Bankruptcy Court;
- (ii) are the subject of a motion to reject filed by the Debtors pending on the Effective Date;
- (iii) are identified by the Debtors (with the consent of the Required Consenting Noteholders) and Filed in the Plan Supplement as rejected Executory Contracts and Unexpired Leases, which Plan Schedule may be amended by the Debtors (with the consent of the Required Consenting Noteholders) to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended Plan Schedule and serving it on the affected non-Debtor contract parties at least seven (7) days prior to the Plan Objection Deadline; or
- (iv) are rejected or terminated by the Debtors pursuant to the terms of this Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumptions pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

To the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned (as applicable) pursuant to this Plan or any prior order of the Bankruptcy Court (including, without limitation, any “change in control” provision, “change of control” provision, or provision with words of similar import) (a) prohibits, restricts or conditions, or purports to prohibit, restrict or condition, (b) is modified, breached or terminated (or deemed

modified, breached or terminated), (c) increases, accelerates or otherwise alters any obligations or liabilities of the Debtors or Reorganized Debtors (or purports to increase, accelerate or otherwise alter any obligations or liabilities of the Debtors or Reorganized Debtors), or (d) results in the creation or imposition of any Lien upon any property or assert of any of the Debtors or Reorganized Debtors (or purports to result in the creation or imposition of any Lien upon any property or asset of any of the Debtors or Reorganized Debtors), in each case as a result of (i) the commencement of these Chapter 11 Cases or the insolvency or financial condition of any Debtor at any time before the closing of its respective Chapter 11 Case, (ii) any Debtor's or any Reorganized Debtor's assumption or assumption and assignment (as applicable) of such Executory Contract or Unexpired Lease or (iii) the Confirmation or Consummation of this Plan, then such provision shall, to the extent provided by section 365 of the Bankruptcy Code, be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-debtor party thereto to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease shall be deemed satisfied by the Confirmation of this Plan.

Each Executory Contract and Unexpired Lease assumed and/or assigned pursuant to this Plan shall revert in and be fully enforceable by the applicable Reorganized Debtor or the applicable assignee in accordance with its terms and conditions, except as modified by the provisions of this Plan, any order of the Bankruptcy Court approving its assumption and/or assignment, or applicable law.

The inclusion or exclusion of a contract or lease on any schedule or exhibit shall not constitute an admission by any Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder.

B. Cure of Defaults; Assignment of Executory Contracts and Unexpired Leases

Any defaults under each Executory Contract and Unexpired Lease to be assumed, or assumed and assigned, pursuant to this Plan shall be satisfied, pursuant to and to the extent required by section 365(b)(1) of the Bankruptcy Code, by payment of the applicable default amount in Cash on or in connection with the Effective Date or on such other terms as the Bankruptcy Court may order or the parties to such Executory Contracts or Unexpired Leases may otherwise agree in writing (with the consent of the Required Consenting Noteholders) (the "**Cure Claim Amount**").

In the event of an assumption, or an assumption and assignment, of an Executory Contract or Unexpired Lease that is in default under this Plan, at least seven (7) days prior to the Plan Objection Deadline (or, in the case of an Executory Contract or Unexpired Lease removed from the Plan Schedule after such date, no later than one (1) Business Day after such removal), the Debtors shall File and serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption, or proposed assumption and assignment, which shall: (a) list the applicable Cure Claim Amount, if any; (b) if applicable, identify the party to which the Executory Contract or Unexpired Lease shall be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes shall be resolved by the Bankruptcy Court.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption, or proposed assumption and assignment under this Plan, or any related cure amount, must be Filed, served and actually received by the Debtors and counsel to the Ad Hoc Noteholder Group prior to the Plan Objection Deadline (notwithstanding anything in the Schedules or a proof of Claim to the contrary). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption, or proposed assumption and assignment, or cure amount shall be deemed to have consented to such matters and shall be deemed to have forever released and waived any objection to such proposed assumption, proposed assumption and assignment, and cure amount. The Confirmation Order shall constitute an order of the Bankruptcy Court approving each proposed assumption, or proposed assumption and assignment, of Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any Debtor or assignee to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or assumed and assigned or (c) any other matter pertaining to assumption or assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving such assumption or assumption and assignment. If such objection is sustained by Final Order of the Bankruptcy Court, the Debtors or the Reorganized Debtors, as applicable, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming or assigning it. The Debtors or the Reorganized Debtors, as applicable, shall be authorized to effect such rejection by filing a written notice of rejection with the Bankruptcy Court and serving such notice on the applicable counterparty within ten (10) days of the entry of such Final Order.

Subject to any cure claims Filed with respect thereto, assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to this Plan shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption or assumption and assignment, in each case as provided in section 365 of the Bankruptcy Code, in each case subject to the remaining terms and conditions of this Article VI. Any proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed or assumed and assigned by Final Order shall be deemed disallowed and expunged (subject to any cure claims Filed with respect thereto), without further notice to or action, order, or approval of the Bankruptcy Court.

With respect to any Executory Contract or Unexpired Lease assumed and assigned pursuant to this Plan, upon and as of the Effective Date, the applicable assignee shall be deemed to be substituted as a party thereto for the applicable Debtor party to such assigned Executory Contract or Unexpired Lease and, accordingly, the Debtors and the Reorganized Debtors shall be relieved, pursuant to and to the extent set forth in section 365(k) of the Bankruptcy Code, from any further liability under such assigned Executory Contract or Unexpired Lease.

C. Rejection of Executory Contracts and Unexpired Leases

The Debtors reserve the right, at any time prior to the Effective Date, except as otherwise specifically provided herein, to seek to reject (with the consent of the Required Consenting Noteholders) any Executory Contract or Unexpired Lease and to file a motion requesting authorization for the rejection of any such contract or lease. All Executory Contracts and Unexpired Leases listed on a Plan Schedule as rejected Executory Contracts and Unexpired Leases shall be deemed rejected as of the Effective Date. The Confirmation Order shall constitute an order of the Bankruptcy Court approving the rejections described in this Article VI pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Rejection of any Executory Contract or Unexpired Lease pursuant to this Plan or otherwise shall not constitute a termination of any preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases.

D. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to this Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after service of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection.

Any Person or Entity that is required to file a proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so shall be forever barred, estopped and enjoined from asserting such Claim, and such Claim shall not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and their respective assets and property shall be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article X.G hereof.

E. D&O Liability Insurance Policies

On the Effective Date, each D&O Liability Insurance Policy shall be deemed and treated as an Executory Contract that is and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the D&O Liability Insurance Policies shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the D&O Liability Insurance Policies.

After assumption of the D&O Liability Insurance Policies, nothing in this Plan otherwise alters the terms and conditions of the D&O Liability Insurance Policies. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors under the D&O Liability Insurance Policies. For the avoidance of doubt, the D&O Liability Insurance Policies shall continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the D&O Liability Insurance Policies.

The Debtors are further authorized to take such reasonable actions, and to execute and deliver such documents, as may be reasonably necessary or appropriate to implement, maintain, cause the binding of, satisfy any terms or conditions of, or otherwise secure for the insureds the benefits of the D&O Tail Policy, without further notice to or order of the Bankruptcy Court or approval or consent of any Person or Entity.

Notwithstanding anything to the contrary in any D&O Liability Insurance Policies issued prior to the Effective Date, the Reorganized Debtors shall not have any obligation or responsibility for the payment of any self-insured retention thereunder or in connection therewith, and no Person or Entity shall be entitled to seek reimbursement from or to subrogate against any Reorganized Debtors with respect to any payments made under such policies.

F. Indemnification Provisions

On the Effective Date, all Indemnification Provisions shall be deemed and treated as Executory Contracts that are and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Indemnification Provisions shall survive the Effective Date and be Unimpaired; provided, however, that, to the maximum extent permitted under applicable law, this provision shall not include any such Claims arising from or related to (i) any Excluded Party or (ii) any indemnification Claims against the Parent that are based on fraud, gross negligence, or willful misconduct, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Indemnification Provisions. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Indemnification Provisions. For the avoidance of doubt, the Indemnification Provisions shall continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the Indemnification Provisions.

G. Employment Plans

On the Effective Date, all employment agreements and severance policies, including all employment, compensation, and benefit plans, policies, and programs of the Debtors applicable to any of their respective officers, employees or retirees, and any of the officers, employees or retirees of their respective subsidiaries, including, without limitation, all workers' compensation programs, savings plans, retirement plans, SERP plans, healthcare plans, disability plans, severance benefit plans, incentive plans, change-in-control plans, insurance plans including but not limited to life and accidental death and dismemberment insurance plans, health and welfare plans, and 401(k) plans (in each case, as applicable) (collectively, the "Specified Employee Plans") shall be deemed and treated as Executory Contracts that are and shall, subject to the following proviso, be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed; provided that (a) the Debtors, pursuant to the Restructuring Support Agreement, acknowledged and agreed that the Consummation of this Plan shall not constitute a change in control or term of similar meaning pursuant to any of the

Specified Employee Plans, and the Confirmation Order shall contain a finding and such other provisions acceptable to the Required Consenting Noteholders confirming the same, and (b) each “Executive” employment agreement, “Level I” employment agreement and “Level II” employment agreement shall only be maintained and assumed by the Debtors (and assigned to the Reorganized Debtors, if necessary) and considered a Specified Employee Plan if the employee party to such agreement, on or prior to the Effective Date, (i) confirms that the Consummation of this Plan does not constitute a change in control and (ii) waives any right to resign with “good reason” solely or in part as a result of the Consummation of this Plan.

All Claims arising from the Specified Employee Plans shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ assumption of each of the Specified Employee Plans. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Specified Employee Plans.

H. Insurance and Surety Contracts

On the Effective Date, each Insurance and Surety Contract shall be deemed and treated as an Executory Contract that is and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Insurance and Surety Contracts shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval of the Debtors’ assumption of each of the Insurance and Surety Contracts. After assumption of the Insurance and Surety Contracts, nothing in this Plan otherwise alters the terms and conditions of the Insurance and Surety Contracts. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable counterparties under the Insurance and Surety Contracts.

I. Extension of Time to Assume or Reject

Notwithstanding anything to the contrary set forth in Article VI of this Plan, in the event of a dispute as to whether a contract is executory or a lease is unexpired, the right of the Reorganized Debtors to move to assume or reject such contract or lease shall be extended until the date that is ten (10) days after entry of a Final Order by the Bankruptcy Court determining that the contract is executory or the lease is unexpired. The deemed assumption provided for in Article VI.A of this Plan shall not apply to any such contract or lease, and any such contract or lease shall be assumed or rejected only upon motion of the Reorganized Debtors following the Bankruptcy Court’s determination that the contract is executory or the lease is unexpired.

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

Unless otherwise provided in this Plan, each Executory Contract or Unexpired Lease that is assumed by the Debtors or the Reorganized Debtors shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such

Executory Contract or Unexpired Lease, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing has been previously rejected or repudiated or is rejected or repudiated hereunder. Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

ARTICLE VII.

PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Claims Allowed as of the Effective Date

Except as otherwise provided in the “Treatment” sections in Article III hereof or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Effective Date or as soon as reasonably practicable thereafter. Any payment or distribution required to be made under this Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Article VIII hereof.

B. No Postpetition Interest on Claims

Unless otherwise specifically provided for in this Plan, the Confirmation Order or Final Order of the Bankruptcy Court, or required by applicable bankruptcy law (including, without limitation, as required pursuant to section 506(b) or section 511 of the Bankruptcy Code), postpetition interest shall not accrue or be paid on any Claims (except DIP Super-Priority Claims) and no Holder of a Claim (except DIP Super-Priority Claims) shall be entitled to interest accruing on or after the Petition Date on any Claim.

C. Distributions by the Reorganized Debtors or Other Applicable Distribution Agent

Other than as specifically set forth below or as otherwise provided in this Plan, the Reorganized Debtors or other applicable Distribution Agent shall make all distributions required to be distributed under this Plan. Distributions on account of the Allowed Prepetition Debt Claims and Allowed DIP Super-Priority Claims shall be made to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee, and the DIP Agent, as applicable, and such agent or trustee shall be, and shall act as, the Distribution Agent with respect to its respective Class of Claims in accordance with the terms and conditions of this Plan and the applicable debt documents. All distributions to Holders of Prepetition Debt Claims and DIP Super-Priority Claims shall be deemed completed when made by the Reorganized Debtors to the Prepetition Credit Agreement Agent, the Prepetition Notes Indenture Trustee (or as directed by the Prepetition Notes Indenture Trustee), and the DIP Agent, or as otherwise provided in this Plan, as applicable. The Reorganized Debtors may employ or contract with other Entities to assist in or make the distributions required by this Plan and may pay the reasonable fees and expenses of such Entities and the Distribution Agents in the ordinary course of business. No Distribution Agent shall be required to give any bond or

surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

The distributions of New Common Stock to be made under this Plan to Holders of Allowed Prepetition Notes Claims shall be made by the Debtors or Reorganized Debtors, as applicable, to the Prepetition Notes Indenture Trustee, which shall transmit (or cause to be transmitted) such distributions to Holders of Allowed Prepetition Notes Claims in accordance with the Prepetition Notes Indenture or as set forth below. Notwithstanding anything to the contrary in this Plan, the Prepetition Notes Indenture Trustee may transfer or direct the transfer of such distributions through the facilities of DTC and, in such event, shall be entitled to recognize and deal for all purposes under this Plan with Holders of the Prepetition Notes to the extent consistent with the policies or customary practices of DTC. If such distributions cannot be made through the facilities of DTC, the Debtors or Reorganized Debtors, as applicable, shall implement procedures in consultation with the Prepetition Notes Indenture Trustee and reasonably acceptable to the Required Consenting Noteholders to make distributions with respect to the Prepetition Notes. The Debtors or Reorganized Debtors (as applicable) shall use their best efforts to make the New Common Stock to be distributed to Holders of the Prepetition Notes eligible for distribution through the facilities of DTC. The distributions of Subscription Rights under this Plan to Accredited Cash Opt-Out Noteholders shall be made by the Voting and Claims Agent as provided in the Equity Rights Offering Procedures. The obligations of the Prepetition Notes Indenture Trustee under the Prepetition Notes Indentures, the Prepetition Notes, and this Plan shall be deemed fully satisfied upon DTC's receipt of the distributions with respect to the Prepetition Notes.

D. Delivery and Distributions; Undeliverable or Unclaimed Distributions

1. Record Date for Distributions

On the Distribution Record Date, the Claims Register (and the Debtors' books and records with respect to the Holders of Equity Interests in Parent) shall be closed. Accordingly, the Debtors, the Reorganized Debtors or other applicable Distribution Agent shall have no obligation to recognize the assignment, transfer or other disposition of, or the sale of any participation in, any Allowed Claim (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest that occurs after the close of business on the Distribution Record Date, and shall be entitled for all purposes herein to recognize and distribute securities, property, notices and other documents only to those Holders of Allowed Claims (other than DIP Super-Priority Claims and Prepetition Debt Claims) or Allowed Equity Interest who are Holders of such Claims or Equity Interests, or participants therein, as of the close of business on the Distribution Record Date. The Reorganized Debtors or other applicable Distribution Agent shall be entitled to recognize and deal for all purposes under this Plan with only those record holders stated on the Claims Register, or their books and records, as of the close of business on the Distribution Record Date; provided, however, that the Distribution Record Date shall not apply to the DIP Super-Priority Claims, Prepetition Debt Claims, or any securities of the Debtors deposited with DTC.

2. Delivery of Distributions in General

Except as otherwise provided herein, the Debtors, the Reorganized Debtors or other applicable Distribution Agent, as applicable, shall make distributions to Holders of Allowed Claims, or in care of their authorized agents, as appropriate, at the address for each such Holder or

agent as indicated on the Debtors' or other applicable Distribution Agent's books and records as of the date of any such distribution; provided, however, that the manner of such distributions shall be determined in the discretion of the applicable Distribution Agent (subject to the terms and conditions of the DIP Agreement and the relevant Prepetition Debt Documents, if applicable); provided further, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in the latest proof of Claim, if any, Filed by such Holder pursuant to Bankruptcy Rule 3001 as of the Distribution Record Date.

3. Minimum Distributions

Notwithstanding anything herein to the contrary, no Distribution Agent shall be required to make distributions or payments of less than \$100.00 (whether in Cash or otherwise) or to make partial distributions or payments of fractions of dollars or New Common Stock, in each case with respect to Impaired Claims. With respect to Impaired Claims, whenever any payment or distribution of a fraction of a dollar or a fraction of a share of New Common Stock under this Plan would otherwise be called for, the actual payment or distribution shall reflect a rounding of such fraction down to the nearest whole dollar or share of New Common Stock (and no Cash shall be distributed in lieu of such fractional New Common Stock). For the avoidance of doubt, DTC shall be considered a single holder for purposes of distributions.

No Distribution Agent shall have any obligation to make a distribution on account of an Allowed Claim that is Impaired under this Plan if: (a) the aggregate amount of all distributions authorized to be made on the Effective Date is or has an economic value less than \$25,000, unless such distribution is a final distribution; or (b) the amount to be distributed to the specific Holder of an Allowed Claim on the Effective Date does not constitute a final distribution to such Holder and is or has an economic value less than \$25.00, which shall be treated as an undeliverable distribution under Article VII.D.4 below.

4. Undeliverable Distributions

(a) Holding of Certain Undeliverable Distributions

If the distribution to any Holder of an Allowed Claim is returned to the Distribution Agent as undeliverable or is otherwise unclaimed, no further distributions shall be made to such Holder unless and until the Distribution Agent is notified in writing of such Holder's then current address in accordance with the time frames described in Article VII.D.4(b) hereof, at which time (or as soon as reasonably practicable thereafter) all currently due but missed distributions shall be made to such Holder. Undeliverable distributions shall remain in the possession of the Reorganized Debtors or in the applicable reserve, subject to Article VII.D.4(b) hereof, until such time as any such distributions become deliverable. Undeliverable distributions shall not be entitled to any additional interest, dividends or other accruals of any kind on account of their distribution being undeliverable.

(b) Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim (or any successor or assignee or other Person or Entity claiming by, through, or on behalf of, such Holder) that does not assert a right pursuant to this Plan for an undeliverable or unclaimed distribution within ninety (90) days after the later of the

Effective Date or the date such distribution is due shall be deemed to have forfeited its rights for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such rights for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their respective assets or property, or any Distribution Agent. In such case, any Cash, Plan Securities or other property reserved for distribution on account of such Claim shall become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash, Plan Securities or other property shall thereafter be distributed or allocated in accordance with the applicable terms and conditions of this Plan; provided, however, that if the aggregate amount of Allowed Claims in Class 6 is less than the Parent GUC Recovery Cash Pool, then the excess Parent GUC Recovery Cash Pool shall constitute property of the Reorganized Debtors. Nothing contained in this Plan shall require the Debtors, the Reorganized Debtors, or any Distribution Agent to attempt to locate any Holder of an Allowed Claim.

(c) Failure to Present Checks

Checks issued by the Distribution Agent on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days after the issuance of such check. Requests for reissuance of any check shall be made directly to the Distribution Agent by the Holder of the relevant Allowed Claim with respect to which such check originally was issued. Any Holder of an Allowed Claim holding an un-negotiated check that does not request reissuance of such un-negotiated check within ninety (90) days after the date of mailing or other delivery of such check shall have its rights for such un-negotiated check discharged and be forever barred, estopped and enjoined from asserting any such right against the Debtors, their Estates, the Reorganized Debtors, or their respective assets or property. In such case, any Cash held for payment on account of such Claims shall become the property of the Reorganized Debtors, free and clear of any Claims or other rights of such Holder with respect thereto and notwithstanding any federal or state escheat laws to the contrary. Any such Cash shall thereafter be distributed or allocated in accordance with the applicable terms and conditions of this Plan.

E. Compliance with Tax Requirements

In connection with this Plan and all distributions hereunder, the Reorganized Debtors or other applicable Distribution Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions hereunder shall be subject to any such applicable withholding and reporting requirements. Notwithstanding any provision in this Plan to the contrary, the Reorganized Debtors or other applicable Distribution Agent shall be authorized to take any and all reasonable actions that may be necessary or appropriate to comply with such applicable withholding and reporting requirements. All Persons and Entities holding Claims or Equity Interests shall be required to provide any information necessary to effect information reporting and the withholding of such taxes (or establish eligibility for an exclusion for the withholding of taxes), and each Holder of an Allowed Claim shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such distribution. Any amounts withheld or reallocated pursuant to this **Error! Reference source not found.** shall be treated as if distributed to the Holder of the Allowed Claim.

F. Allocation of Plan Distributions Between Principal and Interest

To the extent that any Allowed Claim entitled to a distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for U.S. federal income tax purposes to the principal amount of the Claim first and then, to the extent that the consideration exceeds the principal amount of the Claim, to the portion of such Claim representing accrued but unpaid interest.

G. Means of Cash Payment

Payments of Cash made pursuant to this Plan shall be in U.S. dollars and shall be made, at the option of the applicable Distribution Agent, by checks drawn on, or wire transfer from, a domestic bank selected by such Distribution Agent. Cash payments to foreign creditors may be made, at the option of the applicable Distribution Agent, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

H. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the “Treatment” sections in Article III hereof or as ordered by the Bankruptcy Court, on the Effective Date or as soon as reasonably practicable thereafter, each Holder of an Allowed Claim shall receive the full amount of the distributions that this Plan provides for Allowed Claims in the applicable Class. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in the applicable class treatment or in Article VIII hereof. Except as otherwise provided herein, Holders of Claims shall not be entitled to interest, dividends or accruals on the distributions provided for herein, regardless of whether such distributions are delivered on or at any time after the Effective Date.

I. Setoffs

Without altering or limiting any of the rights and remedies of the Debtors and the Reorganized Debtors under section 502(d) of the Bankruptcy Code, all of which rights and remedies are hereby reserved, the Debtors and the Reorganized Debtors may, but shall not be required to, withhold (but not setoff except as set forth below) from the distributions called for hereunder on account of any Allowed Claim an amount equal to any claims, Causes of Action and Retained Litigation Claims of any nature that the Debtors or the Reorganized Debtors may hold against the Holder of any such Allowed Claim; provided that, at least ten (10) days prior to effectuating such withholding, the Debtors or the Reorganized Debtors, as applicable, shall provide written notice thereof to the applicable Holder of such Claim, and all objections and defenses of such Holder to such withholding are preserved. In the event that any such claims, Causes of Action or Retained Litigation Claims are adjudicated by Final Order or otherwise resolved against the applicable Holder, the Debtors and the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant hereto on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), the amount of such adjudicated or resolved claims, Causes of Action or Retained Litigation Claims. Neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claims, Causes of Action or Retained Litigation Claims, all of which are reserved unless expressly released or compromised pursuant to this Plan

or the Confirmation Order. Notwithstanding anything to the contrary herein, the Allowed Prepetition Notes Claims and the distributions to be made pursuant hereto on account of such Claims will not be subject to set off by the Debtors or the Reorganized Debtors pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, and the Debtors and the Reorganized Debtors hereby waive any and all rights of set-off against such Claims.

ARTICLE VIII.

PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. *Resolution of Disputed Claims and Equity Interests*

1. Allowance of Claims

After the Effective Date, and except as otherwise provided in this Plan, the Reorganized Debtors shall have and shall retain any and all available rights and defenses that the Debtors had with respect to any Claim, including, without limitation, the right to assert any objection to Claims based on the limitations imposed by section 502 or section 510 of the Bankruptcy Code. The Debtors and the Reorganized Debtors may contest the amount and validity of any Disputed Claim in the ordinary course of business in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced.

2. Prosecution of Objections to Claims

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors, shall have the authority to File objections to Claims (other than those that are Allowed under this Plan) and settle, compromise, withdraw or litigate to judgment objections to any and all such Claims, regardless of whether such Claims are in an Unimpaired Class or otherwise; provided, however, that this provision shall not apply to Professional Fee Claims, which may be objected to by any party-in-interest in these Chapter 11 Cases. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtors shall have the sole authority to administer and adjust the Claims Register and their respective books and records to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Estimation

After the Confirmation Date but before the Effective Date, the Debtors (with the consent of the Required Consenting Noteholders), and after the Effective Date, the Reorganized Debtors may at any time request that the Bankruptcy Court estimate any Disputed Claim or contingent or unliquidated Claim pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, whether for allowance or to determine the maximum amount of such Claim, including during the litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not exclusive of one another.

Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation.

4. No Filings of Proofs of Claim

Except as otherwise provided in this Plan, Holders of Claims, including the Prepetition Notes Indenture Trustee with respect to the Prepetition Notes Indentures and the Prepetition Notes and the DIP Agent with respect to the DIP Super-Priority Claims, shall not be required to File a proof of Claim, and no such parties should File a proof of Claim; provided that Holders of General Unsecured Claims against Parent only shall be required to file a proof of claim pursuant to separate bar date procedures to be provided to such parties by the Debtors. Other than with respect to the General Unsecured Claims against Parent only, the Debtors do not intend to object in the Bankruptcy Court to the allowance of Claims Filed; provided, however, that the Debtors and the Reorganized Debtors, as applicable, reserve the right to object to any Claim or Equity Interest that is entitled, or deemed to be entitled, to a distribution under this Plan or is rendered Unimpaired under this Plan. Instead, the Debtors intend to make distributions, as required by this Plan, in accordance with the books and records of the Debtors. Unless disputed by a Holder of a Claim, the amount set forth in the books and records of the Debtors shall constitute the amount of the Allowed Claim of such Holder. If any such Holder of a Claim disagrees with the Debtors' books and records with respect to the Allowed amount of such Holder's Claim, such Holder must so advise the Debtors in writing, in which event the Claim shall become a Disputed Claim. The Debtors intend to attempt to resolve any such disputes consensually or through judicial means outside the Bankruptcy Court subject to the consent of the Required Consenting Noteholders. Nevertheless, the Debtors may, in their discretion and with the consent of the Required Consenting Noteholders, File with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to the allowance of any Claim or any other appropriate motion or adversary proceeding with respect thereto. All such objections shall be litigated to Final Order; provided, however, that the Debtors may, with the consent of the Required Consenting Noteholders, compromise, settle, withdraw or resolve by any other method approved by the Bankruptcy Court any objections to Claims.

B. No Distributions Pending Allowance

Notwithstanding any other provision of this Plan to the contrary, no payments or distributions of any kind or nature shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled (with the consent of the Required Consenting Noteholders) or withdrawn or have been determined by Final Order, and the Disputed Claim is or becomes Allowed by Final Order; provided, however, that notwithstanding the foregoing, payments or distributions under this Plan to Holders of Allowed Prepetition Notes Claims will be made in full on the Effective Date, regardless of whether such Holders hold any Disputed Claims.

C. Distributions on Account of Disputed Claims Once They Are Allowed

The Reorganized Debtors or other applicable Distribution Agent shall make distributions on account of any Disputed Claim that has become Allowed after the Effective Date at such time

that such Claim becomes Allowed (or as soon as reasonably practicable thereafter). Such distributions shall be made pursuant to the applicable provisions of Article VII of this Plan.

D. Reserve for Disputed Claims

The Debtors, the Reorganized Debtors, and the Distribution Agent may establish such appropriate reserves for Disputed Claims in the applicable Class(es) as they determine necessary and appropriate, in each case with the consent of the Required Consenting Noteholders or as approved by order of the Bankruptcy Court. Without limiting the foregoing, reserves (if any) for Disputed Claims shall equal, as applicable, an amount of property equal to 100% of distributions to which Holders of Disputed Claims in each applicable Class would otherwise be entitled under this Plan as of such date if such Disputed Claims were Allowed based on the Debtors' books and records; provided, however, that the Debtors and the Reorganized Debtors, as applicable, shall have the right to file a motion seeking to estimate any Disputed Claims.

ARTICLE IX.

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions Precedent to Confirmation

Unless satisfied or waived pursuant to the provisions of Article IX.C hereof, the following are conditions precedent to Confirmation of this Plan.

1. This Plan and the Restructuring Documents are in form and substance reasonably acceptable to the Debtors and the Required Consenting Noteholders;

2. The Confirmation Order has been entered by the clerk of the Bankruptcy Court, and such order is in form and substance consistent in all respects with the Restructuring Term Sheet and the Restructuring Support Agreement and otherwise reasonably acceptable to the Debtors and to the Required Consenting Noteholders; and

3. The Restructuring Support Agreement is in full force and effect and has not been validly terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement.

B. Conditions Precedent to Consummation

Unless satisfied or waived pursuant to the provisions of Article IX.C hereof, the following are conditions precedent to Consummation of this Plan.

1. The Confirmation Order has become a Final Order and such order has not been amended, modified, vacated, stayed, or reversed;

2. The Bankruptcy Court has entered one or more Final Orders (which may include the Confirmation Order), in form and substance reasonably acceptable to the Debtors and Required Consenting Noteholders, authorizing the assumption, assumption and assignment and rejection of

the Executory Contracts and Unexpired Leases by the Debtors as contemplated in this Plan and the Plan Supplement;

3. This Plan and the Restructuring Documents have not been amended or modified other than in a manner in form and substance consistent in all respects with the Restructuring Term Sheet, and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders;

4. The Restructuring Documents (including the Exit Facility Loan Documents) have been filed, tendered for delivery, and have been effectuated or executed by all Persons and Entities party thereto (as appropriate), and in each case in full force and effect, each to the extent required prior to Consummation. All conditions precedent to the effectiveness of such Restructuring Documents, including, without limitation, the Exit Facility Credit Agreements, have been satisfied or waived pursuant to the terms of such applicable Restructuring Documents (or shall be satisfied concurrently with the occurrence of the Effective Date) and such agreements have closed or shall close simultaneously with the effectiveness of this Plan;

5. The Debtors have received, or concurrently with the occurrence of the Effective Date shall receive (a) an Exit ABL Facility on terms and conditions acceptable to the Required Consenting Noteholders, and/or (b) the Exit DDTL Facility;

6. The Amended/New Corporate Governance Documents have become effective or shall become effective concurrently with the effectiveness of this Plan;

7. All consents, actions, documents, certificates and agreements necessary to implement this Plan and the transactions contemplated by this Plan have been, as applicable, obtained and not otherwise subject to unfulfilled conditions, effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws, and in each case in full force and effect;

8. All governmental approvals and consents, including Bankruptcy Court approval, that are applicable and legally required for the consummation of this Plan have been obtained, not be subject to unfulfilled conditions and be in full force and effect;

9. The New Board has been selected in accordance with the Restructuring Support Agreement;

10. The Restructuring Support Agreement is in full force and effect and has not been terminated in accordance with its terms, and no event has occurred or action has been taken that, with the passage of time or the giving of notice, would permit the Required Consenting Noteholders to terminate the Restructuring Support Agreement;

11. The Professional Fee Claim Reserve has been funded in full in Cash by the Debtors in accordance with the terms and conditions of this Plan;

12. To the extent invoiced, all Ad Hoc Noteholder Group Fees and Expenses and Prepetition Notes Indenture Trustee Fees and Expenses have been paid in full in Cash;

13. There shall be no ruling, judgment, or order issued by any Governmental Unit making illegal, enjoining or otherwise preventing or prohibiting the consummation of the Restructuring Transactions, unless such ruling, judgment, or order has been stayed, reversed or vacated within three (3) Business Days after such issuance;

14. There shall be no material litigation or investigation by any Governmental Unit involving the Debtors as of the Effective Date that has had, or would reasonably be expected to have, a material adverse effect on the business, financial condition or results of operations of the Reorganized Debtors, taken as a whole; and

15. Since the Petition Date, there shall have been no event, change, effect, occurrence, development, circumstance, condition, result, state of fact or change of fact (each, an “**Event**”) that, individually or together with all other Events, has had, or would reasonably be expected to have, a material adverse effect on either the business, operations, finances, properties, condition (financial or otherwise), assets or liabilities of the Debtors, taken as a whole, or the ability of the Debtors taken as a whole, to perform their respective obligations under, or to consummate the Restructuring Transactions; provided, however, that in no case shall any Event arising from, as a result of, or in connection with (a) the public announcement of the Restructuring Support Agreement, this Plan, or any other Restructuring Document, (b) the pursuit or public announcement of the Restructuring Transaction, (c) the commencement or prosecution of the Chapter 11 Cases, or (d) the pursuit of Confirmation or Consummation, be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect for purposes of this Plan.

C. Waiver of Conditions

Subject to section 1127 of the Bankruptcy Code, the conditions to Confirmation and Consummation of this Plan set forth in this Article IX may be waived by the Debtors, with the consent of the Required Consenting Noteholders, without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate this Plan. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each right shall be deemed an ongoing right that may be asserted at any time.

D. Effect of Non-Occurrence of Conditions to Confirmation or Consummation

If the Confirmation or the Consummation of this Plan does not occur with respect to one or more of the Debtors, then this Plan shall, solely with respect to such applicable Debtor or Debtors, be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (2) prejudice in any manner the rights of the Debtors, any Holders or any other Person or Entity; (3) constitute an Allowance of any Claim or Equity Interest; or (4) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Person or Entity in any respect.

ARTICLE X.

RELEASE, DISCHARGE, INJUNCTION AND RELATED PROVISIONS

A. *General*

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to this Plan. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Equity Interests and controversies, as well as a finding by the Bankruptcy Court that any such compromise or settlement is in the best interests of the Debtors, their Estates, and any Holders of Claims or Equity Interests and is fair, equitable and reasonable.

Notwithstanding anything contained herein to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions (if any) and treatments hereunder, are settled, compromised, terminated and released pursuant hereto; provided, however, that nothing contained herein shall preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with this Plan.

B. *Release of Claims and Causes of Action*

1. **Release by the Debtors and their Estates.** Pursuant to section 1123(b) and any other applicable provisions of the Bankruptcy Code, and except as otherwise expressly provided in this Plan, effective as of the Effective Date, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, the Debtors and the Reorganized Debtors, in their respective individual capacities and as debtors-in-possession, and on behalf of themselves and their respective Estates, including, without limitation, any successor to the Debtors or any Estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code (collectively, the "**Debtor Releasing Parties**"), shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released shall be deemed forever released, waived and discharged by the Debtor Releasing Parties) and their respective assets and properties (the "**Debtor Release**") from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies,

and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, this Plan, the Plan Supplement, the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in this Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation dissemination, entry into, or filing of the Restructuring Support Agreement, this Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11 Cases, (vi) the purchase, sale, or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of this Plan, the solicitation of votes on this Plan or the issuance or distribution of Plan Securities pursuant to this Plan that such Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) or that any Holder of a Claim or Equity Interest or other Person or Entity would have been legally entitled to assert for, or on behalf or in the name of, any Debtor, its respective Estate or any Reorganized Debtor (whether directly or derivatively) against any of the Released Parties; provided, however, that the foregoing provisions of this Debtor Release shall not operate to waive or release (i) the rights of such Debtor Releasing Party to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under or in connection with this Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to this Plan or pursuant to a Final Order of the Bankruptcy Court, (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction, and (iii) any claims against the Excluded Parties. The foregoing release shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Debtor Release. Notwithstanding the foregoing, nothing in this Article X.B shall or shall be deemed to (i) prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors and/or (ii) operate as a release or waiver of any Intercompany Claims, in each case unless otherwise expressly provided for in this Plan.

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 herein, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (i) in exchange for the good and valuable consideration provided by the Released Parties; (ii) a good faith settlement and compromise of the Claims released by the Debtor Release; (iii) in the best interest of the Debtors and their Estates; (iv) fair, equitable and reasonable; (v) given and made after due notice and opportunity for hearing; and (vi) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any claim or Cause of Action released pursuant to the Debtor Release.

2. **Release By Third Parties.** Except as otherwise expressly provided in this Plan, effective as of the Effective Date, to the fullest extent permitted by applicable law, for good and valuable consideration provided by each of the Released Parties, the adequacy and sufficiency of which is hereby confirmed, and without limiting or otherwise modifying the scope of the Debtor Release provided by the Debtor Releasing Parties above, each Non-Debtor Releasing Party (together with the Debtor Releasing Parties, the "**Releasing Parties**") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full discharge, waiver and release to each of the Released Parties (and each such Released Party so released shall be deemed forever released, waived and discharged by the Non-Debtor Releasing Parties) and their respective assets and properties (the "**Third Party Release**") from any and all Claims, interests, Causes of Action, and any other debts, obligations, rights, suits, damages, actions, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, whether directly or derivatively held, existing as of the Effective Date or thereafter arising, in law, at equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place prior to or on the Effective Date arising from or related in any way in whole or in part to any of the Debtors (including the management, ownership or operation thereof) or their Affiliates, including, without limitation, (i) the Chapter 11 Cases, the Disclosure Statement, this Plan, the Plan Supplement, the Restructuring Support Agreement, the Restructuring Documents, the Prepetition Debt Documents, and the DIP Documents, (ii) the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in this Plan, (iii) the business or contractual arrangements between any Debtor and any Released Parties, (iv) the negotiation, formulation, preparation, dissemination, entry into or filing of the Restructuring Support Agreement, this Plan, the Disclosure Statement, the Plan Supplement, the Restructuring Documents, the Prepetition Debt Documents, the DIP Documents, or related agreements, instruments or other documents, (v) the restructuring of Claims or Equity Interests prior to or during the Chapter 11 Cases, (vi) the purchase, sale or rescission of the purchase or sale of any Equity Interest of the Debtors or the Reorganized Debtors, and/or (vii) the Confirmation or Consummation of this Plan, the solicitation of votes on this Plan or the issuance or distribution of Plan Securities pursuant to this Plan that such Non-Debtor Releasing Party would have been legally entitled to assert (whether individually or collectively) against any of the Released Parties; *provided, however*, that the foregoing provisions of this Third Party Release shall not operate to waive or release (i) the rights of such Non-Debtor Releasing Party to enforce this Plan and the contracts, instruments,

releases, indentures, and other agreements or documents delivered under or in connection with this Plan (including, without limitation, the Exit Facility Loan Documents) or assumed or assumed and assigned, as applicable, pursuant to this Plan or pursuant to a Final Order of the Bankruptcy Court or (ii) any Causes of Action arising from willful misconduct, fraud, or gross negligence, in each case as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction. The foregoing release shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity and the Confirmation Order shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, or liabilities released pursuant to this Third Party Release.

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: (i) consensual; (ii) essential to the confirmation of this Plan; (iii) in exchange for the good and valuable consideration provided by the Released Parties; (iv) a good faith settlement and compromise of the Claims released by the Third Party Release; (v) in the best interest of the Debtors and all Holders of Claims and Equity Interests; (vi) fair, equitable and reasonable; (vii) given and made after due notice and opportunity for hearing; and (viii) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third Party Release.

C. Waiver of Statutory Limitations on Releases

Each of the Releasing Parties in each of the releases contained above expressly acknowledges that although ordinarily a general release may not extend to Claims which 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 the possible existence of such unknown losses or claims. Without limiting the generality of the foregoing, each Releasing Party expressly waives any and all rights conferred upon it by any statute or rule of law which provides that a release does not extend to claims which the claimant does not know or suspect to exist in its favor at the time of providing the release, which if known by it may have materially affected its settlement with the released party. The releases contained in this Plan are effective regardless of whether those released matters are presently known, unknown, suspected or unsuspected, foreseen or unforeseen.

D. Discharge of Claims and Equity Interests

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, effective as of the Effective Date, all consideration distributed under this Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims, Equity Interests and Causes of Action of any kind or nature whatsoever against the Debtors and the Reorganized Debtors or any of their respective assets or properties, including any interest accrued on such Claims or Equity

Interests from and after the Petition Date, and regardless of whether any property shall have been abandoned by order of the Bankruptcy Court, distributed or retained pursuant to this Plan on account of such Claims, Equity Interests or Causes of Action.

Except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, upon the Effective Date, the Debtors and their Estates shall be deemed discharged and released under and to the fullest extent provided under sections 524 and 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code. Such discharge shall void any judgment obtained against the Debtors or the Reorganized Debtors at any time, to the extent that such judgment relates to a discharged Claim.

Except as otherwise expressly provided by this Plan (including, without limitation, Article V.D and V.E of this Plan) or the Confirmation Order, upon the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests shall be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their respective assets, property, or Estates; (ii) all Claims and Equity Interests shall be satisfied, discharged, and released in full, and each of the Debtors' liability with respect thereto shall be extinguished completely without further notice or action; and (iii) all Persons and Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

E. Exculpation

Effective as of the Effective Date, to the fullest extent permitted by law, the Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any claims or Causes of Action arising prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Confirmation or Consummation of this Plan, the Disclosure Statement, the Restructuring Documents, the DIP Documents, or any contract, instrument, release or other agreement or document created or entered into in connection with this Plan, including the Restructuring Support Agreement, or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or Confirmation or Consummation of this Plan; provided, however, that the foregoing provisions of this exculpation shall not operate to waive or release: (i) any Causes of Action arising from willful misconduct, fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; and/or (ii) the rights of any Person or Entity to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with this Plan or assumed pursuant to this Plan or Final Order of the Bankruptcy Court; provided, further, that each Exculpated Party shall be entitled to rely upon

the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions or inactions. The foregoing exculpation shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Person or Entity. Notwithstanding the foregoing, nothing in this Article X.E shall or shall be deemed to prohibit the Debtors or the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any Person or Entity that is based upon an alleged breach of a confidentiality or non-compete obligation owed to the Debtors or the Reorganized Debtors, in each case unless otherwise expressly provided for in this Plan.

F. Preservation of Causes of Action

1. Maintenance of Causes of Action

Except as otherwise provided in this Article X (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof) or elsewhere in this Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors shall retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Retained Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Cases. The Reorganized Debtors, as the successors-in-interest to the Debtors and the Estates, may, and shall have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of such Retained Litigation Claims without notice to or approval from the Bankruptcy Court.

2. Preservation of All Causes of Action Not Expressly Settled or Released

The Debtors expressly reserve all Causes of Action and Retained Litigation Claims for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Retained Litigation Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Causes of Action or Retained Litigation Claims upon or after the Confirmation or Consummation of this Plan based on the Disclosure Statement, this Plan or the Confirmation Order, except in each case where such Causes of Action or Retained Litigation Claims have been expressly waived, relinquished, released, compromised or settled in this Plan (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any of the Debtors are a plaintiff, defendant or an interested party, against any Person or Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

No Person or Entity may rely on the absence of a specific reference in this Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action or Retained Litigation Claim against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action or Retained Litigation Claim against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action and Retained Litigation Claim against any Person or Entity, except as otherwise expressly provided in this Plan or the Confirmation Order (including, without limitation, and for the avoidance of doubt, the Releases contained in Article X.B and Exculpation contained in Article X.E hereof).

G. Injunction

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS PLAN OR THE CONFIRMATION ORDER, FROM AND AFTER THE EFFECTIVE DATE, ALL PERSONS AND ENTITIES ARE, TO THE FULLEST EXTENT PROVIDED UNDER SECTION 524 AND OTHER APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, PERMANENTLY ENJOINED FROM (I) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY SUIT, ACTION OR OTHER PROCEEDING; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING IN ANY MANNER ANY JUDGMENT, AWARD, DECREE, OR ORDER; (III) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR ENCUMBRANCE; (IV) ASSERTING A SETOFF OR RIGHT OF SUBROGATION OF ANY KIND; OR (V) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND, IN EACH CASE ON ACCOUNT OF OR WITH RESPECT TO ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, SETTLED OR TO BE SETTLED OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER AGAINST ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED (OR THE PROPERTY OR ESTATE OF ANY PERSON OR ENTITY SO RELEASED, DISCHARGED, OR EXCULPATED). ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASES UNDER SECTION 105 OR SECTION 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE CONFIRMATION DATE, SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

H. Binding Nature Of Plan

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THIS PLAN SHALL BIND, AND SHALL BE DEEMED BINDING UPON, THE DEBTORS, THE REORGANIZED DEBTORS, ANY AND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, ALL PERSONS AND ENTITIES THAT ARE PARTIES TO OR ARE SUBJECT TO THE SETTLEMENTS, COMPROMISES, RELEASES, EXCULPATIONS, DISCHARGES, AND INJUNCTIONS DESCRIBED IN THIS PLAN, EACH PERSON AND ENTITY ACQUIRING PROPERTY UNDER THIS PLAN, ANY AND ALL NON-DEBTOR PARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES WITH THE DEBTORS AND THE RESPECTIVE SUCCESSORS AND ASSIGNS OF EACH OF THE FOREGOING, TO

THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AND NOTWITHSTANDING WHETHER OR NOT SUCH PERSON OR ENTITY (I) SHALL RECEIVE OR RETAIN ANY PROPERTY, OR INTEREST IN PROPERTY, UNDER THIS PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THIS PLAN, AFFIRMATIVELY VOTED TO REJECT THIS PLAN OR IS CONCLUSIVELY DEEMED TO REJECT THIS PLAN.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE INJUNCTION DOES NOT ENJOIN ANY PARTY UNDER THE RESTRUCTURING SUPPORT AGREEMENT OR THIS PLAN OR UNDER ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE INCLUDED IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THIS PLAN.

I. Protection Against Discriminatory Treatment

To the extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the United States Constitution, all Persons and Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant, against the Reorganized Debtors, or another Person or Entity with whom the Reorganized Debtors have been associated, solely because any Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

J. Integral Part of Plan

Each of the provisions set forth in this Plan with respect to the settlement, release, discharge, exculpation, and injunction for or with respect to Claims and/or Causes of Action are an integral part of this Plan and essential to its implementation. Accordingly, each Person or Entity that is a beneficiary of such provision shall have the right to independently seek to enforce such provision and such provision may not be amended, modified, or waived after the Effective Date without the prior written consent of such beneficiary.

ARTICLE XI.

RETENTION OF JURISDICTION

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, on and after the Effective Date, retain exclusive jurisdiction over the Chapter 11 Cases and all Persons and Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and this Plan as legally permissible, including, without limitation, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including, without limitation, the

resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any such Claim or Equity Interest;

2. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan, for periods ending on or before the Effective Date; provided, however, that, from and after the Effective Date, the Reorganized Debtors may pay Professionals in the ordinary course of business for any work performed after the Effective Date and such payment shall not be subject to the approval of the Bankruptcy Court;

3. resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to this Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected (as applicable);

4. resolve any issues related to any matters adjudicated in the Chapter 11 Cases;

5. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

6. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving the Debtors that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, provided, however, that the Reorganized Debtors shall reserve the right to commence actions in all appropriate forums and jurisdictions;

7. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with this Plan, the Plan Supplement or the Disclosure Statement;

8. resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of this Plan or any Person or Entity's obligations incurred in connection with this Plan;

9. hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;

10. issue injunctions and enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with Consummation or enforcement of this Plan;

11. enforce the terms and conditions of this Plan, the Confirmation Order, and the Restructuring Documents;

12. resolve any cases, controversies, suits or disputes with respect to the Release, the Exculpation, the indemnification and other provisions contained in Article X hereof and enter such

orders or take such others actions as may be necessary or appropriate to implement or enforce all such provisions;

13. hear and determine all Retained Litigation Claims;

14. enter and implement such orders or take such other actions as may be necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

15. resolve any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order or any release or exculpation adopted in connection with this Plan; and

16. enter an order concluding or closing the Chapter 11 Cases.

Notwithstanding the foregoing, (i) any dispute arising under or in connection with any Exit Facility or any other contract or agreement binding on the Reorganized Debtors that contains provisions governing jurisdiction for litigation of disputes thereunder shall be addressed in accordance with the provisions of the applicable document and (ii) if the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, including the matters set forth in this Article of this Plan, the provisions of this Article XI shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

ARTICLE XII.

MISCELLANEOUS PROVISIONS

A. *Substantial Consummation*

“Substantial Consummation” of this Plan, as defined in 11 U.S.C. § 1101(2), shall be deemed to occur on the Effective Date.

B. *Payment of Statutory Fees; Post-Effective Date Fees and Expenses*

All fees payable pursuant to section 1930(a) of the Judicial Code, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code to the extent necessary, shall be paid by each of the Debtors or the Reorganized Debtors (or the Distribution Agent on behalf of each of the Debtors or Reorganized Debtors), as applicable, for each quarter (including any fraction thereof) until the earliest to occur of the entry of (a) a final decree closing such Debtor’s Chapter 11 Case, (b) an order dismissing such Debtor’s Chapter 11 Case, or (c) an order converting such Debtor’s Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code.

The Reorganized Debtors may pay the liabilities and charges that they incur on or after the Effective Date for Professionals’ fees, disbursements, expenses, or related support services (including reasonable fees, costs and expenses incurred by Professionals relating to the preparation of interim and final fee applications and obtaining Bankruptcy Court approval thereof) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court,

including, without limitation, the reasonable fees, expenses, and disbursements of the Distribution Agents and the fees, costs and expenses incurred by Professionals in connection with the implementation, enforcement and Consummation of this Plan and the Restructuring Documents.

C. Statutory Committee

On the Effective Date, the current and former members of the Committee, if any, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases and the Committee shall dissolve. Following the completion of the Committee's remaining duties set forth above, the Committee shall be dissolved, and the retention or employment of the Committee's respective attorneys, accountants and other agents shall terminate without further notice to, or action by, any Person or Entity.

D. Conflicts

In the event that a provision of the Restructuring Documents or the Disclosure Statement (including any and all exhibits and attachments thereto) conflicts with a provision of this Plan or the Confirmation Order, the provision of this Plan and the Confirmation Order (as applicable) shall govern and control to the extent of such conflict. In the event that a provision of this Plan conflicts with a provision of the Confirmation Order, the provision of the Confirmation Order shall govern and control to the extent of such conflict.

E. Modification of Plan

Effective as of the date hereof and subject to the limitations and rights contained in this Plan: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify this Plan prior to the entry of the Confirmation Order in a way that is in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise reasonably acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(a) of the Bankruptcy Code; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as applicable, may, upon order of the Bankruptcy Court, amend or modify this Plan in a way that is in form and substance consistent in all material respects with the Restructuring Term Sheet and otherwise acceptable to the Debtors and the Required Consenting Noteholders in the manner set forth in the Restructuring Support Agreement, in accordance with section 1127(b) of the Bankruptcy Code or to remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan. A Holder of a Claim that has accepted this Plan shall be presumed to have accepted this Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such Holder.

F. Revocation or Withdrawal of Plan

The Debtors reserve the right to revoke or withdraw this Plan prior to the Effective Date and/or to File subsequent chapter 11 plans, with respect to one or more of the Debtors; provided that any rights under the Restructuring Support Agreement, including any consent rights contained therein, shall remain unaffected. If the Debtors revoke or withdraw this Plan, or if Confirmation

or Consummation of this Plan does not occur with respect to one or more of the Debtors, then with respect to the applicable Debtor or Debtors for which this Plan was revoked or withdrawn or for which Confirmation or Consummation of this Plan did not occur: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan and any document or agreement executed pursuant hereto shall be deemed null and void except as may be set forth in a separate order entered by the Bankruptcy Court; and (3) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the applicable Debtors or any other Person or Entity; (b) prejudice in any manner the rights of the applicable Debtors or any other Person or Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the applicable Debtors or any other Person or Entity.

G. Successors and Assigns

This Plan shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, all present and former Holders of Claims and Equity Interests, other parties-in-interest, and their respective heirs, executors, administrators, successors, and assigns. The rights, benefits, and obligations of any Person or Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person or Entity.

H. Reservation of Rights

Except as expressly set forth herein, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and this Plan is Consummated. Neither the filing of this Plan, any statement or provision contained herein, nor the taking of any action by the Debtors or any other Person or Entity with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Person or Entity; or (2) any Holder of a Claim or an Equity Interest or other Person or Entity prior to the Effective Date.

I. Further Assurances

The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims receiving distributions hereunder and all other Persons and Entities shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan or the Confirmation Order.

J. Severability

If, prior to the Confirmation Date, any term or provision of this Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan,

as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

K. Service of Documents

Any notice, direction or other communication given regarding the matters contemplated by this Plan (each, a “**Notice**”) must be in writing, sent by personal delivery, electronic mail, courier or facsimile and addressed as follows:

If to the Debtors:

Superior Energy Services, Inc.
1001 Louisiana Street, Suite 2900
Houston, Texas 77002
Attn: William B. Masters
Email: bill.masters@superiorenergy.com

with a copy to:

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
Attn: Keith A. Simon and George Klidonas
Direct Dial: (212) 906-1200
Fax: (212) 751-4864
Email: keith.simon@lw.com and george.klidonas@lw.com

If to the Ad Hoc Noteholder Group:

Davis Polk & Wardwell LLP
405 Lexington Ave.
New York, NY 10017
Attn: Damian S. Schaible and Adam L. Shpeen
Direct Dial: (212) 450-4000
Fax: (212) 701-5800
Email: damian.schaible@davispolk.com and
adam.shpeen@davispolk.com

A Notice is deemed to be given and received (a) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (b) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile, or (c) if sent by electronic mail, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section. Any party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any element of a party’s address that is not specifically changed in a Notice shall be assumed not to be changed. Sending a copy of a Notice to a party’s legal counsel as contemplated above is for information purposes only and does not

constitute delivery of the Notice to that party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a party.

L. Exemption from Transfer Taxes Pursuant to Section 1146(a) of the Bankruptcy Code

Pursuant to and to the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer of property, pursuant to or in connection with this Plan or the Restructuring Documents shall not be subject to any Stamp or Similar Tax or governmental assessment in the United States or by any other Governmental Unit, and the Confirmation Order shall direct the appropriate federal, state or local (domestic or foreign) governmental officials or agents to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents evidencing such action or event without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of, transactions contemplated by and the distributions to be made under this Plan or the Restructuring Documents, (ii) the issuance and distribution of the New Common Stock or Plan Securities and Documents, and (iii) the maintenance or creation of security interests or any Lien as contemplated by this Plan or the Restructuring Documents.

M. Governing Law

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that a Restructuring Document or an exhibit or schedule to this Plan provides otherwise, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of New York, without giving effect to the principles of conflicts of law of such jurisdiction.

N. Tax Reporting and Compliance

The Reorganized Debtors are hereby authorized, on behalf of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors for all taxable periods ending after the Petition Date through and including the Effective Date.

O. Exhibits and Schedules

All exhibits and schedules to this Plan, including the Exhibits and Plan Schedules, are incorporated herein and are a part of this Plan as if set forth in full herein.

P. No Strict Construction

This Plan is the product of extensive discussions and negotiations between and among, *inter alia*, the Debtors, the Consenting Noteholders, and their respective professionals. Each of the foregoing was represented by counsel of its choice who either participated in the formulation and documentation of, or was afforded the opportunity to review and provide comments on, this Plan, the Disclosure Statement, the Exhibits and the Plan Schedules, and the agreements and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as “*contra proferentem*” or other rule of strict

construction shall not apply to the construction or interpretation of any provision of this Plan, the Disclosure Statement, the Exhibits or the Plan Schedules, or the documents ancillary and related thereto.

Q. Entire Agreement

Except as otherwise provided herein or therein, this Plan and the Restructuring Documents supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan and the Restructuring Documents.

R. Closing of Chapter 11 Cases

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

S. 2002 Notice Parties

After the Effective Date, the Debtors and the Reorganized Debtors, as applicable, are authorized to limit the list of Persons and Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Persons and Entities who have Filed a renewed request after the Confirmation Hearing to receive documents pursuant to Bankruptcy Rule 2002.

Dated: December [•], 2020

Respectfully submitted,

**SUPERIOR ENERGY SERVICES, INC. AND
ITS AFFILIATE DEBTORS**

By: /s/ Draft

Exhibit B

Form of Joinder

JOINDER TO RESTRUCTURING SUPPORT AGREEMENT

The undersigned hereby acknowledges that it has received and fully reviewed the Amended and Restated Restructuring Support Agreement (including the exhibits attached thereto, as the same may be amended, modified or supplemented from time to time in accordance with the terms thereof, the “**Agreement**”), dated as of December 4, 2020, by and among (i) Superior Energy Services, Inc. (“**Parent**”), (ii) each direct and indirect wholly-owned, domestic subsidiary of Parent party hereto (each an “**SPN Subsidiary**”, and together with Parent, the “**Company**”), and (iii) the Noteholders (as defined therein) party thereto (the “**Consenting Noteholders**”). The undersigned acknowledges and agrees, by its signature below, that it is bound by the terms and conditions of the Agreement and shall be deemed a “Consenting Noteholder” for all purposes under the terms of and pursuant to the Agreement as of the date hereof.

Date: [____], 2020

[Name of Holder/Proposed Transferee]

By: _____

Name:

Title:

Principal Amount of 2021 Notes Claims as of the date hereof:

\$ _____

Principal Amount of 2024 Notes Claims as of the date hereof:

\$ _____

Address for Notice:

[_____]

[_____]

Attention: [_____]

Facsimile: [_____]

Exhibit C

Liquidation Analysis

Exhibit C: LIQUIDATION ANALYSIS

INTRODUCTION

Often referred to as the “best interests of creditors” test, section 1129(a)(7) of the Bankruptcy Code¹ requires that a Bankruptcy Court find, as a condition to confirmation of a plan of reorganization, that each holder of a claim or interest in each impaired class either (i) has accepted the plan or (ii) will receive or retain under the plan property of a value, as of the effective date of the confirmed plan, that is not less than the amount such holder would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code.²

To conduct this Liquidation Analysis, the Debtors and their advisors have taken the following steps:

- i) estimated the cash proceeds that a chapter 7 trustee (a “**Trustee**”) would generate if each Debtor’s chapter 11 case was converted to a chapter 7 case on the Effective Date and the assets of such Debtor’s Estate were liquidated (the “**Liquidation Proceeds**”);
- ii) determined the distribution that each Holder of a Claim or Equity Interest would receive from the Liquidation Proceeds under the priority scheme set forth in chapter 7 (the “**Liquidation Distribution**”); and
- iii) compared each Holder’s Liquidation Distribution to the distribution such Holder would receive under the Debtors’ Plan if the Plan were confirmed and consummated.

This Liquidation Analysis represents an estimate of cash distributions and recovery percentages based on a hypothetical chapter 7 liquidation of the Debtors’ assets. It is, therefore, a hypothetical analysis based on certain assumptions discussed herein and in the Disclosure Statement. As such, asset values and claims discussed herein may differ materially from amounts referred to in the Plan and Disclosure Statement. This Liquidation Analysis should be read in conjunction with the assumptions, qualifications, and explanations set forth in the Disclosure Statement and the Plan in their entirety, as well as the notes and assumptions set forth below.

The determination of the costs of, and proceeds from, the hypothetical liquidation of the Debtors’ assets in a chapter 7 case involves the use of estimates and assumptions that, although considered reasonable by the Debtors based on their business judgment and input from their advisors, are subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of the Debtors, their management and their advisors. This Liquidation Analysis was prepared for the sole purpose of generating a reasonable, good faith estimate of the proceeds that would be generated if the Debtors’ assets were liquidated in accordance with chapter 7 of the

¹ Capitalized terms used but not defined herein have the meanings ascribed to them in the Disclosure Statement to which this Liquidation Analysis is attached Exhibit C or the Plan attached to the Disclosure Statement as Exhibit A, as applicable.

² Additional references to chapter 7 throughout this exhibit assumed to encompass similar insolvency proceedings in non-U.S. jurisdictions. Local / jurisdictional laws and/or rules governing liquidation priorities outside the United States are assumed to be generally consistent with those set forth in chapter 7 of the Bankruptcy Code. Any deviations of such laws and/or rules would not materially impact the conclusions of this analysis.

Bankruptcy Code. The Liquidation Analysis is not intended, and should not be used, for any other purpose.

All of the limitations and risk factors set forth in the Disclosure Statement are applicable to this Liquidation Analysis and are incorporated by reference herein. The underlying financial information in the Liquidation Analysis was prepared using policies that are generally consistent with those applied in historical financial statements but was not compiled or examined by independent accountants and was not prepared to comply with Generally Accepted Accounting Principles or SEC reporting requirements.

Based on this Liquidation Analysis, the Debtors, with the assistance of their advisors, believe the Plan satisfies the best interests test and that each Holder of an Impaired Claim or Equity Interest will receive value under the Plan on the Effective Date that is not less than the value such Holder would receive if the Debtors liquidated under chapter 7 of the Bankruptcy Code. The Debtors believe that this Liquidation Analysis and the conclusions set forth herein are fair and represent the Debtors' best judgment regarding the results of a hypothetical liquidation of the Debtors under chapter 7 of the Bankruptcy Code.

THE DEBTORS AND THEIR ADVISORS MAKE NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES CONTAINED HEREIN OR A CHAPTER 7 TRUSTEE'S ABILITY TO ACHIEVE FORECASTED RESULTS. IN THE EVENT THESE CHAPTER 11 CASES ARE CONVERTED TO A CHAPTER 7 LIQUIDATION, ACTUAL RESULTS COULD VARY FROM THE ESTIMATES SET FORTH IN THIS LIQUIDATION ANALYSIS.

BASIS OF PRESENTATION

The Liquidation Analysis has been prepared assuming that the Debtors' chapter 7 liquidation commences on or about January 31, 2021 (the "**Liquidation Date**"). The pro forma values referenced herein are projected as of the Liquidation Date and utilize the September 30, 2020 balance sheet and projected results of operations and cash flow over the period from September, 30 2020 to the assumed Liquidation Date (the "**Projection Period**"). The Debtors have assumed that the Liquidation Date is a reasonable proxy for the anticipated Effective Date. The Liquidation Analysis was prepared on a legal entity basis for each Debtor and non-Debtor and, for presentation purposes, summarized into a consolidated report. Additionally, a standalone liquidation analysis for Superior Energy Services, Inc. is presented herein.

In preparing the Liquidation Analysis, the Debtors estimated Allowed Claims based on a review of the Debtors' financial statements and projected results of operations and cash flow over the Projection Period to account for estimated liabilities, as necessary. The cessation of business in a liquidation is likely to trigger certain claims and funding requirements that would otherwise not exist under the Plan absent a liquidation. Such claims could include lease rejection damages claims, chapter 7 administrative expense claims, including wind down costs, trustee fees, and professional fees, among other claims. Some of these claims and funding obligations could be significant and would be entitled to administrative or priority status in payment from Liquidation Proceeds. The Debtors' estimates of Allowed Claims set forth in the Liquidation Analysis should not be relied on for the purpose of determining the value of any distribution to be made on account of Allowed Claims or Equity Interests under the Plan.

NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE, OR CONSTITUTES, A CONCESSION, ADMISSION, OR ALLOWANCE OF ANY CLAIM OR EQUITY INTEREST BY THE DEBTORS. THE ACTUAL AMOUNT OR PRIORITY OF ALLOWED CLAIMS AND EQUITY INTERESTS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH AND USED IN THE LIQUIDATION ANALYSIS. THE DEBTORS RESERVE ALL RIGHTS TO SUPPLEMENT, MODIFY, OR AMEND THE ANALYSIS SET FORTH HEREIN.

Chapter 7 administrative expense claims that arise in a liquidation scenario would be paid in full from the Liquidation Proceeds prior to proceeds being made available for distribution to holders of Allowed Claims. Under the “absolute priority rule,” no junior creditor may receive any distributions until all senior creditors are paid in full, and no equity holder may receive any distribution until all creditors are paid in full. The assumed distributions to creditors as reflected in the Liquidation Analysis are estimated in accordance with the absolute priority rule.

This Liquidation Analysis does not include any recoveries or related litigation costs resulting from any potential preference, fraudulent transfer, or other litigation or avoidance actions that may be available under the Bankruptcy Code because of the cost of such litigation, the uncertainty of the outcome, and potential disputes regarding these matters. In addition, the Liquidation Analysis assumes all customer contracts are terminated on the Liquidation Date. Claims in connection with the rejection of any Executory Contracts and Unexpired Leases have been estimated for purposes of this Liquidation Analysis, however, actual Claims in connection therewith could materially differ from estimates. The Liquidation Analysis does not estimate contingent, unliquidated claims at the Debtors. Finally, the Liquidation Analysis does not include estimates for the tax consequences that may be triggered upon the liquidation and sale of assets in the manner described above. Such tax consequences could be material.

LIQUIDATION PROCESS

The Debtors’ liquidation would be conducted pursuant to chapter 7 of the Bankruptcy Code. The Debtors have assumed that their liquidation would occur over approximately four months (the “**Liquidation Period**”) during which time the Trustee would effectively monetize substantially all the assets on the consolidated balance sheet and administer and wind-down the Estates.³

As part of the Trustee’s liquidation process, the initial step would be to develop a liquidation plan designed to generate proceeds from the sale of assets that it would then distribute to creditors. This liquidation process would have three major components:

- i) Cash proceeds from asset sales (“**Gross Liquidation Proceeds**”);
- ii) Costs to liquidate the business and administer the Estates under chapter 7 (“**Liquidation Adjustments**”);
- iii) Remaining proceeds available for distribution to claimants (“**Net Liquidation Proceeds Available for Distribution**”).

³ Although the Liquidation Analysis assumes the liquidation process would occur over a four-month period, it is possible the disposition and recovery from certain assets could take shorter or longer to realize.

i) Gross Liquidation Proceeds

The Gross Liquidation Proceeds reflect the total proceeds the Trustee would generate from a hypothetical chapter 7 liquidation. Under section 704 of the Bankruptcy Code, a Trustee must, among other duties, collect and convert property of the Estates as expeditiously as is compatible with the best interests of parties in interest, which could result in potentially distressed recoveries. This Liquidation Analysis assumes the Trustee will market the assets on an accelerated timeline and consummate the sale transactions within four months from the Liquidation Date. Asset values in the liquidation process will likely be materially reduced due to, among other things, (i) the accelerated time frame in which the assets are marketed and sold, (ii) negative vendor and customer reaction, and (iii) the generally forced nature of the sale.

ii) The Liquidation Adjustments

The Liquidation Adjustments reflect the costs the Trustee would incur to monetize the assets and wind down the Estates in chapter 7 and include the following:

- Expenses necessary to efficiently and effectively monetize the assets (the “**Liquidation / Wind-down Costs**”);
- Chapter 7 professional fees (lawyers, financial advisors, and investment bankers to support the sale and transition of assets over the four-month liquidation period); and
- Chapter 7 Trustee fees.

iii) Net Liquidation Proceeds Available for Distribution

The Net Liquidation Proceeds Available for Distribution reflect amounts available to Holders of Claims and Equity Interests after the Liquidation Adjustments are netted against the Gross Liquidation Proceeds. Under this analysis, the Liquidation Proceeds are distributed to Holders of Claims against, and Equity Interests in, the Debtors in accordance with the Bankruptcy Code’s priority scheme, and under the Plan, include the following:

- **DIP Superpriority Claims** – Claims attributed to the DIP Facility, including issued letters of credit as well as claims attributed to accrued and unpaid fees for the U.S. Trustee and Clerk of the Bankruptcy Court, and certain Professional Persons (as defined in the Interim DIP Order);
- **Secured Tax Claims** – Priority tax claims entitled to priority under section 507 of the Bankruptcy Code;
- **Other Priority/Secured Claims** – Claims arising from any Secured Claim other than an Administrative Claim, Secured Tax Claim, DIP Superpriority Claim, or Prepetition Credit Agreement Claim;
- **Prepetition Credit Agreement Claims** - Claims arising from, under or in connection with the Prepetition Credit Agreement;

- Administrative Claims – Claim for costs and expenses of administration incurred during the Chapter 11 Cases that are Allowed under sections 503(b), 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation, claims for post-petition accounts payable, post-petition accrued expenses, post-petition accrued payroll and benefits, and asset retirement obligation claims;
- Prepetition Notes Claims Against Parent – Claims against Parent arising from, under, or in connection with the Prepetition Notes, the Prepetition Notes Indentures, or any other related document or agreement. Notably, the Prepetition Notes Claims Against Parent are *pari passu* with the other unsecured claims, but maintain structural priority over any other unsecured claims to the extent such claims only maintain a claim against a single Debtor (particularly General Unsecured Claims Against Parent);
- General Unsecured Claims Against Parent – Claims arising from non-priority claims, including certain pre-petition liabilities not subject to first-day relief, specifically, pre-petition lease rejection damages claims and Performance Guarantee Claims, excluding the Prepetition Notes Claim Against Parent;
- Prepetition Notes Claims Against Affiliate Debtors – Claims against any Affiliate Debtor arising from, under, or in connection with the Prepetition Notes, the Prepetition Notes Indentures, or any other related document or agreement. Notably, the Prepetition Notes Claims Against Affiliate Debtors are *pari passu* with the other unsecured claims, but maintain structural priority over any other unsecured claims to the extent such claims only maintain a claim against a single Debtor (particularly General Unsecured Claims Against Affiliate Debtors);
- General Unsecured Claims Against Affiliate Debtors – Claims arising from non-priority claims, including certain pre-petition liabilities not subject to first-day relief, claims attributed to the non-qualified deferred compensation plan, pre-petition lease rejection damages claims, trade claims, and various other unsecured liabilities, excluding the Prepetition Notes Claims Against Affiliate Debtors;
- Intercompany Claims – Claims arising from amounts the Debtors owe to other Debtors and/or non-Debtor Affiliates; and
- Equity Interests – Claims arising from Equity Interests in the Debtors.

CONCLUSION

The Debtors have determined, as summarized in the table below, on the Effective Date, that the Plan will provide all Holders of Allowed Claims and Equity Interests with a recovery that is not less than what they would otherwise receive pursuant to a liquidation of the Debtors' assets under chapter 7 of the Bankruptcy Code. Accordingly, the Plan satisfies the requirement of 1129(a)(7) of the Bankruptcy Code.

Affiliate Debtors - Consolidated
Recovery Summary

	Plan Recoveries			Chapter 7 Liquidation Recoveries (1)		
	Low	Mid	High	Low	Mid	High
Summary of Recovery (%)						
DIP Superpriority Claims ⁽²⁾	100%	100%	100%	100%	100%	100%
Secured Tax Claims	100%	100%	100%	100%	100%	100%
Other Priority/Secured Claims	NA	NA	NA	NA	NA	NA
Prepetition Credit Agreement Claims	NA	NA	NA	NA	NA	NA
Administrative Claims	100%	100%	100%	52%	56%	58%
Prepetition Notes Claims Against Affiliate Debtors	63%	69%	76%	16%	19%	22%
General Unsecured Claims Against Affiliate Debtors	100%	100%	100%	2%	3%	3%
Intercompany Claims	NA	NA	NA	NA	NA	NA
Equity Interests	0%	0%	0%	0%	0%	0%

(1) This Liquidation Analysis was prepared on a legal entity basis for each Affiliate Debtor and, for presentation purposes, summarized into a consolidated report. This entity-by-entity analysis is the reason, for example, why General Unsecured Claims Against Affiliate Debtors receive any recovery in a chapter 7 when neither Secured Tax Claims or Prepetition Notes Claims Against Affiliate Debtors get paid in full.

(2) DIP Superpriority Claims fully recoverable, assuming a 1% or \$426 thousand recovery at Superior Energy Services, Inc. See below table.

Superior Energy Services Inc.
Recovery Summary

	Plan Recoveries			Chapter 7 Liquidation Recoveries		
	Low	Mid	High	Low	Mid	High
Summary of Recovery (%)						
DIP Superpriority Claims	100%	100%	100%	1%	1%	1%
Secured Tax Claims	100%	100%	100%	0%	0%	0%
Other Priority/Secured Claims	NA	NA	NA	NA	NA	NA
Prepetition Credit Agreement Claims	NA	NA	NA	NA	NA	NA
Administrative Claims	NA	NA	NA	NA	NA	NA
Prepetition Notes Claims Against Parent	63%	69%	76%	0%	0%	0%
General Unsecured Claims Against Parent	\$125,000	\$125,000	\$125,000	0%	0%	0%
Intercompany Claims	NA	NA	NA	NA	NA	NA
Equity Interests	0%	0%	0%	0%	0%	0%

The Liquidation Analysis should be reviewed with the accompanying “Specific Notes to the Liquidation Analysis” set forth on the following pages. The below tables reflect the consolidation of the standalone liquidation analyses for each Affiliate Debtor.

Affiliate Debtors

(\$ in Millions)

					Potential Recovery					
					Recovery Estimate %			Recovery Estimate \$		
		9/30/20 Net	Adjustments /	1/31/21						
Assets	Notes	Book Value	Activity	Pro Forma Value	Low	Midpoint	High	Low	Midpoint	High
Gross Liquidation Proceeds:										
Restricted Cash	[A]	80.1	(27.7)	52.4	0%	0%	0%	-	-	-
Cash	[A]	147.2	(54.9)	92.3	100%	100%	100%	92.3	92.3	92.3
Accounts Receivable	[B]	119.0	(13.5)	105.5	63%	68%	74%	66.5	72.2	78.0
Inventory	[C]	72.6	-	72.6	16%	16%	16%	11.7	11.7	11.7
Land, Buildings, & Oil and gas Properties	[D]	234.5	-	234.5	19%	28%	38%	44.0	66.0	88.0
Machinery & Equipment	[E]	262.4	-	262.4	46%	46%	46%	120.2	120.2	120.2
Other Assets	[F]	185.5	-	185.5	8%	8%	8%	14.3	14.3	14.3
Total Assets		1,101.2	(96.2)	1,005.0	35%	37%	40%	348.9	376.7	404.4
					Rates					
					Low	Midpoint	High			
Less: Liquidation Adjustments										
Liquidation / Wind-down Costs	[G]							(26.0)	(19.1)	(15.5)
Ch. 7 Professional Fees	[H]				3.0%	2.5%	2.0%	(10.5)	(9.4)	(8.1)
Ch. 7 Trustee Fees	[I]							(8.1)	(8.9)	(9.7)
Total Liquidation Adjustments								(44.5)	(37.4)	(33.3)
Net Liquidation Proceeds from External Assets		1,101.2	(96.2)	1,005.0	30%	34%	37%	304.4	339.3	371.1
Value Redistribution:										
Intercompany Receivables	[J]	1,060.7	-	1,060.7	4%	4%	4%	39.2	44.6	46.1
Investment in Affiliates/Subsidiaries	[K]	3,909.0	-	3,909.0	2%	2%	2%	61.0	67.4	78.1
Total Value Redistribution		4,969.7	-	4,969.7				100.2	112.0	124.2
Net Liquidation Proceeds Available for Distribution		6,070.9	(96.2)	5,974.8	7%	8%	8%	404.6	451.3	495.3

(\$ in Millions)

		Claims			% Recovery			\$ Recovery		
		Low	Midpoint	High	Low	Midpoint	High	Low	Midpoint	High
Net Liquidation Proceeds Available for Distribution to Creditors								404.6	451.3	495.3
DIP Superpriority Claims	[L]	61.7	61.7	61.7	99%	99%	99%	61.3	61.3	61.3
Less: Total DIP Super Priority Claims		61.7	61.7	61.7	99%	99%	99%	61.3	61.3	61.3
Remaining Amount Available for Distribution								343.3	390.0	434.0
Secured Tax Claims		22.9	22.9	22.9	100%	100%	100%	22.9	22.9	22.9
Less: Total Secured Tax Claims	[M]	22.9	22.9	22.9	100%	100%	100%	22.9	22.9	22.9
Remaining Amount Available for Distribution								320.4	367.1	411.1
Other Priority/Secured Claims		-	-	-	0%	0%	0%	-	-	-
Less: Total Other Priority/Secured Claims	[N]	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution								320.4	367.1	411.1
Prepetition Credit Agreement Claims		-	-	-	0%	0%	0%	-	-	-
Less: Total Prepetition Credit Agreement Claims	[O]	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution								320.4	367.1	411.1
Administrative Claims		203.0	203.0	203.0	52%	56%	58%	106.4	114.6	117.6
Less: Total Administrative Claims	[P]	203.0	203.0	203.0	52%	56%	58%	106.4	114.6	117.6
Remaining Amount Available for Distribution								214.0	252.5	293.6
Prepetition Notes Claims Against Affiliate Debtors		1,335.8	1,335.8	1,335.8	16%	19%	22%	212.8	251.2	291.9
Less: Total Prepetition Notes Claims Against Affiliate Debtors	[Q]	1,335.8	1,335.8	1,335.8	16%	19%	22%	212.8	251.2	291.9
Remaining Amount Available for Distribution								1.2	1.4	1.6
General Unsecured Claims Against Affiliate Debtors		53.3	53.3	53.3	2%	3%	3%	1.2	1.4	1.6
Less: Total General Unsecured Claims Against Affiliate Debtors	[R]	53.3	53.3	53.3	2%	3%	3%	1.2	1.4	1.6
Remaining Amount Available for Distribution								-	-	-
Intercompany Payables		1,003.6	1,003.6	1,003.6	0%	0%	0%	-	-	-
Less: Total Intercompany Claims	[S]	1,003.6	1,003.6	1,003.6	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution								-	-	-
Equity Interests	[T]	-	-	-	0%	0%	0%	-	-	-

SPECIFIC NOTES TO THE LIQUIDATION ANALYSIS

Gross Liquidation Proceeds from External Assets

The below table summarizes asset recoverability percentages for the Debtors' assets. Net Liquidation Proceeds Available for Distribution on the sale of non-debtor assets are recovered by the Debtors via settlement of intercompany receivables and/or equity distributions factoring the priority of claims that reside at each non-debtor (reference Value Redistribution section below).

Note	Asset Type / Assumptions	Debtors' Recovery
A	Unrestricted cash consists of all cash and liquid investments, if applicable, and restricted cash consists of cash deposits made to third parties, cash collateral for the plugging and abandonment (" P&A ") liabilities, and cash collateral to the Prepetition Credit Agreement Lenders. The Liquidation Analysis assumes the cash deposits and P&A cash collateral are drawn on the Liquidation Date and are not recoverable, as they are applied as a reduction of their respective liabilities.	Unrestricted Cash 100% Restricted Cash 0%
B	Accounts receivable consists of trade amounts owed for services provided to customers. The balance has been adjusted for receivables that are considered uncollectable (based on the aging of such receivables). The recovery rates reflect the assumption that customer contracts would terminate at the Liquidation Date and customers would offset the costs associated with switching to a new provider against amounts owed. The interruption of business caused by the liquidation could further impact the ability of the Trustee to collect these amounts.	68%
C	Inventory consists of a wide variety of raw materials as well as parts and components made by other manufacturers and suppliers used as part of manufacturing operations. Additionally, inventory includes items that are sold to outside customers, or used as spares, consumables, or replacement parts to support oilfield services provided to customers on a contract service or rental basis. Associated spare parts are assumed to be liquidated with assumed <i>de minimis</i> recoveries.	16%
D	Land, buildings, and oil and gas properties includes owned real estate, real estate acquisition costs, leasehold improvements and one oil and gas property owned by the Debtors.	28%

Note	Asset Type / Assumptions	Debtors' Recovery
E	Machinery & Equipment (" M&E ") includes drilling tools, manufacturing equipment, service equipment and rental equipment used in providing services across the Debtors' primary offerings, including: production, completions, drilling and evaluation, well construction, etc. Additionally, M&E includes domestic and international miscellaneous assets (vehicles, FF&E, etc.).	46%
F	Other assets consist of prepaid insurance, rent, taxes and other miscellaneous prepaid items; supplier, customer and other miscellaneous deposits; deferred compensation plan assets; and intangibles. Deferred compensation plan assets are assumed to be converted into unrestricted cash upon conversion to a chapter 7, and will be fully recoverable.	8%

Liquidation Adjustments

G. Liquidation / Wind Down Costs

The wind down costs includes the expenses the Trustee will incur to efficiently and effectively monetize the assets over the Liquidation Period. These expenses relate to labor, building rent, facilities expenses, transportation expense, insurance, health and safety expenses, and taxes, as well as direct costs of selling the assets such as marshalling, marketing, and direct labor. The Liquidation Analysis assumes total liquidation and wind down costs in a range of approximately \$15.5 to \$26.0 million for the Affiliate Debtors over the Liquidation Period.

H. Chapter 7 Professional Fees

The chapter 7 professional fees include estimates for certain professionals that will provide assistance and services to the Trustee during the Liquidation Period. The Liquidation Analysis assumes the Trustee will retain lawyers, financial advisors, and investment bankers to assist in the liquidation. These advisors will assist in marketing the Debtors' assets, litigating claims and resolving tax litigation matters, and resolving other matters relating to the wind down of the Debtors' Estates. The Liquidation Analysis estimates Professional Fees at a range of 2% to 3% of Gross Liquidation Proceeds, which equals approximately \$8.1 and \$10.5 million, respectively, for the Affiliate Debtors.

I. Trustee Fees

Section 326(a) of the Bankruptcy Code provides that Trustee Fees may not exceed 3% of distributable proceeds *in excess* of \$1 million. The Liquidation Analysis assumes the Trustee Fees would be approximately 3% of Gross Liquidation Proceeds from external assets, which equals approximately \$8.1 to \$9.7 million, respectively.

Value Redistribution

For purposes of determining the recoverability of (i) intercompany receivables owed to the Debtors from non-Debtor Affiliates and (ii) the Debtors' Equity Interests in non-Debtor Affiliate subsidiaries, individual liquidation analyses were performed on each Debtor and non-Debtor Affiliate on a standalone basis. The recoverability of the Debtors' intercompany receivables and investments in subsidiaries was calculated prior to determining the net proceeds available for distribution to the Debtors' claimants.

J. Intercompany Receivables

Historically, the Debtors and their Affiliate subsidiaries created intercompany receivables and payables as a result of various transactions related to intercompany trade debt, overhead and expense allocations, and other intercompany charges. In addition, there are several entities that act as cash poolers for the organization. The recoverability of intercompany receivables owed to the Affiliate Debtors is assumed to be approximately 4%, or \$44.6 million.

K. Investments in Affiliates /Subsidiaries

The Debtors' investments in Affiliates /subsidiaries include the Debtors' Equity Interests in Debtor and non-Debtor Affiliates. The recoverability of the investments in Affiliates /subsidiaries owed to the Affiliate Debtors is assumed to be approximately 2% or \$67.4 million.

Net Liquidation Proceeds Available for Distribution

Based on the Liquidation Analysis, the Net Liquidation Proceeds Available for Distribution to the Affiliate Debtors' Holders of Claims and Equity Interests range from approximately \$404.6 million to \$495.3 million.

Claims**L. DIP Superpriority Claims**

The Bankruptcy Code grants superpriority administrative expense claim status to claims made pursuant to the Debtors' DIP Agreement. Also, the Interim DIP Order grants superpriority status to Allowed Professional Fees (as defined in the Interim DIP Order) earned, accrued or incurred by Professional Persons at any time before or on the first business day following delivery of the Carve-Out Trigger Notice (as defined in the Interim DIP Order). The Liquidation Analysis assumes DIP Superpriority Claims of approximately \$61.7 million at the Liquidation Date. The Liquidation Analysis assumes the Liquidation Proceeds would be sufficient to satisfy 100% of the DIP Superpriority Claims.

M. Secured Tax Claims

Secured Tax Claims consist of accrued and unpaid income, sales and use, franchise, property, VAT and other taxes owed at the Debtors and non-debtors. The Liquidation Analysis assumes approximately \$22.9 million in Secured Tax Claims at the Liquidation Date. The Liquidation Analysis assumes the Liquidation Proceeds would be sufficient to satisfy approximately 100% of the Secured Tax Claims.

N. Other Priority/Secured Claims

The Liquidation Analysis assumes there will be no Other Priority/Secured Claims at the Debtors as of the Liquidation Date.

O. Prepetition Credit Agreement Claims

The Liquidation Analysis assumes there will be no Prepetition Credit Agreement Claims at the Debtors as of the Liquidation Date.

P. Administrative Claims

Administrative Claims consist of estimated post-petition accounts payable, and post-petition accrued expenses attributable to operating costs for labor, and other costs relating to transportation, facilities, machining, rental tools, repairs and maintenance, insurance, health and safety, capital expenditures, other operating expenditures, and other administrative and professional services. Additionally, Administrative Expense include claims arising for post-petition accrued employee payroll and benefits and P&A costs. The Liquidation Analysis assumes approximately \$203.0 million in Administrative Claims at the Liquidation Date. The Liquidation Analysis further assumes the Liquidation Proceeds would be sufficient to satisfy approximately 56% of the Administrative Claims.

Q. Prepetition Notes Claims Against Affiliate Debtors

Claims at any Affiliate Debtor arising from, under, or in connection with the Prepetition Notes, the Prepetition Notes Indentures, or any other related document or agreement, including any accrued and unpaid principal, interest and fees through December 6, 2020. The Liquidation Analysis assumes approximately \$1,335.8 million in Prepetition Notes Claims Against Affiliate Debtors at the Liquidation Date. Notes recovery amounts may vary from other unsecured claim recovery due to the liquidation being performed on a legal entity basis and the location of each claim. The Liquidation Analysis further assumes the Liquidation Proceeds would be sufficient to satisfy approximately 19% of the Prepetition Notes Claims Against Affiliate Debtors.

R. General Unsecured Claims Against Affiliate Debtors

General Unsecured Claims Against Affiliate Debtors consist certain general unsecured prepetition liabilities not subject to first-day relief, claims attributed to the non-qualified deferred compensation plan, pre-petition lease rejection claims, and various other unsecured liabilities, excluding the Notes. The actual amount of General Unsecured Claims Against Affiliate Debtors could vary materially from these estimates. No order has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of General Unsecured Claims Against Affiliate Debtors

at the Debtors. The Liquidation Analysis assumes approximately \$53.3 million in General Unsecured Claims Against Affiliate Debtors at the Liquidation Date. The Liquidation Analysis further assumes the Liquidation Proceeds would be sufficient to satisfy approximately 3% of the General Unsecured Claims Against Affiliate Debtors.

S. Intercompany Claims

Intercompany Claims consist of amounts owed by and between the Debtors and/or non-Debtor Affiliates for pre-petition intercompany activity. The Liquidation Analysis further assumes there would be no recovery on these Claims. See Value Redistribution section above for further detail on recoverability of amounts owed by the non-debtors to the Debtors.

T. Equity Interests

Equity Interests consist of common Equity Interests in the Debtors. The Liquidation Analysis assumes there would be no recovery on these Equity Interests.

STANDALONE LIQUIDATION ANALYSIS OF SUPERIOR ENERGY SERVICES, INC.

The below tables reflects the standalone liquidation analysis of Superior Energy Services, Inc.

Superior Energy Services, Inc

(\$ in Millions)

Assets	9/30/20 Net Book Value	Adjustments / Activity	1/31/21 Pro Forma Value	Potential Recovery					
				Recovery Estimate %			Recovery Estimate \$		
				Low	Midpoint	High	Low	Midpoint	High
Gross Liquidation Proceeds:									
Restricted Cash	-	-	-	0%	0%	0%	-	-	-
Cash	1.9	(1.4)	0.5	100%	100%	100%	0.5	0.5	0.5
Accounts Receivable	-	-	-	0%	0%	0%	-	-	-
Inventory	-	-	-	0%	0%	0%	-	-	-
Land, Buildings, & Oil and gas properties	-	-	-	0%	0%	0%	-	-	-
Machinery & Equipment	-	-	-	0%	0%	0%	-	-	-
Other Assets	-	-	-	0%	0%	0%	-	-	-
Total Assets	1.9	(1.4)	0.5	100%	100%	100%	0.5	0.5	0.5
				Rates					
				Low	Midpoint	High			
Liquidation / Wind-down Costs							(0.0)	(0.0)	-
Ch. 7 Professional Fees				3.0%	2.5%	2.0%	(0.0)	(0.0)	(0.0)
Ch. 7 Trustee Fees							(0.0)	(0.0)	(0.0)
Total Liquidation Adjustments							(0.0)	(0.0)	(0.0)
Net Liquidation Proceeds from External Assets	1.9	(1.4)	0.5	94%	96%	98%	0.4	0.4	0.4
Value Redistribution:									
Intercompany Receivables	-	-	-	0%	0%	0%	-	-	-
Investment in Affiliates/Subsidiaries	124.3	-	124.3	0%	0%	0%	-	-	-
Total Value Redistribution	124.3	-	124.3				-	-	-
Net Liquidation Proceeds Available for Distributor	126.1	(1.4)	124.7	0%	0%	0%	0.4	0.4	0.4

(\$ in Millions)

	Claims			% Recovery			\$ Recovery		
	Low	Midpoint	High	Low	Midpoint	High	Low	Midpoint	High
Net Liquidation Proceeds Available for Distribution to Creditors							0.4	0.4	0.4
DIP Superpriority Claims ⁽¹⁾	61.7	61.7	61.7	1%	1%	1%	0.4	0.4	0.4
Less: Super Priority Claims	61.7	61.7	61.7	1%	1%	1%	0.4	0.4	0.4
Remaining Amount Available for Distribution							-	-	-
Secured Tax Claims	0.6	0.6	0.6	0%	0%	0%	-	-	-
Less: Total Secured Tax Claims	0.6	0.6	0.6	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Other Priority/Secured Claims	-	-	-	0%	0%	0%	-	-	-
Less: Total Other Priority/Secured Claims	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Prepetition Credit Agreement Claims	-	-	-	0%	0%	0%	-	-	-
Less: Total Prepetition Credit Agreement Claims	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Administrative Claims	-	-	-	0%	0%	0%	-	-	-
Less: Total Chapter 11 Administrative Claims	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Prepetition Notes Claims Against Parent	1,335.8	1,335.8	1,335.8	0%	0%	0%	-	-	-
Less: Total Prepetition Notes Claims Against Parent	1,335.8	1,335.8	1,335.8	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Performance Guarantee Claims	Undetermined			0%	0%	0%	-	-	-
Other General Unsecured Claims	0.1	0.1	0.1	0%	0%	0%	-	-	-
Less: Total Other General Unsecured Claims	0.1	0.1	0.1	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Intercompany Payables	-	-	-	0%	0%	0%	-	-	-
Less: Total Intercompany Claims	-	-	-	0%	0%	0%	-	-	-
Remaining Amount Available for Distribution							-	-	-
Equity Interests	-	-	-	0%	0%	0%	-	-	-

(1) Superior Energy Services, Inc. is party to approximately \$22.7 million of letters of credit, which the Liquidation Analysis assumes would be drawn in a chapter 7 liquidation.

Exhibit D

Financial Projections

Financial Projections

The Debtors believe that the Plan¹ meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code, as confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Debtors or any successor under the Plan. In connection with the planning and development of a plan of reorganization and for the purposes of determining whether such plan would satisfy this feasibility standard, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources.

The Debtors do not, as a matter of course, publish their business plans or strategies, projections or anticipated financial position. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated business plans or the Financial Projections to holders of Claims, Equity Interests or other parties in interest going forward, or to include such information in documents required to be filed with the SEC, if any, or otherwise make such information public, unless required to do so by the SEC or other regulatory bodies pursuant to the provisions of the Plan.

In connection with the Disclosure Statement, the Debtors' management team ("**Management**") prepared the Financial Projections for February through December in the year 2021 and the years 2022 through 2023 (the "**Projection Period**"). The Financial Projections were prepared by Management and are based on several assumptions made by Management with respect to the future performance of the Reorganized Debtors' operations.

The Debtors have prepared the Financial Projections based on information available to them, including information derived from public sources that have not been independently verified. No representation or warranty, expressed or implied, is provided in relation to fairness, accuracy, correctness, completeness, or reliability of the information, opinions, or conclusions expressed herein.

THESE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH PUBLISHED GUIDELINES OF THE SEC OR GUIDELINES ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS FOR PREPARATION AND PRESENTATION OF PROSPECTIVE FINANCIAL INFORMATION.

ALTHOUGH MANAGEMENT HAS PREPARED THE FINANCIAL PROJECTIONS IN GOOD FAITH AND BELIEVES THE ASSUMPTIONS TO BE REASONABLE, IT IS IMPORTANT TO NOTE THAT NEITHER THE DEBTORS NOR THE REORGANIZED DEBTORS CAN PROVIDE ANY ASSURANCE THAT SUCH ASSUMPTIONS WILL BE REALIZED. AS DESCRIBED IN DETAIL IN THE DISCLOSURE STATEMENT, A VARIETY OF RISK FACTORS COULD AFFECT THE REORGANIZED DEBTORS' FINANCIAL RESULTS AND MUST BE CONSIDERED. ACCORDINGLY, THE

¹ Capitalized terms used but not defined herein have the meanings ascribed to them in the Disclosure Statement, to which these Financial Projections are attached as Exhibit D or the Plan attached to the Disclosure Statement as Exhibit A.

FINANCIAL PROJECTIONS SHOULD BE REVIEWED IN CONJUNCTION WITH A REVIEW OF THE DISCLOSURE STATEMENT AND THE ASSUMPTIONS DESCRIBED HEREIN, INCLUDING ALL RELEVANT QUALIFICATIONS AND FOOTNOTES.

The Financial Projections contain certain forward-looking statements, all of which are based on various estimates and assumptions. Such forward looking statements are subject to inherent uncertainties and to a wide variety of significant business, economic, and competitive risks, including those summarized herein. When used in the Financial Projections, the words, “anticipate,” “believe,” “estimate,” “will,” “may,” “intend,” “expect,” and similar expressions should be generally identified as forward-looking statements. Although the Debtors believe that their plans, intentions, and expectations reflected in the forward-looking statements are reasonable, they cannot be sure that they will be achieved. These statements are only predictions and are not guarantees of future performance or results. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by a forward-looking statement. All forward-looking statements attributable to the Debtors or Persons or Entities acting on their behalf are expressly qualified in their entirety by the cautionary statements set forth herein. Forward-looking statements speak only as of the date on which they are made. Except as required by law, the Debtors expressly disclaim any obligation to update any forward-looking statement, whether because of new information, future events, or otherwise.

The financial projections should be read in conjunction with the assumptions, qualifications, and explanations set forth in the Disclosure Statement and the Plan in their entirety as well as the notes and assumptions set forth below.

The Financial Projections are subject to inherent risks and uncertainties, most of which are difficult to predict and many of which are beyond Management’s control. Although Management believes these assumptions are reasonable under the circumstances, such assumptions are subject to significant uncertainties, including, but not limited to, (a) changes in capital spending on oilfield services in various end markets; (b) oil, natural gas, and other commodity pricing; (c) applicable laws and regulations; (d) interest rates and inflation; (e) business combinations among the Debtors’ competitors, suppliers and customers; (f) severe or unseasonable weather; and (g) availability and cost of steel, fuel and other raw materials. Additional information regarding these uncertainties are described in Article V of the Disclosure Statement. Should one or more of the risks or uncertainties referenced in the Disclosure Statement occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in the Financial Projections. Further, new factors could cause actual results to differ materially from those described in the Financial Projections, and it is not possible to predict all such factors, or to the extent to which any such factor or combination of factors may cause actual results to differ from those contained in the Financial Projections. The Financial Projections herein are not, and must not be viewed as, a representation of fact, prediction or guaranty of the reorganized Debtors’ future performance.

1) General Assumptions

The Debtors and their indirect subsidiaries are oilfield services providers serving the drilling, completion, and production-related needs of oil and gas companies through a diversified portfolio of specialized oilfield services and equipment that are used throughout the economic life cycle of oil and gas wells. In particular, the Debtors manufacture, rent, and sell specialized equipment and tools for use with well drilling, completion, production, and workover activities, and offer fluid handling and well servicing rigs. The Debtors also provide coiled tubing services, electric line, slickline, and pressure control tools and services, as well as snubbing and hydraulic workover.

A. Accounting Policies

The Financial Projections have been prepared using accounting policies that are materially consistent with those applied in the Company's historical financial statements. The Financial Projections do not reflect the formal implementation of reorganization accounting pursuant to FASB Accounting Standards Codification Topic 852, *Reorganizations* ("**ASC 852**"). Overall, the implementation of ASC 852 is not anticipated to have a material impact on the underlying economics of the Plan.

B. Methodology

In developing the Financial Projections, Management reviewed current utilization and pricing of products and services by region and segment. Management evaluates customer activity in relevant markets and their capital spending outlook to assess revenue opportunities both from a call out work perspective and whether existing contracts are likely to be renewed. Depending on the service line, customer and location, contracts vary in their terms and provisions and many of the products and services in the onshore market are executed as call out work with limited or no longer term contract coverage.

C. Market Forecast

The Financial Projections were prepared based on the level of spending in the energy industry, which is heavily influenced by the current and expected future prices of oil and natural gas. Changes in expenditures result in an increased or decreased demand for products and services. Rig activity is an indicator of the level of spending for the exploration and production of oil and natural gas reserves.

D. Plan Consummation

The Financial Projections assume that the Plan will be consummated on or around January 31, 2021.

2) Assumptions with Respect to the Financial Projections

A. Overview

The emergence liquidity was prepared utilizing the September 30, 2020 balance sheet and projected results of operations and cash flows over the period to the assumed emergence date of January 31, 2021.

B. Working Capital

Working capital assumptions are based on movements in accounts receivable, accounts payable, and other accrued current assets and liabilities. Projected balances are based on the historical cash conversion cycle of the Company's specific business units. Prospective working capital assumptions were supplemented by Management as deemed appropriate.

C. Capital Structure

The reorganized Company's estimated post-emergence capital structure is assumed to be effective beginning February 1, 2021 or shortly thereafter. The Financial Projections assume the following key assumptions at emergence:

- A first lien secured Exit ABL Facility maturing 2024, with \$120 million in commitments. The Exit ABL Facility will be subject to a borrowing base, and availability thereunder will be (a) the lesser of (i) the commitments and (ii) the borrowing base, less (b) the amount of loans and letters of credit outstanding thereunder. The Exit ABL Facility is assumed to have no loans drawn as of the effective date and to have certain letters of credit outstanding under the LC sub-facility, reducing the Company's availability by the total letter of credit exposure as of the Effective Date. As of the Effective Date, the Exit ABL Facility is expected to have a borrowing base of approximately \$86 million (excluding Eligible Cash as defined in the DIP Credit Agreement) which is expected to be \$84 million as of December 31, 2022. Loans under the Exit ABL Facility will bear cash interest at an annual rate of LIBOR plus 300 to 350 basis points, an unused commitment fee of 50 basis points, and fees on outstanding letters of credit at an annual rate of 300 to 350 basis points.

3) Assumptions with Respect to the Projected Income Statement

A. Revenue

The Financial Projections include revenue generated from products and services. Higher or lower activity and productivity related to the changes in the rig count, well completion activity, well workover activity and the corresponding utilization and pricing for the Company's equipment are major factors in revenue generation.

B. Operating Expenses

Operating expenses ("OpEx") are based on the Company's ability to manage the workforce, supply chain and business processes, information technology systems and

technological innovation and commercialization, including the impact of restructuring, and business enhancements. OpEx is projected based on historical operating costs and expected utilization of products and services.

C. General and Administrative Expenses

General and administrative costs (“**G&A**”) are primarily comprised of labor costs, legal expenses, and other expenses associated with field and corporate overhead. Projected G&A is based primarily on historical G&A costs. G&A for the eleven month period from the Effective Date through December 2021 is projected to be approximately \$169 million increasing to \$188 million in 2022 and \$195 million in 2023 (4% increase).

D. Depreciation and Amortization

Depreciation and amortization reflects the anticipated book expenses based on the carrying asset values.

E. Interest Expense

Post-emergence interest expense is forecasted based on the Company’s pro forma capital structure as more fully described in the Capital Structure section included herein and the Plan and the exhibits thereto.

F. Cash Taxes

Cash taxes are forecasted based on the projected earnings and tax rates by jurisdiction where the Company’s earnings are generated.

G. Capital Expenditures

Forecasted capital expenditures were prepared with consideration for the needs of the Company’s fixed assets. Capital expenditures primarily relate to maintaining and continuing to invest in the Company’s worldwide drill pipe and rental equipment inventory, sustaining its other service asset fleets in proper working condition. Capital expenditures also include capitalized corporate expenditures, such as expenditures required to maintain the Company’s information technology equipment and software.

	2021				2021	2022	2023
	Q1F ¹	Q2F	Q3F	Q4F	11MF	FYF	FYF
Revenue	\$ 113.7	\$ 178.5	\$ 205.6	\$ 225.7	\$ 723.6	\$ 957.5	\$ 1,141.6
(-) COGS	(75.8)	(117.8)	(130.8)	(140.4)	(464.8)	(606.8)	(719.2)
Gross Margin	\$ 37.9	\$ 60.7	\$ 74.9	\$ 85.3	\$ 258.8	\$ 350.7	\$ 422.5
(-) G&A - Corporate	(11.2)	(16.8)	(15.7)	(16.9)	(60.6)	(71.0)	(71.0)
(-) G&A - Field	(19.8)	(29.9)	(29.8)	(29.1)	(108.6)	(117.3)	(124.3)
Adjusted EBITDA	\$ 6.9	\$ 14.1	\$ 29.4	\$ 39.3	\$ 89.6	\$ 162.5	\$ 227.1
(+) Stock Based Compensation	1.9	2.9	2.9	2.9	10.7	15.0	15.8
(+/-) Change in receivables	1.3	(6.4)	(17.0)	(17.4)	(39.5)	(18.5)	(29.0)
(+/-) Change in invt, prepaid, and other	7.7	3.9	(2.7)	(2.4)	6.5	(2.4)	(12.8)
(+/-) Change in payables	7.0	5.3	3.1	(1.7)	13.8	(2.2)	6.3
(+/-) Change in other working capital	12.1	0.7	1.5	2.0	16.2	2.8	2.3
(-) Capex	(10.2)	(12.4)	(11.9)	(11.8)	(46.3)	(71.3)	(102.3)
(-) Cash Taxes	(1.4)	(1.4)	(1.4)	(1.4)	(5.5)	(33.0)	(32.8)
Unlevered Free Cash Flow	\$ 25.5	\$ 6.8	\$ 3.8	\$ 9.5	\$ 45.5	\$ 52.8	\$ 74.6
(-) Cash interest, fees	(0.6)	(0.9)	(0.9)	(0.9)	(3.3)	(3.6)	(3.6)
(+) Asset sales	4.5	3.5	3.5	3.5	15.0	10.0	10.0
Net Change in Cash	\$ 29.4	\$ 9.3	\$ 6.4	\$ 12.1	\$ 57.3	\$ 59.2	\$ 81.0
Beginning Total Cash ^{2 & 3}	188.3	217.7	227.0	233.4	188.3	245.5	304.7
Ending Total Cash	\$ 217.7	\$ 227.0	\$ 233.4	\$ 245.5	\$ 245.5	\$ 304.7	\$ 385.7

¹ Activity for February and March 2021.

² At 1/31/2021; LC cash collateralization requirement at emergence subject to availability on Exit ABL Facility.

³ Beginning Total Cash as of the Effective Date includes approximately \$71 million of Non-Guarantor cash.

Exhibit E

Valuation Analysis

Valuation Analysis¹

Valuation Analysis of Reorganized Superior

THE INFORMATION CONTAINED HEREIN IS NOT A PREDICTION OR GUARANTEE OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN. THE INFORMATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING ADEQUATE INFORMATION AS REQUIRED BY SECTION 1125 OF THE BANKRUPTCY CODE TO ENABLE THE HOLDERS OF CLAIMS OR EQUITY INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTORS OR ANY OF THEIR AFFILIATES.

A. Estimated Valuation

At the Debtors' request, Johnson Rice & Company L.L.C. ("**Johnson Rice**") performed a valuation analysis of the Reorganized Debtors.

Based upon and subject to the review and analysis described herein, and subject to the assumptions, limitations and qualifications described herein, Johnson Rice's opinion, as of 11/27/2020, is that the estimated going concern enterprise value of the Reorganized Debtors, as of an assumed Effective Date for purposes of Johnson Rice's valuation analysis of 1/31/2021 (the "**Assumed Effective Date**"), would be in a range between \$710 million and \$880 million. The midpoint of our enterprise valuation range is \$795 million.

Johnson Rice's opinion and analyses are necessarily based on economic, monetary, market, and other conditions as in effect on, and the information made available to Johnson Rice as of, the date of its analysis. It should be understood that, although subsequent developments may affect Johnson Rice's views, Johnson Rice does not have any obligation to update, revise, or reaffirm its estimate.

Johnson Rice's opinion and analysis are based on a number of assumptions, including, among other assumptions, that (i) the Debtors will be reorganized in accordance with the Plan which will be effective on the Assumed Effective Date, (ii) the Reorganized Debtors will achieve the results set forth in the management team's Financial Projections for 2021 through 2023 (the

¹ Capitalized terms used but not defined herein have the meanings ascribed to them in the Disclosure Statement to which this Valuation Analysis is attached as Exhibit E or the Plan (as may be amended) attached to the Disclosure Statement as Exhibit A, as applicable.

“Projection Period”) provided to Johnson Rice by the Reorganized Debtors, (iii) the Reorganized Debtors’ capitalization and available cash will be as set forth in the Plan and the Disclosure Statement, and (iv) the Reorganized Debtors will be able to obtain all future financings, on the terms and at the times, necessary to achieve the results set forth in the Financial Projections. Johnson Rice makes no representation as to the achievability of such assumptions. In addition, Johnson Rice’s analysis assumes that there will be no material change in economic, monetary, market, and other conditions as in effect on, and the information made available to Johnson Rice, as of the Assumed Effective Date.

Johnson Rice’s opinion and analyses assume that the Financial Projections prepared by the Debtors’ management were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the Debtors’ management as to the future financial and operating performance of the Reorganized Debtors. The future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors, and consequently are inherently difficult to project. The Reorganized Debtors’ actual future results may differ materially (positively or negatively) from the Financial Projections and, as a result, the actual enterprise value of the Reorganized Debtors may be materially higher or lower than the estimated range herein. Among other things, failure to consummate the Plan in a timely manner may have a materially negative impact on the enterprise value of the Reorganized Debtors.

The estimated enterprise value in this section represents a hypothetical enterprise value of the Reorganized Debtors as the continuing operators of the business and assets of the Debtors, after giving effect to the Plan, based on consideration of certain valuation methodologies as described below. The estimated enterprise value in this section does not purport to constitute an appraisal or necessarily reflect the actual market value that might be realized through a sale or liquidation of the Reorganized Debtors, their securities or their assets, which may be materially higher or lower than the estimated enterprise value range herein. The actual value of an operating business such as the Reorganized Debtors’ business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in various factors affecting the financial condition and prospects of such a business.

In conducting the analysis, Johnson Rice, among other things: (i) reviewed certain publicly available business and financial information relating to the Reorganized Debtors that Johnson Rice deemed relevant; (ii) reviewed certain internal information relating to the business, earnings, cash flow, assets, liabilities, and prospects of the Reorganized Debtors, including the Financial Projections, furnished to Johnson Rice by the Debtors; (iii) conducted discussions with members of senior management and representatives of the Debtors concerning the matters described in clauses (i) and (ii) of this paragraph, as well as their views concerning the Debtors’ business prospects before giving effect to the Plan, and the Reorganized Debtors’ business and prospects after

giving effect to the Plan; (iv) reviewed publicly available financial and stock market data for certain other companies in lines of business that Johnson Rice deemed relevant; (v) reviewed publicly available financial data for certain transactions that Johnson Rice deemed relevant; (vi) reviewed the Plan; and (vii) conducted such other financial studies and analyses and took into account such other information as Johnson Rice deemed appropriate. In connection with its review, Johnson Rice did not assume any responsibility for independent verification of any of the information supplied to, discussed with, or reviewed by Johnson Rice and, with the consent of the Debtors, relied on such information being complete and accurate in all material respects. Johnson Rice did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet, tax-related or otherwise) of the Reorganized Debtors. Johnson Rice also assumed that the final form of the Plan does not differ in any respect material to its analysis from the final draft that Johnson Rice reviewed.

The estimated enterprise value herein does not constitute a recommendation to any Holder of a Claim or Equity Interest as to how such Holder of a Claim or Equity Interest should vote or otherwise act with respect to the Plan. Johnson Rice has not been asked to and does not express any view as to what the trading value of the Reorganized Debtors' securities would be when issued pursuant to the Plan or the prices at which they may trade in the future. The estimated enterprise value set forth herein does not constitute an opinion as to fairness from a financial point of view to any Holder of a Claim or Equity Interest of the consideration to be received by such Holder of a Claim or Equity Interest under the Plan or of the terms and provisions of the Plan.

B. Valuation Methodology

In preparing the valuation, Johnson Rice performed a variety of financial analyses and considered a variety of factors. The following is a brief summary of the material financial analyses performed, which consisted of (a) a discounted cash flow analysis, (b) a selected publicly traded companies analysis, and (c) a selected transactions analysis.

(i) Discounted Cash Flow Analysis:

The discounted cash flow ("**DCF**") analysis is an enterprise valuation methodology that estimates the value of an asset or business by calculating the present value of expected future cash flows to be generated by that asset or business plus a present value of the estimated terminal value of that asset or business. Johnson Rice's DCF analysis used the Financial Projections' estimated debt-free, after-tax free cash flows from the Assumed Effective Date through December 31, 2023. These cash flows were then discounted at a weighted average cost of capital ("**Discount Rate**") for the Reorganized Debtors (methodology behind discount rate described below). The Discount Rate reflects the estimated

blended rate of return that would be expected by debt and equity investors to invest in the Reorganized Debtors' respective businesses based on the Reorganized Debtors' target capital structure. The enterprise value was determined by calculating the present value of the Reorganized Debtors' unlevered after-tax free cash flows based on the Financial Projections plus an estimate for the value of the Reorganized Debtors beyond the Projection Period known as the terminal value. In determining the estimated terminal value of the Reorganized Debtors, Johnson Rice relied upon the terminal multiple method which estimates a range of values that the Reorganized Debtors will be valued at the end of the Projection Period based on applying a terminal multiple to final projection year EBITDA. Johnson Rice also considered the perpetuity growth method which estimates a range of values for the Reorganized Debtors at the end of the Projection Period. The range of multiples selected for the terminal multiple method was established using the median of daily historical EV/Forward EBITDA multiples for public companies that Johnson Rice deemed relevant from January 2018 through October 2020.

To determine the Discount Rate, Johnson Rice used the estimated cost of equity and the estimated cost of debt for the Reorganized Debtors, assuming a targeted, long-term, debt-to-total capitalization ratio (based on debt-to-capitalization ratios of the selected publicly traded companies and the proposed capital structure contemplated by the Plan initially and after giving effect to the projected financial performance of the Reorganized Debtors during the Projection Period). Johnson Rice calculated the cost of equity based on (i) the capital asset pricing model, which assumes that the expected equity return is a function of the risk-free rate, equity risk premium, and the correlation of the stock performance of the selected publicly traded companies to the return on the broader market. Johnson Rice did not make an independent assessment of the go-forward tax environment.

(ii) Selected Transaction Analysis

The selected transactions analysis is based on the implied enterprise values of companies and assets involved in publicly-disclosed merger and acquisition transactions for which the targets had operating and financial characteristics comparable in certain respects to the Reorganized Debtors. Under this methodology, the enterprise value of each such target is determined by an analysis of the consideration paid and the net debt assumed in the merger or acquisition transaction. The enterprise value and EBITDA of the acquired company is then compared to EBITDA for the Reorganized Debtors in order to determine an enterprise value multiple. Johnson Rice analyzed various merger and acquisition transactions that have occurred in the oilfield services industry deemed relevant by Johnson Rice. In this analysis, the enterprise value to EBITDA multiples were utilized to determine a range of implied enterprise value for the

Reorganized Debtors.

(iii) Selected Public Company Analysis

The selected publicly traded company analysis is based on the enterprise values of selected publicly traded oilfield services companies that have operating and financial characteristics comparable in certain respects to the Reorganized Debtors. For example, such characteristics may include similar size and scale of operations, services mix, operational capabilities and efficiencies, growth rates, and geographical exposure. Under this methodology, certain financial multiples that measure financial performance and value are calculated for each selected company and then applied to the Reorganized Debtors' financials to imply an enterprise value for the Reorganized Debtors. Johnson Rice used, among other measures, enterprise value (defined as market value of equity, plus market value of debt and book value of preferred stock and minority interests, less cash) for each selected company as a multiple of such company's EBITDA.

Although the selected companies were used for comparison purposes, no selected publicly traded company is either identical or directly comparable to the business of the Reorganized Debtors. Accordingly, Johnson Rice's comparison of selected publicly traded companies to the business of the Reorganized Debtors and analysis of the results of such comparisons was not purely mathematical, but instead involved considerations and judgments concerning differences in operating and financial characteristics and other factors that could affect the relative values of the selected publicly traded companies and the Reorganized Debtors. The selection of appropriate companies for this analysis is a matter of judgment and subject to limitations due to sample size and the public availability of meaningful market-based information.

C. Valuation Considerations

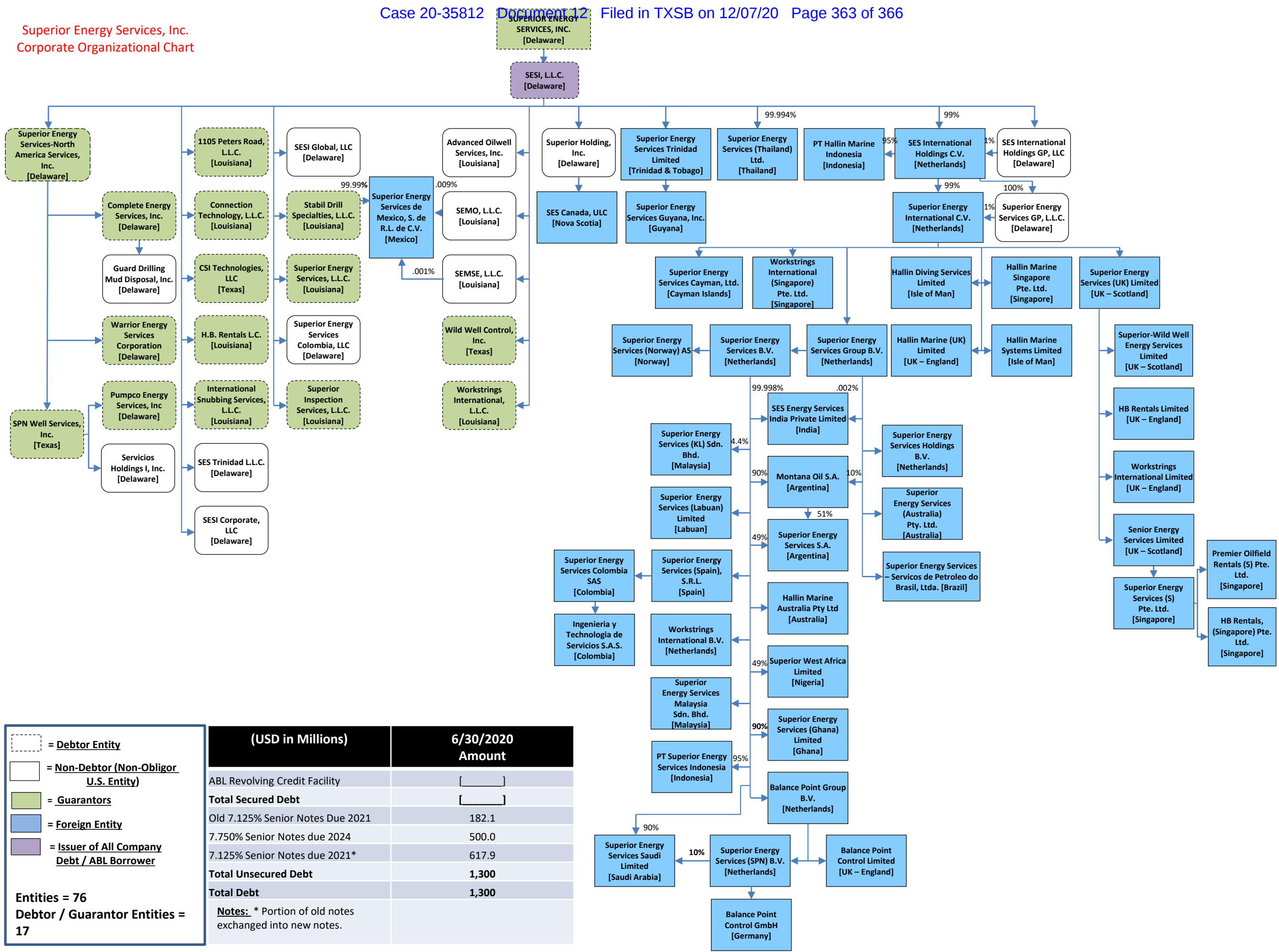
The estimated enterprise value in this section is not necessarily indicative of actual value, which may be significantly higher or lower than the ranges set forth herein. Accordingly, none of the Debtors, Johnson Rice, nor any other person assumes responsibility for the accuracy of such estimated enterprise value. Depending on the actual financial results of the Debtors or changes in the economy and the financial markets, the enterprise value of the Reorganized Debtors as of the Assumed Effective Date may differ from the estimated enterprise value set forth herein as of an Assumed Effective Date of 1/31/2021. In addition, the market prices, to the extent there is a market, of Reorganized Debtors' securities will depend upon, among other things, prevailing interest rates, conditions in the economy and the financial markets, the investment decisions of prepetition creditors receiving such securities under the Plan (some of whom may prefer to liquidate their investment rather than hold it on a long-term basis), and other factors that generally influence the prices of securities.

THE VALUATION INFORMATION CONTAINED HEREIN IS NOT A PREDICTION OR GUARANTEE OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN.

Exhibit F

Organizational Structure Chart

Superior Energy Services, Inc.
Corporate Organizational Chart



(USD in Millions)	6/30/2020 Amount
ABL Revolving Credit Facility	[]
Total Secured Debt	[]
Old 7.125% Senior Notes Due 2021	182.1
7.750% Senior Notes due 2024	500.0
7.125% Senior Notes due 2021*	617.9
Total Unsecured Debt	1,300
Total Debt	1,300
Notes: * Portion of old notes exchanged into new notes.	

Exhibit G

Guarantee Claims

EXHIBIT G**LEGACY PARENT GUARANTEES¹**

(Listed Alphabetically by Counterparty)

Agreement	Agreement Date	Counterparty	Counterparty Notice Information	Guarantor
Guarantee	December 15, 2004	Amerada Hess Corporation	Hess Corporation 1185 Avenue of the Americas, 40 th Floor New York, NY 10036 Attn: Legal Department	Superior Energy Services, Inc.
Parent Guaranty	February 13, 2004	Apache Corporation	Apache Corporation 2000 Post Oak Blvd, Suite 100 Houston, Texas 77056-4400 Attn: John J. Christmann, IV	Superior Energy Services, Inc.
Guaranty Agreement	July 23, 2004	BP America Production Company	BP America Production Company 501 WestLake Park Boulevard Houston, Texas Attn: Assistant General Counsel, Legal Group	Superior Energy Services, Inc.
Performance Guaranty	April 26, 2006, and amended on June 9, 2006	Devon Energy Production Company, L.P.	Devon Energy Production Company, L.P. 1500 Mid-America Tower 20 North Broadway Oklahoma City, Oklahoma 73102 Attention: Jeffrey A. Agosta, Vice President and Treasurer	Superior Energy Services, Inc.
Performance Guaranty	April 26, 2006	Explore Offshore LLC	Explore Offshore LLC 71683 Riverside Drive	Superior Energy Services, Inc.

¹ The inclusion of a Legacy Parent Guarantee in this Exhibit G to the Disclosure Statement is not an admission by the Debtors that such Legacy Parent Guarantee is in full force and effect or legally binding, and nothing herein shall prejudice the Debtors' right, and the Debtors expressly reserve their right, to assert that any of the Legacy Parent Guarantees are no longer in full force and effect or legally binding.

Agreement	Agreement Date	Counterparty	Counterparty Notice Information	Guarantor
			Covington, Louisiana 70433 Attention: David McCubbin	
Performance Guaranty	April 26, 2006	Kerr-McGee Oil & Gas Corporation	Kerr-McGee Oil & Gas Corporation (Westport Resources Corporation) 16666 Northchase Houston, Texas 77060 Attention: Jim Bryan	Superior Energy Services, Inc.
Performance Guaranty Agreement	January 15, 2004	Marathon Oil Company	Marathon Oil Company 5555 San Felipe Houston, Texas 77056 Attention: L. R. Dartez	Superior Energy Services, Inc.
Third-Party Indemnity Agreement	December 18, 2003	Mineral Management Service of the United States Department of the Interior	[Mineral Management Service 1201 Elmwood Park Blvd. New Orleans, LA 70123 Attn: Carrol Williams]	Superior Energy Services, Inc.
Performance Guaranty	April 26, 2006	Murphy Exploration & Production Company-USA	Murphy Exploration & Production Company-USA 100 Asma Blvd., Suite 100 Lafayette, Louisiana 70508 Attention: Steve Jones	Superior Energy Services, Inc.
Performance Guaranty Agreement	December 18, 2003	Union Oil Company of California Pure Resources, L.P. Pure Partners, L.P.	Union Oil Company of California 14141 Southwest Freeway Sugar Land, Texas 77478 Attn: Jack Bayless, Land Manager	Superior Energy Services, Inc.