

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:

WALTER ENERGY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-02741-TOM11

Jointly Administered

**ORDER (A) AUTHORIZING PROCEDURES TO IMPLEMENT THE
GLOBAL SETTLEMENT AND (B) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “**Motion**”)² of Walter Energy, Inc. and its affiliated debtors and debtors-in-possession (each a “**Debtor**” and, collectively, the “**Debtors**”), and the official committee of unsecured creditors appointed in these chapter 11 cases (the “**UCC**”), by and through their respective undersigned counsel, for an order pursuant to Sections 105(a), 501 and 502 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (as amended, the “**Bankruptcy Code**”), and rules 3001 through 3004 of the Federal Rules of Bankruptcy Procedure (each a “**Bankruptcy Rule**,” and collectively, the “**Bankruptcy Rules**”): (A) authorizing procedures to implement the Global Settlement and (B) granting related relief; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these cases and the Motion in this district is

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco, LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co., LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors’ corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



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proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that adequate and proper notice of the Motion has been given and that no other or further notice need be given; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors, their estates and all Parties in interest; and after due deliberation and sufficient cause appearing therefor; it is hereby ORDERED, ADJUDGED and DECREED that:

1. The Motion is GRANTED.
2. The Participation Procedures, the Global Settlement Implementation Procedures, and the Participation Procedures Notice are approved in their entirety and may be used to calculate the Aggregate Claim Amount and the Minimum Claim Amount.
3. The Global Settlement may be implemented and consummated in accordance with its terms and the terms hereof, including the application of the Participation Procedures, the Aggregate Claim Amount, and the Minimum Claim Amount for purposes of making of distributions on account of the Global Settlement to holders of unsecured claims and the solicitation of creditors in any exit financing.
4. The Record Date is approved for determining the owner and amount of each Note Claim. Any transfer of a beneficial Note Claim after the Record Date will not be recognized for purposes of the distribution of Equity and the ability to participate in any such exit financing.
5. For purposes of the distribution procedures and the Participation Procedures set forth in the Motion, the parties acknowledge that the Claims related to the Notes issued pursuant to the Second Lien Indenture dated as of March 27, 2014 are being treated as unsecured claims.
6. The payment (either directly or through an escrow) of the fees and expenses of the indenture trustees for the unsecured notes and their retained professionals, as well as the fees and

expenses of the members of the UCC and their respective retained professionals incurred in connection with such member's membership on the UCC through the Closing in an amount not to exceed \$1.2 million in the aggregate, as provided in the Stalking Horse Agreement, as amended, is hereby approved, without the need for any further order of this Court or the filing of monthly or interim fee applications, and notwithstanding anything to the contrary in the *Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 650].

7. Nothing in the Motion, this Order, the Participation Procedures, the Global Settlement Implementation Procedures or the Global Settlement shall constitute, or be deemed to be, an allowance or adjudication of any claim against the Debtors under Section 502 of the Bankruptcy Code or under any other applicable statute, rule, regulation or procedure, and all rights of the Debtor and any party in interest to object to any claim under Section 502(a) of the Bankruptcy Code are reserved in full; provided however, that a subsequent claim allowance or disallowance (if any) shall not change the Aggregate or Minimum Claim Amounts, or Qualifying Claims, for purposes of the Participation Procedures.

8. The Debtors, the UCC, and Indenture Trustees under the Notes are authorized to take and direct all actions necessary to implement the Participation Procedures and the Global Settlement Implementation Procedures, including with respect to limiting the trading of Note Claims after the Record Date.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of the Motion, and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules for the Northern District of Alabama, Southern Division, are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: March 24, 2016

/s/ Tamara O. Mitchell
TAMARA O. MITCHELL
United States Bankruptcy Judge