**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

In re:	)	Chapter 11
MURRAY ENERGY HOLDINGS CO., *et al.*,[1]	)	Case No. 19-56885 (JEH)
	)	Judge John E. Hoffman, Jr.
Debtors.	)	(Jointly Administered)

DISCLOSURE STATEMENT FOR THE DEBTORS' JOINT PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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Dated: December 3, 2019

This is not a solicitation of votes to accept or reject the Plan in accordance with section 1125 of the Bankruptcy Code and within the meaning of section 1126 of the Bankruptcy Code. 11 U.S.C. §§ 1125, 1126. This Disclosure Statement is being submitted for approval but has not been approved by the Bankruptcy Court. The information in this Disclosure Statement is subject to change. This Disclosure Statement is not an offer to sell any securities and is not soliciting an offer to buy any securities.

[1] Due to the large number of Debtors in these chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. Such information may be obtained on the website of the Debtors' claims and noticing agent at https://cases.primeclerk.com/MurrayEnergy. The location of Debtor Murray Energy Holdings Co.'s principal place of business and the Debtors' service address in these chapter 11 cases is 46226 National Road, St. Clairsville, Ohio 43950.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE DEBTORS' JOINT PLAN UNDER CHAPTER 11 OF THE BANKRUPTCY CODE. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE VIII HEREOF.

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

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

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(B) AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS. 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. THE DEBTORS WILL INSTEAD RELY UPON (A) THE EXEMPTIONS SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE TO THE MAXIMUM EXTENT PERMITTED AND APPLICABLE AND (B) TO THE EXTENT THAT THE EXEMPTION PROVIDED BY SECTION 1145 IS EITHER NOT PERMITTED OR NOT APPLICABLE, THE EXEMPTION SET FORTH IN SECTION 4(2) OF THE SECURITIES ACT OR REGULATION D PROMULGATED THEREUNDER. NO LEGAL OR TAX ADVICE IS PROVIDED BY THIS DISCLOSURE STATEMENT. THE DEBTORS ARE NOT CURRENTLY A REPORTING CORPORATION UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "EXCHANGE ACT"), AND THE WINNING BIDDER MAY NOT BE A REPORTING CORPORATION AS OF THE EFFECTIVE DATE UNDER THE EXCHANGE ACT AND THE NEW INTERESTS MAY NOT BE LISTED ON ANY NATIONAL SECURITIES EXCHANGE. THE DEBTORS DO NOT ANTICIPATE THAT THERE WILL BE A PUBLIC MARKET FOR THE SECURITIES ISSUED HEREUNDER. THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF ANY SECURITIES PURSUANT TO THE PLAN SHOULD CONSULT THEIR OWN LEGAL COUNSEL CONCERNING THE SECURITIES LAWS GOVERNING THE OWNERSHIP AND TRANSFERABILITY OF ANY SUCH SECURITIES.

THIS DISCLOSURE STATEMENT WAS NOT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE AUTHORITY AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AUTHORITY HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A AND SECTION 21E OF THE SECURITIES ACT. SUCH STATEMENTS MAY CONTAIN WORDS SUCH AS "MAY," "WILL," "MIGHT," "EXPECT," "BELIEVE," "ANTICIPATE," "COULD," "WOULD," "ESTIMATE," "CONTINUE," "PURSUE," OR THE NEGATIVE THEREOF OR COMPARABLE TERMINOLOGY, AND MAY INCLUDE, WITHOUT LIMITATION, INFORMATION REGARDING THE DEBTORS' EXPECTATIONS WITH RESPECT TO FUTURE EVENTS. FORWARD-LOOKING STATEMENTS ARE INHERENTLY UNCERTAIN AND ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THOSE EXPRESSED OR IMPLIED IN THIS DISCLOSURE STATEMENT AND THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN. MAKING INVESTMENT DECISIONS BASED ON THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND/OR THE PLAN IS, THEREFORE, SPECULATIVE.

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

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

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

CONFIRMATION AND CONSUMMATION OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED IN ARTICLE IX OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED OR, IF CONFIRMED, THAT SUCH MATERIAL CONDITIONS PRECEDENT WILL BE SATISFIED OR WAIVED. YOU ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT IN ITS ENTIRETY, INCLUDING BUT NOT LIMITED TO THE PLAN AND ARTICLE VIII OF THIS DISCLOSURE STATEMENT ENTITLED "RISK FACTORS," BEFORE SUBMITTING YOUR BALLOT TO VOTE TO ACCEPT OR REJECT THE PLAN.

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

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

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

THE DEBTORS SUPPORT CONFIRMATION OF THE PLAN AND URGE ALL HOLDERS OF CLAIMS WHOSE VOTES ARE BEING SOLICITED TO ACCEPT THE PLAN.

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ARTICLE I.
EXECUTIVE SUMMARY

A. *Introduction.*

Murray Energy Holdings Co. ("Holdings") and its debtor affiliates, as debtors and debtors in possession (collectively, the "Debtors," and together with its affiliated non-debtor subsidiaries, "Murray"), submit this disclosure statement (this "Disclosure Statement"), pursuant to section 1125 of the Bankruptcy Code, to holders of Claims against the Debtors in connection with the solicitation of votes for acceptance of the *Debtors' Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 322] (as amended, supplemented, or modified from time to time, the "Plan").[2] A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference. The Plan constitutes a separate chapter 11 plan for each of the Debtors. The rules of interpretation set forth in Article I.B of the Plan shall govern the interpretation of this Disclosure Statement.

B. *Plan Overview.*

The Debtors' proposed Plan will allow the Debtors to emerge as a going concern, ensuring that the Debtors' assets will continue operating and providing employment to thousands of employees. The Plan contemplates a proposed sale process whereby the Consenting Superpriority Lenders have agreed to direct the Superpriority Agent to form a new entity ("Murray NewCo") to serve as the "stalking horse bidder" and provide an offer to acquire certain of the Debtors' assets in accordance with an asset purchase agreement term sheet (the "Stalking Horse Term Sheet") and in accordance with the proposed Bidding Procedures. The terms of this stalking horse bid are outlined in a restructuring support agreement attached hereto as **Exhibit C** (together with all exhibits thereto, and as may be amended, modified, supplemented, or amended and restated from time to time, the "RSA"), which at this time has the support of lenders holding more than 83 percent of the claims under the Superpriority Term Loans (the "Consenting Superpriority Lenders"), noteholders holding more than 52 percent of the 1.5L Notes, and noteholders holding more than 62 percent of the 2L Notes, as well as the agreed upon Stalking Horse Term Sheet attached to the Debtors' motion seeking approval of their proposed Bidding Procedures. Importantly, the Consenting Superpriority Lenders' commitment in the RSA provides a path forward for the Debtors to confirm the proposed Plan. Pursuant to the RSA and Stalking Horse Term Sheet, the Consenting Superpriority Lenders agreed to submit a baseline bid to a competitive bidding process and forgo any potential break-up fee or expense reimbursement in connection therewith. The Plan expressly contemplates a market test for the transaction contemplated pursuant to the Stalking Horse Term Sheet to ensure the Debtors obtain the highest or otherwise best offer, or combination of offers, for their assets. The Debtors are seeking separate approval of Bidding Procedures for that overbid process and also are working with the Consenting Superpriority Lenders to document the final terms of an asset purchase agreement. The dates and deadlines associated with that process are described more fully herein.

C. *Development of the Plan.*

The Debtors are the largest privately-owned coal company in the United States, producing about 53 million tons of high quality bituminous coal in 2018. Murray owns and operates 13 active mines across the Northern, Central, and Southern Appalachia Basins (located in Ohio, West Virginia, eastern Kentucky, and Alabama), the Illinois Basin (located in Illinois and western Kentucky), the Uintah Basin (located in Utah), and Colombia, South America. Murray also manages and operates five additional mines in the Illinois Basin through its partnership with non-debtor affiliate, Foresight Energy LP. Excluding Foresight-related operations, Murray's operations generated approximately $2.5 billion in revenue related to coal sales and $542.3 million of EBITDA in 2018.

The thermal coal markets the Debtors traditionally serve were meaningfully challenged over the last decade, both domestically and abroad. The industry's difficult market conditions were driven by changes in legislative priorities, intensifying regulatory scrutiny, commercialization of shale gas, wind, solar, and nuclear

[2] Capitalized terms used but not otherwise defined in this Disclosure Statement shall have the meaning ascribed to them in the Plan.

electric generation subsidies, and low-cost natural gas exports. While the Debtors have historically been able to navigate the challenges of the coal marketplace, these rapidly deteriorating industry conditions have caused more than 40 coal companies to file for bankruptcy since 2008, with more than half a dozen major operators filing in the last year alone. Competitors have used bankruptcy to reduce debt and lower their cost structures by eliminating cash interest obligations and pension and benefit obligations, leaving them better positioned to compete for volume and pricing in the current market, while the Debtors continued to satisfy their significant financial obligations required by the weight of their own capital structure and legacy liability expenses. As a result, Murray generated little cash after satisfying debt service obligations, paying employee health and pension benefits, and maintaining operations.

As of October 2019, the Debtors had approximately $2.7 billion of funded debt obligations outstanding, with associated annual interest and amortization expenses of approximately $298 million. These funded debt obligations spanned across the Debtors' capital structure in multiple tranches, including, approximately: (a) $232.2 million in aggregate principal amount outstanding under the Prepetition ABL Facility, (b) $1.73 billion in principal amount outstanding under the Superpriority Term Loan Facility, (c) $51 million in aggregate principal outstanding under the Term Loan Facility, (d) $498 million in principal amount outstanding under the 1.5L Notes, (e) $2 million in principal amount outstanding under the 2L Notes due 2020, (f) $295 million in principal amount outstanding under the 2L Notes due 2021, (g) $20 million in principal amount outstanding under the Unsecured Murray South America Note, and (h) $25 million in principal amount was outstanding under the Unsecured Murray Met. Note. In addition, the Debtors have more than $8 billion in actual or potential legacy liability stemming from various retiree and employee benefit plans pursuant to both statute and certain collective bargaining agreements, including, workers compensation and the Black Lung Act, as well as reclamation and environmental obligations. In 2018 alone, the Debtors actual cash outlay for such obligations was approximately $160 million. Further, due to most of their competitors filing for bankruptcy and shedding legacy liability obligations, the Debtors have remained the single largest contributor to retiree benefits for coal miners and to the largely-orphaned 1974 multi-employer pension plan.

Faced with mounting debt and legacy liability expenses, as well as ongoing market distress, the Debtors began reviewing all strategic alternatives, including engaging with an ad hoc group of lenders holding claims under the Superpriority Term Loans as well as 1.5L Notes (the "Ad Hoc Group") and certain of their second lien noteholders in September 2019. Ultimately, by the end of September, discussions with the second lien noteholders were terminated because their proposals did not provide for enough cash, interest expense savings, or covenant cushion to sufficiently extend the Debtors' runway. On October 2, 2019, the Debtors and the requisite majority of lenders under the Prepetition ABL Facility and Superpriority Term Loan entered into forbearance agreements to further facilitate discussions regarding a path forward for these cases. The forbearance agreements provided for a short-term forbearance from the lenders exercising remedies against the Debtors stemming from non-payment of scheduled amortization and interest through October 28, 2019.

It became clear that any restructuring would require the Debtors to seek bankruptcy protection to effectuate a sale of substantially all the Debtors' assets and a significant reduction in debt obligations. To that end, the Debtors continued good faith, arm's-length negotiations with the Ad Hoc Group regarding the terms of the Debtors' restructuring and financing needs. On October 28, 2019, these negotiations resulted in an agreement in principle regarding the terms of the Debtors' DIP financing and a comprehensive restructuring and sale process, which were reflected in the RSA.

The Ad Hoc Group and certain other Superpriority Lenders committed to finance these cases by providing $350 million in new money (backstopped by the Ad Hoc Group) as part of the Debtors' $440 million DIP financing package (the "DIP Facility"). A portion of these new money proceeds were used to repay the asset-based revolving portion of the Debtors' Prepetition ABL Facility, which repayment provides the Debtors with additional operational flexibility. The DIP Facility also contemplated the roll-up of the Debtors' prepetition $90 million "first in, last out" facility in exchange for, among other things, the removal of the Debtors' borrowing base under the Debtors' Prepetition ABL Facility. The DIP Facility is a significant part of the Debtors' restructuring efforts and the substantial working capital provided by the DIP Facility has allowed the Debtors to fund their operational needs, the cost of these chapter 11 cases, and vendors who have been stretched thin.

As described further above, the Debtors' RSA and proposed Plan contemplates a sale process whereby the Consenting Superpriority Lenders agreed to direct the Superpriority Agent to form Murray NewCo to serve as the

"stalking horse bidder" and provide an offer to acquire certain of the Debtors' assets by credit bidding its debt pursuant to the Stalking Horse Term Sheet and in accordance with the proposed Bidding Procedures. The Plan also expressly contemplates a market test for the transaction contemplated pursuant to the Stalking Horse Term Sheet and proposed Bidding Procedures in the form of an overbid process to ensure the Debtors obtain the highest or otherwise best offer, or combination of offers, for their assets.

With the commitments provided by the DIP Facility and RSA in hand, the Debtors commenced these chapter 11 cases in the United States Bankruptcy Court for the Southern District of Ohio (the "Bankruptcy Court") on October 29, 2019 (the "Petition Date"), to access much needed liquidity, stabilize operations, and right size their balance sheet to ensure continuation of ongoing operations. The Debtors submit that the proposed Plan maximizes creditor recoveries, ensures the Debtors will continue as a going-concern, meaningfully reduces the Debtors' aggregate funded debt, and best positions the Debtors for future success. The commencement of these chapter 11 cases was necessary to implement this Plan and ensure the continued viability of the Debtors' businesses for the benefit of all of their stakeholders.

D. *Recommendation.*

The formulation of the Plan, with the overwhelming support of the Debtors' secured creditors, is a significant achievement for the Debtors in the face of challenging market conditions. The Debtors strongly believe that the Plan is in the best interests of the Debtors' estates, represents the best available path to restructuring, and significantly deleverages the Debtors' consolidated balance sheet at a critical time. As such, the Debtors seek the Bankruptcy Court's approval of the Plan and strongly urge all holders of Claims entitled to vote to accept the Plan by returning their ballots, so as to be **actually received** by Prime Clerk LLC, the Debtors' solicitation agent (the "Solicitation Agent"), no later than **[April 27], 2027, at 4:00 p.m., prevailing Eastern Time**. Assuming the Plan receives the requisite acceptances, the Debtors will seek the Bankruptcy Court's approval of the Plan at the Confirmation Hearing (as defined herein).

ARTICLE II.
TREATMENT OF CLAIMS AND INTERESTS

As set forth in Article III of the Plan and in accordance with sections 1122 and 1123(a)(1) of the Bankruptcy Code, all Claims and Interests (other than Administrative Claims, Professional Fee Claims, DIP Term Loan Claims, DIP FILO Claims, and Priority Tax Claims) are classified into Classes for all purposes, including voting, Confirmation, and distributions. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The table below summarizes the treatment of all unclassified Claims under the Plan. The treatment and the projected recoveries of unclassified Claims are described in summary form below for illustrative purposes only. Risk factors addressing the effects of the actual amount of Allowed unclassified Claims exceeding the Debtors' estimates, and the effect of such variation on creditor recoveries, and other risks related to Confirmation and the Effective Date of the Plan are addressed in Article VIII hereof. To the extent that any inconsistency exists between the summary contained in this Disclosure Statement and the Plan, the terms of the Plan shall govern.

Unclassified Claim	Plan Treatment	Estimated Allowed Claims	Estimated Range of % Recovery Under the Plan	Estimated Range of % Recovery Under Chapter 7
Administrative Claims	Unimpaired	$[●]	100%	[●]%
Professional Fee Claims	Unimpaired	$[●]	100%	[●]%
DIP Term Loan Claims	Unimpaired	$[●]	100%	[●]%

Unclassified Claim	Plan Treatment	Estimated Allowed Claims	Estimated Range of % Recovery Under the Plan	Estimated Range of % Recovery Under Chapter 7
DIP FILO Claims	Unimpaired	$[●]	100%	[●]%
Priority Tax Claims	Unimpaired	$[●]	100%	[●]%

The table below summarizes the classification and treatment of all classified Claims and Interests against each Debtor (as applicable) under the Plan. **The classification, treatment, and the projected recoveries of classified Claims are described in summary form below for illustrative purposes only and are subject to material change. In particular, recoveries available to the holders of General Unsecured Claims against various Debtors entities are estimates and actual recoveries could differ materially based on, among other things, whether the amount of Claims actually Allowed against the applicable Debtor exceeds the estimates provided below. In such an instance, the recoveries available to the holders of General Unsecured Claims could be materially lower when compared to the estimates provided below.** To the extent that any inconsistency exists between the summaries contained in this Disclosure Statement and the Plan, the terms of the Plan shall govern.

As set forth in more detail in the Plan, the Plan will apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth in the Plan will apply separately to each of the Debtors. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors (other than Murray Colombian Resources, LLC, which will only exist for Class 9 to the extent of any Claims in such Class), except that (i) Class 5, Class 7, and Class 8 each will be vacant at Debtor Murray South America, Inc. and the Western Kentucky Debtors and (ii) Class 12 will be vacant at each Debtor other than Holdings. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth below.

Class	Type of Claim or Interest	Plan Treatment	Estimated Allowed Claims or Interests	Estimated Range of % Recovery Under Plan	Estimated Range of % Recovery Under Chapter 7
Class 1	Other Priority Claims	Unimpaired	$[●]	100%	[●]%
Class 2	Other Secured Claims	Unimpaired	$[●]	100%	[●]%
Class 3	Secured Tax Claims	Unimpaired	$[●]	100%	[●]%
Class 4	Superpriority Claims	Impaired	$1,753,616,131.58	[●]%	[●]%
Class 5	Term Loan Claims	Impaired	$51,901,832.60	[●]%	[●]%
Class 6	1.5L Notes Claims	Impaired	$521,922,961.37	[●]%	[●]%

Class	Type of Claim or Interest	Plan Treatment	Estimated Allowed Claims or Interests	Estimated Range of % Recovery Under Plan	Estimated Range of % Recovery Under Chapter 7
Class 7	Stub 2L Notes Claims	Impaired	$1,983,751.89	[●]%	[●]%
Class 8	2L Notes Claims	Impaired	$312,634,748.43	[●]%	[●]%
Class 9	General Unsecured Claims	Impaired	$[●]	[●]%	[●]%
Class 10	Intercompany Claims	Impaired or Unimpaired	$[●]	0–100%	[●]%
Class 11	Intercompany Interests	Impaired or Unimpaired	$[●]	0–100%	[●]%
Class 12	Interests in Holdings	Impaired	$[0]	[0]%	[0]%
Class 13	Section 510(b) Claims	Impaired	$[0]	[0]%	[●]%

Based on the foregoing, (i) holders of Claims in Class 4, Class 5, Class 6, Class 7, Class 8, and Class 9 (collectively, the "Voting Classes") are impaired under the Plan, and, therefore, are entitled to vote, (ii) holders of Claims in Class 1, Class 2, and Class 3 are not impaired under the Plan and, therefore, are conclusively presumed to have accepted the Plan, (iii) holders of Claims and Interests in Class 12 and Class 13 are receiving no distribution under the Plan and, therefore, are deemed to reject the Plan, and (iv) holders of Claims and Interests in Class 10 and Class 11 (together with Classes 1, 2, 3, 12, and 13, the "Non-Voting Classes") are either impaired or unimpaired and will be presumed to accept or deemed to reject the Plan.

ARTICLE III.
SOLICITATION AND VOTING PROCEDURES

A. *Solicitation Packages.*

On [●], 2020, the Bankruptcy Court entered the order approving the Disclosure Statement (the "Disclosure Statement Order"). For purposes of this Article III, capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Disclosure Statement Order. Pursuant to the Disclosure Statement Order, holders of Claims who are eligible to vote to accept or reject the Plan will receive appropriate solicitation materials (in paper or electronic form) including (the "Solicitation Package"):

- the Disclosure Statement, as approved by the Bankruptcy Court (with all exhibits thereto, including the Plan and any exhibits to the Plan);
- the Disclosure Statement Order (without exhibits thereto);
- the Solicitation Procedures;

- the Confirmation Hearing Notice;
- an appropriate ballot with voting instructions with respect thereto, together with a pre-addressed, postage prepaid return envelope;
- a cover letter from the Debtors (1) describing the contents of the Solicitation Package and (2) urging the holders of Claims in each of the Voting Classes to vote to accept the Plan; and
- any supplemental documents the Debtors may file with the Bankruptcy Court or that the Bankruptcy Court orders to be made available.

The Solicitation Package may also be obtained: (a) from the Solicitation Agent by (i) calling the Debtors' restructuring hotline at (877) 422-5170 within the United States or Canada or, outside of the United States or Canada, by calling +1 (917) 947-2680; (ii) visiting the Debtors' restructuring website at: https://cases.primeclerk.com/MurrayEnergy; and/or (iii) writing to Prime Clerk LLC, Attn: Murray Energy Holdings Co. Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42nd Street, Suite 1440, New York, NY 10165; and/or (b) for a fee via the Bankruptcy Court's website (except for ballots) at http://www.ecf.ohsb.uscourts.gov.

B. *Voting Deadline.*

The deadline to vote on the Plan is [April 27], 2020, at 4:00 p.m., prevailing Eastern Time (the "Voting Deadline"), which date may be extended by the Debtors with the consent of the Required Consenting Superpriority Lenders (which consent may not be unreasonably withheld, conditioned, or delayed). All votes to accept or reject the Plan must be received by the Solicitation Agent by the Voting Deadline.

C. *Voting Procedures.*

The Debtors are distributing this Disclosure Statement, accompanied by a ballot to be used for voting to accept or reject the Plan, to the holders of Claims entitled to vote to accept or reject the Plan. If you are a holder of a Claim in Class 4 (Superpriority Claims), Class 5 (Term Loan Claims), Class 6 (1.5L Notes Claims), Class 7 (Stub 2L Notes Claims), Class 8 (2L Notes Claims), and Class 9 (General Unsecured Claims) you may vote to accept or reject the Plan by completing the applicable ballot and returning it according to the instructions received.

The Debtors have retained Prime Clerk, LLC to serve as the Solicitation Agent [Docket No. 109]. The Solicitation Agent is available to answer questions, provide additional copies of all materials, oversee the voting process, and process and tabulate ballots for each class entitled to vote to accept or reject the Plan.

VOTING INQUIRIES
If you have any questions on the procedure for voting on the Plan, please call the Solicitation Agent at: (877) 422-5170 (within the United States or Canada) or, +1 (917) 947-2680 (international)

More detailed instructions regarding how to vote on the Plan are contained on the ballots distributed to holders of Claims that are entitled to vote to accept or reject the Plan. All votes to accept or reject the Plan must be cast by following the instructions set forth in the applicable ballot. All ballots must be properly executed, completed, and delivered according to their respective voting instructions, so that the votes are **actually received** by the Solicitation Agent no later than the Voting Deadline. Any ballot that is properly executed by the holder of a Claim entitled to vote that does not clearly indicate an acceptance or rejection of the Plan or that indicates both an acceptance and a rejection of the Plan will not be counted. Ballots received by facsimile or by electronic means will not be counted, unless specifically authorized in the applicable ballot. For the avoidance of doubt, a bank, broker, or

other financial institution serving as a nominee for one or more noteholders will be permitted to return its "master" ballot to the Solicitation Agent by e-mail.

Each holder of a Claim entitled to vote to accept or reject the Plan may cast only one ballot for each Claim held by such holder. By signing and returning a ballot or otherwise voting pursuant to the instructions set forth on the ballot, each holder of a Claim entitled to vote will certify to the Bankruptcy Court and the Debtors that no other votes with respect to such Claim has been cast or, if any other votes have been cast with respect to such Claim, such earlier votes are superseded and revoked.

All ballots will be accompanied by return envelopes or alternate instructions for submitting your vote. The holder must follow the specific instructions provided therein, as failing to do so may result in the holder's vote not being counted.

D. *Plan Objection Deadline*.

The Bankruptcy Court has established [April 27], 2020, at 4:00 p.m., prevailing Eastern Time, as the deadline to object to confirmation of the Plan (the "Plan Objection Deadline"). All such objections must be filed with the Bankruptcy Court and served in accordance with the *Order Implementing Certain Notice and Case Management Procedures* [Docket No. 113] (the "Case Management Order") and the Disclosure Statement Order so that they are **actually received** on or before the Plan Objection Deadline. The Debtors believe the Plan Objection Deadline, as established by the Bankruptcy Court, affords the Bankruptcy Court, the Debtors, and other parties in interest reasonable time to consider the objections to the Plan before a Confirmation Hearing.

E. *Confirmation Hearing*.

Assuming the requisite acceptances are obtained for the Plan, the Debtors intend to seek confirmation of the Plan at a hearing scheduled on [May 6], 2020, [●]:00 [●].m., prevailing Eastern Time, before the Honorable John E. Hoffman, Jr., United States Bankruptcy Judge, in Courtroom No. A, 5th Floor of the United States Court for the Southern District of Ohio, 170 North High Street, Columbus, Ohio 43215 (such hearing, the "Confirmation Hearing"). The Confirmation Hearing may be continued from time to time without further notice other than an adjournment announced in open court or a notice of adjournment filed with the Bankruptcy Court and served on the entities who have filed objections to the Plan, without further notice to other parties in interest. The Bankruptcy Court, in its discretion and before a Confirmation Hearing, may put in place additional procedures governing such hearing. The Plan may be modified, if necessary, before, during, or as a result of the hearing to confirm the Plan without further notice to parties in interest.

ARTICLE IV.
THE DEBTORS' BACKGROUND

A. *The Debtors' Business*.

1. The Debtors' History, Operations, and Corporate Structure.

The Debtors are a privately-owned coal producer founded in 1988 by Robert E. Murray through the purchase of The Ohio Valley Coal Company's Powhatan No. 6 Mine, a single continuous miner coal mining operation that had an annual output of approximately 1.2 million tons per year. Based on Mr. Murray's belief that the energy industry would come to appreciate the potential value of high heat bituminous coal, Murray continued to purchase numerous high heat bituminous coal reserves strategically located in optimal mining regions near electric power plants and waterways throughout the United States over the next 30 years.

Murray primarily produces thermal coal and has recently started producing metallurgical coal through the acquisition of certain mining assets formerly owned by Mission Coal Company, LLC's bankruptcy estate. Thermal coal is principally used by the electric utility industry to produce steam to drive turbines to generate electricity. Metallurgical coal is a globally scarce resource that is critical for the production of coke, an integral component for steel production. Coke is mixed with iron ore and other products in a blast furnace to produce steel. Steelmakers in

the United States and abroad blend a variety of metallurgical coal qualities to achieve the required, specific coke chemistry in blast furnaces. Murray's predominant longwall operations, which are capital-intensive but highly-productive, involve an underground method using hydraulic shields to support the roof of a mine, while a shearing machine operates along the coal face to remove coal with each pass. Murray's diverse portfolio of operations involve, among other things, mining and reserve companies, river and docking facilities, rebuild and fabrication shops, and office complexes.

2. The Debtors' Mining & Other Operations.

As described in further detail below, the Debtors now own and/or operate 18 active coal mines (including five non-debtor Foresight operations) under their Restricted, Specified Restricted, and Unrestricted Subsidiaries (each as defined below). In 2018, Murray's thermal complexes produced approximately 53 million tons of thermal coal, generating $2.5 billion in revenue, and resulting in approximately $542 million of EBITDA (excluding non-debtor Foresight operations). Since acquisition, Murray's metallurgical mining complexes have produced more than 420,000 tons of coal, generating nearly $30.7 million in revenue, and resulting in $8.6 million of EBITDA.

In addition to the coal production, processing, and sales businesses, Murray's operations include mining equipment manufacture and repair, transportation operations, and oil and gas operations. Murray's mining equipment business consists largely of repairing equipment used in underground and surface mining by its affiliates. Additionally, Murray holds interests in oil and gas operations in eastern Ohio and Kentucky, but the revenues and costs from these businesses are not material to Murray's financial condition.

Murray's diverse transportation operations allow it to maintain a broad customer base, ensure lower costs through direct shipments to customers, and provide services to third parties outside of the coal industry. As of December 31, 2018, Murray owns and operates 26 harbor boats and towboats, 478 barges, 15 locomotives, 748 railcars, and 25 coal hauling tractor trailers (exclusive of non-debtor Foresight operations).

While Murray sells the majority of the coal it produces directly to customers within the United States, Murray occasionally enters into contracts with brokers who then sell the coal to overseas markets. In 2018, over half of Murray's total coal revenue came from its three largest customers, Javelin, FirstEnergy Corporation, and American Electric Power Company. Murray's ongoing strategy has been to selectively enter into or renew long-term supply agreements, which are generally appealing to customers because of their reliability and predictable pricing. Although the terms vary significantly, Murray's thermal coal sale agreements generally range in length from one to five years. At the end of 2018, Murray had sale and price commitments for approximately 94 percent of the coal its Restricted Subsidiaries anticipated producing in 2019 and 56 percent of the coal its Restricted Subsidiaries anticipate producing in 2020.

3. The Debtors' Corporate Structure.

Murray's corporate structure includes both Debtor and non-debtor entities, which are generally operated on a consolidated basis. Certain wholly or partially-owned subsidiaries, however, are operated as standalone entities, though they are managed by Murray. These non-consolidated entities include non-debtor Foresight Energy LP and its subsidiaries. A chart illustrating Murray's organizational structure is set forth in **Exhibit B**.

(a) Restricted Subsidiaries.

The vast majority of value sits at Murray's restricted subsidiaries, which are guarantors under all of Murray's funded debt obligations (the "Restricted Subsidiaries"). The Restricted Subsidiaries operate seven mines with approximately 4,000 employees, including nearly 2,000 UMWA miners and 50 members of the Seafarers Union. Murray's Restricted Subsidiaries include assets purchased from CONSOL Energy Inc. and Murray Global Commodities, Inc., which holds Murray's joint venture interest in Javelin Global Commodities Holdings LLP.

(i) CONSOL Transaction.

In December 2013, Murray purchased Consolidation Coal Company and certain of its subsidiary companies from CONSOL Energy Inc. This transaction included the purchase of (a) five active longwall mines that operate six longwall systems in West Virginia, (b) Murray Keystone Processing, Inc.'s preparation plant, which processed trucked coal from local mines, (c) the river operations of Murray American Transportation, Inc. and Murray American River Towing, Inc., which transport coal and other commodities from Murray's mines and others' facilities to customers along the Monongahela, Ohio, Kanawha, and Allegheny rivers, and (d) two nonproducing mines, Mine 84 in Pennsylvania and the Rend Lake Mine in Illinois.

(ii) Javelin Global Commodities Holdings.

In June 2015, Murray Global Commodities, Inc. entered into a joint partnership agreement for a 34 percent interest in non-debtor Javelin Global Commodities Holdings LLP (together with its direct and indirect subsidiaries, "Javelin"). Javelin is a global commodities trading, logistics, operations, and investment company, focused on thermal and metallurgical coal, iron ore, steel and steel scrap, oil and gas, and related markets. Javelin maintains financial and physical trading, physical scheduling, and risk management systems on a multi-commodity platform, and formed a coal marketing and trading team enabling Murray to leverage Javelin's global network and key relationships in the freight and transportation sector.

Through this partnership, Javelin has (a) entered into multiple coal supply agreements with U.S. and international utilities to provide combinations of Powder River Basin, Central Appalachian Basin, Northern Appalachian Basin, Colombian, Russian, MEC, and foreign coal, (b) signed multi-year agreements with four major railroads and shipped coal with all five major railroads, and (c) formed its fuel management services division, entering into agreements to manage five power plants focused on coal procurement and trading activities. Javelin has performed well since its inception, and maintains a robust balance sheet.

(iii) Restricted Subsidiaries Summary.

In 2018, Murray's Restricted Subsidiaries' operations generated approximately $2.011 billion in revenue from 45.6 million tons of coal sales and $480 million of EBITDA.[3] The following chart depict the revenue and EBITDA contributions by each respective mine under the Restricted Subsidiaries.

Company	Mine	Region	State	Employee Count	Union	EBITDA (TTM 6/30/19) ($ millions)	Production (TTM 6/30/19) (million tons)	Reserves (As of 6/30/19) (million tons)	Est. Mine Life (years)
Restricted Entities									
American Energy Corporation	Century	Northern App.	Ohio	468	No	$35.3	4.4	34.3	8
The Harrison County Coal Company	Harrison County	Northern App.	West Va.	487	Yes	$209.3	7.6	302.3	45
KenAmerican Resources	Paradise	Illinois Basin	Kentucky	8	No	($20.5)	1.0	55.5	9
The Marion County Coal Company	Marion County	Northern App.	West Va.	535	Yes	$83.9	6.4	69.1	9

[3] Although these amounts are not included in the below mine chart, $480 million includes approximately $7.2 million in EBITDA generated by Murray American River Towing, Inc. and negative $122.7 million in EBITDA generated by operations relating to Transloading facilities, rebuild and repair shops, costs related to The American Coal Sales Company, reclamation, workers' compensation, pension, benefits, acquisition costs, etc.

The Marshall County Coal Company	Marshall County	Northern App.	West Va.	869	Yes	$132.1	11.2	190.0	17
The Monongalia County Coal Company	Monongalia County	Northern App.	West Va.	433	Yes	$77.8	5.0	70.2	14
The Ohio County Coal Company	Ohio County	Northern App.	West Va.	505	Yes	$92.9	6.9	64.2	10
UtahAmerican Energy, Inc.	Lila Canyon	Uintah Basin	Utah	266	No	$15.2	2.9	37.9	11

(b) Specified Restricted Subsidiaries.

The Debtors' specified restricted subsidiaries include Murray South America, Inc. and Murray Kentucky Energy, Inc. and its subsidiaries (collectively, the "Specified Restricted Subsidiaries"). The Specified Restricted Subsidiaries are guarantors and have pledged equity under only certain tranches of Murray's prepetition funded debt obligations (unlike the Restricted Subsidiaries, who are guarantors on all of Murray's funded debt obligations). Murray South America, Inc. is a guarantor on the Superpriority Term Loan Facility and 1.5L Notes. Murray Kentucky Energy, Inc. and its subsidiaries are guarantors on the Superpriority Term Loan Facility, Prepetition ABL Facility, and 1.5L Notes. The Specified Restricted Subsidiaries operate four mines with about 700 employees.

(i) Murray South America, Inc.

Strengthening its global presence, in August 2015, Murray acquired National Resources Investment S.L., NRI Cayman Ltd., and all of their subsidiaries (collectively, "CNR"), whose mining operations are located in Colombia, South America. Pursuant to the CNR transaction, Murray South America, Inc. obtained the La Francia and El Hatillo active surface mines, 17 percent ownership in the Feneco rail line in Colombia (with an allocated capacity of seven million tons per annum), 11 locomotives and 528 wagons (with a capacity of 10–11 million tons per annum), and 100 percent ownership of the Rio Cardoba Transloading Facility.

(ii) Murray Kentucky Energy, Inc.

On February 23, 2018, Debtor Murray Kentucky Energy, Inc. completed a series of transactions to acquire Western Kentucky Coal Resources, LLC, which holds certain assets formerly owned by Armstrong Energy, Inc. These assets include the active Genesis and Pride underground mines, the Lewis Creek Surface Mine, two idled or closed surface mines, three coal processing plants, certain river dock coal handling and rail loadout facilities, and certain coal reserves.

(iii) Specified Restricted Subsidiaries Summary.

In 2018, Murray's Specified Restricted Subsidiaries' operations generated approximately $500 million in revenue related to 8.3 million tons of coal sales and $63 million of EBITDA.[4] The following chart depict the revenue and EBITDA contributions by each respective mine under the Specified Restricted Subsidiaries.

Company	Mine	Region	State	Employee Count	Union	EBITDA (TTM 6/30/19) ($ millions)	Production (TTM 6/30/19) (million tons)	Reserves (As of 6/30/19) (million tons)	Est. Mine Life (years)
Specified Restricted Entities									
Murray South America, Inc.	La Francia / El Hatillo	Colombia	-	191	No / Yes	$20.6	4.6	74.6 / 49.5	21 / 17
The Muhlenberg	Pride	Illinois Basin	Kentucky	255	No	$3.5	1.6	52.9	33

4 This EBITDA figure includes other costs related to Murray Kentucky Energy, Inc. that are not included on the below mine chart.

Company	Mine	Region	State	Employee Count	Union	EBITDA (TTM 6/30/19) ($ millions)	Production (TTM 6/30/19) (million tons)	Reserves (As of 6/30/19) (million tons)	Est. Mine Life (years)
County Coal Company									
The Western Kentucky Coal Company, LLC	Genesis	Illinois Basin	Kentucky	268	No	$23.2	2.7	26.5	11

**Values in millions.*

(c) Unrestricted Subsidiaries.

The Murray's unrestricted subsidiaries mainly include the Foresight and Murray Metallurgical operations (the "Unrestricted Subsidiaries"). The Unrestricted Subsidiaries' assets are not pledged to Murray's prepetition creditors. Murray's relationship with the Unrestricted Subsidiaries is as a majority equity owner and manager, but there is separate governance at these entities. The Unrestricted Subsidiaries operate six mines with 1,605 employees, including 385 UMWA unionized miners.

(i) Foresight Energy.

In April 2015, Murray expanded its portfolio through an agreement with Foresight Reserves, L.P. and its related entities to acquire an economic interest in Foresight Energy LP ("FELP") and FELP's general partner, Foresight Energy GP LLC ("FEGP") for $1.4 billion.[5] Robert Moore, President, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer of Murray Energy Corporation ("MEC") and President, Chief Executive Officer, and Chief Financial Officer of Holdings, is also the Chairman, President, and Chief Executive Officer of FEGP, which Murray obtained a 34 percent voting interest in in 2015, with the option to acquire an additional 46 percent. FELP is a publicly-traded company listed on the New York Stock Exchange that mines and markets coal from reserves of primarily high Btu thermal coal operations at four mining complexes located exclusively in the Illinois Basin, including the Williamson, the Sugar Camp Complex (comprising of two active mines), Hillsboro, and Macoupin mines. On March 28, 2017, the Foresight entities refinanced certain indebtedness, resulting in MEC acquiring an additional 46 percent voting interest in FEGP (bringing MEC's total voting interest to 80 percent) and a combined total of 9,628,108 common units (totaling approximately 12 percent) of FELP, for an aggregate purchase price of $60.6 million. FEGP, FELP, and FELP's subsidiaries are not debtors in these chapter 11 cases.

Murray entities have entered into several ancillary agreements with Foresight Reserves, L.P. and FELP's subsidiaries, including the Third Amended Management Services Agreement, effective as of March 27, 2017 (the "MSA"). Pursuant to the MSA, the general operations of FEGP and its subsidiaries' facilities are managed and administered by Debtor Murray American Coal, Inc.

(ii) Murray Metallurgical Operations.

In April 2019, Murray subsidiary Murray Metallurgical Coal Properties, LLC and Javelin Investment Holdings LLC formed a new unrestricted joint venture subsidiary (Murray Metallurgical Coal Holdings, LLC, or "Murray Metallurgical") to acquire certain metallurgical coal mining complexes from Mission Coal Company, LLC's bankruptcy estate. Following the Mission transaction, Murray Metallurgical owns five subsidiary entities, which in turn own the Oak Grove and Maple Eagle mines in Alabama and West Virginia, respectively. The Oak Grove and Maple Eagle mines consist of premier metallurgical coal-producing operations and reserves that provide Murray with strategic and valuable entry into the metallurgical coal market. Murray Metallurgical and its subsidiaries are not debtors in these chapter 11 cases.

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[5] Foresight Reserves L.P. is owned and controlled by a trust in favor of the heirs of Chris Cline.

In 2018, when the Murray Metallurgical operations were still owned and controlled by Mission Coal Company, LLC, such operations generated approximately $261 million in revenue related to 2.35 million tons of coal sales and $10 million of EBITDA.

B. *Summary of Prepetition Capital Structure*.

As a privately-held company, Holdings is not listed on any public exchange. Holdings' authorized, issued, and outstanding capital stock consists of 100 shares of voting Class A common shares and 9,900 shares of non-voting Class B common shares. As of the Petition Date, Robert E. Murray holds all of the issued and outstanding voting Class A common shares and 1,900 shares (or 19.2 percent) of the outstanding Class B common shares. Mr. Murray's sons, and a trust set up for the benefit of Mr. Murray's wife, hold the remaining 80.8 percent of Class B shares. Holders of Class B shares hold solely economic rights.

As set forth on the Corporate Structure Chart, Holdings currently owns, directly or indirectly, each of Murray's 120 subsidiaries. Of the wholly-owned entities, 95 entities are guarantors on some or all of Murray's prepetition secured debt. As of the Petition Date, Murray has approximately $2.7 billion in total outstanding secured debt obligations (exclusive of non-debtor Foresight). Certain of Murray's subsidiaries are also obligated on $45 million in total outstanding unsecured notes. These Petition Date obligations are illustrated below.

Secured Debt	**Maturity**[6]	**Outstanding Principal Amount (as of October 16, 2019)**
Secured Debt		
Prepetition ABL Facility	February 12, 2021	$60.7 million (ABL) $90 million (FILO)
Superpriority Term Loan Facility	October 17, 2022	$1,727 million
Term Loan Facility	April 17, 2020	$51 million
1.5L Notes	April 15, 2024	$498 million
2L Notes due 2020	December 5, 2020	$2 million
2L Notes due 2021	April 15, 2021	$295 million
Total Secured Debt		**$2.7 billion**
Unsecured Debt		
Unsecured Murray South America Note	February 14, 2022	$20 million
Unsecured Murray Met. Note	April 30, 2024	$25 million
Total Unsecured Debt		**$45 million**

1. ABL Facility.

On December 5, 2013, Murray entered into the Amended and Restated Revolving Credit Agreement (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "ABL Credit Agreement"), which governs an asset-based revolving credit facility among MEC, as borrower, Holdings and certain

[6] Subject to certain springing maturities, as provided for in the applicable credit agreements.

subsidiaries, as guarantors, Goldman Sachs Bank USA, as agent, and the lenders from time to time party thereto (the "Prepetition ABL Facility"). The Prepetition ABL Facility provides for up to $125 million of an asset-based revolving line of credit, as well as a $90 million first in, last out ("FILO") facility. The Prepetition ABL Facility was scheduled to mature on February 12, 2021, and is subject to a weekly borrowing base calculation and monthly interest at LIBOR plus 125.

Obligations arising under the ABL Credit Agreement are secured by (a) senior, first priority security interests in, and liens upon, substantially all of the Debtors' accounts receivable, inventory, cash, related letter of credit rights, commercial tort claims, and related contract rights and books and records (the "ABL Collateral"), and (b) a junior lien on fixed assets, including real estate, equipment, term debt collateral, related letter of credit rights, commercial tort claims, and related contract rights and books and records (the "Term Loan Collateral"). Guarantors to the Prepetition ABL Facility include Murray Kentucky Energy, Inc. and its subsidiaries, but the Prepetition ABL Facility does not have guarantees from, or liens against, Murray South America, Inc. Amounts outstanding under the prepetition FILO facility are only repaid after the amounts are repaid for the prepetition revolving credit facility under the Prepetition ABL Facility. As of the Petition Date, there was approximately $232.2 million in aggregate principal amount outstanding under the Prepetition ABL Facility. As discussed below, the $125 million asset-based revolving line of credit was repaid by the DIP Facility, and the $90 million prepetition FILO facility was converted into a $90 million DIP FILO Facility.

2. Superpriority Term Loan Facility.

On June 29, 2018, Murray entered into the Superpriority Credit and Guaranty Agreement (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Superpriority Term Loan Agreement"), which governs a $1.57 billion B-2 and a $158 million B-3 superpriority senior secured term loan facility among MEC, as borrower, Holdings and certain subsidiaries, as guarantors, GLAS Trust Company LLC, as agent, and the various lenders from time to time party thereto (the "Superpriority Term Loan Facility" and the loans issued thereunder, the "Superpriority Term Loans"). As discussed further below, the Superpriority Term Loan Facility is the result of a transaction support agreement MEC entered into on June 29, 2018 (the "2018 TSA"). The Superpriority Term Loan Facility was scheduled to mature on October 17, 2022, and obligations arising thereunder are secured by a first lien on Term Loan Collateral, and a second lien on ABL Collateral. Guarantors to the Superpriority Term Loan Facility include Murray South America, Inc. and Murray Kentucky Energy, Inc. and its subsidiaries. As of the Petition Date, there was approximately $1.73 billion in principal amount outstanding under the Superpriority Term Loan Facility.

3. Term Loan Facility.

On April 16, 2015, Murray entered into the Term Loan Credit and Guaranty Agreement, which governs a $38 million B-2 and a $13 million B-3 secured term loan facility among MEC, as borrower, Holdings and certain subsidiaries, as guarantors, Black Diamond Commercial Finance, L.L.C., as agent, and the additional lenders from time to time party thereto (the "Term Loan Facility"). The Term Loan Facility was scheduled to mature on April 17, 2020, and obligations arising thereunder are secured by a second lien on Term Loan Collateral, and a third lien on ABL Collateral. The Term Loan Facility does not have guarantees from, or liens against, Murray South America, Inc. or Murray Kentucky Energy, Inc. and its subsidiaries. Holders of the Term Loan Facility were given the option to trade their Term Loans for Superpriority Term Loans pursuant to the 2018 TSA, and in connection with such option, holders of approximately 97 percent in aggregate principal amount of the Term Loans elected to exchange for the Superpriority Term Loans. As of the Petition Date, there was approximately $51 million in aggregate principal outstanding under the Term Loan Facility.

4. 1.5L Notes.

On June 29, 2018, Murray entered into the Senior Secured Notes Indenture (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "1.5L Notes Indenture"), which governs 12 percent senior secured notes among MEC, as issuer, Holdings and certain subsidiaries, as guarantors, and U.S. Bank, N.A., as trustee (the "1.5L Notes"). As described further below, the 1.5L Notes are the result of the 2018 TSA. The 1.5L Notes were scheduled to mature on April 15, 2024, and obligations arising thereunder are secured by a third lien on Term Loan Collateral, and a fourth lien on ABL Collateral. Guarantors to the 1.5L Notes

include Murray South America, Inc. and Murray Kentucky Energy, Inc. and its subsidiaries. As of the Petition Date, there was approximately $498 million in principal amount outstanding under the 1.5L Notes.

5. 2L Notes due 2020.

On May 8, 2014, Murray entered into the Senior Secured Notes Indenture, which governs 9.5 percent senior secured notes among MEC, as issuer, Holdings and certain subsidiaries, as guarantors, The Bank of New York Mellon Trust Company, N.A., as indenture trustee, and U.S. Bank, N.A., as collateral trustee (the "2L Notes due 2020"). The 2L Notes due 2020 were scheduled to mature on December 5, 2020, and obligations arising thereunder are secured by a fourth lien on Term Loan Collateral, and a fifth lien on ABL Collateral. The 2L Notes due 2020 do not have guarantees from, or liens against, Murray South America, Inc. or Murray Kentucky Energy, Inc. and its subsidiaries. As of the Petition Date, there was approximately $2 million in principal amount outstanding under the 2L Notes due 2020.

6. 2L Notes due 2021.

On April 16, 2015, Murray entered into the Senior Secured Notes Indenture, which governs 11.25 percent senior secured notes among MEC, as issuer, Holdings and certain subsidiaries, as guarantors, The Bank of New York Mellon Trust Company, N.A., as indenture trustee, and U.S. Bank, N.A., as collateral trustee (the "2L Notes due 2021"). The 2L Notes due 2021 were scheduled to mature on October 15, 2021, and obligations arising thereunder are secured by a fifth lien on Term Loan Collateral, and a sixth lien on ABL Collateral. The 2L Notes due 2021 do not have guarantees from, or liens against, Murray South America, Inc. or Murray Kentucky Energy, Inc. and its subsidiaries. Holders of the 2L Notes due 2021 were given the option to exchange their notes for 1.5L Notes due 2024 pursuant to the 2018 TSA, and in connection with such option, holders of approximately 71 percent in aggregate principal amount of the 2L Notes due 2021 elected to exchange for the 1.5L Notes due 2024. As of the Petition Date, there was approximately $295 million in principal amount outstanding under the 2L Notes due 2021.

7. Robert E. Murray Trust Notes.

(a) Unsecured Murray South America Note.

In February 2018, Debtor Murray South America, Inc. ("MSAI") entered into an unsecured promissory note with the Robert E. Murray 5/6/10 Trust for $16 million (the "Unsecured Murray South America Note"). The Unsecured Murray South America Note matures on February 14, 2022, and interest is due quarterly at a fixed rate of 11.25 percent. During the second quarter of 2018, MSAI borrowed an additional $4 million from the Robert E. Murray 5/6/10 Trust. As of the Petition Date, $20 million in principal amount was outstanding under the Unsecured Murray South America Note.

(b) Unsecured Murray Met. Note.

In April 2019, Murray's subsidiary, Murray Metallurgical Coal Properties, LLC entered into an unsecured promissory note for $25 million with the Robert E. Murray 5/6/10 Trust (the "Unsecured Murray Met. Note"). The Unsecured Murray Met. Note matures on April 30, 2024, and the unpaid principal balance thereunder bears a payment-in-kind ("PIK") interest at a fixed annual rate of 8 percent. As of the Petition Date, $25 million in principal amount was outstanding under the Unsecured Murray Met. Note.

8. Non-Debtor Affiliate Debt.

(a) Metallurgical Take-Back Facility.

On April 29, 2019, non-debtor Murray Metallurgical, a Murray joint-venture subsidiary, entered into a credit agreement (as amended, supplemented, or modified from time to time, the "Metallurgical Take-Back Facility"), which governs a secured term credit facility among Murray Metallurgical, as borrower, certain of its subsidiaries, as guarantors, Wilmington Savings Fund Society, FSB, as agent, and the additional lenders from time to time party thereto. The Metallurgical Take-Back Facility matures on April 29, 2023, and is secured by

substantially all of Murray Metallurgical's assets. The Metallurgical Take-Back Facility bears interest at 8 percent and is payable either in cash or by PIK semi-annually. As of the Petition Date, there was approximately $158.3 million in principal amount outstanding under the Metallurgical Take-Back Facility. On November 15, 2019, non-debtor Murray Metallurgical entered into an amendment to the Metallurgical Take-Back Facility, which provided for an incremental term loan in the aggregate principal amount of $3.5 million. As noted above, Murray Metallurgical and its subsidiaries are not debtors in these chapter 11 cases.

(b) Foresight Debt.

As discussed, Murray's wholly-owned non-debtor MEC holds an 80 percent interest in non-debtor FEGP, the general partner of FELP, as well as 12 percent of the common units and 100 percent of the subordinated units in FELP. FELP and Foresight Energy LLC are borrowers under their own debt facilities, and nearly all of their subsidiaries are guarantors on approximately $1.29 billion in total secured debt obligations, consisting of approximately (a) $113 million in principal amount outstanding under a Foresight revolving credit facility, (b) $743.3 million in principal amount outstanding under a Foresight term loan facility, (c) $425 million in principal amount outstanding under 11.5 percent second lien senior secured notes, and (d) $3.1 million in principal amount outstanding under a longwall equipment financing arrangement.

C. *Additional Obligations Owed by the Debtors*.

1. Legacy Liability Obligations.

A number of Murray's subsidiaries and affiliates are parties to three active collective bargaining agreements (the "CBAs"), as well as a memorandum of understanding with the UMWA.[7] The following chart summarizes the CBAs, the number of employees covered thereunder as of the Petition Date, and their respective expiration dates.

CBA	Mine / Entity	Union	Employees	Expiration Date
National Bituminous Coal Wage Agreement of 2016 ("NBCWA" or the "2016 CBA")	The Marshall County Coal Company The Ohio County Coal Company The Harrison County Coal Company The Marion County Coal Company The Monongalia County Coal Company	UMWA	1,946	December 2021
Seafarers International Union of North America Atlantic, Gulf, Lakes and Inland Waters District / NMU AFL-CIO (the "Seafarers CBA")	Murray American Transportation, Inc.	The Seafarers International Union	47	December 2019
Murray Oak Grove Coal, LLC Wage Agreement ("Oak Grove CBA")	Murray Oak Grove Coal, LLC (non-debtor)	UMWA	385	April 2024

As discussed above, Murray has over $8 billion in actual or potential legacy liability under various pension and benefit plans pursuant to statue and Murray's CBAs.

[7] The Ohio Valley Coal Company and The Ohio Valley Transloading Company also entered into a memorandum of understanding with the UMWA dated July 2, 2019.

2. Retirement Plans.

Murray sponsors and maintains single-employer defined contribution retirement plans in which salaried, non-union, and union employees participate. Murray also has obligations to contribute to a multi-employer defined benefit plan and two multi-employer defined contribution retirement plans, pursuant to the CBAs. None of Murray's obligations to contribute to the retirement plans are statutory, but all obligations stem from the CBAs or the single employer defined contribution retirement plan maintained by Murray.

Murray contributes to three multi-employer retirement plans pursuant to its obligations under the CBAs: (a) the 1974 Pension Plan, (b) the UMWA Cash Deferred Savings Plan of 1988 (the "UMWA Cash Deferred Savings Plan"), and (c) the Seafarers Money Purchase Pension Plan (the "Seafarers Money Purchase Plan").

(a) 1974 Pension Plan.

The 1974 Pension Plan is a defined benefit multi-employer pension plan with contribution requirements established by the 2016 CBA. The 1974 Pension Plan provides pension benefits to approximately 84,000 retired miners and surviving spouses, who collect pensions averaging approximately $600 per month. Murray is the last major employer funding a staggering 97 percent of total contributions to the 1974 Pension Plan, paying approximately $15 million in 2018 alone.

Following the large wave of chapter 11 filings in 2015 and 2016, more than half a dozen large U.S. coal companies collapsed into bankruptcy over the last several years and withdrew from the 1974 Pension Plan. When an employer withdraws, its vested beneficiaries remain in the 1974 Pension Plan and are referred to as "orphan" beneficiaries. The remaining contributing employers become responsible for the benefits of these orphaned participants who were never their employees. As a result, approximately 95 percent of beneficiaries who currently receive benefits from the 1974 Pension Plan last worked for employers that no longer contribute to the Plan. As of October 2019, 4 employers contribute to the 1974 Pension Plan, compared to over 2,800 in 1984. This has placed significant stress on the 1974 Pension Plan and the small number of contributing employers—Murray most of all. If Murray withdraws from the 1974 Pension Plan, the withdrawal liability could be $6.4 billion or more, with annual estimated payments of approximately $41 million in perpetuity.

(b) UMWA Cash Deferred Savings Plan.

Murray is required to make contributions to the UMWA Cash Deferred Savings Plan, a defined contribution multi-employer retirement plan, pursuant to the 2016 CBA. Murray makes contributions equal to $1.50 per hour worked by active, covered employees, as well as a supplemental contribution of $1.50 per hour for miners with 20 or more years of credited service and a supplemental contribution of $1.50 per hour for certain miners with less experience who do not participate in the 1974 Pension Plan. In 2018, Murray made contributions to the UMWA Cash Deferred Savings Plan in the aggregate amount of $380,000.

(c) Seafarers Money Purchase Plan.

Murray is required to make contributions to the Seafarers Money Purchase Plan, a multi-employer defined contribution retirement plan, pursuant to the Seafarers CBA. Murray makes contributions equal to $2.00 per day worked by active, covered employees.

(d) MEC Plan.

Pursuant to the Oak Grove CBA, non-debtor Murray Oak Grove LLC is required to contribute $3.50 per hour worked by active, covered employees to a single-employer Murray-sponsored defined contribution plan, the Murray Oak Grove Hourly Savings Plan (the "Murray Oak Grove Plan"). In addition to contributing to the Murray Oak Grove Plan on behalf of certain union employees, Murray contributes to the Murray Energy Savings and Security Plan (the "MEC Plan") on behalf of eligible non-union salaried and hourly employees. For non-union employees, Murray makes a matching contribution equal to 100 percent of employee contributions up to three

percent of eligible compensation. In 2018, the total expense recognized by Murray related to the MEC Plan for both union and non-union employees was $6.4 million.

3. OPEB.

Murray is obligated to fund OPEBs, which stem from statute and the CBAs. As of the Petition Date, Murray's total unfunded OPEB liability is approximately $1.9 billion. Murray's statutory OPEB obligations are pursuant to the Coal Industry Retiree Health Benefit Act of 1992 (the "Coal Act"), the United States Black Lung Benefits Revenue Act of 1977, and the Black Lung Benefits Reform Act of 1977 (together, the "Black Lung Act").

(a) The Coal Act.

The Coal Act provides for the funding of health benefits for certain UMWA retirees and their spouses or dependents. Under the Coal Act, retirees can receive benefits under the Combined Benefit Fund, the UMWA 1992 Benefit Plan, and the Murray American Energy, Inc. Individual Employer Health Plan.

(i) Combined Benefit Fund.

The Combined Benefit Fund is a multi-employer welfare fund managed by a board of trustees established by the Coal Act that provides retiree health benefits for UMWA retirees (and their surviving spouses and dependents) who retired from the coal industry on or before July 20, 1992, and did not have another source of retiree health benefits because they were orphan retirees. Coal operators with UMWA-represented employees are obligated to pay premiums to the Combined Benefit Fund. In 2018, no premiums were due from Murray to the Combined Benefit Fund.

(ii) UMWA 1992 Benefit Plan.

The UMWA 1992 Benefit Plan is a multi-employer welfare fund managed by a board of trustees established by the Coal Act that provides retiree health benefits to those UMWA retirees (and their surviving spouses and dependents) who retired from the coal industry after July 20, 1992, but before September 30, 1994, and who did not have another source of retiree health benefits. In 2018, Murray posted security equal to $22.5 million for the UMWA 1992 Benefit Plan, as required by the Coal Act.

(iii) Murray American Energy, Inc. Individual Employer Health Plan.

The Murray American Energy, Inc. Individual Employer Health Plan is an employer-sponsored individual retiree health plan which provides retiree health, vision, and dental benefits to those retirees who were, as of February 1, 1993, receiving health benefits directly from the employer through a single employer plan pursuant to a 1978 or subsequent coal wage agreement. As of July 31, 2019, the Murray American Energy, Inc. Individual Employer Health Plan had 2,361 beneficiaries and Murray's contributions for 2018 equaled approximately $23 million.

(b) Non-Statutory.

(i) NBCWA Individual Employer Plan and UMWA 1993 Benefit Plan.

Murray also has contractual OPEB obligations pursuant to the 2016 CBA. The UMWA 1993 Benefit Plan is a multi-employer welfare fund that provides health care benefits to orphan UMWA retirees who are not eligible to participate in the Combined Benefit Fund, the UMWA 1992 Benefit Fund, or whose last employer signed the 1993 or a later NBCWA and whose employer subsequently goes out of business. Pursuant to the 2016 CBA, Murray must contribute $0.50 per hour worked through 2021. In 2018, Murray contributed $2.1 million to the UMWA 1993 Benefit Plan and approximately $74 million to the NBCWA individual employer plan for medical benefits.

(ii) VEBA.

Non-debtor Murray Oak Grove Coal, LLC is also required to contribute a total of $3 million to a Voluntary Employee's Beneficiary Association ("VEBA"), that is administered by the UMWA pursuant to the Oak Grove CBA. Murray Oak Grove Coal, LLC's contributions to the VEBA are made in a series of installments: $300,000 in 2019, and $600,000 in 2021 through 2023.

(c) Workers Compensation and Black Lung Act Obligations.

As required by the Black Lung Act, the Debtors provide benefits to employees for awards related to workers' compensation and Pneumoconiosis (more commonly known as black lung disease). Pursuant to the Black Lung Act, coal miners who suffer from Pneumoconiosis and their dependents may file disability claims with the U.S. Department of Labor (the "DOL"), which then investigates the claims and assigns liability to make benefit award payments for those claims to a "responsible operator" (likely the miner's most recent employer or a successor of the employer) (the "Black Lung Act Claims").

Black Lung Act Claims include claims for the payment of (a) disability benefit awards to workers who suffer from black lung disease and (b) excise taxes to fund the Black Lung Disability Trust Fund (the "Black Lung Fund"). If a responsible coal operator fails to pay a benefit award, the Black Lung Fund will pay the award and the DOL can (i) assert liens (with the same priority as tax claims) against the assets of the responsible operator and (ii) exercise subrogation rights of the underlying claimant. In addition, the Black Lung Act requires a coal operator either to secure its payment obligations by posting collateral, or to obtain insurance for its payment obligations. A coal operator's directors and officers may also be held personally liable for unpaid benefits.

Benefits under the Black Lung Act are in addition to typical workers' compensation benefits. The Debtors are insured for federal and state workers' compensation and black lung benefits for employees by third-party insurance providers or through self-insurance. In 2018, Murray paid approximately $4.7 million on account of Black Lung Act Claims and $30 million for the workers' compensation plan. Murray's liability under the Black Lung Act, as well as for general workers' compensation, totals approximately $155 million.

4. Asset Retirement Obligations.

Like other coal companies, the Debtors have asset retirement obligations related to mine reclamation and closure costs. Reclamation obligations primarily represent the fair value of future anticipated costs to restore surface land to levels equal to or greater than pre-mining conditions, as required by the federal Surface Mining Control and Reclamation Act, as well as certain analogous state laws.

The Debtors' asset retirement obligations primarily consist of spending estimates for surface land reclamation and support facilities at both their surface and underground mines in accordance with applicable reclamation laws in the United States, as primarily defined by each mining permit. Asset retirement obligations are determined for each mine using various estimates and assumptions, including, among other items, estimates of disturbed acreage as determined from engineering data, estimates of future costs to reclaim the disturbed acreage, and the timing of these cash flows, discounted using a credit-adjusted, risk-free rate. As of the Petition Date, the Debtors have outstanding surety bonds (excluding FELP and Murray Metallurgical) with a total face amount of $280 million, of which approximately $218.8 million secures reclamation and other asset retirement obligations.

5. Environmental Obligations.

In addition to asset retirement obligations, the Debtors have ongoing obligations under federal environmental laws, including the Clean Water Act and the Clean Air Act, certain analogous state environmental laws, and the Debtors' environmental permits, with respect to discharges to water bodies, air emissions, management and disposal of waste materials, subsidence, and other environmental concerns. From time to time, the Debtors receive notices of noncompliance from regulatory agencies alleging violations of applicable environmental laws and permit requirements, which in some cases result in the assessment of fines or penalties or construction of

capital projects to address alleged violations. In addition, certain mining operations have given rise to obligations to treat impacted water resources and/or to address alleged subsidence of nearby third party properties.

D. *The Debtors' Management.*

1. The Debtors' Board Members.

As of the date hereof, set forth below are the names, position(s), and biographical information of the current board of directors of MEC (the "Board"). The Board oversees the business and affairs of the Debtors and its various subsidiaries.

Name	Position
Robert E. Murray	Chairman
Henry W. Fayne	Director
Gen. Richard L. Lawson	Director
Robert D. Moore	Director
Mark B. Cox	Director

Robert E. Murray. Mr. Murray is the Chairman of the Board. In addition to his position as Chairman, Mr. Murray formerly served as President and Chief Executive Officer of MEC since founding Murray in 1988. Currently, Mr. Murray is a member of the board of directors of the National Mining Association, American Coal Foundation, National Coal Council, Ohio Coal Association, and Pennsylvania Coal Association. Mr. Murray is a trustee and former President of the American Institute of Mining, Metallurgical, and Petroleum Engineers, Inc. and the Society for Mining, Metallurgy and Exploration, Inc., as well as former President of The Rocky Mountain Coal Mining Institute. Mr. Murray received his Bachelor of Engineering degree from West Virginia University and The Ohio State University in Mining, and a Master of Business Administration from The Ohio State University.

Henry W. Fayne. Mr. Fayne became a member of the Board in January 2005. Mr. Fayne has more than 30 years of experience with American Electric Power ("AEP"), one of the largest electric utilities in the United States. From 1974 to 2004, Mr. Fayne held various positions in finance and operations at AEP. Mr. Fayne served as AEP's Executive Vice President of Energy Services and was responsible for transmission, distribution, and customer relations operations for the AEP system. Mr. Fayne also served as AEP's Chief Financial Officer and Executive Vice President of Financial Services and was responsible for financial planning and budgeting, risk management, internal audits, accounting, and treasury functions. After retiring from AEP in 2004, Mr. Fayne began providing advisory and consulting services to various energy intensive industrial companies. In addition to his current directorship at MEC, Mr. Fayne serves as a director of Southwest Generation Operating Company, LLC, a privately held gas fired generating company, MYR Group Inc., a publicly traded company that provides construction services throughout the United States and Canada for transmission projects for the utility industry, and Summit Utilities, Inc., a privately held natural gas distribution and transmission company that serves residential and commercial customers in the United States. Mr. Fayne has served as a director of Summit Utilities, Inc. since 2014. Mr. Fayne holds a Bachelor of Arts degree in economics from Columbia College of Columbia University and a Masters of Business Administration degree from the Columbia Business School.

Gen. Richard L. Lawson. Gen. Lawson became a member of the Board in January 2005. Gen. Lawson has over 30 years of experience in the mining industry. Prior to joining MEC, Gen. Lawson was chairman of Energy, Environment and Security Group, Ltd. Gen. Lawson is a former president of the National Coal Association ("NCA") and was NCA president at the time the organization merged with the American Mining Congress to form the National Mining Association, where he continued his role as President and Chief Executive Officer. Gen. Lawson also served as vice chairman of the Atlantic Council of the U.S., chairman of the Energy Policy Committee of the US Energy Association, chairman of the United States delegation to the World Mining Congress, and

chairman of the International Committee for Coal Research. Gen. Lawson joined the NCA after a distinguished military career spanning four decades. Retiring as a four-star general of the Air Force in December 1986, Gen. Lawson served from 1983 to 1986 as deputy commander-in-chief of the U.S. European Command, Stuttgart, Germany where he commanded operations, formulated policy, and negotiated with host governments for all U.S. land, sea, and air forces in Europe, portions of the Middle East, and most of Africa. The command encompassed 77 countries. Gen. Lawson is a graduate of Parsons College, where he received his Bachelor of Science degree in chemical engineering, and the George Washington University, where he received a Master of Public Administration degree. Gen. Lawson is also a graduate of the National War College and has been awarded an honorary Doctorate of Political Science by Centenary College, Shreveport, Louisiana, and an honorary Juris Doctor degree by Boston University.

Robert D. Moore. Mr. Moore became a member of the Board in April 2007. Mr. Moore was named President and Chief Executive Officer of MEC and Holdings as of October 28, 2019, and has served as Chief Financial Officer and Chief Operating Officer of MEC since 2008 and 2012, respectively. Mr. Moore also previously served as Executive Vice President of MEC prior to being named President and became Chief Financial Officer of Holdings in April 2007. Prior to that, Mr. Moore held a number of financial and other senior management positions within Murray and has more than 20 years of experience in management, operations, finance, accounting, and acquisitions in the United States coal industry. Mr. Moore received his Bachelor of Science degree from The Ohio State University in Accounting and Finance, Certified Public Accountant certification from the State of Ohio, and a Master of Business Administration from The Ohio State University. As Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer, Mr. Moore is responsible for overseeing Murray's operations and financial activities including, but not limited to, monitoring cash flow, business relationships, workforce issues, and financial planning.

Mark B. Cox. Mr. Cox became a member of the Board in October 2019. Mr. Cox has over 36 years of experience in the energy industry and is a member of the board of directors for various companies therein. Specifically, Mr. Cox has been the Chairman of the board of directors of Philadelphia Energy Solutions, LLC since April 2018 and a member of the board of directors for Southcross Energy Partners, L.P. since September 2015. Mr. Cox was member of the board of directors for Delek Logistics Partners LP from August 2012 to March 2018, where he also served as Executive Vice President and Chief Financial Officer from September 2009 to March 2013. Mr. Cox was the Chief Financial Officer of Eco-Energy LLC from May 2013 to February 2016. Prior to that, Mr. Cox held a number of financial and other senior management roles within in the energy industry where he was responsible for overseeing treasury, investor relations, corporate finance, cash and risk management functions, as well as business development initiatives. Mr. Cox received his Bachelor of Science in Business Administration degree in Finance and his Master of Business Administration degree in Finance from the University of Missouri-Columbia.

2. The Debtors' Executives.

As of the date hereof, set forth below are the names, position(s), and biographical information of current key executive officers for the Debtors' various businesses.

Name	Position
Robert D. Moore	President, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer
James R. Turner, Jr.	Senior Vice President of Engineering
Michael O. McKown	Senior Vice President, Secretary, and General Counsel

Robert D. Moore. Mr. Moore is the President, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer of MEC. *See supra* Article IV.D.1 for Mr. Moore's biographical information.

James R. Turner, Jr. Mr. Turner is the Senior Vice President of Engineering of MEC. In February 2015, Mr. Turner was named as Senior Vice President of Engineering of MEC. Prior to that, Mr. Turner held various

finance and engineering roles during his approximately 19 years of employment at MEC. Mr. Turner received his Bachelor of Science degree in Mining Engineering and Computer Engineering from West Virginia University in 1997 and 1999, respectively, as well as his Master in Business Administration degree from The Ohio State University in 2006.

Michael O. McKown. Mr. McKown is Senior Vice President, Secretary, and General Counsel of MEC. Mr. McKown was named Secretary of MEC in 2001. In 2008, Mr. McKown was appointed as the Senior Vice President, General Counsel of MEC. Mr. McKown has more than 38 years of experience in management, legal representation, and compliance in the United States coal industry. Prior to his current roles at MEC, Mr. McKown served in the U.S. Army from 1978 to 1982, as Labor Counsel for Peabody Coal Company from 1982 to 1990, and Vice President of Human Resources for Arch Mineral Corporation from 1990 to 1995. From 1995 to joining MEC, Mr. McKown was in private practice of law. Mr. McKown received his Bachelor of Science degree from the University of Akron in 1974, and a Juris Doctor from the University of Akron.

E. *Circumstances Leading Up to These Chapter 11 Cases*.

1. Adverse Market Conditions.

The thermal coal markets that Murray traditionally serves have been meaningfully challenged over the last decade, both in the domestic market and abroad. The industry's difficult market conditions have been driven by changes in legislative priorities, commercialization of shale gas, wind, solar, and nuclear electric generation subsidies, and low-cost natural gas exports.

In particular, the installed generation base of the U.S. power market has changed dramatically in response to both regulatory and economic forces. Federal regulation of emissions increased the cost of coal-fired generation and incentivized the installation of gas and renewables generation, while technological developments in gas exploration and renewables generation has decreased the cost of alternative sources of electric power. As a result, coal-fired installed capacity as a percentage of total installed capacity has fallen from 26 percent in 2013 to 20 percent in 2019, with coal-fired generation as a percentage of total generation falling from 35 percent in 2013 to 27 percent in early 2019. Natural gas and renewables installed electricity generation capacity in the United States as a percentage of total installed capacity has increased from 59 percent in 2013 to 67 percent in 2019, and natural gas and renewables generation as a percentage of total generation increased from 42 percent in 2013 to 48 percent in early 2019.

In the PJM Interconnection power market, into which most of Murray's customers dispatch their electricity, the changes have been even more dramatic. Approximately 19 gigawatts of installed, coal-fired generation capacity has been retired since 2013, representing a total reduction of 27 percent relative to the 2013 installed base. Meanwhile, gas-fired generation capacity has increased by 30 percent, and renewables by over 50 percent over the same period. In response to higher running costs, and facing lower cost-competition, the remaining coal-fired power plants are running at capacity factors of just 42 percent versus 48 percent in 2013.

Demand for U.S. thermal coal from European utilities has been subject to its own set of negative forces. The development of liquefied natural gas infrastructure has facilitated the import of cheap U.S. gas to Europe, reducing local utilities' reliance on Russian-sourced natural gas, and increasing the competitiveness of gas-fired generation. The increased supply of low-priced Russian thermal coal has increased competition to supply the resulting lower demand from coal-fired generators. These challenges are on top of a difficult regulatory environment in Western Europe, which, like the United States, has subjected the coal-fired power industry to increased regulations and provided support for renewable energy power sources. For instance, Germany is reportedly considering legislation to shut down all of its coal-fired power plants by 2038 at the latest to completely shift to other power sources such as renewables. As a result, the European benchmark price for imported thermal coal has halved in the past year.

2. Murray's Efforts.

Despite market challenges, Murray is well positioned to maintain its status as a leading operator in the coal industry both domestically and abroad for numerous reasons. In response to declining demand, Murray has proactively taken self-help measures to cut costs and streamline existing operations. Murray pulled back its coal production by 16 percent between 2014 and 2019, reducing output to 52.6 million tons from 62.8 million tons. Murray also decreased its cost per ton by approximately 18 percent from 2015 to 2018. Also, certain mining operations have been idled (including the Paradise Mine in February 2019).

Murray maintains its belief that longer term demand for coal is underpinned in the United States by a practical requirement that approximately 25 percent of the power supplied to the electrical grid come from coal power generation to ensure reliable electricity during cold snaps and heat waves, when other parts of the grid will be less reliable or overly expensive. This belief has guided Murray's decisions to make value-accretive acquisitions during general market distress, such as Consolidation Coal Company, Armstrong Energy, Inc., and Foresight LP. Accordingly, Murray is well-positioned to take advantage of the industry's need for a minimum proportion of the installed power grid capacity, given its coal reserves located in strategically-optimal mining regions near coal-fired power plants, and key rail and waterway transportation routes.

Murray's value-accretive acquisitions boosted earnings and gave the company additional assets to pledge to creditors in exchange for extending debt maturities. Pursuant to the 2018 TSA, Murray worked with its existing long-term lenders to address a large portion of its first lien and second lien debt, which established the current capital structure. The transaction effectuated through the 2018 TSA resulted in an extension of Murray's existing Term Loan maturities by approximately two and a half years on $1.7 billion in debt and an extension of Murray's existing 2L Notes due 2021 maturities by over three years on an additional $500 million in debt. The 2018 TSA also provided for a reduction in certain outstanding debt balances and in annual cash interest. Murray has also been an active participant in the legislative process, working to develop a favorable regulatory regime.

Unfortunately, when coupled with external pricing pressure, increased regulation, heavy debt service obligations, outsized pension and retiree healthcare obligations, and other costs associated with Murray's business, the Debtors are simply not able to repay their liabilities and must dramatically reduce their obligations to attract the capital necessary to fund future operations.

F. *Creditor Negotiations, RSA, and DIP Financing*.

Faced with these market conditions and the overhang of looming pension obligations, the Debtors retained Evercore as investment banker, and Kirkland & Ellis LLP, as legal advisor, to aid in a review of all strategic alternatives, including entering into discussions with certain of its second lien noteholders regarding a cash infusion that would permit Murray to improve its business and provide a runway for market conditions to improve. Ultimately, by the end of September, these discussions were terminated because the second lien noteholders' proposals did not provide for enough cash, interest expense savings, or covenant cushion to sufficiently extend runway.

As the end of September 2019 approached, Murray was faced with approximately $19.8 million due on September 30, 2019 and October 1, 2019 in aggregate amortization and interest payments on the Superpriority Term Loan, Term Loan, and Prepetition ABL Facility.[8] Murray did not have sufficient liquidity to make the principal and interest payments under the Superpriority Term Loan and Term Loan, while also making other payments necessary to operate their business. Failure to make these debt service payments would trigger defaults under both the Superpriority Term Loan and Term Loan, as well as cross-defaults under the Prepetition ABL Facility and the 1.5L Notes Indenture. Faced with these significant payment obligations and unreceptive capital markets, Murray

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[8] Specifically, on September 30, 2019, amortization payments due included $4,362,513.10 under the Superpriority Term Loan and $137,088.65 under the Term Loan. Interest payments due included $13,986,964.80 under the Superpriority Term Loan, $417,423.33 under the Term Loan, and $883,090.59 under the Prepetition ABL Facility.

and its advisors commenced discussions with the Ad Hoc Group and its advisors regarding potential transactions that would enable the Debtors to deleverage their balance sheet and address significant debt service requirements.

To facilitate these discussions, on October 2, 2019, Murray and the requisite majority of lenders under the Prepetition ABL Facility and Superpriority Term Loan entered into forbearance agreements, whereby the lenders agreed to forbear from exercising remedies on account of the default and cross-default until October 14, 2019. Murray then did not make the amortization and interest payments due under the Superpriority Term Loan and the Term Loan. To accommodate ongoing negotiations regarding DIP financing and the path forward for these cases, the forbearance agreements with the lenders under the Prepetition ABL Facility and Superpriority Term Loan were further amended and extended through October 28, 2019, subject to earlier termination in certain circumstances.

In an effort to secure the necessary DIP financing, the Debtors engaged in arm's-length negotiations with lenders both within and outside of their existing capital structure, including lenders under their Prepetition ABL Facility (including the ABL FILO Lender) and lenders under the Superpriority Term Loan, as well as other third parties including vendors and third-party financing sources. In early October 2019, Evercore commenced a marketing process for possible DIP financing alternatives, including by reaching out to third-party financing sources. As part of these efforts, Evercore contacted 24 parties total, 15 of which were third-party financing sources in the business of extending postpetition financing under similar circumstances. None of these third-party financing sources indicated a willingness to provide the Debtors with new money financing on an unsecured, junior-lien, or *pari passu* basis. In total, only two financing proposals were received and the Debtors eventually concluded that none of the third-party indications of interest were actionable.

Evercore also had discussions with other parties within the Debtors' capital structure to discuss potential DIP financing, including a certain vendor and other holders of the Debtors' debt. The Debtors, directly and through their advisors, encouraged these parties to provide competing DIP proposals or, at the very least, engage with the Debtors' prepetition Superpriority Term Loan lenders about participating in any term DIP financing. The Debtors were engaged with these creditors at a principal level and each executed non-disclosure agreements and received non-public information, but none provided a DIP financing proposal (actionable or otherwise). Given the lack of actionable third-party financing proposals or proposals from others in their capital structure, the Debtors largely focused their efforts on financing proposals from their existing Prepetition ABL Facility lenders and the Ad Hoc Group.

Following hard-fought negotiations, on October 28, 2019, Murray, its equityholders, and the Ad Hoc Group entered into the RSA, which provides a framework for the Debtors' proposed sale and plan process. Most importantly, the RSA ensures that the Debtors' viable business will continue to operate uninterrupted with the Superpriority Lenders' substantial cash commitment through the DIP Facility. Pursuant to the DIP Facility, certain of the Superpriority Lenders will commit up to $350 million, which provides significant cash to fund operations, the cost of these cases, and vendors who have been stretched thin, while also taking out the Prepetition ABL Facility to give the Debtors more flexibility on its significant working capital fluctuations. The RSA and the Plan contemplated thereunder provide the Debtors with a path forward and access to liquidity to meet operational needs.

ARTICLE V.
EVENTS OF THESE CHAPTER 11 CASES

A. *First Day Pleadings and Other Case Matters.*

To minimize disruption to the Debtors' operations and effectuate the terms of the Plan, on the Petition Date, along with their voluntary petitions for relief under chapter 11 of the Bankruptcy Code, the Debtors filed motions seeking, among other relief, to the authority to: (1) obtain postpetition financing, use cash collateral, and declare certain prepetition secured parties adequately protected [Docket No. 28]; (2) continue utilizing the Debtors' prepetition cash management system, including with respect to intercompany transactions [Docket No. 13]; (3) pay certain vendors critical to the Debtors' go-forward business and lien claimants in the ordinary course of business [Docket No. 15]; (4) pay prepetition wages and certain administrative costs related to those wages [Docket No. 14]; (5) pay certain insurance and surety bond obligations and taxes and fees that accrued or arise in the ordinary course of business before the Petition Date [Docket Nos. 18, 19, and 20, respectively]; (6) jointly administer these chapter 11 cases [Docket No. 2]; (7) perform under existing coal sale contracts and enter into and perform under

new coal sale contracts in the ordinary course of business [Docket No. 16]; (8) maintain and administer their existing customer programs and honor certain prepetition obligations related thereto [Docket No. 17]; (9) set notification and hearing procedures for certain transfer of and declarations of worthlessness with respect to common stock [Docket No. 21]; (10) implement certain notice and case management procedures [Docket No. 22]; (11) continue utility service and pay utility companies utility services provided prior to and following the Petition Date [Docket No. 23]; (12) extend the time deadline to file schedules or provide required information [Docket No. 25]; and (13) file a consolidated list of creditors in lieu of submitting a separate mailing matrix for each debtor [Docket No. 26] (collectively, the "First Day Motions"). A brief description of each of the First Day Motions and the evidence in support thereof is also set forth in the declaration of Robert D. Moore [Docket No. 10] and the declaration of Robert A. Campagna [Docket No. 11], filed on the Petition Date. At a hearing on October 30, 2019, the Court granted all of the relief requested the First Day Motions on an interim basis. The Debtors' motions seeking to (1) obtain postpetition financing, use cash collateral, and declare certain prepetition secured parties adequately protected, (2) continue utilizing the Debtors' prepetition cash management system, including with respect to intercompany transactions, (3) pay certain vendors critical to the Debtors' go-forward business and lien claimants in the ordinary course of business, and (4) perform under existing coal sale contracts and enter into and perform under new coal sale contracts in the ordinary course of business are scheduled to be heard by the Bankruptcy Court on a final basis on December 12, 2019, at 9:30 a.m. (prevailing Eastern Time). All other First Day Motions are scheduled to be heard by the Bankruptcy Court on a final basis on December 4, 2019, at 9:30 a.m. (prevailing Eastern Time).

The First Day Motions and all orders for relief granted in these chapter 11 cases, can be viewed free of charge at https://cases.primeclerk.com/MurrayEnergy.

B. *Other Procedural and Administrative Motions*.

The Debtors also filed several motions subsequent to the Petition Date to further facilitate the smooth and efficient administration of these chapter 11 cases and reduce the administrative burdens associated therewith. On the Petition Date, the Debtors filed an application to retain Prime Clerk LLC, as notice and claims agent to the Debtors [Docket No. 24], which application was approved by the Court on October 31, 2019 [Docket No. 109]. On November 15, 2019, the Debtors filed an application to establish procedures for the retention and compensation of certain professionals utilized by the Debtors in the ordinary course of business [Docket No. 221], which application is scheduled to be heard by the Bankruptcy Court on December 12, 2019. On November 15, 2019, the Debtors also filed applications to obtain authority to retain various professionals to assist the Debtors in carrying out their duties under the Bankruptcy Code during these chapter 11 cases, including: (a) Kirkland & Ellis LLP, as co-counsel to the Debtors [Docket No. 214]; (b) Dinsmore & Shohl LLP, as co-counsel to the Debtors [Docket No. 213]; (c) Evercore, as investment banker to the Debtors [Docket No. 223]; (d) Alvarez & Marsal North America LLC, as financial advisor to the Debtors [Docket No. 216], and (e) Prime Clerk LLC as administrative advisor to the Debtors [Docket No. 215]. Each of these applications are scheduled to be heard by the Bankruptcy Court on December 12, 2019. The foregoing professionals are, in part, responsible for the administration of these chapter 11 cases. The postpetition compensation of all of the Debtors' professionals retained pursuant to sections 327 and 328 of the Bankruptcy Code is subject to the approval of the Bankruptcy Court.

C. *Approval of Debtor-in-Possession Financing*.

Prior to filing for chapter 11, the Debtors reached agreement with the Ad Hoc Group and the FILO lender on the terms of financing for these cases and entered into a $440 million DIP Facility, which was approved on an interim basis on October 31, 2019 [Docket No. 93]. The Debtors' DIP financing includes the DIP Term Loan Facility—a fully backstopped $350 million new-money dual-draw senior priming term loan whereby the Debtors' obligations of under the Prepetition ABL Facility were refinanced in full by the DIP Term Loan Facility, which eliminated borrowing base requirements for the Prepetition ABL Facility that had become very problematic for the Debtors. The DIP Term Loan Facility will have a priming lien capped at $65 million on ABL Collateral and allow for $290 million to be available to fund the Debtors' business. Backstopped by the Ad Hoc Group, participation in the DIP Term Loan Facility was open to any Superpriority Lender that signed up to the RSA by October 31, 2019. The DIP financing also includes the DIP FILO Facility, which is a $90 million last-out incremental term loan sub-facility that rolls up the Debtors' prepetition FILO facility and also eliminates the problematic borrowing base mechanism associated therewith. On the Petition Date, the Debtors filed a motion seeking approval of the DIP

Facility [Docket No. 28]. On October 31, 2019, the Bankruptcy Court entered an order approving the DIP Facility on an interim basis [Docket No. 93]. The Debtors entered into the DIP Facility on October 31, 2019, at which time the Debtors refinanced the obligations under the Prepetition ABL Facility and obtained $200 million from the DIP Term Loan Facility. The Debtors plan to seek final approval of the DIP Facility at a hearing on December 12, 2019.

D. *Marketing Process and the Sale.*

In accordance with the terms of the RSA, the Consenting Superpriority Lenders committed to provide an offer to purchase certain of the Debtors' assets through a credit bid, subject to due diligence and final documentation to be agreed upon by the parties. The Debtors and Consenting Superpriority Lenders agreed to the terms of that credit bid through the Stalking Horse Term Sheet attached as an exhibit to the Debtors' motion to approve bidding procedures [Docket No. [●]] (the "Bidding Procedures Motion," and the bidding procedures attached thereto, the "Bidding Procedures"). Pursuant to the Bidding Procedures, that credit bid is subject to an overbid process, which the Debtors are also seeking approval of through the Bidding Procedures Motion. Under the Bidding Procedures Motion, the Debtors requested that the Court approve the following proposed timeline for the sale process:

Action	Deadline
Preliminary Bid Deadline	January 21, 2020
Bid Deadline	March 2, 2020
Auction	March 12, 2020 at the offices of Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022.
Plan Objection Deadline	April 27, 2020
Confirmation Hearing	May 6, 2020

E. *Appointment of the UCC.*

On November 7, 2019, the U.S. Trustee filed the Notice of Appointment of Official Committee of Unsecured Creditors [Docket No. 168], notifying parties in interest that the U.S. Trustee had appointed a statutory committee of unsecured creditors (the "UCC") in the Chapter 11 Cases. The UCC is currently composed of the following members: (a) Bank of NY Mellon Trust Company N.A., (b) CB Mining Inc., (c) Joy Global, (d) RM Wilson Co., (e) UMWA 1974 Pension Trust, (f) United Mine Workers of America International Union, and (g) Wheeler Machinery Co. The UCC has retained Morrison & Foerster LLP as its legal counsel, Moelis & Co. as its investment banker, and AlixPartners, LLP as its financial advisor.

F. *Motion to Appoint Retiree Committee.*

On November 20, 2019, the Debtors filed a motion for entry of an order directing the U.S. Trustee to appoint an official retiree committee to serve as the authorized representative of the Debtors' employees and Coal Act retirees to engage with regarding modifications to the Debtors' OPEB obligations [Docket No. 249] (the "Retiree Committee Motion"). On November 27, 2019, the UMWA 1992 Benefit Fund and the U.S. Trustee filed objections to the Retiree Committee Motion [Docket Nos. 299 and 300, respectively]. The Retiree Committee Motion is scheduled to be heard by the Bankruptcy Court on December 12, 2019, at 9:30 a.m. (prevailing Eastern Time).

G. *Exclusivity.*

Section 1121(b) of the Bankruptcy Code establishes an initial period of 120 days after the Bankruptcy Court enters an order for relief under chapter 11 of the Bankruptcy Code, during which only the debtor may file a chapter 11 plan. If the debtor files a chapter 11 plan within such 120-day period, section 1121(c)(3) of the

Bankruptcy Code extends the exclusivity period by an additional 60 days to permit the debtor to seek acceptances of such plan. Section 1121(d) of the Bankruptcy Code also permits the Bankruptcy Court to extend these exclusivity periods "for cause." The Debtors' initial exclusivity period to file a chapter 11 plan is set to expire on February 26, 2020, which is 120 days after the Debtors filed for relief under chapter 11 of the Bankruptcy Code, absent court order extending that deadline. On [December 3], 2019, the Debtors filed the Plan.

ARTICLE VI.
SUMMARY OF THE PLAN

This section provides a summary of the structure and means for implementation of the Plan and the classification and treatment of Claims and Interests under the Plan, and is qualified in its entirety by reference to the Plan (as well as the exhibits thereto and definitions therein).

The statements contained in this Disclosure Statement include summaries of the provisions contained in the Plan and in the documents referred to therein. The statements contained in this Disclosure Statement do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein, and reference is made to the Plan and to such documents for the full and complete statement of such terms and provisions of the Plan or documents referred to therein.

The Plan controls the actual treatment of Claims against, and Interests in, the Debtors under the Plan and will, upon the occurrence of the Effective Date, be binding upon all holders of Claims against and Interests in the Debtors, the Debtors' Estates, the Wind-Down Trust, all parties receiving property under the Plan, and other parties in interest. In the event of any conflict between this Disclosure Statement and the Plan or any other operative document, the terms of the Plan and/or such other operative document shall control.

A. *Treatment of Unclassified Claims.*

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

1. Administrative Claims.

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors, and with respect to any non-ordinary course Allowed Administrative Claims, with the consent of the Required Consenting Superpriority Lenders (which consent shall not be unreasonably withheld, conditioned, or delayed), or the Plan Administrator, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 45 days after the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C of the Plan, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Plan Administrator no later than the Administrative Claim Bar Date pursuant to the procedures

specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the Plan Administrator (if the Plan Administrator is not the objecting party) and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Estates, the Wind-Down Trust, the Plan Administrator, or the property of any of the foregoing, and such Administrative Claims shall be deemed released as of the Effective Date without the need for any objection from the Debtors or the Plan Administrator or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

2. Payment of Fees and Expenses under DIP Order.

On the later of (1) the Effective Date and (2) the date on which such fees, expenses, or disbursements would be required to be paid under the terms of the DIP Order, the Debtors or the Wind-Down Trust, as applicable, shall pay (x) all fees, expenses, and disbursements of the DIP Agents and DIP Lenders, in each case that have accrued and are unpaid as of the Effective Date and are required to be paid under or pursuant to the applicable DIP Order and (y) any Claim related to the reasonable and documented fees and expenses, contribution or indemnification obligations (including, for the avoidance of doubt, those that may accrue before or after the Effective Date (including in any appellate proceedings related to the Chapter 11 Cases)) of the Superpriority Lenders and their respective professionals payable pursuant to the DIP Order. Such fees, expenses, or disbursements shall constitute Allowed Administrative Claims. Nothing herein shall require the Superpriority Lenders, or their respective professionals, to file applications, a Proof of Claim, or otherwise seek approval of the Court as a condition to the payment of such Allowed Administrative Claims.

3. Professional Fee Claims.

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

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 45 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The Plan Administrator (or the authorized signatories to the Professional Fee Escrow Account, after consultation with the Plan Administrator) shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

(b) Professional Fee Escrow Account.

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, the Plan Administrator, or the Wind-Down Trust.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the Plan Administrator, as applicable, from the funds held in the Professional Fee

Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided* that the Debtors' and the Plan Administrator's obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account and such Allowed Professional Fee Claims shall also be payable from the Wind-Down Trust Assets. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the Wind-Down Trust without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

(c) Professional Fee Escrow Amount.

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided*, *however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account, *provided* that the Plan Administrator shall use Cash from the Wind-Down Trust to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

(d) Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors after the Confirmation Date, and (b) the UCC after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and the Plan Administrator, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or the Plan Administrator, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors, as applicable. If the Debtors dispute the reasonableness of any such invoice, the Debtors or the Plan Administrator, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Case Management Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

4. DIP Claims.

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreement, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of the Plan, or other such treatment as contemplated by Article II.C of the Plan, and except with respect to the Contingent DIP Obligations (which shall survive the Effective Date and shall continue to be governed by the DIP Documents), on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

Notwithstanding the foregoing, the Contingent DIP Obligations shall survive the Effective Date and shall constitute Allowed Administrative Claims and shall be paid on a current basis in full in Cash on the Effective Date, or to the extent accrued after the Effective Date, on a current basis in full in Cash as invoiced and shall not be

released pursuant to the Plan or Confirmation Order, and shall be paid by the Plan Administrator from the Wind-Down Trust Assets as and when due under the DIP Documents. After the Effective Date, the Plan Administrator shall continue to reimburse the DIP Agents and the DIP Lenders for the reasonable fees and expenses (including reasonable and documented legal fees and expenses) incurred by the DIP Agents and the DIP Lenders after the Effective Date that survive termination or maturity of the DIP Facility in accordance with the terms thereof and/or the DIP Order. The Plan Administrator shall pay all of the amounts that may become payable to the DIP Agents or any of the DIP Lenders under any of the foregoing provisions in accordance with the terms of the DIP Documents and the DIP Order.

(a) DIP Term Loan Claims.

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP Term Loan Claim, on the Effective Date and at the election of each such Holder of an Allowed DIP Term Loan Claim shall (i) receive payment in full in Cash, (ii) exchange such DIP Term Loan Claims into the New Takeback Debt, if any, or (iii) receive such other treatment as acceptable to the DIP Term Loan Lender. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Facility as of the Effective Date.

Pursuant to the DIP Credit Agreement, all Cash distributions pursuant to Article II.D.1 of the Plan shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Credit Agreement and DIP Documents. The DIP Term Loan Agent shall hold or direct distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

(b) DIP FILO Claims.

Except to the extent that a Holder of an Allowed DIP FILO Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for, each Allowed DIP FILO Claim, each Holder of an Allowed DIP FILO Claim shall receive on the Effective Date either (i) payment in full in Cash of such Holder's Allowed DIP FILO Claim or (ii) such other treatment as acceptable to the DIP FILO Lender. The DIP FILO Claims shall be Allowed in the aggregate amount outstanding under the DIP FILO Facility as of the Effective Date.

5. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

B. *Classification and Treatment of Claims and Interests.*

1. Classification of Claims and Interests.

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth in Article III of the Plan for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of

receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F of the Plan. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors (other than Murray Colombian Resources, LLC, which will only exist for Class 9 to the extent of any Claims in such Class), except that (i) Class 5, Class 7, and Class 8 each will be vacant at Debtor Murray South America, Inc. and the Western Kentucky Debtors and (ii) Class 12 will be vacant at each Debtor other than Holdings. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

The classification of Claims and Interests against each Debtor (as applicable) pursuant to the Plan is as follows:

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 4	Superpriority Claims	Impaired	Entitled to Vote
Class 5	Term Loan Claims	Impaired	Entitled to Vote
Class 6	1.5L Notes Claims	Impaired	Entitled to Vote
Class 7	Stub 2L Notes Claims	Impaired	Entitled to Vote
Class 8	2L Notes Claims	Impaired	Entitled to Vote
Class 9	General Unsecured Claims	Impaired	Entitled to Vote
Class 10	Intercompany Claims	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class 11	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class 12	Interests in Holdings	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 13	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

2. Treatment of Claims and Interests.

Subject to Article VI of the Plan, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, release, and in exchange for, such Holder’s Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder’s Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

To the extent a Class contains Allowed Claims or Allowed Interests with respect to any Debtor, the classification of Allowed Claims and Allowed Interests is specified below.

(a) Class 1 – Prepetition ABL Secured Claims.

(i) *Classification*: Class 1 consists of all Other Priority Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor (in consultation with the Winning Bidder and the Required Consenting Superpriority Lenders) or the Plan Administrator, as applicable:

(A) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or

(B) such other treatment rendering such Holder's Allowed Other Priority Claim Claim Unimpaired.

(iii) *Voting*: Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claim are not entitled to vote to accept or reject the Plan.

(b) Class 2 – Superpriority Term Loan Secured Claims.

(i) *Classification*: Class 2 consists of all Other Secured Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor (in consultation with the Winning Bidder and the Required Consenting Superpriority Lenders) or the Plan Administrator, as applicable:

(A) payment in full in Cash of such Holder's Allowed Other Secured Claim; or

(B) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.

(iii) *Voting*: Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Holders of an Other Secured Claim are not entitled to vote to accept or reject the Plan.

(c) Class 3 – Term Loan Claims.

(i) *Classification*: Class 3 consists of all Secured Tax Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed Secured Tax Claim and the applicable Debtor (in consultation with the Winning Bidder and the Required Consenting Superpriority Lenders) or the Plan Administrator agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Secured Tax Claim, each such Holder shall receive, at the option of the applicable Debtor (in consultation with the Winning Bidder and the Required Consenting Superpriority Lenders) or the Plan Administrator, as applicable:

(A) payment in full in Cash of the unpaid portion of such Holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or

(B) such other treatment rendering such Holder's Allowed Secured Tax Claim Unimpaired.

(iii) *Voting*: Class 3 is Unimpaired under the Plan. Each Holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each Holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

(d) Class 4 – Superpriority Claims.

(i) *Classification*: Class 4 consists of Superpriority Claims.

(ii) *Allowance*: The Superpriority Claims shall be deemed allowed in the amount of $1,753,616,131.58 (consisting of $1,593,188,196.27 in B-2 Superpriority Claims and $160,427,935.31 in B-3 Superpriority Claims) as of the Petition Date, plus interest, fees, and other expenses and amounts provided for in the Superpriority Credit Agreement, incurred after such date, through the Effective Date, solely to the extent Allowed by the Bankruptcy Code.

(iii) *Treatment:* Except to the extent that a Holder of an Allowed Superpriority Claim and the applicable Debtor agree to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement and release of and in exchange for such Allowed Superpriority Claims, each Holder of an Allowed Superpriority Claim shall receive, up to the full amount of such Holder's Allowed Superpriority Claim, either:

(A) if Murray NewCo is the Winning Bidder, its pro rata share of: (w) 100 percent of the New Interests, subject to dilution for the Management Incentive Plan, (x) the New Takeback Debt, if any (less any New Takeback Debt issued in exchange for any DIP Term Loan Claims), (y) Cash proceeds of any of the Debtors' assets that are not Purchased Assets (as defined in the Stalking Horse APA) and that constitute collateral of the Superpriority Claims pursuant to the Superpriority Loan Documents, and (z) its Pro Rata share (along with Class 5, Class 6, Class 7, Class 8, and Class 9) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, either (y) payment in full in Cash or (z) its Pro Rata share of the Sale Proceeds Distributable Consideration, which amount of the Sale Proceeds Distributable Consideration must be acceptable to Required Consenting Superpriority Lenders.

(iv) *Voting*: Class 4 is Impaired under the Plan. Holders of Superpriority Claims are entitled to vote to accept or reject the Plan.

(e) Class 5 – Term Loan Claims.

(i) *Classification*: Class 5 consists of all Term Loan Claims.

(ii) *Allowance*: The Term Loan Claims shall be deemed Allowed in the amount of $51,901,832.60 (consisting of $38,880,348.11 in B-2 Term Loan Claims and $13,021,484.49 in B-3 Term Loan Claims).

(iii) *Treatment*: Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive, up to the full amount of such Holder's Allowed Term Loan Claim, either:

(A) if Murray NewCo is the Winning Bidder, its Pro Rata share (along with Class 4, Class 6, Class 7, Class 8, and Class 9) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

(iv) *Voting*: Class 5 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

(f) Class 6 – 1.5L Notes Claims.

(i) *Classification*: Class 6 consists of 1.5L Notes Claims.

(ii) *Allowance*: The 1.5L Notes Claims shall be deemed Allowed in the amount of $521,922,961.37.

(iii) *Treatment*: Except to the extent that a Holder of an Allowed 1.5L Notes Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed 1.5L Notes Claim, each Holder of an Allowed 1.5L Notes Claim shall receive, up to the full amount of such Holder's Allowed 1.5L Notes Claim, either:

(A) if Murray NewCo is the Winning Bidder, its Pro Rata share (along with Class 4, Class 5, Class 7, Class 8, and Class 9) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims and the Term Loan Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

(iv) *Voting*: Class 6 is Impaired under the Plan. Holders of 1.5L Notes Claims are entitled to vote to accept or reject the Plan.

(g) Class 7 – Stub 2L Notes Claim.

(i) *Classification*: Class 7 consists of 2L Notes Claims.

(ii) *Allowance*: The Stub 2L Notes Claims shall be deemed Allowed in the amount of $1,983,751.89.

(iii) *Treatment*: Except to the extent that a Holder of an Allowed Stub 2L Notes Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Stub 2L Notes Claim, each Holder of an Allowed Stub 2L Notes Claim shall receive, up to the full amount of such Holder's Allowed Stub 2L Notes Claim, either:

(A) if Murray NewCo is the Winning Bidder, its Pro Rata share (along with Class 4, Class 5, Class 6, Class 8, and Class 9) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims, the Term Loan Claims, and the 1.5L Notes Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

(iv) *Voting*: Class 7 is Impaired under the Plan. Holders of Stub 2L Notes Claims are entitled to vote to accept or reject the Plan.

(h) Class 8 – 2L Notes Claims.

(i) *Classification*: Class 8 consists of 2L Notes Claims

(ii) *Allowance*: The 2L Notes Claims shall be deemed Allowed in the amount of $312,634,748.43.

(iii) *Treatment*: Except to the extent that a Holder of an Allowed 2L Notes Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed 2L Notes Claim, each Holder of an Allowed 2L Notes Claim shall receive, up to the full amount of such Holder's Allowed 2L Notes Claim, either:

(A) if Murray NewCo is the Winning Bidder, its Pro Rata share (along with Class 4, Class 5, Class 6, Class 7, and Class 9) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims, the Term Loan Claims, the 1.5L Notes Claims, and the Stub 2L Notes Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

(iv) *Voting*: Class 8 is Impaired under the Plan. Holders of 2L Notes Claims are entitled to vote to accept or reject the Plan.

(i) Class 9 – General Unsecured Claims.

(i) *Classification*: Class 9 consists of all General Unsecured Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final

satisfaction, compromise, settlement, and release of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim, either:

(A) if Murray NewCo is the Winning Bidder, its Pro Rata share (along with Class 4, Class 5, Class 6, Class 7, and Class 8) of Stalking Horse Distributable Consideration, if any; or

(B) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims, the Term Loan Claims, the 1.5L Notes Claims, the Stub 2L Notes Claims, and 2L Notes Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

(iii) *Voting*: Class 9 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

(j) Class 10 – Intercompany Claims.

(i) *Classification*: Class 10 consists of all Intercompany Claims.

(ii) *Treatment*: Holders of Intercompany Claims shall not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Plan Administrator may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by the Debtors, including as provided in the Restructuring Steps Memorandum.

(iii) *Voting*: Class 10 is Impaired or Unimpaired under the Plan. Holders of Intercompany Claims are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

(k) Class 11 – Intercompany Interests.

(i) *Classification*: Class 11 consists of all Intercompany Interests.

(ii) *Treatment*: Intercompany Interests shall be, at the option of the Debtors, with the consent of the Required Consenting Superpriority Lenders if Murray NewCo is the Winning Bidder, either:

(A) Reinstated in accordance with Article III.G of the Plan; or

(B) cancelled and released without any distribution on account of such Interests.

(iii) *Voting*: Class 11 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

(l) Class 12 – Interests in Holdings.

(i) *Classification*: Class 12 consists of all Interests in Holdings.

(ii) *Treatment*: On the Effective Date, all Interests in Holdings will be cancelled, released, *and* extinguished, and will be of no further force or effect.

(iii) *Voting*: Class 12 is Impaired under the Plan. Holders of Interests in Holdings are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interests in Holdings are not entitled to vote to accept or reject the Plan.

(m) Class 13 – Section 510(b) Claims.

(i) *Classification*: Class 13 consists of all Section 510(b) Claims.

(ii) *Allowance*: Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.

(iii) *Treatment*: Allowed Section 510(b) Claims, if any, shall be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.

(iv) *Voting*: Class 13 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of Section 510(b) Claims are not entitled to vote to accept or reject the Plan.

3. Special Provision Governing Unimpaired Claims.

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired; *provided*, *however*, that the Reinstatement or other treatment of such Claims shall not be inconsistent with the Sale Transaction Documentation. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

4. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

5. Subordinated Claims.

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination,

section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Plan Administrator reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

6. Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes.

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and 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.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

7. Intercompany Interests.

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Winning Bidder, and in exchange for the Debtors' agreement under the Plan to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors to the Holders of certain Allowed Claims.

8. Controversy Concerning Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

C. *Means for Implementation of the Plan.*

1. General Settlement of Claims and Interests.

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, on the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, or otherwise resolved pursuant to the Plan. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

2. Restructuring Transactions.

On the Effective Date, the Debtors shall take all actions set forth in the Restructuring Steps Memorandum, and enter into any transaction and take any reasonable actions as may be necessary or appropriate to effect the transactions described herein, including, as applicable: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any 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, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (iii) the filing of appropriate

certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (iv) all other actions that the Debtors, the Winning Bidder, and the Required Consenting Superpriority Lenders determine to be necessary or appropriate in connection with the consummation of the Sale Transaction, including making filings or recordings that may be required by applicable law in connection with the Plan.

3. Sources of Consideration for Plan Distributions.

On and after the Effective Date, the Debtors or the Plan Administrator, as applicable, will fund the Debtors' distributions and obligations under the Plan with (i) the Sale Proceeds, (ii) the New Takeback Debt, if any (iii) the Exit Facility, if any, (iv) the issuance and distribution of New Interests, (v) Cash proceeds from the sale of any of the Debtors' assets that are not acquired by the Winning Bidder, (vi) the Wind-Down Amount, and (vii) Cash on hand. After the Effective Date, to the extent not held in the Professional Fee Escrow Account, the amounts held by the Wind-Down Trust shall be held in the Wind-Down Trust Account.

(a) Sale Transaction and Sale Proceeds.

The Debtors will conduct a marketing and Auction process of some or all of the Debtors' assets in accordance with the Bidding Procedures to determine the Winning Bidder. The Debtors will seek to elicit a higher or otherwise better offer than the Stalking Horse Term Sheet pursuant to the process set forth in the Bidding Procedures. If the Debtors are unable to secure such higher or otherwise better offer than provided for in the Stalking Horse Term Sheet at the conclusion of the marketing and Auction process contemplated by the Bidding Procedures, Murray NewCo will be the Winning Bidder for purposes of the Plan, and the Debtors will seek Confirmation of the Plan as contemplated herein. If the Debtors are able to secure a higher or otherwise better offer than the Stalking Horse Term Sheet in accordance with the Bidding Procedures, and the Winning Bidder is an Entity other than Murray NewCo, the Sale Transaction will be consummated pursuant to the Plan in accordance with an asset purchase agreement or asset purchase agreements to be set forth in the Plan Supplement.

On the Effective Date, the Debtors shall consummate the Sale Transaction and, among other things, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Plan, and the Sale Transaction Documentation, each as applicable. In exchange, the Winning Bidder shall pay to the Debtors the Sale Proceeds or other non-Cash consideration in accordance with the Sale Transaction Documentation. On and after the Effective Date, except as otherwise provided in the Plan, the Winning Bidder may operate its businesses and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

(b) The New Interests.

On the Effective Date, in the event Murray NewCo is the Winning Bidder, Murray NewCo is authorized to issue or cause to be issued and shall, as provided for in the Restructuring Steps Memorandum, issue the New Interests for eventual distribution to the Holders of Superpriority Claims in accordance with the terms of the Plan 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. The New Interests shall be issued and distributed free and clear of all Liens, Claims, and other Interests. All of the New Interests issued pursuant to the Plan, as contemplated by the Sale Transaction, shall be duly authorized and validly issued.

On the Effective Date, the Murray NewCo and all holders of the New Interests then outstanding shall be deemed to be parties to the New Organizational Documents, substantially in the form contained in the Plan Supplement, without the need for execution by any such holder. The New Organizational Documents shall be binding on the Murray NewCo and all parties receiving, and all holders of, New Interests

(c) The New Takeback Debt.

If Murray NewCo issues New Takeback Debt, on the Effective Date, Murray NewCo shall execute and deliver the New Takeback Debt Documents, if any, and such documents shall become effective in accordance with their terms. On and after the Effective Date, the New Takeback Debt Documents, if any, shall constitute legal, valid, and binding obligations of Murray NewCo and be enforceable in accordance with their respective terms. The terms and conditions of the New Takeback Debt Documents, if any, shall bind Murray NewCo and each other Entity that enters into such New Takeback Debt Documents as a guarantor. Any Entity's entry into the New Takeback Debt Agreement, if any, shall be deemed as its agreement to the terms of such New Takeback Debt Documents, as amended or modified from time to time following the Effective Date in accordance with its terms. Whether or not Murray NewCo shall issue New Takeback Debt shall be determined by the Required Consenting Superpriority Lenders in consultation with the Debtors prior to the Confirmation Hearing.

Confirmation shall be deemed approval of the New Takeback Debt Documents (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations and guarantees to be incurred and fees and expenses paid in connection therewith), if any, and, to the extent not approved by the Bankruptcy Court previously, Murray NewCo will be authorized to execute and deliver those documents necessary or appropriate to obtain the New Takeback Debt, including the New Takeback Debt Documents, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as Murray NewCo may deem to be necessary to enter into the New Takeback Debt Documents, if any.

On the Effective Date, all of the claims, liens, and security interests to be granted in accordance with the terms of the New Takeback Debt Documents, if any, (a) shall be legal, binding, and enforceable liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the New Takeback Debt Documents, (b) shall be deemed automatically attached and perfected on the Effective Date, subject only to such other liens and security interests as may be permitted under the New Takeback Debt Documents, and (c) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or applicable non-bankruptcy law.

(d) The Exit Facility.

If Murray NewCo enters into the Exit Facility, on the Effective Date, Murray NewCo shall execute and deliver the Exit Facility Documents, if any, and such documents shall become effective in accordance with their terms. On and after the Effective Date, the Exit Facility Documents, if any, shall constitute legal, valid, and binding obligations of the Murray NewCo and be enforceable in accordance with their respective terms. The terms and conditions of the Exit Facility Agreement shall bind Murray NewCo and each other Entity that enters into such Exit Facility Agreement as a guarantor. Any Entity's entry into the Exit Facility Agreement shall be deemed as its agreement to the terms of such Exit Facility Agreement, as amended or modified from time to time following the Effective Date in accordance with its terms. Whether or not Murray NewCo shall enter into the Exit Facility shall be determined by the Required Consenting Superpriority Lenders in consultation with the Debtors prior to the Confirmation Hearing.

Confirmation shall be deemed approval of the Exit Facility Documents (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations and guarantees to be incurred and fees paid in connection therewith), if any, and, to the extent not approved by the Bankruptcy Court previously, Murray NewCo will be authorized to execute and deliver those documents necessary or appropriate to obtain the Exit Facility, including the Exit Facility Documents, each as applicable, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or Murray NewCo may deem to be necessary to enter into the Exit Facility Documents.

On the Effective Date, all of the claims, liens, and security interests to be granted in accordance with the terms of the Exit Facility Documents, if any, (a) shall be legal, binding, and enforceable liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Facility Documents, (b) shall

be deemed automatically attached and perfected on the Effective Date, subject only to such liens and security interests as may be permitted under the Exit Facility Documents, and (c) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or applicable non-bankruptcy law.

4. Plan Administrator and the Wind-Down Trust.

(a) Plan Administrator.

On the Effective Date, the Plan Administrator shall be appointed for the purpose of conducting the Wind-Down and shall succeed to such powers as would have been applicable to the Debtors' officers, directors, and shareholders, and the Debtors shall be authorized to be (and, upon the conclusion of the Wind-Down, shall be) dissolved by the Plan Administrator. The Plan Administrator shall act for the Debtors in the same fiduciary capacity as applicable to a board of managers and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, articles of incorporation or amendment by-laws, and related documents, as applicable, are deemed amended pursuant to the Plan to permit and authorize the same). From and after the Effective Date, the Plan Administrator shall be the sole representative of and shall act for the post-Effective Date Debtors and their Estates.

Among other things, the Plan Administrator shall be responsible for: (1) implementing the Wind-Down as expeditiously as reasonably possible and administering the liquidation of the post-Effective Date Debtors and their Estates and any assets held by the Wind-Down Trust after the Effective Date and after consummation of the Sale Transaction, (2) resolving any Disputed Claims, (3) paying Allowed Claims, (4) filing appropriate tax returns, and (5) administering the Plan.

All property of the Estates not distributed to the Holders of Claims or Interests on the Effective Date, or transferred pursuant to the Sale Transaction Documents, shall be transferred to the Wind-Down Trust and managed and distributed by the Plan Administrator pursuant to the terms of the Wind-Down Trust Agreement and shall be held in the name of the Wind-Down Trust free and clear of all Claims and Interests except for rights to such distributions provided to Holders of Allowed Claims and Allowed Interests as provided in the Plan. The Plan Administrator shall represent the Wind-Down Trust and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion, are necessary to assist the Plan Administrator in performing his or her duties. The Plan Administrator shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator without further order of the Bankruptcy Court. Any and all reasonable and documented costs and expenses incurred by the Plan Administrator in connection with the Wind-Down shall be paid from the funds of the Wind-Down Trust, subject to the terms and conditions of the Wind-Down Trust Agreement. The Plan Administrator shall be compensated and reimbursed for reasonable costs and expenses as set forth in, and in accordance with, the Wind-Down Trust Agreement. The Plan Administrator shall provide Murray NewCo with all non-privileged budgets, records, projections, financial information, reports, and other information that Murray NewCo (or its consultants and advisors) may reasonably request. In the event of the resignation or removal, liquidation, dissolution, death, or incapacity of the Plan Administrator, the Wind-Down Trust Agreement shall set forth the process for appointing a new Plan Administrator.

(b) The Wind-Down.

On and after the Effective Date, the Plan Administrator will be authorized to implement the Plan, and the Plan Administrator shall have the power and authority to take any reasonable action necessary to implement the Wind-Down. On and after the Effective Date, the Plan Administrator shall cause the Debtors to comply with, and abide by, the terms of the Sale Transaction and Sale Transaction Documentation, and take such other reasonable actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Except to the extent necessary to complete the Wind-Down, from and after the Effective Date, the Debtors (1) for all purposes, shall be deemed to have withdrawn their business operations from any state or province in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action to effectuate such withdrawal, (2) shall be

deemed to have cancelled pursuant to the Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. The filing of the final monthly operating or disbursement report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator.

On the Effective Date, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement and immediately after the consummation of the Sale Transaction to receive all of the remaining assets of the Debtors. The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Estates, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust. The Debtors will have no reversionary or further interest in or with respect to the Wind-Down Trust Assets upon the transfer of the Wind-Down Trust Assets as more fully set forth in the Wind-Down Trust Agreement. The Debtors have agreed to take the position that grantor trust treatment applies to the extent reasonably practicable, in which case, for all U.S. federal income tax purposes, the beneficiaries of the Wind-Down Trust would be treated as grantors and owners thereof, and it is intended, to the extent reasonably practicable, that the Wind-Down Trust be classified as a liquidating trust under section 301.7701-4 of the Treasury Regulations. Accordingly, subject to the immediately foregoing sentence, it is intended for U.S. federal income tax purposes that the beneficiaries of the Wind-Down Trust be treated as if they had received an interest in the Wind-Down Trust's assets and then contributed such interests to the Wind-Down Trust. As soon as possible after the transfer of the Wind-Down Trust Assets to the Wind-Down Trust, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets. This valuation will be made available from time to time as may be relevant for tax reporting purposes. Each of the Debtors, the Plan Administrator, and the Holders of Claims receiving interests in the Wind-Down Trust shall take consistent positions with respect to the valuation of the Wind-Down Trust Assets, and such valuation shall be utilized for all U.S. federal income tax purposes. The Wind-Down Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Wind-Down Trusts Assets, make timely distributions to the beneficiaries of the Wind-Down Trust pursuant to the Plan and the Confirmation Order, and not unduly prolong its duration.

The Debtors expect that the Disputed Claims Reserve will be treated as a "disputed ownership fund" governed pursuant to section 1.468B-9 of the Treasury Regulations, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate U.S. federal income tax return shall be filed with the U.S. Internal Revenue Service for the Disputed Claims Reserve, and the Disputed Claims Reserve will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the Disputed Claims Reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

On the Effective Date, any Estate non-Cash assets remaining after the Sale Transaction is consummated shall vest in the Wind-Down Trust for the purpose of facilitating the above tasks. Such assets shall be held free and clear of all Liens, Claims, and Interests, except as otherwise provided in the Plan. The Debtors, the Plan Administrator, and the Wind-Down Trust shall be deemed to be fully bound to the terms of the Plan, the Confirmation Order, and the Wind-Down Trust Agreement.

On the Effective Date or as soon as reasonably practicable thereafter, the Wind-Down Trust shall be funded with the Wind-Down Amount pursuant to the Wind-Down Trust Agreement for the purpose of (a) satisfying all fees, expenses, and disbursements that the Plan Administrator may incur in connection with the Wind-Down, (b) paying fees and expenses that any attorney, accountant, or other professional that the Plan Administrator has retained to facilitate its duties, (c) until all Superpriority Claims are paid or otherwise satisfied in full, the Ad Hoc Group of Superpriority Lenders shall have the right to retain the services of attorneys, accountants, and other professionals that, in the discretion of the Ad Hoc Group of Superpriority Lenders, are necessary or desirable to assist the Ad Hoc Group of Superpriority Lenders, and the fees and expenses of such professionals shall be paid by the Plan Administrator from the Wind-Down Trust within 5 business days of submission of statements to the Plan Administrator and shall not be subject to the approval of the Bankruptcy Court, and (d) compensating the Plan Administrator, each in accordance with Article IV.D of the Plan and the Wind-Down Trust Agreement.

(c) Tax Returns.

After the Effective Date, the Plan Administrator shall complete and file all final or otherwise required federal, state, and local tax returns for each of the Debtors and Wind-Down Trust.

(d) Dissolution of the Debtors.

Upon a certification to be Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made and completion of all its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Wind-Down Trust shall be deemed to be dissolved without any further action by the Plan Administrator, including the filing of any documents with the secretary of state for the state in which the Debtors are formed or any other jurisdiction. Notwithstanding the foregoing, the Plan Administrator shall retain the authority to take all necessary actions to dissolve the Debtors in, and withdraw the Debtors from, applicable states and provinces to the extent required by applicable law.

5. New Organization Documents.

On or prior to the Effective Date, Murray NewCo will file its applicable New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in their respective states, provinces, or countries of incorporation or organization in accordance with the corporate laws of the respective states, provinces, or countries of incorporation or organization. The New Organizational Documents will prohibit the issuance of non-voting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, Murray NewCo may amend and restate their respective New Organizational Documents as permitted by such documents and the laws of their respective states, provinces, or countries of incorporation or organization; *provided* that the New Organizational Documents for Murray NewCo shall contain provisions for a limited right of first offer in favor of Robert E. Murray in form and substance acceptable to Robert E. Murray and the Required Consenting Superpriority Lenders.

6. New Board.

As of the Effective Date, except as set forth in Article IV.F of the Plan, all directors, managers, and other members of existing boards or governance bodies of the Debtors, as applicable, shall cease to hold office or have any authority from and after such time to the extent not expressly included in the roster of the applicable New Board. Pursuant to section 1129(a)(5) of the Bankruptcy Code, to the extent known, the Debtors will disclose in the Plan Supplement the identity and affiliations of any Person proposed to serve on the New Board. To the extent any such director or officer of the Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the applicable New Organizational Documents, and other constituent documents of Murray NewCo.

The New Board shall consist of an odd number of directors, which shall be comprised of (i) Robert E. Murray, as Chairman of the New Board, (ii) Robert D. Moore, as Chief Executive Officer and President, and (iii) the remaining directors with industry and financial experience and expertise selected by the Required Consenting Superpriority Lenders in reasonable consultation with Robert E. Murray and Robert D. Moore.

7. New Employment Contracts.

On the Effective Date, Murray NewCo shall enter into New Employment Contracts with the employees covered by such New Employment Contracts, and such New Employment Contracts shall become effective in accordance with their terms and the Plan.

8. Cancellation of Existing Securities and Agreements.

On On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the Superpriority Credit Agreement, the Term Loan Credit Agreement, the 1.5L Indenture, the

2L Indenture, Stub 2L Indenture, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors, and the Wind-Down Trust shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released. Notwithstanding the foregoing, (a) no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, (b) the Superpriority Credit Agreement, Term Loan Credit Agreement, 1.5L Indenture, Stub 2L Indenture, and 2L Indenture shall continue in effect solely for the purpose of (I) allowing Holders of the Superpriority Claims, Term Loan Claims, 1.5L Notes Claims, Stub 2L Notes Claims, and 2L Notes Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in Article VI.A of the Plan, (III) preserving all rights, including rights of enforcement, of the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees to indemnification or contribution pursuant and subject to the terms of the Superpriority Credit Agreement, Term Loan Credit Agreement, 1.5L Indenture, Stub 2L Indenture, and 2L Indenture in respect of any Claim or Cause of Action asserted against the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees, as applicable, *provided* that any Claim or right to payment on account of such indemnification or contribution shall be an Administrative Claim, and (IV) permitting each of the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees to appear in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court, *provided* that (1) the preceding proviso shall not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order, or the Plan, or result in any expense or liability to the Debtors or Plan Administrator, as applicable, except as expressly provided for in the Plan and (2) except as otherwise provided herein, the terms and provisions of the Plan shall modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan, and (c) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in Article III.B.12 of the Plan.

Each of the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees shall be discharged and shall have no further obligation or liability except as provided in the Plan and Confirmation Order, and after the performance by the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees and their respective representatives and professionals of any obligations and duties required under or related to the Plan or Confirmation Order, each of the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees shall be relieved of and released from any obligations and duties arising thereunder. The fees, expenses, and costs of the Superpriority Agent, the Term Loan Agent, and the Indenture Trustees, including costs of their respective professionals incurred after the Effective Date in connection with any obligation that survive under the Plan will be paid by the Debtors or Plan Administrator, as applicable, in the ordinary course.

Except as provided in the Plan, on the Effective Date, the DIP Agents and their respective agents, successors, and assigns shall be automatically and fully discharged of all of their duties and obligations associated with the DIP Documents. The commitments and obligations, if any, of the DIP Lenders to extend any further or future credit or financial accommodations to any of the Debtors, any of their respective subsidiaries, or any of their respective successors or assigns under the DIP Documents, as applicable, shall fully terminate and be of no further force or effect on the Effective Date. To the extent that any provision of the DIP Documents or DIP Order are of a type that survives repayment of the subject indebtedness, such provisions shall remain in effect notwithstanding satisfaction of the DIP Claims.

If the record Holder of either of the 1.5L Notes Claims, Stub 2L Notes Claims, and 2L Notes Claims is DTC or its nominee or another securities depository or custodian thereof, and Holders of such 1.5L Notes Claims, Stub 2L Notes Claims, or 2L Notes Claims are represented by a global security held by or on behalf of DTC or such

other securities depository or custodian, then each such Holder of such 1.5L Notes Claims, Stub 2L Notes Claims, and 2L Notes Claims shall be deemed to have surrendered such Holder's note, debenture, or other evidence of indebtedness upon surrender of such global security by DTC or such other securities depository or custodian thereof.

9. Corporate Action.

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the Plan Administrator; (2) implementation of the Restructuring Transactions; (3) consummation of the Sale Transaction; (4) performance under the Sale Transaction Documentation; (5) execution of the Sale Transaction Documentation; and (6) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Wind-Down Trust, and any corporate action required by the Debtors or the Wind-Down Trust in connection with the Plan or corporate structure of the Debtors or the Wind-Down Trust shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Plan Administrator. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Plan Administrator, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Debtors or the Wind-Down Trust, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by Article IV.I of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

10. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Plan Administrator may issue, execute, deliver, file, or record such contracts, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Sale Transaction, and the instruments issued pursuant to the Plan in the name of and on behalf of the Wind-Down Trust, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

11. Exemption from Securities Act Registration.

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act and/or the regulations promulgated thereunder, the offering, issuance, exchange, or distribution of any securities pursuant to the Plan is or shall be conducted in a manner that is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security.

The New Interests (to the extent they are deemed to be securities) to be issued under the Plan (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (b) are freely tradable and transferable by any initial recipient thereof that (i) are not an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) have not been such an "affiliate" within 90 days of such transfer, and (iii) are not an entity that is an "underwriter" as defined in subsection (b) of Section 1145 of the Bankruptcy Code. Should the Debtors, or Murray NewCo, as applicable, elect on or after the Effective Date to reflect any ownership of the New Interests (to the extent they are deemed to be securities) to be issued under the Plan through the facilities of DTC, the Debtors, or Murray NewCo, as applicable, need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of the New Interests (to the extent they are deemed to be securities) to be issued under the Plan under applicable securities laws. DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Interests (to the extent they are deemed to be securities) to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the New

Interests (to the extent they are deemed to be securities) to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

To the extent the New Interests are deemed to be "securities," the issuance of such units under the Plan is exempt, pursuant to (i) section 1145 of the Bankruptcy Code (except with respect to an entity that is an "underwriter" as defined in subsection (b) of section 1145 of the Bankruptcy Code) or (ii) pursuant to section 4(a)(2) under the Securities Act and/or Regulation D thereunder (including with respect to an entity that is an "underwriter").

12. Exemption from Certain Taxes and Fees.

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers of property under the Plan (including pursuant to the Sale Transaction Documentation) or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Wind-Down Trust, including in accordance with the Sale Transaction Documentation, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, or (5) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

13. Preservations of Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to Article VIII of the Plan and the Sale Transaction Documentation, the Plan Administrator shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, other than Avoidance Actions and the Causes of Action (a) acquired by the Winning Bidder in accordance with the Sale Transaction or (b) released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII of the Plan, which shall be deemed released and waived by the Debtors, and the Wind-Down Trust as of the Effective Date.

The Plan Administrator may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Wind-Down Trust. The Plan Administrator shall retain and may exclusively enforce any and all such Causes of Action. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No 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 against it as any indication that the Plan Administrator will not pursue any and all available Causes of Action against it, except as assigned or transferred to the Winning Bidder in accordance with the Sale Transaction Documentation or otherwise expressly provided in the Plan, including Article IV and Article VIII of the Plan. Unless any such Causes of Action against an Entity are

expressly waived, relinquished, exculpated, released, compromised, assigned, or transferred to the Winning Bidder in accordance with the Sale Transaction Documentation, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all such Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

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

1. Settlement, Compromise, and Release of Claims and Interests.

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan (including Article IV.H of the Plan) or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Plan Administrator), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests subject to the occurrence of the Effective Date.

2. Release of Liens.

On the Effective Date, concurrently with the consummation of the Sale Transaction and except as otherwise set forth in the Sale Transaction Documentation, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests, or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Plan, and the Sale Transaction Documentation, each as applicable. Without limiting the foregoing, except as otherwise provided in the Plan, the Plan Supplement, the Exit Facility Documents, if any, the New Takeback Debt Documents, if any, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims that the Debtors elect to reinstate in accordance with Article III.B.2 of the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Plan Administrator to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases, and the Debtors and their successors and assigns shall be authorized to file and record such terminations or releases. The presentation

or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

3. Debtor Release.

Effective as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, including the service of the Released Parties in facilitating the expeditious reorganization of the Debtors and implementation of the restructuring contemplated by the Plan, the adequacy of which is hereby confirmed, on and after the Effective Date each Released Party is deemed released and discharged by each and all of the Debtors, their Estates, and the Wind-Down Trust, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of any of the Debtors, their Estates, or the Wind-Down Trust, as applicable, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, their Estates, or the Wind-Down Trust, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Superpriority Loan Documents, the ABL Loan Documents, the Restructuring Transactions, the Sale Transaction, entry into the Sale Transaction Documentation, the Exit Facility, if any, the New Takeback Debt, if any, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Term Loan Facility, the Sale Transaction, the Sale Transaction Documentation, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Term Loan Facility, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the pursuit of the Sale Transaction, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion), or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (1) any liabilities or obligations of the Winning Bidder to the Debtors relating to the Sale Transaction Documentation, (2) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Sale Transaction Documentation and any documents set forth in the Plan Supplement, each as applicable) executed to implement the Plan, and (3) any Causes of Action listed on the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors, their respective Estates, or the Wind-Down Trust asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

4. Third-Party Release.

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Released Party from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Superpriority Loan Documents, the ABL Loan Documents, the Restructuring Transactions, the Sale Transaction, entry into the Sale Transaction Documentation, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Term Loan Facility, the Sale Transaction, the Sale Transaction Documentation, the Plan, the Plan Supplement, the Exit Facility, if any, the New Takeback Debt, if any, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Term Loan Facility, the Exit Facility, if any, the New Takeback Debt, if any, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the pursuit of the Sale Transaction, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion), or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any liabilities or obligations of any Entity to the Winning Bidder relating to the Sale Transaction Documentation, or any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Sale Transaction Documentation and any documents set forth in the Plan Supplement, each as applicable) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors, their respective Estates, or the Wind-Down Trust asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

5. Exculpation.

Effective as of the Effective Date, to the fullest extent permissible under applicable law and without affecting or limiting either the Debtor Release or the Third-Party Release, and except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby exculpated from, any Cause of Action for any claim related to any act or omission based on the

negotiation, execution, and implementation of any transactions approved by the Bankruptcy Court in the Chapter 11 Cases, including the RSA, the Sale Transaction Documentation, the Disclosure Statement, the Plan, the Plan Supplement, the Confirmation Order, or any Restructuring Transaction, contract, instrument, release, or other agreement or document contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order, or created or entered into in connection with the RSA, the Sale Transaction Documentation, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the pursuit of the Sale Transaction, the administration and implementation of the Plan, including the issuance of any securities pursuant to the Plan or the distribution of property under the Plan or any other related agreement, and the implementation of the Sale Transaction and the Restructuring Transactions contemplated by the Plan (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion), or any other postpetition act taken or omitted to be taken in connection with or in contemplations of the restructuring of the Debtors, except for claims related to any act or omission that is determined by Final Order to have constituted actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes on, and distribution of consideration pursuant to, the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. Notwithstanding the foregoing, the exculpation shall not release any obligation or liability of any Entity relating to the Sale Transaction Documentation, or for any post-Effective Date obligation under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

6. Injunction.

Effective as of the Effective Date, pursuant to section 524(a) of the Bankruptcy Code, to the fullest extent permissible under applicable law, and except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims or Interests that have been released pursuant to Article VIII.A of the Plan, released pursuant to the Debtor Release, the Third-Party Release, or another provision of the Plan (including the release of liens pursuant to Article VIII.B of the Plan), or are subject to exculpation pursuant to Article VIII.E of the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Wind-Down Trust, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind, against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Plan.

Upon entry of the Confirmation Order, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan; *provided* that the foregoing shall not enjoin any Consenting Superpriority Lender from exercising any of its rights under the RSA in accordance with the terms thereof. Each Holder of an Allowed Claim or Allowed

Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article VIII.F of the Plan.

7. Protections Against Discriminatory Treatment.

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the 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 Debtors, or another Entity with whom the Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

8. Document Retention.

On and after the Effective Date, the Plan Administrator may maintain documents in accordance with the Debtors' standard document retention policy, as may be altered, amended, modified, or supplemented by the Plan Administrator.

9. Reimbursement or Contribution.

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

10. Term of Injunctions or Stays.

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect on and following the Effective Date in accordance with their terms.

11. Subordination Rights.

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the Plan shall be terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Estates, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

E. *Conditions Precedent to Effective Date.*

1. Conditions Precedent to the Effective Date.

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

(a) the Bankruptcy Court shall have entered the Confirmation Order and such order shall not have been stayed, modified, or vacated on appeal;

(b) the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan and the Sale Transaction;

(c) if applicable, the Exit Facility Documents shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent (other than any conditions related to the occurrence of the Effective Date) to the consummation of the Exit Facility shall have been waived or satisfied in accordance with the terms thereof, and the closing of the Exit Facility shall be deemed to occur concurrently with the occurrence of the Effective Date;

(d) if applicable, the New Takeback Debt Documents shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent (other than any conditions related to the occurrence of the Effective Date) to the consummation of the New Takeback Debt shall have been waived or satisfied in accordance with the terms thereof, and the closing of the New Takeback Debt shall be deemed to occur concurrently with the occurrence of the Effective Date;

(e) to the extent required by the Winning Bidder, the Debtors shall have (a) reached an agreement with the applicable authorized representatives of the employees and retirees regarding modifications to the Debtors' Collective Bargaining Agreements and retiree benefits, respectively, in form and substance acceptable to the Required Consenting Superpriority Lenders or the Winning Bidder (to the extent Murray NewCo is not the Winning Bidder), or (b) absent such agreement, the Bankruptcy Court shall have entered an order, in form and substance acceptable to the Required Consenting Superpriority Lenders or the Winning Bidder (to the extent Murray NewCo is not the Winning Bidder), authorizing the rejection of the Debtors' Collective Bargaining Agreements under section 1113 of the Bankruptcy Code and the modification of the Debtors' retiree benefits under section 1114 of the Bankruptcy Code and such order shall have become a Final Order;

(f) the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;

(g) the RSA shall not have been terminated and shall remain in full force and effect, and the Required Consenting Superpriority Lenders shall not have provided notice to the Debtors that an event or occurrence that, with the passage of time, would give rise to a right of such Required Consenting Superpriority Lenders to terminate the RSA, which right such Required Consenting Superpriority Lenders have informed the Debtors they intend to exercise;

(h) all unpaid fees and expenses incurred on or before the Effective Date by all attorneys, advisors, and other professionals payable under the RSA, the DIP Order, or the Plan shall have been paid in Cash; and

(i) all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

2. Waiver of Conditions.

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX of the Plan may be waived by the Debtors with the consent of the Required Consenting Superpriority Lenders, and the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

3. Substantial Consummation.

The "substantial consummation" of the Plan, as defined in section 1101(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

4. Effect of Failure of Conditions.

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

ARTICLE VII.
STATUTORY REQUIREMENTS FOR CONFIRMATION OF THE PLAN

The following is a brief summary of the confirmation process. Holders of Claims and Interests are encouraged to review the relevant provisions of the Bankruptcy Code and to consult their own advisors with respect to the summary provided in the Disclosure Statement.

A. *Confirmation Hearing*.

Section 1128(a) of the Bankruptcy Code requires a bankruptcy court, after notice, to conduct a hearing to consider confirmation of a chapter 11 plan. Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to confirmation of the Plan. **The Bankruptcy Court has scheduled the Confirmation Hearing for [May 6, 2020], at __:00 _.m., prevailing Eastern Time.** The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or the filing of a notice of such adjournment served in accordance with the order approving the Disclosure Statement and Solicitation Procedures. Any objection to the Plan must: (1) be in writing; (2) conform to the Bankruptcy Rules and the Local Rules for the United States Bankruptcy Court for the Southern District of Ohio; (3) state the name, address, phone number, and e-mail address of the objecting party and the amount and nature of the Claim or Interest of such entity, if any; (4) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (5) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is actually received by the notice parties as required by the Case Management Order no later than the Plan Objection Deadline. **Unless an objection to the Plan is timely served and filed, it may not be considered by the Bankruptcy Court**.

B. *Confirmation Standards*.

1. Requirements for Confirmation of the Plan.

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are: (1) the Plan is accepted by all Impaired Classes of Claims or Interests, or if rejected by an Impaired Class, the Plan "does not discriminate unfairly" and is "fair and equitable" as to the rejecting Impaired Class; (2) the Plan is feasible; and (3) the Plan is in the "best interests" of holders of Claims or Interests.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (1) the Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11 for plan confirmation; (2) the Debtors have complied, or will have complied, with all of the necessary requirements of chapter 11 for plan confirmation; and (3) the Plan has been proposed in good faith.

2. The Debtors' Releases, Third-Party Release, Exculpation, and Injunction Provisions.

Article VIII.C of the Plan provides for releases of certain claims and Causes of Action the Debtors may hold against the Released Parties (the "Debtor Release"). The Released Parties are: (a) the Debtors; (b) the Consenting Superpriority Lenders; (c) the DIP Term Loan Lenders; (d) the ABL FILO Lender; (e) the DIP FILO Lender; (f) the DIP Agents; (g) the Plan Administrator; (h) the Winning Bidder; (i) DTC; and (j) with respect to each of the foregoing in clauses (a) through (i), such Entity and its current and former Affiliates, and such Entities' and their current Affiliates' directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, participants, successors, and assigns, subsidiaries, affiliates, managed accounts or funds, and each of their respective current and former equity holders, officers, directors, managers, principals, shareholders, members, management companies, fund advisors, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals; *provided* that any of the foregoing that opts out of the releases shall not be a "Released Party"; *provided*, *further*, that notwithstanding anything to the contrary herein, no Non-Released Party shall be a Released Party.

Article VIII.D of the Plan provides for releases of certain claims and Causes of Action that holders of Claims or Interests may hold against the Released Parties in exchange for the good and valuable consideration and the valuable compromises made by the Released Parties (the "Third-Party Release"). The holders of Claims and Interests who are releasing certain claims and Causes of Action against non-Debtors under the Third Party Release include: (a) the Debtors; (b) the Consenting Superpriority Lenders; (c) the DIP Term Loan Lenders; (d) the ABL FILO Lender; (e) the DIP FILO Lender (f) the DIP Agents; (g) the Winning Bidder; (h) all Holders of Claims or Interests that vote to accept or are deemed to accept the Plan; (i) all Holders of Claims or Interests that vote to reject the Plan or do not vote to accept or reject the Plan but, in either case, do not affirmatively elect to "opt out" of the Third-Party Release; (j) all Holders of Claims or Interests that are deemed to reject the Plan that do not affirmatively elect to "opt out" of the Third-Party Release; and (k) with respect to each of the Debtors and each of the foregoing entities in clauses (a) through (j), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, managed accounts or funds, participants, and each of their respective current and former equity holders, officers, directors, managers, principals, members, management companies, fund advisors, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such collectively.

Article VIII.E of the Plan provides for the exculpation of each Exculpated Party for certain acts or omissions taken in connection with these chapter 11 cases. The released and exculpated claims are limited in those claims or Causes of Action that may have arisen in connection with, related to, or arising out of the Plan, this Disclosure Statement, or these chapter 11 cases. The Exculpated Parties are: (a) the Debtors; (b) the UCC and each of its respective members; (c) the DIP Agents; (d) the DIP Term Loan Lenders; (e) the DIP FILO Lender; (f) the Consenting Superpriority Lenders; (g) the ABL FILO Lender; (h) the Plan Administrator; (i) DTC; and (j) with respect to each of the foregoing entities, such Entity and its current and former Affiliates, and such Entities' and

their current Affiliates' directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, participants, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; *provided*, *further*, that notwithstanding anything to the contrary herein, no Non-Released Party shall be an Exculpated Party.

Article VIII.F of the Plan permanently enjoins Entities who have held, hold, or may hold Claims, Interests, or Liens that have been discharged or released pursuant to the Plan or are subject to exculpation pursuant to the Plan from asserting such Claims, Interests, or Liens against the Debtors, the Wind-Down Trust, the Exculpated Parties, and the Released Parties.

The Plan provides that all holders of Claims or Interests who are entitled to vote on the Plan who vote to accept the Plan will be granting a release of any claims or rights they have or may have as against many individuals and Entities. In addition, certain other holders of Claims or Interests identified in the definition of "Releasing Parties" will be granting a release of any claims or rights they have or may have as against many individuals and Entities, unless such holders "opt out" of such release on their Ballot or Election Form, as applicable.

The Third-Party Release includes any and all claims that such holders may have against the Released Parties, which in any way relate to the Debtors, their operations either before or after these chapter 11 cases began, any securities of the Debtors, whether purchased or sold, including sales or purchases which have been rescinded, and any transaction that these Released Parties had with the Debtors.

Debtors are authorized to settle or release their claims in a chapter 11 plan. *See In re Adelphia Commc'ns Corp.*, 368 B.R. 140, 263 n.289, 269 (Bankr. S.D.N.Y. 2007) (debtor may release its own claims); *In re FirstEnergy Solutions Corp.*, No. 18-50757 (AMK) (Bankr. N.D. Ohio, Oct. 16, 2019) (confirming plan of reorganization including a debtor release). Under the Sixth Circuit, a trustee in bankruptcy has the authority to seek a settlement of claims available to the debtor, but any proposed settlement is subject to the approval of the bankruptcy court, which enjoys "significant discretion." *See In re Rankin,* 438 Fed.Appx. 420, 426 (6th Cir. 2011) ("The bankruptcy court has significant discretion to approve such a proposed settlement by virtue of Bankruptcy Rule 9019(a)"). Further, under the Sixth Circuit, a bankruptcy court is likely to approve a plan settlement, analyzed under Bankruptcy Rule 9019, unless the proposed settlement falls below the "lowest point in the range of reasonableness." *In re Junk*, 566 B.R. 897, 912 (Bankr. S.D. Ohio 2017); *Bell & Beckwith*, 87 B.R. 476, 479 (N.D. Ohio 1988).

Additionally, in the Sixth Circuit and other jurisdictions, consensual third party releases are permissible. *See Flake v. Schrader-Bridgeport Intern., Inc.*, 538 Fed. Appx. 604, 613 (6th Cir. 2013) (upholding a consensual third party release and explaining that "§ 524(e) . . . limits the effects of a bankruptcy discharge, but does not bar parties from settling their claims, even if that settlement affects the rights of third parties."); *In re Coram Healthcare Corp.*, 315 B.R. 321, 336 (Bankr. D. Del. 2004) ("[A] Plan is a contract that may bind those who vote in favor of it. . . . Therefore, to the extent creditors or shareholders voted in favor of the Trustee's Plan, which provides for the release of claims they may have against the Noteholders, they are bound by that."); *In re Arrowmill Development Corp.*, 211 B.R. 497, 506 (Bankr. D. N.J. 1997) ("When a release of liability of a nondebtor is a consensual provision, however, agreed to by the effected creditor, it is no different from any other settlement or contract and does not implicate 11 U.S.C. § 524(e). . . . These settlements by their voluntary nature, serve the interests of all parties involved by promoting reorganization without unfairly burdening other creditors."); *Matter of Specialty Equipment Companies, Inc.*, 3 F.3d 1043, 1047 (7th Cir. 1993) ("[S]ection 524(e) . . . does not purport to limit or restrain the power of the bankruptcy court to otherwise grant a release to a third party. . . . Accordingly, courts have found releases that are consensual and non-coercive to be in accord with the strictures of the Bankruptcy Code."); *In re Monroe Well Service, Inc.*, 80 B.R. 324, 334-35 (Bankr. E.D. Pa. 1987) (holding that consensual third party releases are not prohibited by the Code); G Collier on Bankruptcy (16th 2019) ("[M]any courts, including those that have rejected releases of objecting creditors' third party claims, have suggested that consensual releases are permissible." (citing *In re Arrowmill Dev. Corp.*, 211 B.R. 497 (Bankr. D. N.J. July 24, 1997) (consensual releases can be enforced like any other settlement); *In re West Coast Video Enters., Inc.*, 174 B.R. 906 (Bankr. E.D. Pa. 1994) (creditors can individually affirm release of nondebtor parties); *In re 222 Liberty Assocs.*, 108 B.R. 971, 996 (Bankr. E.D. Pa. 1990) (plans that permit creditor to make individual decision to release claims against

nondebtor parties are permissible); *In re Monroe Well Serv., Inc.*, 80 B.R. 324 (Bankr. E.D. Pa. 1987) (consensual release of nondebtor parties that helped to fund plan permitted))).

Finally, exculpation provisions that extend to prepetition conduct and cover non-estate fiduciaries are regularly approved. *See, e.g.*, *Oneida*, 351 B.R. at 94, n.22 (considering an exculpation provision covering a number of prepetition actors with respect to certain prepetition actions, as well as postpetition activity). A bankruptcy court has the power to approve an exculpation provision in a chapter 11 plan because a bankruptcy court cannot confirm a chapter 11 plan unless it finds that the plan has been proposed in good faith. *See* 11 U.S.C. § 1129(a)(3); *In re Michael Day Enterprises, Inc.*, No. 09-55159, 2010 WL 4917611, at *11 (Bankr. N.D. Ohio Aug. 13, 2010) (approving the exculpation provisions contained in the debtors' plan where such provisions viewed by the court as "fair and equitable," "given for valuable consideration," and "in the best interests of the [debtors' estate]."). In approving these provisions, courts consider a number of factors, including whether the beneficiaries of the exculpation have participated in good faith in negotiating the plan and bringing it to fruition, and whether the provision is integral to the plan. *See In re Bearing Point, Inc.*, 435 B.R. 486, 494 (Bankr. S.D.N.Y. 2011) ("Exculpation provisions are included so frequently in chapter 11 plans because stakeholders all too often blame others for failures to get recoveries they desire; seek vengeance against other parties, or simply wish to second guess the decision makers.").

As a general matter, courts, including courts in this district, have approved exculpation provisions that cover non-estate fiduciaries. *See*, *e.g.*, *In re The Wornick Co.*, No. 08-10654 (Bankr. S.D. Ohio June 27, 2008) [Docket No. 262] (approving release and exculpation of the debtors' directors, noteholders, indenture trustees, and purchaser of assets, among others); *see also In re AmFin Fin. Corp.*, No. 09-21323-pmc (Bankr. N.D. Ohio Nov. 3, 2011) [Docket No. 1314] (approving the exculpation of the debtors, members of the creditors' committee, the holders of senior notes, the holders of subordinated notes and holders of Port Authority bonds, as well as all agents, professionals and affiliates of the foregoing); *In re South Franklin Cir.*, No. 12-17804-pmc (Bankr. N.D. Ohio Dec. 3, 2012) [Docket No. 160] (authorizing and approving exculpation of the debtor, non-debtor affiliates and sole shareholder, prepetition lenders, DIP lenders, exit lender, bond trustee and each of their shareholders); *In re Collins & Aikman Corp.*, No. 05-55927 (Bankr. E.D. Mich. July 18, 2007) [Docket No. 7827] (approving exculpation of current and former directors, prepetition lenders and certain other creditors).

The Debtors believe that the releases, exculpations, and injunctions set forth in the Plan are appropriate because the releases are related to, among other things, the Debtors' restructuring proceedings, and each of the Released Parties has afforded value to the Debtors and aided in the reorganization process, which facilitated the Debtors' ability to propose and pursue Confirmation of the Plan. The Debtors believe that each of the Released Parties has played an integral role in formulating the Plan, participated in good faith in negotiations surrounding the RSA, the Plan, and the sale process, including the Bidding Procedures and Stalking Horse Term Sheet, and has expended significant time and resources analyzing and negotiating the issues presented by the Debtors' prepetition capital structure. The Debtors further believe that such releases, exculpations, and injunctions are a necessary part of the Plan. The Debtors will be prepared to meet their burden to establish the basis for the releases, exculpations, and injunctions for each Released Party and Exculpated Party as part of Confirmation of the Plan.

3. Best Interests of Creditors.

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each impaired class, that each holder of a claim or an equity interest in such impaired class either (1) has accepted the plan or (2) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting holder would receive or retain if the debtors liquidated under chapter 7. *See In re Trenton Ridge Inv'rs, LLC*, 461 B.R. 440, 473–74 (Bankr. S.D. Ohio 2011).

The Debtors believe that liquidation of the Debtors' businesses under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by holders of Claims or Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to holders of Claims or Interests than would a liquidation under chapter 7 of the Bankruptcy Code, as discussed more fully below.

In a typical chapter 7 case, a trustee is elected or appointed to liquidate a debtor's assets and to make distributions to creditors in accordance with the priorities established in the Bankruptcy Code. Generally, secured creditors are paid first from the proceeds of sales of their collateral. If any assets remain in the bankruptcy estate after satisfaction of secured creditors' claims from their collateral, administrative expenses are next to be paid. After accounting for administrative expenses, unsecured creditors (including any secured creditor deficiency claims) are paid from the sale proceeds of any unencumbered assets and any remaining sale proceeds of encumbered assets in excess of any secured claims, according to their respective priorities. Unsecured creditors with the same priority share in proportion to the amount of their allowed claims in relationship to the total amount of allowed claims held by all unsecured creditors with the same priority. Finally, interest holders receive the balance that remains, if any, after all creditors are paid.

All or substantially all of the assets of the Debtors' business will be sold through the Sale Transaction as provided by the Plan. Although a chapter 7 liquidation would achieve the same goal, the Debtors believe that the Plan provides a greater recovery to holders of Claims and Interests than would a chapter 7 liquidation. Selling the Debtors' Estates under the Plan likely provides holders of Claims and Interests with a larger, timelier recovery primarily due to the expectation of materially lower realized sale proceeds in chapter 7.

A chapter 7 liquidation beginning on what would have been the Effective Date would provide less recovery for creditors than the Plan. The delay of the chapter 7 trustee becoming familiar with the assets could easily cause bids already obtained to be lost, and the chapter 7 trustee would not have the technical expertise or knowledge of the Debtors' business (or Murray) that the Debtors had when they proposed to sell their assets pursuant to the Plan. Moreover, the distributable proceeds under a chapter 7 liquidation would be lower because of the chapter 7 trustee's fees and expenses.

Sale proceeds in chapter 7 would likely be significantly lower particularly in light of a potential lack of liquidity in a chapter 7 that would potentially lead to Murray's mines being shutdown, the highly technical nature of the Debtor's assets, and the time delay associated with the chapter 7 trustee's learning curve for these assets. In addition to the expected material reduction in sale proceeds, recoveries would be further reduced (in comparison with those provided for under the Plan) due to the expenses that would be incurred in a chapter 7 liquidation, including added expenses for wind down costs and costs incurred by the chapter 7 trustee and any retained professionals in familiarizing themselves with the Debtors' technical assets, and these specific chapter 11 cases, in order to complete the administration of the Debtors' Estates. *See, e.g.*, 11 U.S.C. § 326(a) (providing for compensation of a chapter 7 trustee up to three percent of the value of the assets); 11 U.S.C. § 503(b)(2) (providing administrative expense status for compensation and expenses of a chapter 7 trustee and such trustee's professionals).

In a chapter 7 liquidation, the Debtors' Estates would continue to be obligated to pay all unpaid expenses incurred by the Debtors during the chapter 11 cases (such as compensation for professionals), which may constitute Allowed Claims in any chapter 11 case. Moreover, the conversion to chapter 7 would also require entry of a new bar date for filing claims that would be more than 90 days following conversion of the case to chapter 7. *See* Fed. R. Bankr. P. 1019(2); 3002(c). Thus, the amount of Claims ultimately filed and Allowed against the Debtors could materially increase, thereby further reducing creditor recoveries relative to those available under the Plan.

In light of the foregoing, the Debtors submit that a chapter 7 liquidation would result in materially reduced sale proceeds, increased expenses, delayed distributions, and the prospect of additional claims that were not asserted in the chapter 11 cases. Accordingly, the Debtors believe that the Plan provides an opportunity to bring the highest return for creditors.

4. Financial Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that a bankruptcy court find that confirmation is not likely to be followed by liquidation or the need for further financial reorganization, unless the plan contemplates such liquidation or reorganization. The Plan provides for the sale of the Debtors' assets. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. The Debtors believe that sufficient funds will exist to make all payments required by the Plan. Further, the Debtors believe the deleveraging contemplated by the Plan meets the financial feasibility

requirement with respect to the need for further reorganization, as the Debtors expect that the Winning Bidder will have sufficient liquidity to meet the go-forward needs to meet its obligations.

The Debtors believe that sufficient funds will exist to make all payments required by the Plan with respect to the need for further reorganization, as the Debtors expect that Winning Bidder will have sufficient liquidity to meet the go-forward needs to meet its obligations. Accordingly, the Debtors believe that the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code.

C. *Acceptance by Impaired Classes.*

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in a number of allowed claims in that class, counting only those claims that have actually voted to accept or to reject the plan. Thus, a class of Claims will have voted to accept the Plan only if two-thirds in amount and a majority in number of the Allowed Claims in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of allowed interests in that class, counting only those interests that have actually voted to accept or to reject the plan. Thus, a Class of Interests will have voted to accept the Plan only if two-thirds in amount of the Allowed Interests in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Article III.F of the Plan provides in full: "If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan." Such "deemed acceptance" by an impaired class in which no class members submit ballots satisfies section 1129(a)(10) of the Bankruptcy Code. *See In re Adelphia Commc'ns Corp.*, 368 B.R. at 259–63; *In re Trenton Ridge Inv'rs, LLC*, 461 B.R. 440, 456 (Bankr. S.D. Ohio 2011) ("An impaired class in which no creditor votes might also be deemed to have accepted a plan if the plan 'adopts a presumption' that impaired classes in which no votes are cast shall be deemed to accept the plan and that 'presumption [is] explicit and well-advertised, appearing in both the [p]lan and the . . . [d]isclosure [s]tatement . . . .'").

Courts have held that only one impaired accepting class at one debtor is required for a multi-debtor joint chapter 11 plan under sections 1129(a)(10) and 1129(b) of the Bankruptcy Code. *See In re Charter Commc'ns*, 419 B.R. 221, 266 (stating that "it is appropriate to test compliance with section 1129(a)(10) on a per-plan basis, not, as the CCI Noteholders argue, on a per-debtor basis"); *see also JPMCC 2007-C1 Grasslawn Lodging LLC v. Transwest Resort Props. Inc.*, 881 F.3d 724, 730 (9th Cir. 2018). The Debtors would expect parties to object to confirmation of the Plan if the Debtors' proceeded to confirmation without a consenting class at each debtor.

D. *Confirmation without Acceptance by All Impaired Classes.*

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

If any Impaired Class rejects the Plan, the Debtors reserve the right to seek to confirm the Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the

Plan or is deemed to have rejected the Plan, the Debtors may request Confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan or any Plan Supplement document, including the right to amend or modify the Plan or any Plan Supplement document to satisfy the requirements of section 1129(b) of the Bankruptcy Code, subject to the rights set forth in the RSA.

1. No Unfair Discrimination.

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

2. Fair and Equitable Test.

The fair and equitable test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in such class. As to each non-accepting class, the test sets different standards depending on the type of claims or interests in such class. As set forth below, the Debtors believe that the Plan satisfies the "fair and equitable" requirement, notwithstanding the fact that certain Classes are deemed to reject the Plan. There is no Class receiving more than a 100 percent recovery and no junior Class is receiving a distribution under the Plan until all senior Classes have received a 100 percent recovery.

(a) Secured Claims.

The condition that a plan be "fair and equitable" to a non-accepting class of secured claims may be satisfied, among other things, if a debtor demonstrates that: (i) 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 (ii) 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.

(b) Unsecured Claims.

The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the requirement that either: (i) 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 (ii) the holder of any claim or any 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 interest any property.

(c) Interests.

The condition that a plan be "fair and equitable" to a non-accepting class of interests includes the requirements that either: (i) the plan provides that each holder of an interest in that class receives or retains under the plan on account of that interest property of a value, as of the effective date of the plan, equal to the greater of: (1) the allowed amount of any fixed liquidation preference to which such holder is entitled; (2) any fixed redemption price to which such holder is entitled; (ii) the value of such interest; or (iii) if the class does not receive the amount as required under (i) no class of interests junior to the non-accepting class may receive a distribution under the plan.

ARTICLE VIII.
CERTAIN RISK FACTORS TO BE CONSIDERED BEFORE VOTING

Holders of Claims and Interests entitled to vote should read and consider carefully the risk factors set forth below, as well as the other information set forth in this Disclosure Statement and the documents delivered together with this Disclosure Statement, referred to or incorporated by reference in this Disclosure Statement, before voting to accept or reject the Plan. These factors should not be regarded as constituting the only risks present in connection with the Debtors' business or the Plan and its implementation.

A. *Risks Related to the Confirmation and Consummation of the Plan.*

1. The RSA May be Terminated.

As more fully set forth in Sections 9 through 11 of the RSA, the RSA may be terminated upon the occurrence of certain events, including, among others, the Debtors' failure to meet specified milestones related to the filing, confirmation, and consummation of the Plan, and the breaches by the Debtors, the Consenting Superpriority Lenders, and/or the Consenting Equityholders of their respective obligations under the RSA. In the event that the RSA is terminated, the Debtors may seek a non-consensual restructuring alternative, including a potential liquidation of their assets.

2. The Closing of the Sale is Dependent on a Number of Conditions that May Not Occur.

The closing of the Sale in connection with consummation of the Plan is subject to a competitive bidding process and otherwise remains contingent on a number of conditions that will be set forth in the Definitive Sale Documentation. There is a risk that some these conditions may not be met, thus preventing consummation of the Sale. Additionally, parties to the RSA may terminate their obligations thereunder in certain circumstances, which could have a similar negative effect on the Debtors' ability to consummate the Sale and the Plan.

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

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

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

As more fully set forth in Article IX of the Plan, the Effective Date of the Plan is subject to a number of conditions precedent. If such conditions precedent are not waived or not met, the Effective Date will not take place.

5. The Debtors May Fail to Satisfy Vote Requirements.

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

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

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

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that this Disclosure Statement, the balloting procedures, and voting results are appropriate, the Bankruptcy Court could still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. If a chapter 11 plan is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors will be able to reorganize their business and what, if anything, holders of Interests and Allowed Claims against them would ultimately receive.

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

7. Nonconsensual Confirmation.

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

8. Continued Risk Upon Confirmation.

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further industry deterioration or other changes in economic conditions, and increasing expenses. Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

In addition, at the outset of these chapter 11 cases, the Bankruptcy Code provides the Debtors with the exclusive right to propose the Plan and prohibits creditors and others from proposing a plan. The Debtors will have retained the exclusive right to propose the Plan upon filing their Petitions. If the Bankruptcy Court terminates that right, however, or the exclusivity period expires, there could be a material adverse effect on the Debtors' ability to achieve confirmation of the Plan in order to achieve the Debtors' stated goals.

9. These Chapter 11 Cases May Be Converted to Cases under Chapter 7 of the Bankruptcy Code.

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, when commodities prices are at historically low levels, rather than reorganizing or selling the business as a going concern at a later time in a controlled manner, (b) additional administrative expenses involved in the appointment of a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations. A discussion of the effects that a chapter 7 liquidation would have on the recoveries of holders of Claims and Interests is set forth in Article VII.B.4 of this Disclosure Statement, "*Best Interests of Creditors*."

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

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

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

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

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

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

13. The Plan's Release, Injunction, and Exculpation Provisions May Not Be Approved.

Article VIII of the Plan provides for certain releases, injunctions, and exculpations, including a release of liens and third-party releases that may otherwise be asserted against the Debtors, Wind-Down Trust, or Released Parties, as applicable. The releases, injunctions, and exculpations provided in the Plan are subject to objection by parties in interest and may not be approved. If the releases are not approved, certain Released Parties may withdraw their support for the Plan.

14. <u>The Total Amount of Allowed Administrative and Priority Claims May Be Higher and/or the Amount of Distributable Cash May Be Lower Than Anticipated by the Debtors</u>.

The amount of Cash the Debtors' ultimately receive on account of the Sale and from other sources prior to and following the Effective Date may be lower than anticipated. Additionally Allowed Administrative Claims and Allowed Priority Claims maybe higher than anticipated. Accordingly, there is a risk that the Debtors will not be able to pay in full in cash all Administrative Claims and Priority Claims on the Effective Date as is required to confirm a chapter 11 plan.

15. <u>Actual Amounts of Allowed Claims May Differ from Estimated Amounts of Allowed Claims, Thereby Adversely Affecting the Recovery of Some Holders of Allowed Claims</u>.

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

B. *Risks Related to Recoveries Under the Plan.*

1. <u>The Debtors May Not Be Able to Achieve Their Projected Financial Results</u>.

The financial projections set forth in this Disclosure Statement represent the best estimate of the future financial performances of the Debtors based on currently known facts and assumptions about future operations as well as the United States and world economies in general and, specifically, the coal industry. The actual financial results may differ significantly from the projections. If the Debtors do not achieve their projected financial results, then the value of the Debtors' debt or equity issued pursuant to the Plan may experience a decline and the Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date. There are numerous factors and assumptions inherent in estimating the quantities and qualities of, and costs to mine, coal reserves, including many factors beyond the Debtors' control, including the following:

(a) quality of the coal;

(b) geological and mining conditions;

(c) the percentage of coal ultimately recoverable;

(d) the assumed effects of regulation, including the issuance of required permits, taxes, including severance and excise taxes and royalties, and other payments to governmental agencies;

(e) assumptions concerning the timing for the development of the reserves;

(f) assumptions concerning physical access to the reserves; and

(g) assumptions concerning equipment and productivity, future coal prices, operating costs, including for critical supplies such as fuel, tires and explosives, capital expenditures and development and reclamation costs.

As a result, estimates of the quantities and qualities of economically recoverable coal attributable to any particular group of properties, classifications of reserves based on risk of recovery, estimated cost of production, and estimates of future net cash flows expected from these properties as prepared by different engineers, or by the same engineers at different times, may vary materially because of changes in the above factors and assumptions. Actual production recovered from identified reserve areas and properties, and revenues and expenditures associated with

the Debtors' mining operations, may vary materially from estimates. Any inaccuracy in the Debtors' estimates related to their reserves could result in decreased profitability from lower than expected revenues and/or higher than expected costs.

2. If the Assumptions Underlying the Debtors' Estimates of Reclamation and Mine Closure Obligations Are Inaccurate, the Debtors' Costs Could Be Greater Than Anticipated.

The Debtors base their estimates of reclamation and mine closure liabilities on permit requirements, engineering studies, and the Debtors' engineering expertise related to these requirements. The Debtors' management and engineers periodically review these estimates. The estimates can change significantly if actual costs vary from the Debtors' original assumptions or if governmental regulations change significantly. The Debtors are required to record new obligations as liabilities at fair value under generally accepted accounting principles.

3. The Debtors May Seek Approval of the Sale Pursuant to an Order Pursuant to Section 363 of the Bankruptcy Code.

In the event that the Winning Bidder, selected by the Debtors as the highest and otherwise best bid in consultation with the Consultation Parties as required by the Bidding Procedures, requires that the Sale Transaction be consummated through a section 363 sale, the Debtors shall seek approval of such Sale Transaction and entry of an order with regards thereto in consultation with the Required Consenting Superpriority Lenders, subject to the milestones set forth in the DIP Facility, as may be amended, modified, or supplemented from time to time, and the RSA, unless otherwise agreed by the Winning Bidder.

4. The Sale Transaction May Not Close.

The Winning Bidder is expected to agree to purchase certain of the Debtors' assets and assume certain liabilities through the Sale Transaction and may require that certain conditions be met, including approval of this Disclosure Statement, Confirmation of the Plan, and, if applicable, the closing of the Sale Transaction within the respective time periods specified in the Sale Transaction Documentation and that no event giving rise to termination of the Sale Transaction Documentation has occurred (such events as set forth in the Sale Transaction Documentation).

To the extent the terms or conditions of the Sale Transaction Documentation are not satisfied or modified in the Debtors' and Winning Bidder's sole discretion, or to the extent other events giving rise to termination of the Sale Transaction Documentation occur, the Sale Transaction Documentation may be terminated prior to Confirmation or consummation of the Plan. Such termination could adversely affect creditor recoveries as well as the Debtors' ability to confirm and consummate the Plan.

5. The Restructuring of the Debtors May Adversely Affect the Debtors' Tax Attributes.

As a multinational corporation, the Debtors are subject to income taxes in the U.S. and South America. Significant judgment is required in determining the Debtors' global provision for income taxes and other tax liabilities. In the ordinary course of a global business, there are many intercompany transactions and calculations where the ultimate tax determination is uncertain. The Debtors' income tax returns are routinely subject to audits by tax authorities. Although the Debtors regularly assess the likelihood of adverse outcomes resulting from these examinations to determine their tax estimates, a final determination of tax audits or tax disputes could have an adverse effect on their results of operations and financial condition. The Debtors are also subject to non-income taxes, such as payroll, sales, use, value-added, net worth, property and goods and services taxes in the U.S. and various foreign jurisdictions. They are regularly under audit by tax authorities with respect to these non-income taxes and may have exposure to additional non-income tax liabilities which could have an adverse effect on the Debtors' results of operations and financial condition.

In addition, the Debtors' future effective tax rates could be favorably or unfavorably affected by changes in tax rates, changes in the valuation of their deferred tax assets or liabilities, or changes in tax laws or their interpretation. Such changes could have a material adverse impact on their financial results.

For a detailed description of the effect Consummation of the Plan may have on the Debtors' tax attributes, or how the tax implications of the Plan and these chapter 11 cases may adversely affect holders of Claims and Interests, *see* Article X of this Disclosure Statement, titled "Certain United States Federal Income Tax Consequences of the Plan."

6. Asset Retirement and Post Retirement Obligations of the Debtors.

As mentioned above, the Debtors' asset retirement obligations primarily consist of spending estimates for surface land reclamation and support facilities at both underground and surface mines in accordance with federal and state reclamation laws and as regulated by each mining permit. Asset retirement obligations are determined for each mine using various estimates and assumptions including, among other items, estimates of disturbed acreage as determined from engineering data, estimates of future costs to reclaim the disturbed acreage, the timing of these cash flows, and a credit-adjusted, risk-free rate. As changes in estimates occur (such as mine plan revisions, changes in estimated costs, or changes in timing of the reclamation activities), the obligation and asset are revised to reflect the new estimate after applying the appropriate credit-adjusted, risk-free rate. If the Debtors' assumptions do not materialize as expected, actual cash expenditures and costs that they incur could be materially different than currently estimated. Moreover, regulatory changes could increase the Debtors' obligation to perform reclamation and mine closing activities.

Postretirement obligations, such as health care, primarily represent the estimated cost of providing retiree healthcare benefits to current UMWA retirees and active UMWA employees who will retire in the future. Provisions for active employees represent the amount recognized to date, based on their service to date. Amounts are accrued periodically so that the total estimated liability is accrued when the employee retires. If the Debtors' assumptions regarding the amounts required to be accrued do not materialize as expected, actual cash expenditures and costs that they incur could differ materially from their current estimates. Moreover, regulatory changes could increase the Debtors' requirement to satisfy these or additional obligations.

7. Workers' Compensation

These liabilities represent the estimates for compensable, work-related injuries (traumatic claims) and occupational disease, principally black lung disease (pneumoconiosis) based primarily on actuarial valuations. Workers' compensation laws are administered by state agencies with each state having its own set of rules and regulations regarding compensation that is owed to an employee who is injured in the course of employment, and any change in those rules will impact the Debtors' costs. Certain of the Debtors' subsidiaries maintain a partially funded self-insurance program for estimated future claims. The Debtors' costs will vary based on the number of accidents that occur at their mines and other facilities, and their costs of addressing these claims. The Federal Black Lung Benefits Act requires employers to pay black lung awards to former employees who filed claims after June 1973. Certain of the Debtors' subsidiaries are self-insured for the cost of these benefits. The Debtors' liability related to this Act is based on an estimate made by an actuary based on data provided by management. If the Debtors' assumptions regarding the amounts required to be accrued do not materialize as expected, actual cash expenditures and costs that they incur could differ materially from their current estimates.

C. *Risks Related to the Debtors' Business.*

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

For the duration of these chapter 11 cases, the Debtors' operations and their ability to execute their business strategy will be subject to the risks and uncertainties associated with the bankruptcy proceedings. These risks include:

- the Debtors' ability to continue as a going concern;
- the Debtors' ability to develop, confirm and consummate a chapter 11 plan, an alternative restructuring transaction or a sale;

- the Debtors' ability to obtain Bankruptcy Court approval with respect to motions filed in these chapter 11 cases from time to time;
- the Debtors' ability to comply with and operate under the terms of any cash management orders entered by the Bankruptcy Court from time to time, which subject the Debtors to restrictions on transferring cash and other assets;
- the Debtors' ability to maintain adequate cash on hand and to generate cash from operations throughout these chapter 11 cases;
- the Debtors' ability to fund their emergence and to fund their operations after emergence from the bankruptcy process on reasonable terms;
- the Debtors' ability to comply with the covenants and conditions of the DIP Facility;
- the Debtors' ability to maintain contracts that are critical to their operations;
- the Debtors' ability to execute their business plan;
- the ability of third parties to seek and obtain court approval to terminate contracts and other agreements with the Debtors;
- the ability of third parties to seek and obtain court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert these chapter 11 cases to a Chapter 7 proceeding; and
- the actions and decisions of the Debtors' creditors and other third parties who have interests in these chapter 11 cases that may be inconsistent with their plans.

Because of the risks and uncertainties associated with these chapter 11 cases, the Debtors cannot predict or quantify the ultimate impact that events occurring during the chapter 11 reorganization process may have on the Debtors' business, financial condition, and results of operations, and there is no guarantee as to their ability to continue as a going concern.

Difficulties of providing services while attempting to reorganize the Debtors' businesses in bankruptcy may make it more difficult to maintain and promote their services and attract customers to their services and to keep their vendors. As a result of these chapter 11 cases, the Debtors may experience collection issues with otherwise valid receivables of certain customers. Adverse resolution of these disagreements may impact the Debtors' revenues and other costs of services, both prospectively and retroactively. It is too soon for the Debtors to predict with any certainty the ultimate impact of these disagreements. The Debtors' vendors and services providers may require stricter terms and conditions, and the Debtors may not find these terms and conditions acceptable. In addition, the Debtors may experience a loss of confidence by current and prospective vendors, customers, landlords, employees or other stakeholders, which could make it more difficult for the Debtors to operate and have an adverse effect on the Debtors' businesses, financial condition, and results of operations. Any failure to timely obtain suitable supplies at competitive prices could materially adversely affect the Debtors' businesses, financial condition, and results of operations.

2. <u>Operating in Bankruptcy for a Long Period of Time May Harm the Debtors' Businesses</u>.

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

So long as the proceedings related to these chapter 11 cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the administration of these chapter 11 cases. These chapter 11 cases also require debtor-in-possession financing to fund the Debtors' operations. If the Debtors are unable to fully draw on the availability under the DIP Facility, the chances of successfully restructuring the Debtors' businesses may be seriously jeopardized, the likelihood that the Debtors will

instead be required to liquidate or sell their assets may be increased, and, as a result, creditor recoveries may be significantly impaired.

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

The Debtors' operations are dependent on a relatively small group of key management personnel and a skilled employee base. The Debtors' recent liquidity issues and these chapter 11 cases have created distractions and uncertainty for key management personnel and employees. The Debtors may be unable to find acceptable replacements with comparable skills and experience and the loss of such key management personnel could adversely affect the Debtors' ability to operate their businesses. In addition, a loss of key personnel or material erosion of employee morale could have a material adverse effect on the Debtors' ability to meet customer and counterparty expectations, thereby adversely affecting the Debtors' businesses and the results of operations.

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

The Bankruptcy Code provides that the confirmation of a plan of reorganization discharges a debtor from substantially all debts arising prior to confirmation. With few exceptions, all Claims that arise prior to the Debtors' filing of their voluntary petitions or before confirmation of a chapter 11 plan (a) would be subject to compromise and/or treatment under the plan and/or (b) would be discharged in accordance with the terms of the plan. Any Claims not ultimately discharged through a plan could be asserted against the restructured entity and may have an adverse effect on the Winning Bidders' financial condition.

5. Adverse Publicity in Connection with These Chapter 11 Cases or Otherwise Could Negatively Affect the Debtors' Businesses.

Adverse publicity or news coverage relating to the Debtors, including, but not limited to, publicity or news coverage in connection with these chapter 11 cases, may negatively impact the Debtors' efforts to establish and promote name recognition and a positive image after emergence from these chapter 11 cases.

6. Coal Prices Are Subject to Change and A Substantial or Extended Decline in Prices Could Materially and Adversely Affect the Debtors' Revenues and the Value of Their Coal Reserves.

The Debtors' results of operations are dependent upon the prices they receive for their coal. Over the last several years, prices for coal have become more volatile and depressed due to an oversupply of coal in the marketplace and, particularly in the United States, significantly reduced demand in various countries. The prices the Debtors may receive in the future for coal depend upon factors beyond their control, including the following:

- the domestic and foreign supply and demand for coal;
- the demand for electricity;
- the impact of domestic and foreign government environmental, energy, tax, and other regulatory policies;
- currency exchange rate fluctuations;
- the quantity and quality of coal available from competitors;
- competition for production of electricity from non-coal sources, including the price and availability of alternative fuels, such as natural gas and oil, and alternative energy sources, such as nuclear, flowing water, wind, and solar power;
- domestic air emission standards for coal-fueled power plants and the ability of coal-fueled power plants to cost effectively meet these standards;
- adverse weather, climatic, or other natural conditions, including natural disasters and force majeure events;
- domestic and foreign economic conditions, including economic slowdowns;
- the loss of, or significant reduction in, purchases by their largest customers;
- legislative, regulatory, and judicial developments, environmental regulatory changes or changes in energy policy and energy conservation measures that would adversely affect the coal industry, such as

legislation limiting greenhouse gas emissions or providing for increased funding and incentives for alternative energy sources or changes to free trade agreements, including the imposition of additional customs duties or tariffs;

- changes in coal-fired power plant capacity and utilization, including the extent to which existing coal plants are maintained and capital improvements are made, and the extent to which new coal plants are built in the United States and other countries;
- the proximity, capacity, and cost of transportation facilities;
- market price fluctuations for sulfur dioxide emission allowances;
- competition within the coal industry;
- adverse mining conditions;
- ability to gain additional coal resources or develop existing reserves;
- a decrease in the availability or increases in the costs of mining and other industrial supplies, or the inability to obtain a sufficient quantity of those supplies;
- a shortage of skilled labor in the Debtors' operating regions;
- a defect in the title or the loss of a leasehold interest in certain property;
- the availability and reliability of transportation facilities and fluctuations in transportation costs;
- the lost of, or significant reduction in, purchases by the Debtors' largest customers;
- failure to obtain or renew surety bonds on acceptable terms;
- the Debtors' international operations and inherent risks associated with doing business abroad;
- the actual and potential costs imposed on the Debtors by extensive government regulation of the Debtors' mining operations; and
- the other risks described herein.

The Debtors generally enter into long-term contracts under which they sell approximately 70 percent to 80 percent of their annual coal production to domestic utility customers. The portion of the Debtors' coal production that is not subject to long-term contracts is generally sold to customers at the then current market price, or spot price, of coal, and therefore those sales are subject to short-term fluctuations in prices. To the extent that spot prices decrease, the Debtors' revenues with respect to coal sold in this manner will decrease. In addition, the Debtors' long-term contracts generally provide for a fixed base price. These prices, however, are usually set with respect to the then-current market price of coal at the time the contract is signed. To the extent that market prices for coal rise, the Debtors may not be able to realize a corresponding increase in the prices at which they sell coal subject to long-term contracts. The Debtors' long-term contracts provide for various instances in which prices may be adjusted under the contract, and in certain circumstances prices may be decreased pursuant to these provisions. Many of the Debtors' long-term contracts contain price reopener provisions and may automatically set a new price based on prevailing market prices or, in some instances, require the parties to agree on a new price, sometimes within a specified range. In a limited number of agreements, failure of the parties to agree on a price under a price reopener provision can lead to termination of the contract. Under some of the Debtors' contracts, they have the right to match lower prices offered to their customers by other vendors. To the extent the Debtors do not renew or replace expiring long-term coal supply agreements, the Debtors' future sales have increased exposure to fluctuations in market prices. A substantial or extended decline in the prices the Debtors receive for their coal sales would materially and adversely affect their business, financial condition or results of operations.

7. The Debtors' Ability to Collect Payments from Their Customers Could Be Impaired If Their Creditworthiness Deteriorates.

The Debtors have contracts to supply coal to energy trading and brokering companies under which such companies purchase the coal for their own account or resell the coal to end users. The Debtors' ability to receive payment for coal sold and delivered depends on the continued creditworthiness of their customers. If the Debtors determine that a customer is not creditworthy, the Debtors may not be required to deliver coal under the customer's coal sales contract. If this occurs, the Debtors may decide to sell the customer's coal on the spot market, which may be at prices lower than the contracted price, or the Debtors may be unable to sell the coal at all. Furthermore, the bankruptcy of any of the Debtors' customers could materially and adversely affect their financial position. In addition, the Debtors' customer base may change as utilities sell their power plants to their non-regulated affiliates or third parties that may be less creditworthy, thereby increasing the risk the Debtors bear for customer payment default. These new power plant owners may have credit ratings that are below investment grade, or may become

below investment grade after the Debtors enter into contracts with them. In addition, competition with other coal vendors could lead the Debtors to extend credit to customers and on terms that could increase the risk of payment default.

D. *Risks Related to the New Interests.*

1. The Consideration Under the Plan Does Not Reflect any Independent Valuation of Claims against or Interests in the Debtors.

The Debtors have not obtained or requested an opinion from any bank or other firm as to the fairness of the consideration under the Plan.

2. The Terms of the New Interests Are Subject to Change Based on Negotiation and the Approval of the Bankruptcy Court.

The terms of the New Interests are subject to change based on negotiations between the Debtors and the Consenting Superpriority Lenders. Holders of Claims and Interests that are not the Consenting Superpriority Lenders will not participate in these negotiations and the results of such negotiations may alter the terms of the New Interests in a material manner. As a result, the final terms of the New Interests may be less favorable to Holders of Claims or Interests than as described herein and in the Plan.

3. An Active Trading Market May Not Develop for the New Interests.

The New Interests is a new issue of securities and, accordingly, there is currently no established public trading market for the New Interests. It is not currently expected that the New Interests will be listed on any national securities exchange and, as such, there can be no assurance that an active trading market for the New Interests will develop. If there is no active trading market in the New Interests, the market price and liquidity of the New Interests may be adversely affected. If a trading market does not develop or is not maintained, holders of New Interests may experience difficulty in reselling such securities at an acceptable price or may be unable to sell them at all. Even if a trading market were to exist, such market could have limited liquidity and the New Interests could trade at prices higher or lower than the value attributed to such securities in connection with their distribution under the Plan, depending upon many factors, including, without limitation, markets for similar securities, industry conditions, financial performance, or prospects and investor expectations thereof. As a result, there may be limited liquidity in any trading market that does develop for the New Interests. In addition, the New Organizational Documents may also contain restrictions on the transferability of the New Interests (such as rights of first refusal/offer, tag-along rights, and/or drag-along rights, among others), which may adversely affect the liquidity in the trading market for the New Interests.

4. A Small Number of Holders or Voting Blocks May Control Murray NewCo.

Consummation of the Plan may result in a small number of holders owning a significant percentage of the shares of the outstanding New Interests in Murray NewCo. These holders may, among other things, exercise a controlling influence over the business and affairs of Murray NewCo and have the power to elect directors or managers and approve significant mergers and other material corporate transactions.

5. The Issuance of New Interests under the Management Incentive Plan will Dilute the New Interests.

On the Effective Date, a percentage of the New Interests will be reserved for issuance as grants of options in connection with the Management Incentive Plan. If Murray NewCo distributes such equity-based awards to management pursuant to the Management Incentive Plan, it is contemplated that such distributions will dilute the New Interests issued on account of Claims under the Plan and the ownership percentage represented by the New Interests distributed under the Plan.

6. The New Interests are Equity Interests and Therefore Subordinated to the Indebtedness of Murray NewCo.

In any liquidation, dissolution, or winding up of Murray NewCo, the New Interests would rank below all debt claims against Murray NewCo. As a result, holders of New Interests will not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution, or winding up of Murray NewCo until after all of its obligations to its debt holders have been satisfied.

7. Certain Holders of New Interests May Be Restricted in Their Ability to Transfer or Sell Their Securities.

To the extent that the New Interests issued under the Plan is covered by section 1145(a)(1) of the Bankruptcy Code, it may be resold by the holders thereof without registration unless the holder is an "underwriter" with respect to such securities. Resales by Persons who receive New Interests pursuant to the Plan that are deemed to be "underwriters" as defined in section 1145(b) of the Bankruptcy Code would not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act of 1933 or other applicable law. Such Persons would only be permitted to sell such securities without registration if they are able to comply with the provisions of Rule 144 under the Securities Act or another applicable exemption.

E. *Disclosure Statement Disclaimer.*

1. Information Contained in this Disclosure Statement is for Soliciting Votes.

The information contained in this Disclosure Statement is for the purposes of soliciting acceptances of the Plan and may not be relied upon for any other purpose.

2. This Disclosure Statement Was Not Approved by the United States Securities and Exchange Commission.

This Disclosure Statement was not filed with the United States Securities and Exchange Commission under the Securities Act or applicable state securities laws. Neither the United States Securities and Exchange Commission nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement, or the exhibits or the statements contained in this Disclosure Statement.

3. No Legal or Tax Advice Is Provided to You by this Disclosure Statement.

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each holder of a Claim or an Interest should consult his or her own legal counsel, accountant, or other applicable advisor with regard to any legal, tax, and other matters concerning his or her Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to Confirmation of the Plan.

4. No Admissions Made.

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any entity (including, without limitation, the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, holders of Allowed Claims or Allowed Interests, or any other parties in interest.

5. Failure to Identify Litigation Claims or Projected Objections.

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. The Debtors may seek to investigate, File, and prosecute Claims and Interests and may object to Claims or Interests after the Confirmation or

Effective Date of the Plan irrespective of whether this Disclosure Statement identifies such Claims or Interests or objections to such Claims or Interests.

6. No Waiver of Right to Object or Right to Recover Transfers and Assets.

The vote by a holder of a Claim or Interest for or against the Plan does not constitute a waiver or release of any claims, causes of action, or rights of the Debtors (or any entity, as the case may be) to object to that Holder's Claim or Interest, or recover any preferential, fraudulent, or other voidable transfer of assets, regardless of whether any claims or causes of action of the Debtors or their respective Estates are specifically or generally identified in this Disclosure Statement.

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

The Debtors' advisors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although the Debtors' advisors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not verified independently the information contained in this Disclosure Statement.

8. Potential Exists for Inaccuracies, and the Debtors Have No Duty to Update.

The statements contained in this Disclosure Statement are made by the Debtors as of the date of this Disclosure Statement, unless otherwise specified in this Disclosure Statement, and the delivery of this Disclosure Statement after the date of this Disclosure Statement does not imply that there has not been a change in the information set forth in this Disclosure Statement since that date. While the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

9. No Representations Outside this Disclosure Statement Are Authorized.

No representations concerning or relating to the Debtors, these chapter 11 cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement, should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to the counsel to the Debtors and the U.S. Trustee.

ARTICLE IX.
SECURITIES LAW MATTERS

Under the Plan, shares of New Interests may be distributed to holders of Claims in Class 4. The Debtors will rely on section 1145 of the Bankruptcy Code to exempt from the registration requirements of the Securities Act the offer, issuance, and distribution of the New Interests. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act and state laws when such securities are to be exchanged for claims or principally in exchange for claims and partly for cash. In general, securities issued under section 1145 may be resold without registration unless the recipient is an "underwriter" with respect to those securities. Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as any person who:

- purchases a claim against, an interest in, or a claim for an administrative expense against the debtor, if that purchase is with a view to distributing any security received in exchange for such a claim or interest;
- offers to sell securities offered under a plan of reorganization for the holders of those securities;

- offers to buy those securities from the holders of the securities, if the offer to buy is (A) with a view to distributing those securities, and (B) under an agreement made in connection with the plan of reorganization, the completion of the plan of reorganization, or with the offer or sale of securities under the plan of reorganization; or

- is an issuer with respect to the securities, as the term "issuer" is defined in Section 2(a)(11) of the Securities Act.

To the extent that Entities who receive the New Interests are deemed to be "underwriters," resales by those Entities would not be exempted from registration under the Securities Act or other applicable law by section 1145 of the Bankruptcy Code. Those Entities would, however, be permitted to sell New Interests or other securities without registration if they are able to comply with the provisions of Rule 144 under the Securities Act, as described further below.

You should confer with your own legal advisors to help determine whether or not you are an "underwriter."

Under certain circumstances, holders of New Interests deemed to be "underwriters" may be entitled to resell their securities pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act, to the extent available, and in compliance with applicable state securities laws. Generally, Rule 144 of the Securities Act provides that persons who are affiliates of an issuer who resell securities will not be deemed to be underwriters if certain conditions are met. These conditions include the requirement that current public information with respect to the issuer be available, a limitation as to the amount of securities that may be sold, the requirement that the securities be sold in a "brokers transaction" or in a transaction directly with a "market maker," and that notice of the resale be filed with the Securities Exchange Commission. Murray, however, has no current plans to make the information required by Rule 144 publicly available for the foreseeable future. This will eliminate the ability of a holder of New Interests who is an "underwriter" pursuant to section 1145(b) of the Bankruptcy Code to sell such securities under Rule 144.

Whether or not any particular person would be deemed to be an "underwriter" with respect to the New Interests or other securities to be issued pursuant to the Plan would depend upon various facts and circumstances applicable to that person. Accordingly, the Debtors express no view as to whether any particular Person receiving New Interests or other securities under the Plan would be an "underwriter" with respect to such New Interests or other securities.

ARTICLE X.
CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. *Introduction.*

The following discussion summarizes certain United States ("U.S.") federal income tax consequences of the implementation of the Plan to the Debtors and certain Holders (which, solely for purposes of this discussion, means the beneficial owners for U.S. federal income tax purposes) of certain Claims entitled to vote on the Plan. This summary is based on the Internal Revenue Code of 1986, as amended (the "Tax Code"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial decisions and published administrative rules, and pronouncements of the Internal Revenue Service (the "IRS"), all as in effect on the date hereof (collectively, "Applicable Tax Law"). Changes in the rules or new interpretations of the rules may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. The Debtors have not requested, and do not intend to request, any ruling or determination from the IRS or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This summary does not address non-U.S., state, local, gift, or estate tax consequences of the Plan, nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to a Holder in light of its

individual circumstances or to a Holder that may be subject to special tax rules (such as persons who are related to the Debtors within the meaning of the Tax Code, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax exempt organizations, pass-through entities, beneficial owners of pass-through entities, trusts, governmental authorities or agencies, dealers and traders in securities, subchapter S corporations, persons who hold Claims or who will hold consideration received under the Plan as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to-market method of tax accounting, and Holders of Claims who are themselves in bankruptcy). Furthermore, this summary assumes that a Holder of a Claim holds only Claims in a single Class and holds a Claim only as a "capital asset" (within the meaning of section 1221 of the Tax Code). This summary also assumes that the various debt and other arrangements 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 summary does not discuss differences in tax consequences to Holders of Claims that act or receive consideration in a capacity other than any other Holder of a Claim of the same Class or Classes, and the tax consequences for such Holders may differ materially from that described below. This summary does not address the U.S. federal income tax consequences to Holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan, or (b) that are deemed to reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a Holder of a Claim that is: (a) an individual citizen or resident of the United States for U.S. federal income tax purposes; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the U.S., any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (d) a trust (i) if a court within the U.S. is able to exercise primary jurisdiction over the trust's administration and one or more "United States persons" (within the meaning of section 7701(a)(30) of the Tax Code) have authority to control all substantial decisions of the trust, or (ii) that has a valid election in effect under applicable Treasury Regulations to be treated as a "United States person" (within the meaning of section 7701(a)(30) of the Tax Code). For purposes of this discussion, a "Non-U.S. Holder" is any Holder of a Claim that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder of a Claim, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders of Claims should consult their tax advisors regarding the U.S. federal income tax consequences of the Plan.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME, ESTATE, AND OTHER TAX CONSEQUENCES OF THE PLAN.

B. *Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors.*

1. Expected Transaction Structure and Consequences Thereof.

The Debtors expect that the Restructuring Transactions will be consummated as a taxable sale of some or all of the assets of the Debtors to the Winning Bidder pursuant to the Bidding Procedures, with any remaining assets transferred to the Wind-Down Trust (the "NewCo Structure").[9] If Murray NewCo[10] is the Winning Bidder, the

[9] If the Debtors (in conjunction with other parties in interest) determine, prior to the Effective Date, that the Restructuring Transactions will be consummated other than pursuant to the NewCo Structure, including pursuant to a "G" reorganization, a supplemental disclosure will be filed containing a discussion of certain tax consequences of such alternative structure.

NewCo Structure may be effectuated by treating certain Holders of Claims as contributing such Claims to Murray NewCo in a transaction intended to be governed by section 351 of the Tax Code, with some or all of the assets of the Debtors transferred to Murray NewCo (or a wholly owned subsidiary of Murray NewCo) in exchange for the cancellation of the Claims that were contributed to Murray NewCo (together with an assumption of liabilities by Murray NewCo) (a "NewCo 351 Transaction").

Regardless of how the NewCo Structure is effectuated, the Debtors would realize gain or loss upon such transfer in an amount equal to the difference between the aggregate fair market value of the assets transferred or deemed transferred by the Debtors and the Debtors' aggregate tax basis in such assets. Gain, if any, would be reduced by the amount of such Debtors' available net operating losses ("NOLs"), NOL carryforwards, and any other available tax attributes, and any remaining gain would be recognized by the Debtors and result in a cash tax obligation. If the NewCo Structure involves a purchase of stock, the Debtor whose stock is transferred will retain its basis in its assets, (subject to reduction due to cancellation of indebtedness income ("COD Income"), as described below), unless the Debtors and the Winning Bidder make an election pursuant to section 338(h)(10) or section 336(e) of the Tax Code with respect to the purchase to treat the purchase as the purchase of assets.

The Winning Bidder will take a fair market value basis in the transferred assets or stock. In a NewCo 351 Transaction, if any Holders of Claims had a tax basis in their contributed Claim that was less than the value of the assets received by Murray NewCo from the Debtors in exchange for such Claim, Murray NewCo would recognize taxable income, potentially without any offsetting taxable losses to offset such taxable income. However, where Murray NewCo is the Winning Bidder, it may also be possible for the Restructuring Transactions to take the form of a hybrid transaction (under which Murray NewCo would not recognize the gain described in the previous sentence), whereby only certain Holders with basis in their Claims in excess of the fair market value of such Claims contribute their Claims in a transaction intended to be governed by section 351 of the Tax Code (such a transaction, a "Hybrid NewCo 351 Transaction").

A Hybrid NewCo 351 Transaction would be structured so that, in the following order: (1) certain Holders of Claims contribute their Claims to Murray NewCo in exchange for at least 80 percent of the stock of Murray NewCo in a transaction intended to be governed by section 351 of the Tax Code, (2) Murray NewCo contributes its remaining stock (representing less than 20 percent of its total stock) to a direct or indirect wholly owned subsidiary ("NewCo Sub"); (3) simultaneously, (i) Murray NewCo purchases a percentage of the Debtors' assets in exchange for the cancellation of the Claims against the Debtors which Murray NewCo received in step 1, with such interest proportionate to the value attributable to the cancelled Claims, and (ii) NewCo Sub purchases a percentage of the Debtors' assets in exchange for NewCo Sub's Murray NewCo stock, with such interest proportionate to the value attributable to the Murray NewCo stock, in each case of prongs (i) and (ii), together with a proportionate assumption of liabilities; (4) Murray NewCo contributes its interest in the Debtors' assets to NewCo Sub; and (5) Murray Energy Holdings Co. distributes the Murray NewCo stock which the Debtors received in step 3(ii) to the Holders of Claims entitled to Murray NewCo stock who did not contribute their Claims to Murray NewCo in step 1. Assuming that the form of the Hybrid NewCo 351 Transaction is respected for U.S. federal income tax purposes, then it is expected for purposes of this discussion that Holders of Claims who contribute their Claims to Murray NewCo pursuant to Step 1 of the Hybrid NewCo 351 Transaction would realize the same U.S. federal income tax consequences as would participants in a NewCo 351 Transaction, and Holders of Claims who do not contribute their Claims to Murray NewCo pursuant to Step 1 of the Hybrid NewCo 351 Transaction would realize the same U.S. federal income tax consequences as would participants in a NewCo Structure in which a NewCo 351 Transaction does not occur.

As of December 31, 2018, the Debtors estimate that they have approximately $645.9 million of federal NOLs. The Debtors may generate additional tax losses in 2019, which would ultimately increase the Debtors' NOLs and other tax attributes. Other than as described in the following sentence, any NOLs or other tax attributes

[10] This discussion assumes that Murray NewCo will be treated as a corporation for U.S. federal income tax purposes. If the Required Consenting Superpriority Lenders determine that Murray NewCo will be treated as a partnership for U.S. federal income tax purposes, a supplemental disclosure will be filed containing a discussion of certain tax consequences of such alternative treatment.

of the Debtors remaining upon implementation of the Plan will not carry over to or otherwise be available for use by the Winning Bidder. However, if the NewCo Structure involves a purchase of stock of any Debtor which purchase is not treated as the purchase of assets, then NOLs or other tax attributes of the Debtor whose stock is purchased may be available for use by such Debtor and the Winning Bidder after the Effective Date, subject to various significant limitations. Any NOLs of a Debtor whose stock is purchased (and which purchase is not treated as an asset sale) may be able to offset future taxable income for up to 20 years in the case of NOLs arising before 2018 and indefinitely for NOLs arising in taxable years starting in 2018. Subject to any applicable limitations, NOLs arising before 2018 may offset 100 percent of future taxable income and NOLs arising in taxable years starting with 2018 may be used to offset 80 percent of taxable income in a given year. It is currently unclear whether the NewCo Structure will involve a purchase of the stock of any Debtor, and if so, whether any NOLs or other tax attributes of such Debtor would remain after the Plan is implemented.

2. Cancellation of Debt and Reduction of Tax Attributes.

In general, absent an exception, the Debtors will realize and recognize COD Income upon satisfaction of their outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the fair market value of any consideration given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the Tax Code, the Debtors will not, however, be required to include any amount of COD Income in gross income if the Debtors are under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, the Debtors must reduce their tax attributes by the amount of COD Income that they excluded from gross income pursuant to section 108 of the Tax Code. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined (including, as described above, the amount of gain or loss recognized by the Debtors with respect to the sale of all or a portion of their assets in the NewCo Structure). In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the Debtors will remain subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credit carryovers. Alternatively, the Debtors may elect first to reduce the basis of their depreciable assets pursuant to section 108(b)(5) of the Tax Code. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact.

In connection with the Restructuring Transactions, the Debtors expect to realize a significant amount of COD Income. The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan.

As noted above, in the NewCo Structure, the reductions under section 108 of the Tax Code would generally apply to the Debtors but not to the Winning Bidder, because the Winning Bidder generally will not succeed to the Debtors' existing tax attributes, and therefore the attribute reduction rules described above should not result in the reduction of any tax asset, including tax basis, of the Winning Bidder. The potential exception to this general rule would be if the Winning Bidder acquires the stock of a subsidiary of the Debtor which purchase is not treated as the purchase of assets, in which case such subsidiary's individual tax attributes, if any, may be subject to reductions as a result of the section 108 rules.

3. Limitation on NOLs and other Tax Attributes.

In the event that the NewCo Structure involves a purchase of stock of a Debtor which purchase is not treated as the purchase of assets (such Debtor, an "Attribute Carryover Debtor"), then following the Effective Date, the Debtors anticipate that any NOL carryovers, capital loss carryovers, tax credit carryovers, and certain other tax attributes (such as losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change) of such Attribute Carryover Debtor that are not reduced according to the COD Income rules described above and that are allocable to periods before the Effective Date (collectively, the "Pre-Change Losses") may be subject to limitation under sections 382 and 383 of the Tax Code as a result of an "ownership change" by reason of the transactions consummated pursuant to the Plan.

Under sections 382 and 383 of the Tax Code, if a corporation undergoes an "ownership change," the amount of its Pre-Change Losses that may be utilized to offset future taxable income generally is subject to an annual limitation. The rules of sections 382 and 383 of the Tax Code are complicated, but as a general matter, the Debtors anticipate that the effectuation of the Plan will result in an "ownership change" for these purposes, and that the Winning Bidder's use of an Attribute Carryover Debtor's Pre-Change Losses and tax credits will be subject to limitation unless an exception to the general rules of sections 382 and 383 of the Tax Code applies.

Under section 382 of the Tax Code, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) $10,000,000 or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change.

(a) General Section 382 Annual Limitation.

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments), and (b) the "long-term tax-exempt rate" (which is the highest of the adjusted federal long-term rates in effect for any month in the 3-calendar-month period ending with the calendar month in which the ownership change occurs, currently 1.68 percent for November 2019). The annual limitation may be increased to the extent that an Attribute Carryover Debtor recognizes certain built-in gains in its assets during the five-year period following the ownership change, or is treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65.[11] Section 383 of the Tax Code applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

(b) Special Bankruptcy Exceptions.

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

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(l)(5) Exception), another exception will generally apply (the "382(l)(6) Exception"). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of (a) the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or (b) the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary

[11] The IRS issued proposed regulations in September, 2019, that would eliminate the so-called "338 approach" described in Notice 2003-65, the effect of which, generally, would be to decrease the Tax Code section 382 limitation in most cases.

rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions in the manner described above, and a debtor corporation may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

C. *Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote.*

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

1. <u>Consequences to the Holders of Allowed Class 4 Superpriority Claims</u>.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement and release of their Claim, each Holder of an Allowed Class 4 Superpriority Claim will receive either (i) if Murray NewCo is the Winning Bidder, its Pro Rata share of (a) 100 percent of the New Interests, subject to dilution for the Management Incentive Plan, (b) the New Takeback Debt, if any (less any New Takeback Debt issued in exchange for any DIP Term Loan Claims), (c) Cash proceeds of any of the Debtors' assets that are not Purchased Assets (as defined in the Stalking Horse APA) and that constitute collateral of the Superpriority Claims pursuant to the Superpriority Loan Documents, and (d) its Pro Rata share (along with Class 5, Class 6, Class 7, Class 8, and Class 9) of Stalking Horse Distributable Consideration, if any; or (ii) if an Entity other than Murray NewCo is the Winning Bidder, either (a) payment in full in Cash or (b) its Pro Rata share of the Sale Proceeds Distributable Consideration, which amount of the Sale Proceeds Distributable Consideration must be acceptable to Required Consenting Superpriority Lenders.

In a NewCo Structure other than a NewCo 351 Transaction, or if there is a NewCo 351 Transaction but the Holder is not treated as contributing its Claim to Murray NewCo in a transfer governed by section 351 of the Tax Code, then the Holder of the Allowed Class 4 Superpriority Claim will be treated as receiving its consideration under the Plan in a taxable exchange under section 1001 of the Tax Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, each U.S. Holder should recognize gain or loss in an amount equal to the difference between (x) the amount of cash received and the fair market value of any non-cash consideration received (or, in the case of the New Takeback Debt (if any), the issue price), in each case in respect of the Allowed Class 4 Superpriority Claim, and (y) such U.S. Holder's adjusted basis, if any, in such Claim. The character of such gain or loss will be determined by a number of factors, including, among other things, the tax status of the U.S. Holder, the rules regarding market discount and accrued but untaxed interest, and whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim. If recognized gain or loss is capital in nature, it generally would be long-term capital gain or loss if the U.S. Holder held its Claim for more than one year as of the Effective Date. Such U.S. Holder's tax basis in the non-cash consideration received should equal the fair market value of such property as of the Effective Date, and such U.S. Holder's holding period in such non-cash consideration should begin on the day after the Effective Date.

In a NewCo 351 Transaction where the Holder is treated as contributing its Claim to Murray NewCo in a transfer governed by section 351 of the Tax Code, then, subject to the rules regarding accrued but untaxed interest, a Holder of such Claim should recognize gain, if any, but not loss, to the extent of any "other property" (within the meaning of Section 351(b) of the Tax Code) and cash received, with the amount of gain equal to the lesser of (a) the amount of cash received and the fair market value of any "other property" received (or, in the case of the New Takeback Debt (if any), the issue price), and (b) the difference between (i) the amount of cash received and the fair market value of any non-cash consideration received (or, in the case of the New Takeback Debt (if any), the issue price), and (ii) such Holder's adjusted basis, if any, in such Claim. Such Holder's tax basis in the New Interests received, apart from amounts allocable to accrued but untaxed interest, should generally equal the Holder's tax basis in its Allowed Class 4 Superpriority Claim surrendered therefor, increased by gain, if any, recognized by such Holder in the transaction, decreased by the amount of cash received and the fair market value of any "other property" received (or, in the case of the New Takeback Debt (if any), the issue price). Subject to the rules regarding accrued but untaxed interest, a Holder of an Allowed Class 4 Superpriority Claim's holding period for its

New Interests should include the holding period for the exchanged Claim. With respect to the "other property" received, the Holder's tax basis in such property should be equal to its fair market value (or, in the case of the New Takeback Debt (if any), the issue price), and the Holder's holding period should begin on the day following the receipt of such property.

The determination of "issue price" for purposes of this analysis will depend, in part, on whether the New Takeback Debt issued to a Holder or the Superpriority Claims surrendered under the Plan are traded on an "established securities market" at any time during the 31-day period ending 15 days after the Effective Date. In general, a debt instrument will be treated as traded on an established securities market if (a) a "sales price" for an executed purchase of the debt instrument appears on a medium that is made available to issuers of debt instruments, persons that regularly purchase or sell debt instruments, or persons that broker purchases or sales of debt instruments, (b) a "firm" price quote for the debt instrument is available from at least one broker, dealer or pricing service, and the quoted price is substantially the same as the price for which the person receiving the quoted price could purchase or sell the debt instrument, or (c) there are one or more "indicative" quotes available from at least one broker, dealer or pricing service for the debt instrument.

2. Consequences to Holders of Allowed Class 5 Term Loan Claims, Class 6 1.5L Notes Claims, Class 7 Stub 2L Notes Claims, Class 8 2L Notes Claims, and Class 9 General Unsecured Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement and release of their Claim, each Holder of an Allowed Claim in Class 5 (Term Loan Claims), Class 6 (1.5L Notes Claims), Class 7 (Stub 2L Notes Claims), Class 8 (2L Notes Claims), and Class 9 (General Unsecured Claims) will receive either (i) if Murray NewCo is the Winning Bidder, its Pro Rata share of Stalking Horse Distributable Consideration, if any; or (ii) if an Entity other than Murray NewCo is the Winning Bidder, solely after payment in full in Cash of the Superpriority Claims, its Pro Rata share of the Sale Proceeds Distributable Consideration.

It is generally not expected that any such Holder will be treated as contributing its Claim to Murray NewCo in a transfer governed by section 351 of the Tax Code. Accordingly, the consequences to a Holder of any such Claim of receiving its consideration under the Plan should be the same as the consequences to a Holder of an Allowed Claim in Class 4 (Superpriority Claims) of receiving its consideration under the Plan in a NewCo Structure other than a NewCo 351 Transaction.

3. Accrued Interest.

A portion of the consideration received by U.S. Holders of Claims may be attributable to accrued but unpaid interest on such Claims. Such amount should be taxable to that U.S. Holder as ordinary interest income if such accrued interest 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 Claims may be able to recognize a deductible loss to the extent that any accrued interest on the Claims was previously included in the Holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

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

4. Market Discount.

Under the "market discount" provisions of the Tax Code, some or all of any gain realized by a U.S. Holder of a Claim may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's initial tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its adjusted issue price, in each case, by at least a *de minimis* amount (equal to 0.25 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such Claim was considered to be held by the U.S. Holder (unless the U.S. Holder elected to include market discount in income as it accrued). U.S. Holders should consult their own tax advisors concerning the application of the market discount rules to their Claims.

5. Medicare Tax.

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

6. Limitation of Use of Capital Losses.

U.S. Holders who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses. For non-corporate U.S. Holders, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. Non-corporate U.S. Holders may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. U.S. Holders who have more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. Corporate U.S. Holders may only carry over unused capital losses for the five years following the capital loss year, but are allowed to carry back unused capital losses to the three years preceding the capital loss year.

7. Wind-Down Trust.

The Plan provides that the Wind-Down Trust Assets shall be transferred to and beneficially owned by the Wind-Down Trust as of the Effective Date. In particular, the Plan provides for the Disputed Claims Reserve, which will be held within the Wind-Down Trust.

(a) Liquidating Trust Treatment.

Although not free from doubt, other than with respect to any assets that are subject to potential disputed claims of ownership or uncertain distributions (including, in particular, the Disputed Claims Reserve), the Wind-Down Trust may be classified as a "liquidating trust" under section 301.7701-4(d) of the Treasury Regulations and qualify as a "grantor trust" under section 671 of the Tax Code. The Debtors intend to take the position that this treatment applies to the extent reasonably practicable. In such case, any beneficiaries of the Wind-Down Trust would be treated as grantors and deemed owners thereof and, for all U.S. federal income tax purposes, any beneficiaries would be treated as if they had received a distribution of an undivided interest in the assets of the Wind-Down Trust and then contributed such undivided interest to the Wind-Down Trust. If this treatment applies, the person or persons responsible for administering the Wind-Down Trust shall, in an expeditious

but orderly manner, make timely distributions to beneficiaries of the Wind-Down Trust pursuant to the Plan and not unduly prolong its duration. The Wind-Down Trust would not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein or in the governing documents for the Wind-Down Trust.

Other than with respect to any assets of the Wind-Down Trust that are subject to potential disputed claims of ownership or uncertain distributions, the treatment of the deemed transfer of assets to applicable Holders of Claims prior to the contribution of such assets to the Wind-Down Trust should generally be consistent with the treatment described above with respect to the receipt of the applicable assets directly.

Other than with respect to any assets of the Wind-Down Trust that are subject to potential disputed claims of ownership or uncertain distributions, no entity-level tax should be imposed on the Wind-Down Trust with respect to earnings generated by the assets held by it. Each beneficiary must report on its federal income tax return its allocable share of income, gain, loss, deduction and credit, if any, recognized or incurred by the Wind-Down Trust, even if no distributions are made. Allocations of taxable income with respect to the Wind-Down Trust shall be determined by reference to the manner in which an amount of cash equal to such taxable income would be distributed (without regard to any restriction on distributions described herein) if, immediately before such deemed distribution, the Wind-Down Trust had distributed all of its other assets (valued for this purpose at their tax book value) to the beneficiaries, taking into account all prior and concurrent distributions from the Wind-Down Trust. Similarly, taxable losses of the Wind-Down Trust will be allocated by reference to the manner in which an economic loss would be borne immediately after a liquidating distribution of the remaining assets. The tax book value of the assets for this purpose shall equal their respective fair market values on the Effective Date or, if later, the date such assets were acquired, adjusted in either case in accordance with the tax accounting principles prescribed by the applicable provisions of the Tax Code, Treasury Regulations and other applicable administrative and judicial authorities and pronouncements.

The character of items of income, gain, loss, deduction and credit to any Holder of a beneficial interest in the Wind-Down Trust, and the ability of such Holder to benefit from any deductions or losses, may depend on the particular circumstances or status of the Holder. Taxable income or loss allocated to a beneficiary should be treated as income or loss with respect to the interest of such beneficiary in the Wind-Down Trust and not as income or loss with respect to such beneficiary's applicable Claim. In the event any tax is imposed on the Wind-Down Trust, the person or persons responsible for administering the Wind-Down Trust shall be responsible for payment, solely out of the assets of the Wind-Down Trust, of any such taxes imposed on the Wind-Down Trust.

The person or persons responsible for administering the Wind-Down Trust shall be liable to prepare and provide to, or file with, the appropriate taxing authorities and other required parties such notices, tax returns and other filings, including all federal, state and local tax returns as may be required under the Bankruptcy Code, the Plan or by other applicable law, including, if required under applicable law, notices required to report interest or dividend income. The person or persons responsible for administering the Wind-Down Trust will file tax returns pursuant to section 1.671-4(a) of the Treasury Regulations on the basis that the Wind-Down Trust is a "liquidating trust" within the meaning of section 301.7701-4(d) of the Treasury Regulations and related Treasury Regulations. As soon as reasonably practicable after the close of each calendar year, the person or persons responsible for administering the Wind-Down Trust will send each affected beneficiary a statement setting forth such beneficiary's respective share of income, gain, deduction, loss and credit for the year, and will instruct the Holder to report all such items on its tax return for such year and to pay any tax due with respect thereto.

(b) Disputed Ownership Fund Treatment.

With respect to any of the assets of the Wind-Down Trust that are subject to potential disputed claims of ownership or uncertain distributions (including, in particular, the Disputed Claims Reserve), *or* to the extent "liquidating trust" treatment is otherwise unavailable, the Debtors anticipate that such assets will be subject to disputed ownership fund treatment under Section 1.468B-9 of the Treasury Regulations, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate federal income tax return shall be filed with the IRS for any such account. Any taxes (including with respect to interest, if any, earned in the account) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes). To the extent property is not distributed to U.S. Holders

of applicable Claims on the Effective Date but, instead, is transferred to any such account, although not free from doubt, U.S. Holders should not recognize any gain or loss with respect to such property on the date that the property is so transferred. Instead, gain or loss should be recognized when and to the extent property is actually distributed to such U.S. Holders.

D. *Certain United States Federal Income Tax Consequences to Non-U.S. Holders of Certain Allowed Claims.*

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

1. Gain Recognition.

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

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

2. Certain U.S. Federal Income Tax Consequences to Non-U.S. Holders of Payments of Interest (Including Accrued but Unpaid Interest) and of Owning and Disposing of the New Takeback Debt (if any).

(a) Payments of Interest (Including Accrued but Unpaid Interest).

Payments made to a Non-U.S. Holder of interest income (which, for purposes of this discussion, includes payments made to a Non-U.S. Holder under the Plan that are attributable to accrued but unpaid interest on a Claim) generally will not be subject to U.S. federal income or withholding tax, provided that (i) such Non-U.S. Holder is not a bank, (ii) such Non-U.S. Holder does not actually or constructively own 10 percent or more of the total combined voting power of all classes of the stock of, as applicable, Murray NewCo (in the case of the New Takeback Debt (if any)) or the Debtors (in the case of interest received pursuant to the Plan), (iii) the Non-U.S. Holder is not a controlled foreign corporation related to, as applicable, Murray NewCo (in the case of the New Takeback Debt (if any)) or the Debtors (in the case of interest received pursuant to the Plan), actually or constructively through the ownership rules under Section 864(d)(4) of the Tax Code, and (iv) 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, unless such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income

tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), 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 such interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for exemption from withholding tax with respect to interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to interest. 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.

(b) Sale, Taxable Exchange, or Other Disposition of the New Takeback Debt (if any).

A Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of the New Takeback Debt (if any) (other than any amount representing accrued but unpaid interest on the New Takeback Debt) unless:

- the gain is effectively connected with the conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains in the United States); or

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

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

3. Certain U.S. Federal Income Tax Consequences to Non-U.S. Holders of Owning and Disposing of New Interests (as applicable) and Interests in the Wind-Down Trust.

(a) Distributions on Account of the New Interests.

Any distributions made with respect to the New Interests will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Murray NewCo, as determined under U.S. federal income tax principles.

To the extent that a Non-U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the Non-U.S. Holder's basis in its New Interests. Any such distributions in excess of a Non-U.S. Holder's basis in its New Interests (determined on a share-by-share basis) generally will be treated as capital gain from a sale or exchange, as discussed below.

Except as described below, dividends paid with respect to the New Interests held by a Non-U.S. Holder that are not effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax

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

To the extent the FIRPTA rules (discussed below) are applicable to any Non-U.S. Holder (and subject to the rules discussed below regarding less-than-5 percent Holders if the New Interests are regularly traded on an established securities market), distributions that are not taxable as dividends but, instead, are treated as a return of capital or gain may be subject to withholding at an amount equal to 15 percent of the gross amount of such distributions. Distributions that are taxable as dividends will be subject to withholding as described above.

(b) Sale, Redemption, or Repurchase of New Interests or Interests in Wind-Down Trust.

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of its New Interests or Interests in the Wind-Down Trust unless: (i) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States; (ii) such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); (iii) the issuer of such New Interests is or has been during a specified testing period a "U.S. real property holding corporation" (a "USRPHC") under the FIRPTA rules (as defined and discussed below); or (iv) such Non-U.S. Holder receives a "flow-through" interest (including pursuant to assets held in a "liquidating trust") in assets that constitutes a "U.S. real property interest."

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

4. FIRPTA.

Under the Foreign Investment in Real Property Tax Act ("FIRPTA"), gain on the disposition of certain investments in U.S. real property is subject to U.S. federal income tax in the hands of Non-U.S. Holders and treated as effectively connected income that is subject to U.S. federal net income tax even if a Non-U.S. Holder is not otherwise engaged in a U.S. trade or business.

With respect to the New Interests (as applicable), rules with respect to U.S. real property holding corporations ("USRPHCs") may apply. In general, a corporation is a USRPHC if the fair market value of the corporation's U.S. real property interests (as defined in the Tax Code and applicable Treasury Regulations) equals or exceeds 50 percent of the aggregate fair market value of its worldwide real property interests and its other assets

used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any time within the shorter of the 5-year period ending on the effective time of the applicable disposition or the period of time the Non-U.S. Holder held an interest in such corporation. Although the Debtors and other relevant parties have not performed an analysis to determine whether Murray NewCo would constitute a USRPHC, companies that are engaged in the Debtors' line of business often constitute USRPHCs and, as such, it is likely that Murray NewCo would be a USRPHC. Taxable gain from the disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and such Non-U.S. Holder's adjusted tax basis in such interest) will constitute effectively connected income. Further, the buyer of the New Interests may be required to withhold a tax equal to 15 percent of the amount realized on the sale. The amount of any such withholding would be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the Non-U.S. Holder properly and timely files a tax return with the IRS. However, in the event the New Interests are "regularly traded on an established securities market" within the meaning of FIRPTA, the withholding obligation described above would not apply, even if a Non-U.S. Holder is subject to the substantive FIRPTA tax.

Under the FIRPTA rules, if the stock of a USRPHC is regularly traded on an established securities market, a person that holds 5 percent or less of such stock (after taking into account certain attribution rules) will not be subject to substantive FIRPTA taxation or FIRPTA withholding upon a disposition of its shares, and FIRPTA withholding upon dispositions will generally be inapplicable other than in the case of certain distributions and redemptions by the issuer. Whether and when the New Interests will be considered regularly traded on an established securities market cannot currently be determined.

The FIRPTA rules will also not apply if, at the time of a disposition, the corporation does not directly or indirectly hold any United States real property interests ("USRPIs") and it had directly or indirectly disposed of all of the USRPIs it directly or indirectly owned in one or more fully taxable transactions.

It is not possible to predict whether an interest in the Wind-Down Trust will constitute a USRPI. If the Wind-Down Trust is treated as a liquidating trust for U.S. federal income tax purposes, the disposition of any USRPI by the Wind-Down Trust would be subject to the FIRPTA rules on the same basis as if the Non-U.S. Holder directly held its share of the Wind-Down Trust assets. Non-U.S. Holders are urged to consult their own tax advisors regarding the consequences of owning and disposing of interests in the Wind-Down Trust.

E. *FATCA*.

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

FATCA withholding rules were previously scheduled to take effect on January 1, 2019, that would have applied to payments of gross proceeds from the sale or other disposition of property of a type that can produce U.S. source interest or dividends. However, such withholding has effectively been suspended under proposed Treasury Regulations that may be relied on until final regulations become effective. Nonetheless, there can be no assurance that a similar rule will not go into effect in the future. Each Non-U.S. Holder should consult its own tax advisor regarding the possible impact of FATCA withholding rules on such Non-U.S. Holder.

BOTH U.S. HOLDERS AND NON-U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POSSIBLE IMPACT OF THESE RULES ON SUCH HOLDERS' EXCHANGE OF ANY OF THEIR CLAIMS PURSUANT TO THE PLAN.

F. *Information Reporting and Backup Withholding.*

The Debtors will withhold all amounts required by law to be withheld from payments of interest and dividends. The Debtors will comply with all applicable reporting requirements of the Tax Code. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim under the Plan. Additionally, under the backup withholding rules, a Holder of a Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan unless, in the case of a U.S. Holder, such U.S. Holder provides a properly executed IRS Form W-9 and, in the case of Non-U.S. Holder, such Non-U.S. Holder provides a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption). The current backup withholding rate is 24 percent. Backup withholding is not an additional tax but is, instead, an advance payment that may entitle the Holder to a refund from the IRS 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, the 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 UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF UNITED STATES FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM UNDER THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, NON-US, OR OTHER TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

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ARTICLE XI.
RECOMMENDATION OF THE DEBTORS

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 holders of Allowed Claims and Allowed Interests 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 and Allowed Interests than 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.

Dated: December 3, 2019

MURRAY ENERGY HOLDINGS CO.
on behalf of itself and its debtor affiliates

/s/ Robert D. Moore

Robert D. Moore
President, Chief Executive Officer, and Chief Financial Officer

PROPOSED COUNSEL:

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Alexandra S. Horwitz (0096799)
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Proposed Counsel to the Debtors and Debtors in Possession

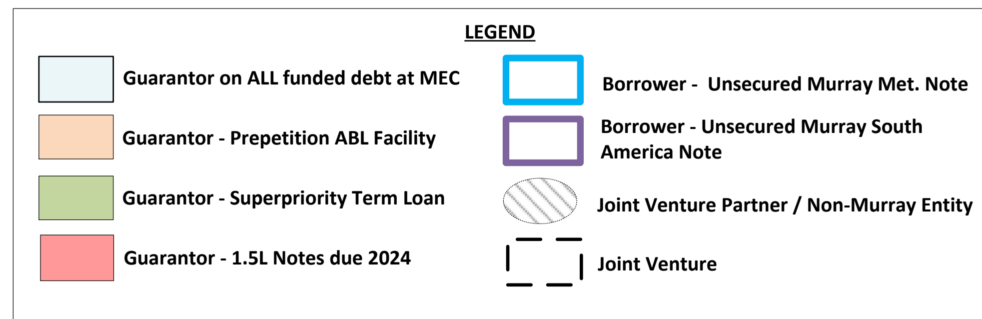
<u>Exhibit A</u>

Chapter 11 Plan

[FILED AT DOCKET NO. 322]

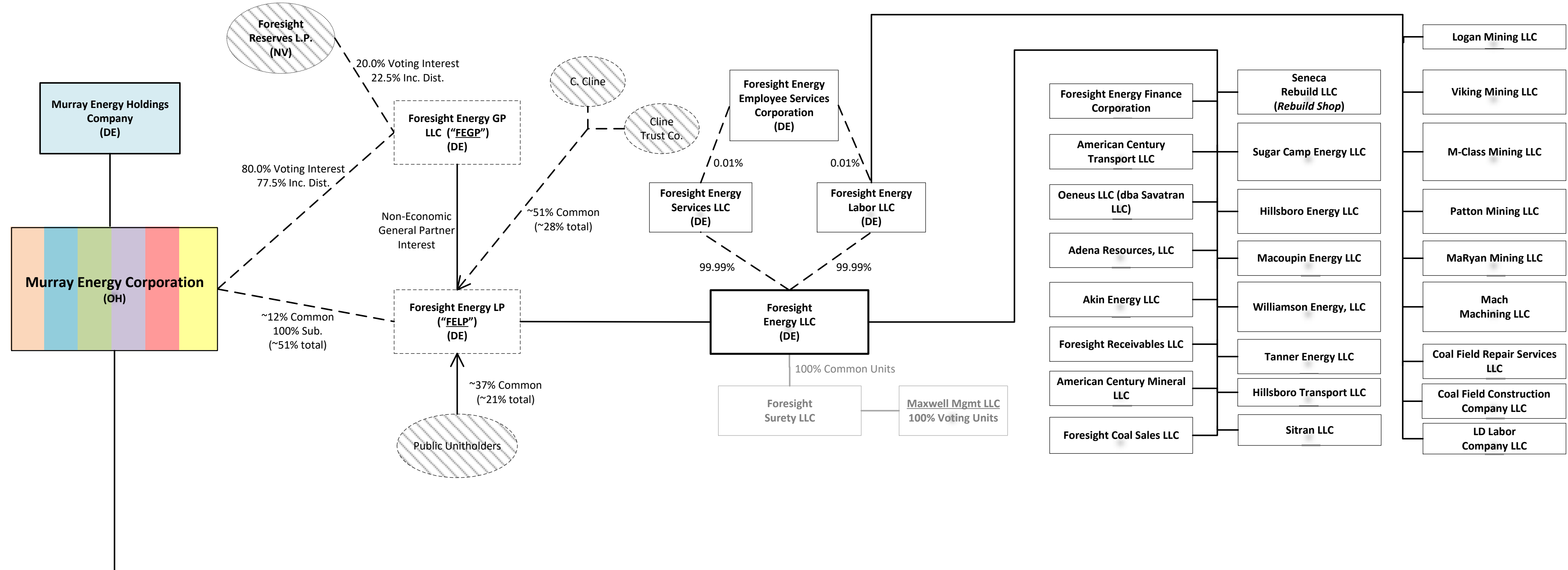
Exhibit B

Corporate Structure Chart



Murray Energy Holdings Company (DE)

Murray Energy Corporation (OH)



Murray South America, Inc. (DE)
Murray Kentucky Energy, Inc. (KY)
Western Kentucky Coal Resources, LLC (DE)
Western Kentucky Resources Financing, LLC (DE)
Western Kentucky Consolidated Resources, Inc. (DE)
Western Kentucky Rail Loadout LLC (DE)
Western Kentucky Resources, LLC (DE)
Western Kentucky River Loadout LLC (DE)
The Western Kentucky Coal Company, LLC (DE)
The Muhlenberg County Coal Company, LLC (DE)
Western Kentucky Land Holding, LLC (DE)
Murray Colombian Resources, LLC (DE)
NRI Cayman Ltd. (Cayman)
CNR III Ltd. (Bermuda)
CNR III Ltd. Sucursal Colombia (Colombia)
Natural Resources Investments S.I. (Spain)
CNR Marketing Limited (UK)
Sociedad Portuaria Rio Cordoba S.A. (Colombia)
13.77%
C.I. Colombian Natural Resources I S.A.S. (Colombia)
CNR Transport S.A.S. (Colombia)
Colombian Natural Resources II S.A.S. (Colombia)
Fundacion Colombian Natural Resources I (Colombia)
8.435%
8.435%
Fenoco Shares
39.76%
2.41%
40.96%
Prodeco
Drummond
Sloandes

Murray Kentucky Energy Services, Inc. (KY)
Empire Dock, Inc. (PA)
OhioAmerican Energy, Inc. (OH)
UtahAmerican Energy, Inc. (UT)
Andalex Resources, Inc. (DE)
AMCA Coal Leasing, Inc. (DE)
Andalex Resources Management, Inc. (DE)
Genwal Resources, Inc. (DE)
West Ridge Resources, Inc. (DE)
Belmont Coal, Inc. (OH)
American Compliance Coal, Inc. (CO)
Kanawha Transportation Center, Inc. (WV)
Consolidated Land Company (OH)
Murray Equipment & Machine, Inc. (OH)
American Energy Corporation (OH)
Ohio Valley Resources, Inc. (OH)
American Equipment & Machine, Inc. (WV)
Ohio Energy Transportation, Inc. (OH)
American Mine Services, Inc. (OH)
AmCoal Holdings, Inc. (OH)
The American Coal Company (DE)
Murray American River Towing, Inc. (PA)
Murray American Kentucky Towing, Inc. (DE)
Murray American Resources, Inc. (WV)
Coal Resources Holdings Company (DE)
Coal Resources Inc. (OH)
American Mountaineer Energy, Inc. (OH)
American Mountaineer Properties, Inc. (WV)
American Natural Gas, Inc. (DE)
Murray American Coal, Inc. (DE)
Murray Global Commodities, Inc. (DE)
34%
Uniper Global Commodities UK Limited
28%
Javelin Management Services LLP
38%
Javelin Global Commodities Holdings LLP
Murray American Minerals, Inc. (DE)
Murray Utah Energy, Inc.
Murray Utah Energy Services, Inc.
Murray Metallurgical Coal Properties, LLC (DE)
Murray Metallurgical Coal Properties II, LLC (DE)
Tomahawk Investment Holdings LLC
47.2%
52.8%
79%
Javelin Investment Holdings LLC (DE)
21%
Murray Metallurgical Coal Holdings, LLC (DE)
Murray Eagle Mining, LLC (DE)
Murray Alabama Minerals, LLC (DE)
Murray Maple Eagle Coal, LLC (DE)
Murray Alabama Coal, LLC (DE)
Murray Oak Grove Coal, LLC (DE)

Sunburst Resources, Inc. (PA)
The Ohio Valley Transloading Company (OH)
Murray American Energy, Inc. (DE)
The McLean County Coal Company (KY)
The Ohio Valley Coal Company (OH)
Consolidation Coal Company (DE)
Estate of Toni Southern
2%
UMCO Energy, Inc. (PA)
98%
Maple Creek Mining, Inc. (PA)
MonValley Transportation Center, Inc. (PA)
Pennsylvania Transloading, Inc. (OH)
Maple Creek Processing, Inc. (PA)
The Franklin County Coal Company (IL)
The Harrison County Coal Company (DE)
The Marshall County Coal Company (DE)
The Ohio County Coal Company (OH)
The Washington County Coal Company (PA)
The Muskingum County Coal Company (OH)
Murray Keystone Processing, Inc. (DE)
Murray American Transportation, Inc. (DE)
The Monongalia County Coal Company (DE)
The Marion County Coal Company (DE)
The Meigs County Coal Company (WV)
McElroy Coal Company (DE)
Keystone Coal Mining Corp. (PA)
Eighty-Four Mining Company (PA)
Mon River Towing, Inc. (PA)
Southern Ohio Coal Company (WV)
Central Ohio Coal Company (OH)
Twin Rivers Towing Company (DE)
CCC Land Resources LLC (DE)
CCC RCP LLC (DE)

Mill Creek Mining Company (PA)
Anchor Longwall & Rebuild, Inc. (WV)
American Hocking Energy, Inc. (OH)
Premium Coal, Inc. (PA)
The American Coal Sales Company (OH)
KenAmerican Resources, Inc. (KY)
Energy Resources, Inc. (PA)
TDK Coal Sales, Inc. (PA)
Spring Church Coal Company (PA)
Canterbury Coal Company (PA)
Avonmore Rail Loading, Inc. (DE)
West Virginia Resources, Inc. (WV)
Oneida Coal Co., Inc. (WV)
Energy Transportation, Inc. (PA)
Corporate Aviation Services, Inc. (OH)
Belmont County Broadcast Studio, Inc.
Pleasant Farms, Inc. (OH)
The Oklahoma Coal Company (OK)
PennAmerican Coal, Inc. (PA)
Limited Partner
PennAmerican Coal, LP (PA)
Pinski Corp. (PA)
Managing Partner

Exhibit C

Restructuring Support Agreement

Execution Version

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, and including the exhibits hereto, this "Agreement"), dated as of October 28, 2019, is entered into by and among the following parties (each, a "Party" and, collectively, the "Parties"):

i. Murray Energy Holdings Company, Murray Energy Corporation, and certain of their direct and indirect subsidiaries (collectively, the "Company");

ii. the undersigned holders of claims (and together with their respective successors and permitted assigns, the "Consenting Superpriority Lenders") under the Superpriority Credit Agreement (as defined herein);[1] and

iii. the undersigned holders of Class A Shares and Class B Shares (as defined herein) ("Consenting Equityholders").

RECITALS

WHEREAS, the Parties have engaged in good faith, arm's-length negotiations regarding certain restructuring transactions (the "Restructuring Transactions") pursuant to the terms and conditions set forth in this Agreement, including a joint plan of reorganization for the Company that is consistent with the terms and conditions of the term sheet attached hereto as **Exhibit A** (the "Restructuring Term Sheet");

WHEREAS, it is anticipated that the Restructuring Transactions will be implemented through jointly administered voluntary cases 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 (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Southern District of Ohio (the "Bankruptcy Court"); and

WHEREAS, (i) certain Consenting Superpriority Lenders or affiliates thereof (in their capacities as such, the "DIP Term Lenders") have committed to provide debtor-in-possession term loan financing (the "DIP Term Financing") and otherwise extend credit to the Company during the pendency of the Chapter 11 Cases and (ii) the Consenting Superpriority Lenders have agreed to the Company's use of cash collateral, which DIP Term Financing and use of cash collateral shall be on terms consistent with the term sheet attached hereto as **Exhibit B** (the "DIP Term Sheet," and, collectively with the Restructuring Term Sheet, the "Term Sheets")[2] and otherwise pursuant to the DIP Term Orders and the DIP Term Loan Credit Documents (each as defined herein).

---

[1] An affiliate of a holder of claims under the Superpriority Credit Agreement who is not itself a holder of claims under the Superpriority Credit Agreement who has executed this Agreement shall be deemed, for purposes hereof, a Consenting Superpriority Lender.

[2] Capitalized terms used but not defined herein shall have the meanings given to such terms in the Term Sheets (including any exhibits thereto), as applicable.

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

AGREEMENT

1. **Definitions**. The following terms shall have the following definitions:

"1113/1114 Motion" has the meaning set forth in Section 5(i).

"1.5L Indenture" means that certain 12.00% Senior Secured Notes due 2024 Indenture, dated as of June 29, 2018, as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among, Murray Energy Corporation, as issuer, each of the guarantors party thereto, U.S. Bank National Association, as collateral trustee, The Bank of New York Mellon Trust Company, N.A., as trustee, and the 1.5L Noteholders.

"1.5L Noteholders" means the holders of the notes issued under the 1.5L Indenture.

"1.5L Notes Documents" means, collectively, the 1.5L Indenture and any related security agreement, collateral trust agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"1.5L Notes Claims" means Claims outstanding under the 1.5L Notes Documents.

"2L Indenture" means that certain 11.25% Senior Secured Notes due 2021 Indenture, dated as of April 16, 2015, as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among, Murray Energy Corporation, as issuer, each of the guarantors party thereto, U.S. Bank National Association, as collateral trustee, The Bank of New York Mellon Trust Company, N.A., as trustee, and the 2L Noteholders.

"2L Noteholders" means the holders of the notes issued under the 2L Indenture.

"2L Notes Documents" means, collectively, the 2L Indenture and any related security agreement, collateral trust agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"2L Notes Claims" means Claims outstanding under the 2L Notes Documents and the Stub 2L Notes Documents.

"Ad Hoc Group of Superpriority Lenders" means that certain ad hoc group of Superpriority Lenders represented by the AHG Advisors.

"Additional Commitment Amount" has the meaning set forth in the Transferee Joinder.

"AHG Advisors" means, collectively, Davis Polk & Wardwell LLP, Houlihan Lokey Capital, Inc., Frost Brown Todd LLC, and such other advisors retained by the Ad Hoc Group of Superpriority Lenders with the reasonable consent of the Company.

"Agreement" has the meaning set forth in the preamble hereof and includes all of the exhibits attached hereto.

"Agreement Effective Date" means the date upon which this Agreement shall become effective and binding upon each of the Parties pursuant to the terms of Section 2 hereof.

"Alternative Transaction" means any dissolution, winding up, liquidation, reorganization, recapitalization, assignment for the benefit of creditors, merger, transaction, consolidation, business combination, joint venture, partnership, sale of assets (other than ordinary course sales or sales of *de minimis* assets), financing (debt or equity), or restructuring of the Company, other than the Restructuring Transactions, *provided* that a sale pursuant to the Sale Process (as defined in the Restructuring Term Sheet) shall not be an Alternative Transaction.

"Asset Purchase Agreement" means the purchase agreement pursuant to which Murray NewCo (as defined in the Restructuring Term Sheet) will effectuate its credit bid for the Company's assets as set forth in the Restructuring Term Sheet.

"Bankruptcy Code" has the meaning set forth in the recitals hereof.

"Bankruptcy Court" has the meaning set forth in the recitals hereof.

"Bidding Procedures Motion" has the meaning set forth in Section 5(a).

"Bidding Procedures Order" has the meaning set forth in Section 5(a).

"Chapter 11 Cases" has the meaning set forth in the recitals hereof.

"Claims" means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, against the Company including the DIP Term Claims, Superpriority Claims, Term Loan Claims, 1.5L Notes Claims, 2L Notes Claims, and interests in the instruments underlying the DIP Term Claims, Superpriority Claims, Term Loan Claims, 1.5L Notes Claims, or 2L Notes Claims.

"Class A Shares" means the Class A Common Shares in Murray Energy Holdings Company.

"Class B Shares" means the Class B Common Shares in Murray Energy Holdings Company

"Company" has the meaning set forth in the preamble hereof.

"Company Advisors" means, collectively, Kirkland & Ellis LLP, Evercore Group L.L.C., Alvarez & Marsal North America, LLC, and Dinsmore & Shohl LLP (as local counsel, who shall not be a "Company Advisor" for purposes of knowledge set forth in Sections 8(j) and 8(k)).

"Company Termination Event" means the right of the Company to terminate its obligations under this Agreement set forth in Section 11 of this Agreement.

"Confirmation Order" means an order of the Bankruptcy Court confirming the Plan.

"Consenting Equityholders" has the meaning set forth in the preamble hereof.

"Consenting Superpriority Lenders" has the meaning set forth in the preamble hereof.

"Definitive Documentation" has the meaning set forth in Section 4(a) of this Agreement.

"DIP Backstop Parties" has the meaning set forth in Section 6(i) of this Agreement

"DIP Commitment" has the meaning set forth in Section 6(i) of this Agreement

"DIP Commitment Parties" means, collectively, the DIP Backstop Parties and the Joining DIP Commitment Parties.

"DIP Term Motion" means the motion seeking approval by the Bankruptcy Court of the DIP Term Financing and the DIP Term Orders.

"DIP Term Claims" means Claims arising under the DIP Term Credit Documents.

"DIP Term Credit Agreement" means the postpetition debtor-in-possession term loan credit agreement evidencing the DIP Term Financing.

"DIP Term Credit Documents" means, collectively, the DIP Term Credit Agreement to be entered into in accordance with the DIP Term Sheet and the DIP Term Orders, including any amendments, modifications, supplements thereto, and together with any related notes, certificates, agreements, security agreements, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

"DIP Term Financing" has the meaning set forth in the recitals hereof.

"DIP Term Lenders" has the meaning set forth in the recitals hereof.

"DIP Term Orders" means, collectively, the Interim DIP Term Order and Final DIP Term Order.

"DIP Term Sheet" has the meaning set forth in the recitals hereof.

"Disclosure Statement" means the disclosure statement (including all exhibits and schedules thereto) related to the Plan.

"Disclosure Statement Motion" means the motion seeking approval of the Disclosure Statement.

"Disclosure Statement Order" means an order of the Bankruptcy Court approving the Disclosure Statement, the Plan Solicitation Materials, and the solicitation of the Plan.

"Final DIP Term Order" means the order of the Bankruptcy Court authorizing the use of cash collateral and approving the DIP Term Financing, each on terms materially consistent with the DIP Term Sheet, and granting the relief requested in the DIP Term Motion on a final basis.

"First Day Pleadings" means those motions and proposed orders that the Company shall file on or after the Petition Date and seek to have heard on an expedited basis at the "First Day Hearing."

"Individual Support Period" means, (a) as to a Consenting Superpriority Lender, the period commencing on the later of (x) Agreement Effective Date and (y) the date upon which such Consenting Superpriority Lender became a Party to this Agreement, and ending on the earlier of (i) the date on which this Agreement is terminated as to such Consenting Superpriority Lender in accordance with Section 9, (ii) the date on which this Agreement is terminated in accordance with Section 11 or 12, and (iii) the Plan Effective Date and (b) as to a Consenting Equityholder, the period commencing on the Agreement Effective Date and ending on the earlier of (i) the date on which this Agreement is terminated in accordance with Section 10, (ii) the date on which this Agreement is terminated in accordance with Section 11 or 12, and (iii) the Plan Effective Date.

"Interim DIP Term Order" means the order of the Bankruptcy Court authorizing the use of cash collateral and approving the DIP Term Financing, each on terms materially consistent with the DIP Term Sheet, and granting the relief requested in the DIP Term Motion on an interim basis.

"Joining DIP Commitment Parties" has the meaning set forth in Section 6(i) of this Agreement

"Milestones" has the meaning set forth in Section 5.

"Outside Petition Date" means October 29, 2019, before 11:59 p.m., prevailing Eastern Time.

"Party" and "Parties" have the meanings set forth in the preamble hereof.

"Petition Date" means the date that the Company commences the Chapter 11 Cases.

"Permitted Transfer" means a Transfer from a Consenting Superpriority Lender to another Consenting Superpriority Lender, a Transfer from a Consenting Equityholder to another Consenting Equityholder, a Transfer from a Restructuring Support Party to any other entity that, prior to such Transfer, agrees in writing for the benefit of the Parties to become a Consenting Superpriority Lender or a Consenting Equityholder, as applicable, and to be bound by all of the terms of this Agreement applicable to the Consenting Superpriority Lenders or the Consenting Equityholders, as applicable (including with respect to any and all Claims it already may hold against or in the Company prior to such Transfer) by executing a Transferee Joinder, which shall include making the representations and warranties of the Consenting Superpriority Lenders set

forth in Section 18(a) of this Agreement to each other Party to this Agreement, and delivering an executed copy thereof within five business days of such execution, to (1) Kirkland & Ellis LLP, as counsel to the Company (via email to joe.graham@kirkland.com and tricia.schwallier@kirkland.com) and (2) Davis Polk & Wardwell LLP, as counsel to the Ad Hoc Group of Superpriority Lenders (via email to adam.shpeen@davispolk.com and daniel.rudewicz@davispolk.com) in which event (x) the transferee shall be deemed to be a Consenting Superpriority Lender or a Consenting Equityholder, as applicable, hereunder to the extent of such transferred Claims and (y) the Transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of and solely with respect to such transferred Claims (but not with respect to any other Claims or equity interests acquired or held by such transferor); provided that a Restructuring Support Party shall not be permitted to Transfer any Claim or interest except in compliance with Section 16.

"Permitted Transferee" means a person or entity that obtains a Claim pursuant to a Permitted Transfer in compliance with Section 16.

"Plan" means the joint plan of reorganization filed by the Debtors under chapter 11 of the Bankruptcy Code implementing the Restructuring Transactions, which plan of reorganization shall be consistent in all material respects with this Agreement (including the Restructuring Term Sheet).

"Plan Effective Date" means the date upon which all conditions precedent to the effectiveness of the Plan have been satisfied or are expressly waived in accordance with the terms thereof, as the case may be.

"Plan Solicitation Materials" means the ballots and other related materials to be distributed in connection with the solicitation of acceptances of the Plan.

"Plan Supplement" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan that will be filed by the Company with the Bankruptcy Court.

"Prepetition ABL Claims" means Claims of the Prepetition ABL Lenders outstanding under the Prepetition ABL Loan Documents.

"Prepetition ABL Credit Agreement" means that certain Prepetition ABL Credit and Guaranty Agreement, dated as of June 29, 2018, as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among Murray Energy Corporation, as borrower, each of the guarantors party thereto, Goldman Sachs Bank USA, as agent, and the Prepetition ABL Lenders.

"Prepetition ABL Lenders" means the lenders party to the Prepetition ABL Credit Agreement, other than the Last-Out Lender (as defined in the Prepetition ABL Credit Agreement).

"Prepetition ABL Loan Documents" means, collectively, the Prepetition ABL Credit Agreement and any related letter of credit documentation, security agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance

agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"Prepetition FILO Claims" means first in, last out Claims of the Last-Out Lender outstanding under the Prepetition ABL Loan Documents.

"Qualified Marketmaker" means an entity that (a) holds itself out to the public, the syndicated loan market, or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Claims against, or equity interests in, 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 such Claims and (b) is, in fact, regularly in the business of making a market in Claims against issuers or borrowers (including loans or debt or equity securities).

"Required Consenting Equityholders" means, as of the date of determination, the Consenting Equityholders holding 100% of the Class A Shares.

"Required Consenting Superpriority Lenders" means, as of the date of determination, Consenting Superpriority Lenders holding at least a majority in aggregate principal amount outstanding of all Superpriority Claims held by the Consenting Superpriority Lenders as of such date.

"Requisite DIP Commitment Parties" means, as of the date of determination, DIP Commitment Parties holding at least a majority in aggregate principal amount of the DIP Commitments held by the DIP Commitment Parties as of such date

"Restructuring Support Parties" means, collectively, the Consenting Superpriority Lenders and the Consenting Equityholders.

"Restructuring Term Sheet" has the meaning set forth in the recitals hereof.

"Restructuring Transactions" has the meaning set forth in the recitals hereof.

"RSA Support Period" means the period commencing on the Agreement Effective Date and ending on the earlier of (i) the date on which this Agreement is terminated in accordance with Section 9, 10, 11, or 12 and (ii) the Plan Effective Date.

"Sale Order" has the meaning set forth in Section 5(j).

"Securities Act" means the Securities Act of 1933, as amended.

"Stub 2L Indenture" means that certain 9.5% Senior Secured Notes due 2020 Indenture, dated as of May 8, 2014, as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among, Murray Energy Corporation, as issuer, each of the guarantors party thereto, U.S. Bank National Association, as collateral trustee, The Bank of New York Mellon Trust Company, N.A., as trustee, and the Stub 2L Noteholders.

"Stub 2L Noteholders" means the holders of notes issued under the Stub 2L Indenture.

"Stub 2L Notes Documents" means, collectively, the Stub 2L Indenture and any related security agreement, collateral trust agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"Superpriority Claims" means Claims outstanding under the Superpriority Loan Documents.

"Superpriority Credit Agreement" means that certain Superpriority Credit and Guaranty Agreement, dated as of June 29, 2018, as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among Murray Energy Corporation, as borrower, each of the guarantors party thereto, GLAS Trust Company LLC, as administrative agent, and the Superpriority Lenders.

"Superpriority Lenders" means the lenders party to the Superpriority Credit Agreement.

"Superpriority Loan Documents" means, collectively, the Superpriority Credit Agreement and any related security agreement, collateral trust agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"Term Loan Claims" means Claims outstanding under the Term Loan Documents.

"Term Loan Credit Agreement" means that certain Credit and Guaranty Agreement, dated as of April 16, 2015 as amended, restated, modified, or supplemented from time to time in accordance with its terms, by and among Murray Energy Corporation, as borrower, each of the guarantors party thereto, Black Diamond Commercial Finance, L.L.C., as successor administrative agent to GLAS Trust Company, and the Term Loan Lenders.

"Term Loan Documents" means, collectively, the Term Loan Credit Agreement and any related security agreement, collateral trust agreement, intercreditor agreement, and any other collateral and ancillary documents, including any forbearance agreements, as amended, restated, modified, or supplemented from time to time in accordance with their terms.

"Term Loan Lenders" means the lenders party to the Term Loan Credit Agreement.

"Term Sheets" has the meaning set forth in the recitals hereof.

"Transfer" means to sell, transfer, assign, loan, issue, pledge, hypothecate, assign, grant a participation interest in, or otherwise dispose of, directly or indirectly, in whole or in part, a party's right, title, or interest in respect of any of such Party's Claims, including any beneficial ownership in any Claims,[3] against, or interests in, the Company, or the deposit of any of such

[3] As used herein, the term "beneficial ownership" means the direct or indirect economic ownership of, and/or the power, whether by contract or otherwise, to direct the exercise of the voting rights and the disposition of, any Claims subject to this Agreement or the right to acquire such Claims.

Party's Claims against or interests in the Company, as applicable, into a voting trust, or the grant of any proxies, or entry into a voting agreement with respect to any such Claims or interests or any option thereon or any right or interest therein.

"Transferor" means the Restructuring Support Party making a Transfer.

"Transferee Joinder" means a transferee joinder substantially in the form attached hereto as **Exhibit C**.

Unless otherwise specified, references in this Agreement to any Section or clause refer to such Section or clause as contained in this Agreement. The words "herein," "hereof," and "hereunder" and other words of similar import in this Agreement refer to this Agreement as a whole, and not to any particular Section or clause contained in this Agreement. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter genders. The words "including," "includes," and "include" shall each be deemed to be followed by the words "without limitation". Wherever the consent or the written consent of a Party is required, the Company may rely on email correspondence from counsel to such Party.

2. **Agreement Effective Date**. The Agreement Effective Date shall occur immediately upon delivery to the Parties of executed and released signature pages for this Agreement from (a) the Company, (b) Consenting Superpriority Lenders holding at least a majority in aggregate principal amount of all outstanding Superpriority Claims, and (c) Consenting Equityholders holding 100% of the Class A Shares, *provided* that signature pages executed by Consenting Superpriority Lenders shall be delivered to (a) the other Consenting Superpriority Lenders in a redacted form that removes such Consenting Superpriority Lenders' names and holdings of the Superpriority Claims or any other Claims against or interests in the Company and any schedules to such Consenting Superpriority Lenders' holdings (if applicable) and (b) the Company, Kirkland & Ellis LLP, and Davis Polk & Wardwell LLP in an unredacted form (and to be kept confidential by the Company, Kirkland & Ellis LLP, and Davis Polk & Wardwell LLP). Upon the Agreement Effective Date, this Agreement shall be deemed effective and thereafter the terms and conditions herein may only be amended, modified, waived, or otherwise supplemented as set forth in Section 27 hereof.

3. **Term Sheets**. The Term Sheets are expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include the Term Sheets. The Term Sheets, including the schedules, annexes and exhibits thereto, set forth certain material terms and conditions of the Restructuring Transactions. Notwithstanding anything else in this Agreement to the contrary, in the event of any inconsistency between this Agreement (excluding the Term Sheets) and the Term Sheets (including the attachments thereto, as applicable), the Term Sheets shall govern. In the event of any inconsistency between the terms of this Agreement (including the Term Sheets) and the Plan, the terms of the Plan shall govern. In the event of any inconsistency between the terms of this Agreement (including the Term Sheets) and the DIP Term Orders, the terms of the DIP Term Orders shall govern.

4. **Definitive Documentation**.

(a) "Definitive Documentation" means the documents (including any related orders, agreements, instruments, schedules or exhibits) that are contemplated by the Term Sheet and that are otherwise necessary or desirable to implement, or otherwise relate to the Restructuring Transactions, including, without limitation:

(i) the Plan;

(ii) the Plan Supplement and the documents contained therein;

(iii) the Asset Purchase Agreement;

(iv) the Confirmation Order;

(v) the Disclosure Statement;

(vi) the Disclosure Statement Motion;

(vii) the Plan Solicitation Materials;

(viii) the Disclosure Statement Order;

(ix) the DIP Term Orders;

(x) the DIP Term Credit Documents;

(xi) the organizational documents and all other governing documents and agreements of the reorganized Company and Murray NewCo, as applicable, including any stockholders' agreement and/or a registration rights agreement;

(xii) the Bidding Procedures Motion;

(xiii) the Bidding Procedures Order;

(xiv) the Sale Order

(xv) a motion seeking approval of incentive compensation plans for key members of the Debtors' executive management team;

(xvi) 1113/1114 Motion (if any); and

(xvii) any other material (with materiality determined in the reasonable discretion of the AHG Advisors, in consultation with the Company Advisors) agreements, motions, pleadings, briefs, applications, orders, and other filings with the Bankruptcy Court related to the

Restructuring Transactions (excluding declarations, other testimony, and retention applications).

(b) Except as set forth herein, the Definitive Documentation (and any modifications, restatements, supplements, or amendments to any of them) will, after the Agreement Effective Date, remain subject to negotiation and shall, upon completion, contain terms, conditions, representations, warranties, and covenants consistent in all material respects with the terms of this Agreement and should be at all times reasonably acceptable in all material respects to each of (i) the Company and (ii) the Required Consenting Superpriority Lenders, *provided* that the DIP Term Orders, DIP Term Credit Documents, the Plan, the Plan Supplement, the Confirmation Order, the Bidding Procedures Motion, the Bidding Procedures Order, and the Asset Purchase Agreement shall be at all times acceptable to the Company and Required Consenting Superpriority Lenders, including with respect to any modifications, amendments, or supplements to such Definitive Documentation at any time during the RSA Support Period.

5. **Milestones**. The Company shall implement the Restructuring Transactions in accordance with the following milestones (the "Milestones"):

(a) no later than 5 calendar days after the Petition Date, the Bankruptcy Court shall have entered the Interim DIP Term Order;

(b) no later than 35 calendar days after the Petition Date, the Debtors shall have filed with the Bankruptcy Court (i) a Plan, a Disclosure Statement, and Disclosure Statement Motion or (ii) a motion (the "Bidding Procedures Motion") seeking entry of an order (the "Bidding Procedures Order") and shall seek (A) approval of procedures governing the sale and marketing process for all or substantially all of the assets of the Debtors and a stalking horse credit bid from the Superpriority Lenders or their designees (which bid may be in the form of a Plan) that contemplates, among other things, cash payment of administrative expenses and wind-down costs set forth in a wind down budget acceptable to the Required Consenting Superpriority Lenders or their designees in their sole discretion and (B) to establish dates for the submission of bids and the auction (if any) in accordance with such procedures;

(c) no later than 35 calendar days after the Petition Date, the Debtors shall have filed a motion seeking approval of incentive compensation plans for key members of the Debtors' executive management team;

(d) no later than 40 calendar days after the Petition Date, the Debtors shall have made proposals in accordance with sections 1113 and 1114 of the Bankruptcy Code to the applicable authorized representatives of the employees and retirees regarding modifications to the Debtors' collective

bargaining agreements and retiree benefits, in form and substance reasonably acceptable to the Required Consenting Superpriority Lenders;

(e) no later than 45 calendar days after the Petition Date, the Bankruptcy Court shall have entered the Final DIP Term Order;

(f) no later than 70 calendar days after the Petition Date, the Bankruptcy Court shall have entered the Bidding Procedures Order;

(g) no later than 106 calendar days after the Petition Date, the Debtors shall have (x) reached an agreement with the applicable authorized representatives of the employees and retirees regarding modifications to the Debtors' collective bargaining agreements and retiree benefits, respectively, in form and substance acceptable to the Required Consenting Superpriority Lenders, in their reasonable discretion or (y) absent such agreement, filed a motion in form and substance acceptable to the Required Consenting Superpriority Lenders in their reasonable discretion under section 1113 of the Bankruptcy Code for rejection of the Debtors' collective bargaining agreements and under section 1114 of the Bankruptcy Code for modification of the Debtors' retiree benefits (the "1113/1114 Motion");

(h) in the event the Bidding Procedures Motion is filed, no later than 125 calendar days after the Petition Date, the Bid Deadline (as defined in the Bidding Procedures Order) shall have passed;

(i) in the event the Bidding Procedures Motion is filed, no later than 135 calendar days after the Petition Date, the Auction (as defined in the Bidding Procedures Order), if any, shall have occurred;

(j) in the event the 1113/1114 Motion is filed, no later than 150 calendar days after the Petition Date, the Bankruptcy Court shall have entered an order in form and substance acceptable to the Required Consenting Superpriority Lenders in their reasonable discretion approving the 1113/1114 Motion;

(k) in the event the Bidding Procedures Motion is filed, the Auction has occurred and the winning bid (which is not the Credit Bid (as defined in the Restructuring Term Sheet)) contemplates a sale that is not pursuant to the Plan, no later than 140 calendar days after the Petition Date, the Bankruptcy Court shall have entered a sale order (the "Sale Order") approving the sale of all or substantially all of the assets of the Debtors pursuant to section 363 of the Bankruptcy Code, which order shall be in form and substance acceptable to the Required Consenting Superpriority Lenders in their reasonable discretion;

(l) in the event the Bidding Procedures Motion is filed, the Auction has

occurred and the winning bid (which is not the Credit Bid (as defined in the Restructuring Term Sheet)) contemplates a sale that is not pursuant to the Plan, no later than 14 calendar days after entry of the Sale Order, the sale transactions contemplated thereby shall have closed;

(m) no later than 150 calendar days after the Petition Date, the Debtors shall obtain entry by the Bankruptcy Court of a Disclosure Statement Order;

(n) no later than 195 calendar days after the Petition Date, the Debtors shall obtain entry by the Bankruptcy Court of a Confirmation Order; and

(o) no later than 210 calendar days after the Petition Date, the Plan shall have become effective.

The Company may extend a Milestone only with the express prior written consent of the Required Consenting Superpriority Lenders, which consent may be provided via email from counsel to the Ad Hoc Group of Superpriority Lenders.

6. **Commitment of the Restructuring Support Parties**. During the Individual Support Period, each Restructuring Support Party shall (severally and not jointly):

(a) support and take all actions reasonably necessary to support consummation of the Restructuring Transactions in accordance with the terms and conditions of this Agreement (including the Term Sheets), by: (i) negotiating and preparing the Definitive Documentation in good faith; (ii) when properly solicited to do so, voting all of its Claims (including all of its Superpriority Claims, Term Loan Claims, 1.5L Notes Claims, and 2L Notes Claims) against, or interests in, as applicable, the Company now or hereafter owned by such Restructuring Support Party (or for which such Restructuring Support Party now or hereafter serves as the nominee, investment manager, or advisor for holders thereof) to accept the Plan; (iii) timely returning a duly-executed ballot in connection therewith; and (iv) supporting and not “opting out” of any releases under the Plan and affirmatively opting into such releases if required to do so;

(b) not seek, support, or solicit an Alternative Transaction;

(c) not withdraw, amend, or revoke (or cause to be withdrawn, amended, or revoked) its tender, consent, or vote with respect to the Plan;

(d) support, and not object to, or materially delay or impede, or take any other action to materially interfere, directly or indirectly, with the Restructuring Transactions;

(e) support, and not object to, or materially delay or impede, or take any other action to materially interfere, directly or indirectly, with the entry by the Bankruptcy Court of any of the DIP Term Orders, and shall (a) not propose, support, or file a pleading with the Bankruptcy Court seeking

entry of an order authorizing, directly or indirectly, any use of cash collateral or debtor-in-possession financing other than as proposed in each of the DIP Term Orders or (b) not direct the administrative agent under the Superpriority Loan Documents, Term Loan Documents, or Prepetition ABL Documents, or the trustee or any collateral agent under the 1.5L Notes Documents, the 2L Notes Documents, or the Stub 2L Notes Documents to propose, file, support, or file a pleading with the Bankruptcy Court seeking entry of an order authorizing, directly or indirectly, any use of cash collateral or debtor-in-possession financing other than as proposed in each of the DIP Term Orders and, to the extent such administrative agent, collateral agent, or indenture trustee proposes, files, supports or files such a pleading, shall direct such agent or trustee to withdraw such proposal, support, or pleading;

(f) not file or support, and not direct the administrative agent under the Superpriority Loan Documents, Term Loan Documents, or Prepetition ABL Documents, or the trustee or any collateral agent under the 1.5L Notes Documents, the 2L Notes Documents, or the Stub 2L Notes Documents to file or support, any motion or pleading with the Bankruptcy Court that is not materially consistent with this Agreement;

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

(h) subject to Section 9, each Consenting Superpriority Lender party hereto as of the date hereof whose name is listed on Schedule 1 hereto (such Consenting Superpriority Lender, a "DIP Backstop Party") commits, severally and not jointly, to provide the portion of the DIP Term Financing set forth opposite such DIP Backstop Party's name on Schedule 1 hereto on the terms and conditions set forth in the DIP Term Sheet and otherwise subject to relevant Definitive Documents (such commitment, the "DIP Backstop Commitment"); *provided* that any Consenting Superpriority Lender that executes a Transferee Joinder to this Agreement on or before October 31, 2019, at 5:00 p.m., New York Time (such date, the "DIP Election Date"), may, by making the appropriate election on such Transferee Joinder, commit to provide (x) a portion of the DIP Term Financing that is available to Consenting Superpriority Lenders in syndication set forth on Schedule 1 in an amount not greater than the pro rata percentage of Superpriority Claims held by such Consenting Superpriority Lender as of the Agreement Effective Date and (y) in the event that the Ad Hoc Group of Superpriority Lenders in its sole discretion elects to permit Joining DIP Commitment Parties to commit to provide an amount of the DIP Term Financing that is greater than such party's pro rata percentage of Superpriority Claims (the right to commit to such amount, an "Additional Subscription Right"), such other portion of the

DIP Term Financing not to exceed the Additional Commitment Amount set forth on such party's Transferee Joinder and to be allocated approximately pro rata among Consenting Superpriority Lenders seeking Additional Subscription Rights (such commitment, a "DIP Commitment"), and otherwise on the terms and conditions agreed to by the DIP Backstop Parties in the DIP Term Sheet and the DIP Credit Agreement, as applicable (any Consenting Superpriority Lender that elects to make such commitment, a "Joining DIP Commitment Party"); *provided*, *further*, that each DIP Backstop Party's commitment to provide its portion of the DIP Term Financing shall be reduced, pro rata, based on the percentages set forth on Schedule 1 hereto, for the share of the DIP Term Financing to be provided by each Joining DIP Commitment Party and the commitment of each Joining DIP Commitment Party (and corresponding reduction of the commitment and exposure of each DIP Backstop Party) shall be pro rata across funded and unfunded portions of the DIP Term Loan and, in respect of any funded portion, shall include an obligation to purchase such loans via assignment pro rata from each DIP Backstop Party and in the case of unfunded portions, to assume commitments to make future fundings, all pursuant to the assignment provisions of the DIP Credit Agreement and at the dates and times required by the DIP Backstop Parties in accordance with the procedure for primary syndication of the DIP Term Loan; *provided*, *further*, that upon a termination of this Agreement as to the Consenting Superpriority Lenders in accordance with the provisions hereof prior to the funding of the DIP Term Financing, the commitment of any DIP Backstop Party or Joining DIP Commitment Party to provide its portion of the DIP Term Financing as set forth in this paragraph shall also terminate.

Notwithstanding the foregoing, nothing in this Agreement and neither a vote to accept the Plan by any Restructuring Support Party nor the acceptance of the Plan by any Restructuring Support Party shall: (t) require any Restructuring Support Party to make, seek, or receive any filings, notifications, consents, determinations, authorizations, permits, approvals, licenses, or the like, or provide any documentation or information to any regulatory or self-regulatory body having jurisdiction over the Company or the Restructuring Support Party other than information that is already included in this Agreement or is otherwise in the public domain; (u) be construed as an obligation of any Restructuring Support Party to advance any funds to or purchase any securities of the Company or the reorganized Company, other than pursuant and subject to the DIP Term Credit Agreement; (v) be construed to limit consent and approval rights provided in this Agreement, the Term Sheets, and the Definitive Documentation; (w) be construed to prohibit any Restructuring Support Party from contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or the Definitive Documentation, or exercising rights or remedies specifically reserved herein; (x) limit the rights of any Restructuring Support Party under any applicable bankruptcy, insolvency, foreclosure, or similar proceeding, or be construed to prohibit or limit any Restructuring Support Party from appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases, so long as, during the RSA Support Period, such appearance and the positions advocated in connection therewith are not materially inconsistent with this Agreement, are not prohibited by this Agreement and are not for the

purpose of hindering, delaying, or preventing the consummation of the Restructuring Transactions; (y) limit the ability of a Restructuring Support Party to sell or enter into any transactions in connection with its Claims (including all of its Superpriority Claims and all of its 1.5L Notes Claims) against, or interests in, as applicable, the Company now or hereafter owned by such Restructuring Support Party; or (z) require any Restructuring Support Party to take any action prohibited by any intercreditor agreement or collateral trust agreement.

7. **Commitment of the Consenting Equityholders**. In addition to the obligations set forth in Section 6 hereof, the Consenting Equityholders shall, during the RSA Support Period:

(a) not (i) pledge, encumber, assign, sell, or otherwise transfer, including by the declaration of a worthless stock deduction for any tax year ending on or prior to the Plan Effective Date, offer, or contract to pledge, encumber, assign, sell, or otherwise transfer, in whole or in part, directly or indirectly, any portion of its right, title, or interests in any of its shares, stock, or other interests in the Company or beneficial ownership thereof (including its Class A Shares and Class B Shares) or (ii) acquire any interest or rights in any outstanding indebtedness of the Company, in each case, to the extent such pledge, encumbrance, assignment, sale, acquisition, declaration of worthlessness, or other transfer will limit, reduce, eliminate or otherwise impair or adversely affect any of the Company's tax attributes (including by reason of sections 108 or 382 of the Internal Revenue Code of 1986); and

(b) direct any entity which any Consenting Equityholder manages or controls either directly or indirectly to comply with the obligations set forth in Section 6 or Section 7(a) hereof.

8. **Commitment of the Company**. Subject to Section 14 hereof, the Company shall, during the RSA Support Period:

(a) commence the Chapter 11 Cases on or before the Outside Petition Date;

(b) (i) support and use commercially reasonable efforts to execute and complete the Restructuring Transactions set forth in this Agreement (including the Term Sheets, and, once filed, the Plan) and (ii) negotiate in good faith all Definitive Documentation and take any and all necessary and appropriate actions in furtherance of this Agreement;

(c) (i) timely complete and file, within the timeframes contemplated herein (including as contemplated in the Milestones section in the DIP Term Sheet), the Plan, the Disclosure Statement, and the other Definitive Documentation; (ii) obtain the DIP Term Orders, the Disclosure Statement Order, the Confirmation Order within the timeframes contemplated herein (including as contemplated in the Milestones section in the DIP Term Sheet); (iii) prosecute and defend any objections or appeals relating to the DIP Term Orders, the Disclosure Statement Order, the Confirmation

Order, and/or the Restructuring Transactions; and (iv) not take any action that is inconsistent with, or to alter, delay, impede, or interfere with, approval of the DIP Term Orders, or the Disclosure Statement, confirmation of the Plan, or consummation of the Plan and the Restructuring Transactions;

(d) timely file a formal objection to any motion filed with the Bankruptcy Court by a party seeking the entry of an order (i) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code), (ii) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, or (iii) dismissing any of the Chapter 11 Cases;

(e) timely file a formal objection to any motion filed with the Bankruptcy Court by a party seeking the entry of an order modifying or terminating the Company's exclusive right to file and/or solicit acceptances of a plan of reorganization, as applicable;

(f) timely file a formal objection to any motion, application, or adversary proceeding challenging the validity, enforceability, perfection, or priority of, or seeking avoidance or subordination of, any portion of the Superpriority Claims;

(g) comply with all Milestones;

(h) to the extent that any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the transactions contemplated in this Agreement or the Plan, negotiate in good faith appropriate additional or alternative provisions to address any such impediment, in consultation with the Required Consenting Superpriority Lenders;

(i) subject to applicable laws, use commercially reasonable efforts to, consistent with the pursuit and consummation of the Restructuring Transactions, preserve intact in all material respects the current business operations of the Company Parties (other than as consistent with applicable fiduciary duties), keep available the services of its current officers and material employees (in each case, other than as contemplated by the Company's current business plan provided to the Consenting Superpriority Lenders, voluntary resignations, terminations for cause, or terminations consistent with applicable fiduciary duties) and preserve in all material respects its relationships with customers, sales representatives, suppliers, distributors, and others, in each case, having material business dealings with the Company (other than terminations for cause or consistent with applicable fiduciary duties);

(j) as soon as reasonably practicable, notify the Consenting Superpriority Lenders 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 of which the Company Advisors have actual knowledge by furnishing written notice to the Consenting Superpriority Lenders within 3 business days of actual knowledge of such event;

(k) as soon as reasonably practicable, notify the Consenting Superpriority Lenders of any material breach by the Company of which the Company Advisors have actual knowledge in respect of any of the obligations, representations, warranties, or covenants set forth in this Agreement by furnishing written notice to the Consenting Superpriority Lenders within 3 business days of actual knowledge of such breach;

(l) provide written notice within 2 business days to the Consenting Superpriority Lenders and counsel to the Ad Hoc Group of Superpriority Lenders between the date hereof and the Plan Effective Date of (i) the occurrence, or failure to occur, of any event of which any of the Company Advisors have actual knowledge which occurrence or failure would be likely to cause any covenant of the Company contained in this Agreement not to be satisfied in any material respect; (ii) receipt of any written notice by the Company of which the Company Advisors are aware from any governmental body in connection with this Agreement or the Restructuring Transactions; and (iii) receipt of any written notice by the Company of which the Company Advisors are aware of any proceeding commenced, or, to the actual knowledge of the Company Advisors, threatened against the Company, relating to or involving or otherwise affecting in any material respect the Restructuring Transactions;

(m) promptly pay all prepetition and postpetition reasonable and documented fees and expenses of (i) Davis Polk & Wardwell LLP, (ii) Houlihan Lokey Capital, Inc., (iii) Frost Brown Todd LLC, and (iv) any other advisors retained by the Ad Hoc Group of Superpriority Lenders (with the consent of the Company, not to be unreasonably withheld, conditioned or delayed), in each case of clauses (i)-(iv), in accordance with the terms of their respective engagement letters with the Company, if any (collectively, the "Restructuring Expenses"); and unless otherwise agreed by the Company and the applicable firm, the Company shall (i) on the Closing Date (as defined in the DIP Term Credit Agreement) of the DIP Term Credit Agreement, pay (x) all Restructuring Expenses accrued but unpaid as of such date (to the extent invoiced), whether or not such Restructuring Expenses are then due, outstanding, or otherwise payable in connection with this matter and (y) fund or replenish, as the case may be, any retainers reasonably requested by any of the foregoing professionals, in each case in accordance with the terms of their respective engagement

letters with the Company; (ii) after the Closing Date of the DIP Term Credit Agreement, pay all accrued but unpaid Restructuring Expenses on a regular and continuing basis; 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 by Parties still subject to this Agreement (provided, for the avoidance of doubt, that such Restructuring Expenses have not been satisfied during the Chapter 11 Cases pursuant to the DIP Term Orders), without any requirement for Bankruptcy Court review or further Bankruptcy Court order; *provided* that, notwithstanding the foregoing, nothing herein shall affect or limit any obligations of the Company Parties to pay the Restructuring Expenses as provided in the DIP Term Orders;

(n) promptly pay all prepetition and postpetition reasonable and documented fees and expenses of Willkie Farr & Gallagher LLP as counsel to Mr. Robert E. Murray, both in his individual capacity and as trustee for the Robert E. Murray Trust, in accordance with the terms of its engagement letter with the Company, if any, in an aggregate amount not to exceed $1.25 million during the Chapter 11 Cases;

(o) provide draft copies of all material motions or applications and other documents (including the Plan, the Disclosure Statement, the ballots and other solicitation materials in respect of the Plan, the Confirmation Order, and declarations in support of such material motions) the Company intends to file with the Bankruptcy Court to counsel to the Ad Hoc Group of Superpriority Lenders, if reasonably practical, at least 3 business days prior to the date when the Company intends to file any such pleading or other document (provided that if delivery of such motions, orders, or materials (other than the Plan, the Disclosure Statement, the Confirmation Order or the DIP Term Orders) at least 3 business days in advance is not reasonably practicable, such motion, order, or material shall be delivered as soon as reasonably practicable prior to filing) and shall consult in good faith with such counsel regarding the form and substance of any such proposed filing with the Bankruptcy Court; and

(p) not seek, solicit, or support any 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 Parties have reasonably determined is capable of timely consummating such Alternative Transaction, the Company Parties will, within 24 hours of the receipt of such proposal or expression of interest, notify the AHG Advisors 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 notice shall be delivered on a confidential and professionals' eyes only basis.

Company acknowledges, agrees, and shall not dispute that after the commencement of the Chapter 11 Cases, the giving of notice of termination by any Party 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 extent legally possible, the applicability of the automatic stay to the giving of such notice); *provided* that nothing herein shall prejudice any Party's rights to argue that the giving of notice of default or termination was not proper under the terms of this Agreement.

9. **Consenting Superpriority Lenders Termination Events**. The Required Consenting Superpriority Lenders shall have the right, but not the obligation, upon notice to the other Parties provided in accordance with Section 25 hereof, to terminate this Agreement only as to the Consenting Superpriority Lenders upon the occurrence of any of the following events (each, a "Consenting Superpriority Lenders Termination Event"), unless waived, in writing, by the Required Consenting Superpriority Lenders on a prospective or retroactive basis;

(a) the failure to meet any of the Milestones unless (i) such failure is the direct result of any act, omission, or delay on the part of a Consenting Superpriority Lender in violation of such Consenting Superpriority Lender's obligations under this Agreement or (ii) such Milestone is extended in accordance with Section 5 of this Agreement;

(b) the occurrence of a breach of any covenant or other obligation set forth in this Agreement by the Company or a Consenting Equityholder that has not been cured (if susceptible to cure) before 5 business days after the Company's receipt of written notice thereof in accordance with Section 25(a) hereof;

(c) the Definitive Documentation and any amendments, modifications, or supplements thereto filed by the Company include terms that are inconsistent with the Term Sheets and are not at all times acceptable to the Required Consenting Superpriority Lenders, *provided* that the Company shall have 2 business days to file revised Definitive Documentation consistent with the Term Sheets and acceptable to the Required Consenting Superpriority Lenders after the Company's receipt of written notice of such breach in accordance with Section 25(a) hereof;

(d) a Definitive Documentation alters the treatment of the Superpriority Lenders specified in the Term Sheets without complying with Section 27 hereof and the Required Consenting Superpriority Lenders have not otherwise consented to such Definitive Documentation;

(e) the conversion of one or more of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code;

(f) the dismissal of one or more of the Chapter 11 Cases without the prior written consent of the Required Consenting Superpriority Lenders;

(g) the appointment of a trustee, receiver, or examiner with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases;

(h) the Bankruptcy Court enters an order denying confirmation of the Plan, the effect of which would render the Plan incapable of consummation on the terms set forth herein;

(i) the Bankruptcy Court enters a final order not subject to appeal granting relief that is inconsistent with, or denies relief sought that is contemplated by, this Agreement or the Plan in any materially adverse respect to the Consenting Superpriority Lenders, in each case;

(j) the Confirmation Order is reversed or vacated;

(k) the Company (i) announces that it will proceed with an Alternative Transaction, (ii) files a motion with the Bankruptcy Court seeking the approval of an Alternative Transaction or supports (or fails to timely object to) another party in filing or seeking approval of an Alternative Transaction, or (iii) agrees to pursue (including, for the avoidance of doubt, as may be evidenced by a term sheet, letter of intent, or similar document) or publicly announces its intent to pursue an Alternative Transaction;

(l) the Company withdraws the Plan or publicly announces its intention not to support the Restructuring Transactions or the Plan;

(m) the Bankruptcy Court enters an order modifying terminating the Company's exclusive right to file and solicit acceptances of a plan (including the Plan);

(n) the commencement of an involuntary bankruptcy case against the Company (or affiliate thereof) under the Bankruptcy Code, if such involuntary case is not dismissed within 45 calendar days after the filing thereof, or if a court order grants the relief sought in such involuntary case;

(o) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of any of the Restructuring Transactions or rendering illegal this Agreement, the Plan or the Restructuring Transactions, and either (i) such ruling, judgment or order has been issued at the request of or with the acquiescence of the Company, or (ii) in all other circumstances, such ruling, judgment or order has not been not stayed, reversed or vacated

within 5 business days after such issuance; *provided*, *however*, that the Company shall have 5 business days after the issuance of such ruling or order to obtain relief that would allow consummation of the applicable Restructuring Transaction;

(p) any representation or warranty in this Agreement made by the Company shall have been untrue in any material respect when made or shall have become untrue in any material respect, *provided* that the Company shall have 5 business days to cure such representation or warranty (if susceptible to cure) after the Company's receipt of written notice of such breached representation or warranty in accordance with Section 25(a) hereof;

(q) the Agreement Effective Date shall not have occurred on or before the Petition Date;

(r) the Petition Date shall not have occurred on or before the Outside Petition Date;

(s) if either (i) any Company (or any person or entity on behalf of any Company or its bankruptcy estate with proper standing) files a motion, application or adversary proceeding (or supports or fails to timely object to such a filing) (A) challenging the validity, enforceability, perfection or priority of, or seeking invalidation, avoidance, disallowance, recharacterization or subordination of any Superpriority Claim or (B) asserting any other cause of action against and/or with respect or relating to all or any portion of the Superpriority Claims or the liens securing the Superpriority Claims or (ii) the Bankruptcy Court (or any court with jurisdiction over the Chapter 11 Cases) enters an order providing relief against the interests of the Superpriority Lenders with respect to any of the foregoing causes of action or proceedings, including, but not limited to, invalidating, avoiding, disallowing, recharacterizing, subordinating, or limiting the enforceability of any Superpriority Claim;

(t) a Default or Event of Default (as each us defined in the DIP Term Credit Agreement) under the DIP Term Credit Agreement has occurred and is continuing; or

(u) the occurrence of a Consenting Equityholder Termination Event or the occurrence of a Company Termination Event of this Agreement.

10. **Consenting Equityholders Termination Events**. The Required Consenting Equityholders shall have the right, but not the obligation, upon notice to the other Parties provided in accordance with Section 25 hereof, to terminate this Agreement only as to Consenting Equityholders upon the occurrence of any of the following events (each, a "Consenting Equityholders Termination Event"), unless waived, in writing, by the Required Consenting Equityholders on a prospective or retroactive basis:

(a) the conversion of one or more of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code;

(b) the dismissal of one or more of the Chapter 11 Cases without the prior written consent of the Consenting Equityholders;

(c) the appointment of a trustee, receiver, or examiner with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases;

(d) the Company (i) amends or modifies, or files a pleading seeking authority to amend or modify, the Definitive Documentation in a manner that is materially inconsistent with this Agreement and the Consenting Equityholder has a consent right over such Definitive Documentation, (ii) suspends or revokes the Restructuring Transactions, or (iii) publicly announces its intention to take any such action listed in the foregoing provisos (i) and (ii), but, in each case, only to the extent such action can reasonably be expected to have a material adverse impact on the rights of the Consenting Equityholders under this Agreement;

(e) the Company (i) files or announces that it will proceed with an Alternative Transaction or (ii) withdraws or announces its intention not to support the Plan; or

(f) a material breach by a Restructuring Support Party of any representation, warranty, or covenant of such Restructuring Support Party set forth in this Agreement that disproportionately and adversely affect the Consenting Equityholders (to the extent curable) has not been cured before 5 business days after notice to all Restructuring Support Parties given in accordance with Section 25 hereof of such breach.

11. **The Company's Termination Events**. The Company may, upon notice to the Restructuring Support Parties, provided in accordance with Section 25 hereof, terminate this Agreement upon the occurrence of any of the following events (each, a "Company Termination Event"), subject to the rights of the Company to fully or conditionally waive, in writing, on a prospective or retroactive basis:

(a) a material breach by a the Consenting Superpriority Lenders of any representation, warranty, or covenant of the Consenting Superpriority Lenders set forth in this Agreement that (to the extent curable) has not been cured before 5 business days after notice to the Consenting Superpriority Lenders given in accordance with Section 25 hereof of such breach;

(b) any of the Definitive Documentation (including any amendment or modification thereof) is filed with the Bankruptcy Court or otherwise finalized, or has become effective, that is not materially consistent with

this Agreement or otherwise reasonably satisfactory to the Company, and such inconsistency has not been cured before 5 business days after notice to all Restructuring Support Parties given in accordance with Section 25 hereof of such breach;

(c) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of the Restructuring Transactions or rendering illegal this Agreement, the Plan or the Restructuring Transactions, and such ruling, judgment or order has not been not stayed, reversed or vacated within fifteen calendar days after such issuance; *provided*, *however*, that the Company has made commercially reasonable, good faith efforts to cure, vacate, or have overruled such ruling or order prior to terminating this Agreement; or

(d) the board of directors, members, or managers (as applicable) of the Company reasonably determines in good faith based upon the advice of outside counsel that continued performance under this Agreement or pursuit of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties under applicable law; *provided*, that the Company Parties shall provide notice of such determination to counsel to the Ad Hoc Group of Superpriority Lenders via email within one business day after the date thereof.

12. **Mutual Termination; Automatic Termination**. This Agreement and the obligations of all Parties hereunder may be terminated by mutual written agreement by and among Murray Energy Corporation, on behalf of the Company, the Required Consenting Superpriority Lenders, and the Consenting Equityholders. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate automatically without further required action upon the occurrence of the Plan Effective Date or upon a Company Termination Event based on Section 11 hereof.

13. **Effect of Termination**.

(a) Upon termination of this Agreement as to the Consenting Superpriority Lenders pursuant to a Consenting Superpriority Lenders Termination Event or as to the Consenting Equityholders pursuant to a Consenting Equityholders Termination Event, this Agreement shall be of no further force or effect with respect to the Consenting Superpriority Lenders or the Consenting Equityholders, as applicable. Each Restructuring Support Party subject to such termination shall: (a) be released from its commitments, undertakings, and agreements under or related to this Agreement, (b) have the rights and remedies that it would have had, had it not entered into this Agreement, and (c) be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement. Any and all votes or consents tendered by such Restructuring Support

Party prior to such termination shall be deemed, for all purposes, to be null and void *ab initio*, shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions, the Plan, and this Agreement or otherwise and such consents may be changed or resubmitted; *provided*, *however*, that if the approval of the Bankruptcy Court shall be required under applicable law in order for such Restructuring Support Party to change or resubmit such consents, then the Company shall not oppose any attempt by such Restructuring Support Party to terminate, change, or resubmit the consent under this Section 13. The termination of this Agreement with respect to any Restructuring Support Party shall not relieve or absolve any Restructuring Support Party of any liability for any breaches of this Agreement that preceded the termination of the Agreement. Notwithstanding anything to the contrary in this Agreement, the foregoing shall not be construed to prohibit the Company or any Restructuring Support Party from contesting whether any such termination is in accordance with its 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 or ability of any Restructuring Support Party to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any other Restructuring Support Party. Notwithstanding anything herein to the contrary, to the extent the Required Consenting Superpriority Lenders terminate this Agreement as to the Consenting Superpriority Lenders, such termination shall not automatically terminate this Agreement or, in itself, provide any other Party with the right to terminate its obligations hereunder.

(b) Upon termination of this Agreement pursuant to a Company Termination Event pursuant to Section 11 or a mutual termination pursuant to Section 12, (a) this Agreement shall be of no further force and effect and each Party hereto shall be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, and (b) any and all consents tendered by the Restructuring Support Parties prior to such termination shall be deemed, for all purposes, to be null and void *ab initio*, shall not be considered or otherwise used in any manner by the Restructuring Support Parties in connection with the Restructuring Transactions, the Plan, and this Agreement or otherwise and such consents may be changed or resubmitted; *provided*, *however*, that if the approval of the Bankruptcy Court shall be required under applicable law in order for such Restructuring Support Parties to change or resubmit such consents, then the Company shall not oppose any attempt by such Restructuring

Support Parties to terminate, change, or resubmit the consent under this Section 13(b).

(c) If the Restructuring Transactions have not been consummated prior to the date of termination of this Agreement, nothing herein shall be construed as a waiver by any Party of any or all of such Party's rights and the Parties expressly reserve any and all of their respective rights. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms.

14. **Fiduciary Duties.** Notwithstanding anything to the contrary herein, nothing in this Agreement shall require any of the Company's directors, members, managers, officers, or employees (in such person's capacity as a director, officer, or employee) to take any action, or to refrain from taking any action, to the extent that the Company's board of directors, officers, members, or managers (as applicable) determines in good faith, after consultation with outside counsel, that taking such action or refraining from taking such action may be inconsistent with its or their fiduciary obligations under applicable law, and any such exercise of such fiduciary duties shall not be deemed to constitute a breach of the terms of this Agreement; *provided*, *however*, that the effect of any such action (and to the extent the Company does not terminate this Agreement in accordance with Section 11(e) hereof), to the extent not consistent in all material respects with this Agreement, shall allow the Consenting Superpriority Lenders the right to take actions in accordance with Section 9 to terminate this Agreement. The Company, in its sole discretion, may (but shall not be required to) terminate this Agreement in accordance with Section 11(e) hereof, and specific performance shall not be available as a remedy if this Agreement is terminated in accordance with Section 11(e) hereof. All Consenting Superpriority Lenders reserve all rights they may have, including the right (if any) to challenge any exercise by the Company's board of directors, members, or managers (as applicable) of its or their fiduciary duties.

15. Releases.

(a) Immediately upon the Agreement Effective Date, except with respect to obligations expressly contained in this Agreement, (i) each of the Consenting Superpriority Lenders agrees, on behalf of itself, to release and discharge each Consenting Equityholder and its directors, officers, shareholders, partners, members, employees, agents, attorneys, representatives, heirs, executors and assigns, in each case solely in their capacities as such, together with their respective past and present directors, officers, shareholders, partners, members, employees, agents, attorneys, representatives, heirs, executors and assigns, in each case solely in their capacities as such, from any and all claims, actions, causes of action, suits, losses, obligations, liabilities, damages, judgments, awards, costs, and expenses (including attorneys' fees) of every kind, type, and nature whatsoever, whether known or unknown, absolute or contingent, asserted, threatened, or alleged, that such Consenting Superpriority Lender (1) has, may have, or may claim to have, (2) heretofore had, may have had, or may claim to have had, or (3) hereafter may have, or may claim to have, against any of the Consenting Equityholders, from the beginning of time up to and through the Agreement Effective Date, (ii)

each of the Consenting Superpriority Lenders agrees, individually, not to bring any claim, action, cause of action, or suit that is based on, arising out of or under, or in connection with, any matters released by the Consenting Superpriority Lender under clause (i) above, and (iii) each of the Consenting Superpriority Lenders severally (and not jointly) warrants and represents that it has not transferred or assigned to any person or entity any right based on, arising out of or under, or in connection with, any matters released by the Consenting Superpriority Lender under clause (i) above. Notwithstanding anything to the contrary herein, the Consenting Superpriority Lender shall not be deemed to have released the Debtors or any of their subsidiaries pursuant to this Section 15(a).

(b) Immediately upon the Agreement Effective Date, except with respect to obligations expressly contained in this Agreement, (i) each of the Consenting Equityholders agrees, on behalf of itself, to unconditionally and forever release and discharge each Consenting Superpriority Lender and its directors, officers, shareholders, partners, members, employees, agents, attorneys, representatives, affiliates, parents, subsidiaries, predecessors, successors, heirs, executors and assigns, together with their respective past and present directors, officers, shareholders, partners, members, employees, agents, attorneys, representatives, affiliates, parents, subsidiaries, predecessors, successors, heirs, executors and assigns from any and all claims, actions, causes of action, suits, losses, obligations, liabilities, damages, judgments, awards, costs, and expenses (including attorneys' fees) of every kind, type, and nature whatsoever, whether known or unknown, absolute or contingent, asserted, threatened, or alleged, that such Consenting Equityholders (1) has, may have, or may claim to have, (2) heretofore had, may have had, or may claim to have had, or (3) hereafter may have, or may claim to have, against any of the Consenting Superpriority Lenders, from the beginning of time up to and through the Agreement Effective Date, (ii) each of the Consenting Equityholders agrees, neither individually nor collectively with any other person or entity, to bring any claim, action, cause of action, or suit that is based on, arising out of or under, or in connection with, any matters released by the Consenting Equityholders, and (iii) each of the Consenting Equityholders severally (and not jointly) warrants and represents that it has not transferred or assigned to any person or entity any right based on, arising out of or under, or in connection with, any matters released by the Consenting Equityholders under clause (i) above. Notwithstanding anything to the contrary herein, the Consenting Equityholders shall not be deemed to have released the Debtors or any of their subsidiaries pursuant to this Section 15(b).

(c) The releases and other agreements set forth in this Section 15 and other agreements, including the foregoing releases, shall be deemed void *ab initio* and of no force and effect as to a Consenting Equityholder or a Consenting Superpriority Lender automatically and immediately upon the termination of the RSA as to such Consenting Equityholder or Consenting Superpriority Lender.

(d) Notwithstanding anything to the contrary in the foregoing paragraphs or this Agreement, pursuant to the Plan, Mr. Robert E. Murray will affirmatively waive all Claims against the Debtors related to bonus payments earned but not yet paid by the Debtors arising from Mr. Robert E. Murray's employment with the Company.

16. **Transfers of Claims and Interests**. Each Restructuring Support Party shall not make a Transfer, unless such Transfer is a Permitted Transfer. Upon compliance with the

foregoing, the Transferor shall be deemed to relinquish its rights (and be released from its obligations, except for any claim for breach of this Agreement that occurs prior to such Transfer) under this Agreement to the extent of such transferred rights and obligations.

(a) Notwithstanding anything to the contrary herein, (i) the foregoing provisions shall not preclude any Consenting Superpriority Lender from settling or delivering any Claims to settle any confirmed transaction pending as of the date of such Consenting Superpriority Lender's entry into this Agreement (it being understood that any such Claims so acquired and held shall be subject to the terms of this Agreement), (ii) a Qualified Marketmaker that acquires any Claims with the purpose and intent of acting as a Qualified Marketmaker for such Claims, shall not be required to execute and deliver to counsel a Transferee Joinder or otherwise agree to be bound by the terms and conditions set forth in this Agreement if such Qualified Marketmaker transfers such Claims (by purchase, sale, assignment, participation, or otherwise) within 5 business days of its acquisition to a Consenting Superpriority Lender or Permitted Transferee and the transfer otherwise is a Permitted Transfer, and (iii) to the extent any Party is acting solely in its capacity as a Qualified Marketmaker, it may Transfer any ownership interests in the Claims that it acquires from a holder of Claims that is not a Consenting Superpriority Lender to a transferee that is not a Consenting Superpriority Lender at the time of such Transfer without the requirement that the transferee be or become a signatory to this Agreement or execute a Transferee Joinder.

(b) This Agreement shall in no way be construed to preclude any of the Consenting Superpriority Lenders from acquiring additional Claims; *provided*, *however*, that, to the extent any Consenting Superpriority Lender (i) acquires additional Claims, (ii) holds or acquires any other Claims against the Company entitled to vote on the Plan, or (iii) holds or acquires any equity interests in the Company entitled to vote on the Plan, then, in each case, each such Consenting Superpriority Lender shall promptly, and not later than five business days after such acquisition, notify via email Kirkland & Ellis LLP (at joe.graham@kirkland.com and tricia.schwallier@kirkland.com) and Davis Polk & Wardwell LLP (at adam.shpeen@davispolk.com and daniel.rudewicz@davispolk.com), and each such Consenting Superpriority Lender agrees that all such Claims and/or equity interests shall be subject to this Agreement, and agrees that, for the duration of the Individual Support Period with respect to such Consenting Superpriority Lender and subject to the terms of this Agreement, it shall vote in favor of the Plan (or cause to be voted) any such additional Claims and/or equity interests entitled to vote on the Plan (to the extent still held by it on or on its behalf at the time of such vote), in a manner consistent with Section 6 hereof. For the avoidance of doubt, any obligation to vote for the Plan or any other plan shall be subject to sections 1125 and 1126 of the Bankruptcy Code.

(c) This Section 16 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 Superpriority Lender to Transfer any Claims. Notwithstanding anything to the contrary herein, to the extent the Company and another Party have entered into a separate agreement with respect to the issuance of a "cleansing letter" or other public disclosure of information, the terms of such agreement shall continue to apply and remain in full force and effect according to its terms.

(d) Any Transfer made in violation of this Section 16 shall be deemed null and void *ab initio* and of no force or effect, regardless of any prior notice provided to any Restructuring Support Party, and shall not create any obligation or liability of any Company or any other Restructuring Support Party to the purported transferee.

(e) For the avoidance of doubt, (i) following a Permitted Transfer by a Consenting Superpriority Lender of all of its interests in the Claims, such Consenting Superpriority Lender shall have no additional or continuing obligations under this Agreement or any related direction letters to any agent or trustee, and (ii) prior to the effective date of a Permitted Transfer, the Permitted Transferee shall not have obligations or liabilities under this Agreement or any related direction letters to any agent or trustee to any party to the Agreement.

(f) Notwithstanding the foregoing, nothing in this Agreement, and neither a vote to accept the Plan by any Consenting Superpriority Lender, nor the acceptance of the Plan by any Consenting Superpriority Lender, shall: (i) constitute a waiver or amendment of any provision of any Superpriority Loan Documents or any related documents or any other documents or agreements that give rise to a Consenting Superpriority Lender's Claims; (ii) bar any Consenting Superpriority Lender or the administrative agent on behalf of the Consenting Superpriority Lenders from filing a proof of claim with the Bankruptcy Court, or taking action to establish the amount of such claim; or (iii) limit the ability of any Consenting Superpriority Lender to assert any rights, claims, or defenses under the Superpriority Loan Documents and any related documents or any other documents or agreements that give rise to a Consenting Superpriority Lender's Claims, to the extent the assertion of such rights, claims, or defenses are not inconsistent with this Agreement or such Consenting Superpriority Lenders' obligations hereunder.

(g) The Company understands that the Consenting Superpriority Lenders are engaged in a wide range of financial services and businesses, and, in furtherance of the foregoing, the Company acknowledges and agrees that the obligations set forth in this Agreement shall only apply to the undersigned Consenting Superpriority Lenders; *provided* that, if applicable, the Consenting Superpriority Lender shall specify in its signature page or any Transferee Joinder executed by such Consenting Superpriority Lender the applicable trading desk or business group that intends to be bound by this Agreement.

17. **Consents and Acknowledgments**.

(a) Each Party irrevocably acknowledges and agrees that this Agreement is not and shall not be deemed to be a solicitation for acceptances of the Plan. The acceptance of the Plan by each of the Restructuring Support Parties will not be solicited until such Restructuring Support Party has received the Disclosure Statement and Plan Solicitation Materials in accordance with the Disclosure Statement Order, applicable law, and will be subject to sections 1125, 1126, and 1127 of the Bankruptcy Code.

(b) By executing this Agreement, each Restructuring Support Party (including, for the avoidance of doubt, any entity that may execute this Agreement or a Transferee Joinder after the Agreement Effective Date)

consents to the Company's use of its cash collateral and incurrence of debtor-in-possession financing expressly as authorized by, and subject to the terms of, the DIP Term Orders.

(c) By executing this Agreement, each Restructuring Support Party (including, for the avoidance of doubt, any entity that may execute this Agreement or a Transferee Joinder after the Agreement Effective Date), for the duration of the Individual Support Period with respect to such Restructuring Support Party, temporarily waives and forbears from exercising remedies with respect to any Default or Event of Default as defined under the Superpriority Loan Documents, Term Loan Documents, 1.5L Notes Documents, 2L Notes Documents, and Stub 2L Notes Documents, as applicable, that is caused by the Company's entry into this Agreement or the other documents related to this Agreement and the transactions contemplated in this Agreement, and agrees to direct the applicable administrative agent to not exercise remedies to the extent that any other Superpriority Lender, Term Loan Lender, 1.5L Noteholder, 2L Noteholder, Stub 2L Noteholder, directs such agent to exercise such remedies. The foregoing forbearance shall not be construed to impair the ability of the Restructuring Support Party (at any time after the expiration of the Individual Support Period with respect to such Restructuring Support Party) or the administrative agent under the Superpriority Credit Agreement or the Term Loan Credit Agreement or the trustee under the 1.5L Indenture, the 2L Indenture, or the Stub 2L Indenture (at any time after the expiration of the RSA Support Period) to take any remedial action, without requirement for any notice, demand, or presentment of any kind, and, except as provided herein, nothing shall restrict, impair, or otherwise affect the exercise of the Consenting Superpriority Lenders rights under this Agreement or the Consenting Superpriority Lenders' or the administrative agent's or the trustee's rights under the Superpriority Credit Agreement, the Term Loan Credit Agreement, the 1.5L Indenture, the 2L Indenture, or the Stub 2L Indenture, as applicable.

18. **Representations and Warranties**.

(a) Each Restructuring Support Party hereby represents and warrants on a several and not joint basis for itself and not any other person or entity that the following statements are true, correct, and complete, to the best of its actual knowledge, as of the date hereof:

(i) it has the requisite organizational power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

(ii) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate or other organizational action on its part;

(iii) to the extent it is a Consenting Superpriority Lender, the execution and delivery by it of this Agreement does not violate its certificates of incorporation, or bylaws, or other organizational documents;

(iv) the execution, delivery, and performance by it of this Agreement does not require any registration or filing with, the consent or approval of, notice to, or any other action with any federal, state, or other governmental authority or regulatory body, except (i) any of the foregoing as may be necessary and/or required for disclosure by the Securities and Exchange Commission and applicable state securities or "blue sky" laws, (ii) any of the foregoing as may be necessary and/or required in connection with the Chapter 11 Cases, including the approval of the Disclosure Statement and confirmation of the Plan, (iii) filings of amended certificates of incorporation or articles of formation or other organizational documents with applicable state authorities, and other registrations, filings, consents, approvals, notices, or other actions that are reasonably necessary to maintain permits, licenses, qualifications, and governmental approvals to carry on the business of the Company, and (iv) any other registrations, filings, consents, approvals, notices, or other actions, the failure of which to make, obtain or take, as applicable, would not be reasonably likely, individually or in the aggregate, to materially delay or materially impair the ability of any Party hereto to consummate the transactions contemplated hereby;

(v) this Agreement is its legally valid and binding obligation, 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 limiting creditors' rights generally, or by equitable principles relating to enforceability;

(vi) it has sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement, the Disclosure Statement, the Plan, and any other Definitive Documentation, and it has made its own analysis and decision to enter into this Agreement and it is (A) an "accredited investor" within the meaning of Rule 501 of the Securities Act or (B) or a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act; and

(vii) it (A) either (1) is the sole owner of the Claims and interests identified below its name on its signature page hereof and in the amounts set forth therein, or (2) has all necessary investment or voting discretion with respect to the principal amount of Claims and interests identified below its name on its signature page hereof, and has the power and authority to bind the owner(s) of such

Claims and interests to the terms of this Agreement; (B) is entitled (for its own accounts or for the accounts of such other owners) to all of the rights and economic benefits of such Claims and interests; and (C) to the knowledge of the individuals working on the Restructuring Transactions, does not directly or indirectly own any Claims against the Company, other than as identified below its name on its signature page hereof.

(b) Each Company entity hereby represents and warrants on a joint and several basis (and not any other person or entity other than each Company entity) that the following statements are true, correct, and complete, to the best of its actual knowledge, as of the date hereof:

(i) it has the requisite corporate or other organizational power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

(ii) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate or other organizational action on its part, including approval of each of the independent directors of each of the corporate entities that comprise the Company;

(iii) the execution and delivery by it of this Agreement does not (A) violate its certificates of incorporation, or bylaws, or other organizational documents, or those of any of its affiliates in any material respect, or (B) result in a breach of, or constitute (with due notice or lapse of time or both) a default (other than, for the avoidance of doubt, a breach or default that would be triggered as a result of the Chapter 11 Cases of the Company undertaking to implement the Restructuring Transactions through the Chapter 11 Cases) under any material contractual obligation to which it or any of its affiliates is a party;

(iv) the execution and delivery by it of this Agreement does not require any registration or filing with, the consent or approval of, notice to, or any other action with any federal, state, or other governmental authority or regulatory body, other than, for the avoidance of doubt, the actions with governmental authorities or regulatory bodies required in connection with implementation of the Restructuring Transactions;

(v) subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is its legally valid and binding obligation, 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 limiting creditors' rights generally, or by equitable principles relating to enforceability; and

(vi) it has sufficient knowledge and experience to evaluate properly the terms and conditions of the Plan and this Agreement, and has been afforded the opportunity to consult with its legal and financial advisors with respect to its decision to execute this Agreement, and it has made its own analysis and decision to enter into this Agreement and otherwise investigated this matter to its full satisfaction.

19. **Relationship Among Parties**. Notwithstanding anything herein to the contrary, (i) the duties and obligations of the Parties under this Agreement shall be several, not joint; (ii) no Party shall have any responsibility by virtue of this Agreement for any trading by any other entity; (iii) no prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this Agreement; (iv) the Parties hereto acknowledge that this agreement does not constitute an agreement, arrangement, or understanding with respect to acting together for the purpose of acquiring, holding, voting, or disposing of any equity securities of the Company and the Parties do not constitute a "group" within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended; and (v) none of the Restructuring Support Parties shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities in any kind or form to each other, the Company or any of the Company's other lenders or stakeholders, including as a result of this Agreement or the transactions contemplated here.

20. **Remedies**. It is understood and agreed by the Parties that money damages may be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy of any such breach of this Agreement, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder, *provided* that specific performance shall not be an available remedy against the Company if the Company terminates this Agreement in accordance with, and subject to, Section 11(e) and Section 14 hereof. The Parties agree that such relief will be their only remedy against the applicable breaching Party or Parties with respect to any such breach, and that in no event will any Party be liable for monetary damages under or in connection with this Agreement.

21. **Governing Law & Jurisdiction**. 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, except where preempted by the Bankruptcy Code. By its execution and delivery of this Agreement, each Party 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 for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding, may be brought in the United States District Court for the Southern District of New York, and by executing and delivering this Agreement, each of the

Parties irrevocably accepts and submits itself to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to New York jurisdiction, if the Chapter 11 Cases are commenced, each Party agrees that the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement. By executing and delivering this Agreement, and upon commencement of the Chapter 11 Cases, each of the Parties irrevocably and unconditionally submits to the personal jurisdiction of the Bankruptcy Court solely for purposes of any action, suit, proceeding, or other contested matter arising out of or relating to this Agreement, or for recognition or enforcement of any judgment rendered or order entered in any such action, suit, proceeding, or other contested matter.

22. **Waiver of Right to Trial by Jury**. Each of the Parties waives any right to have a jury participate in resolving any dispute, whether sounding in contract, tort or otherwise, between any of the Parties arising out of, connected with, relating to, or incidental to the relationship established between any of them in connection with this Agreement. Instead, any disputes resolved in court shall be resolved in a bench trial without a jury.

23. **Successors and Assigns**. Except as otherwise provided in this Agreement, this Agreement is intended to bind and inure to the benefit of each of the Parties and each of their respective permitted successors, assigns, heirs, executors, administrators, and representatives.

24. **No Third-Party Beneficiaries**. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other person or entity shall be a third-party beneficiary of this Agreement.

25. **Notices**. All notices (including any notice of termination or breach) and other communications from any Party hereunder shall be in writing and shall be deemed to have been duly given if personally delivered by courier service, messenger, email, or facsimile to the other Parties at the applicable addresses below, or such other addresses as may be furnished hereafter by notice in writing. Any notice of termination or breach shall be delivered to all other Parties.

(a) If to the Company:

Murray Energy Corporation
46226 National Road
St. Clairsville, OH 43950
Attn: Mike McKown
Robert Moore
Email: mmckown@coalsource.com
rmoore@coalsource.com

With a copy to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attn: Nicole Greenblatt, P.C.
Alexander Nicas
Email: ngreenblatt@kirkland.com
alexander.nicas@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attn: Ross M. Kwasteniet, P.C.
Joseph M. Graham
Tricia Schwallier
Email: ross.kwasteniet@kirkland.com
joe.graham@kirkland.com
tricia.schwallier@kirkland.com

(b) If to the Consenting Superpriority Lenders:

To each Consenting Superpriority Lender at the addresses or e-mail addresses set forth below the Consenting Superpriority Lender's signature page to this Agreement (or to the signature page to a Transferee Joinder as the case may be).

With a copy to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attn: Damian S. Schaible
Adam L. Shpeen
Daniel Rudewicz
Email: damian.schaible@davispolk.com
adam.shpeen@davispolk.com
daniel.rudewicz@davispolk.com

(c) If to the Consenting Equityholders:

To each Consenting Equityholder at the addresses or e-mail addresses set forth below the Consenting Equityholder's signature page to this

Agreement (or to the signature page to a Transferee Joinder as the case may be):

With a copy to:

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attn: Brian S. Lennon
Matthew A. Feldman
Email: blennon@willkie.com
mfeldman@willkie.com

26. **Entire Agreement**. This Agreement (including the Exhibits and Schedules) constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements, and understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement.

27. **Amendments**. Except as otherwise provided herein, this Agreement (including the Term Sheets) may not be modified, amended, or supplemented without the prior written consent of the Company, the Required Consenting Superpriority Lenders, and, solely to the extent that such modification or amendment (a) amends or modifies Sections 6, 7, 10, 12, 13, or 16; and (b) has an adverse effect on the Consenting Equityholders, the Consenting Equityholders; *provided* that if any such Party is no longer a Party to this Agreement, such Party's consent will not be required for such modification, amendment, or supplement to this Agreement, *provided*, *however*, that any modification, amendment, or change to (a) the definition of Required Consenting Superpriority Lenders shall also require the written consent of each Consenting Superpriority Lender, (b) the definition of Required Consenting Equityholders shall also require the written consent of each Consenting Equityholder, (c) this Section 27 shall require the written consent of the Company, each Consenting Superpriority Lender, and the Consenting Equityholders except to the extent such change is to add a new consenting class of Claims as a Party to this Agreement (as amended, modified, or supplemented) by providing such class of Claims with consent rights or protections for the definitions of the required amount of holders in such a class, or (d) this Agreement that treats or affects any Consenting Superpriority Lender in a manner that is disproportionally adverse, on an economic or non-economic basis, to the treatment of their Superpriority Claims shall also require the written consent of such Consenting Superpriority Lender. Any waiver, change, modification or amendment to this Agreement and the Term Sheet that adversely affects the right of the DIP Commitment Parties as a class in their capacity as such shall require the consent of the Requisite DIP Commitment Parties, as applicable. Prior to any funding of the DIP Term Financing, (a) any change, modification, or amendment to Schedule 1 hereto that affects the right of any DIP Commitment Party shall require the consent of such DIP Commitment Party and (b) any change, modification, or amendment of the interest rate or fees set forth in the DIP Term Sheet shall require the consent of each DIP Commitment Party and, if such consent is withheld, the commitment of any DIP Commitment Party to provide its portion of the DIP Term Financing and the obligations under this Agreement as to such DIP Commitment Party may be terminated by such DIP Commitment Party.

28. **Reservation of Rights**. Subject to and except as expressly provided in this Agreement or in any amendment thereof agreed upon by the Parties pursuant to the terms hereof, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of each of the Parties to protect and preserve its rights, remedies and interests, including its claims against any of the other Parties (or their respective affiliates or subsidiaries) or its full participation in the Chapter 11 Cases. Without limiting the foregoing sentence in any way, if the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, nothing in this Agreement shall be construed as a waiver by any Party of any or all of such Party's rights, remedies, claims, and defenses, and the Parties expressly reserve any and all of their respective rights, remedies, claims, and defenses. This Agreement shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any Party of any claim or fault or liability or damages whatsoever. Each of the Parties denies any and all wrongdoing or liability of any kind and does not concede any infirmity in the claims or defenses which it has asserted or could assert. This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the Parties hereto. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations relating to this Agreement shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

29. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

30. **Disclosures**. The Company shall submit drafts to the AHG Advisors of any press releases and public documents that constitute the disclosure of the existence or terms of this Agreement or any amendment to the terms of this agreement at least 1 calendar day or as soon as reasonably practicable prior to making any such disclosure, and the Company shall consult with the AHG Advisors in good faith regarding the form and substance of such disclosure(s). This Agreement, as well as its terms, its existence, and the existence of the negotiation of its terms are expressly subject to any existing confidentiality agreements executed by and among any of the Parties as of the date hereof (including any confidentiality provisions set forth in the Superpriority Loan Documents); *provided*, *however*, that (a) after the Petition Date the Parties may disclose the existence of, or the terms of, this Agreement or any other term of the transaction contemplated herein without the express written consent of the other Parties and (b) no Party or its advisors shall disclose to any person or entity (including, for the avoidance of doubt, any other Consenting Superpriority Lender), other than the Company Advisors, the amount or percentage of any Claims, DIP Backstop Commitment, DIP Commitment, or other interests held by any Consenting Superpriority Lender without such Consenting Superpriority Lender's prior written consent, *provided* that the Company may aggregate the confidential claims information provided to the Company by the Consenting Superpriority Lenders and disclose such combined data on an aggregate basis.

31. **Headings**. 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.

32. **Interpretation**. This Agreement is the product of negotiations among the Parties, and the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any

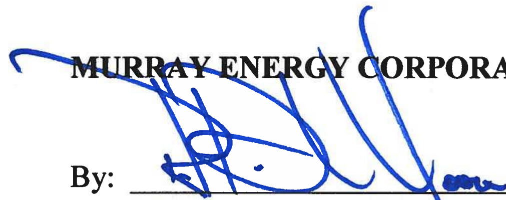
presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement or any portion hereof, shall not be effective in regard to the interpretation hereof.

33. **Computation of Time**. Rule 9006(a) of the Federal Rules of Bankruptcy Procedure applies in computing any period of time prescribed or allowed herein only to the extent such period of time governs a Milestone pertaining to the entry of an order by the Bankruptcy Court in the Chapter 11 Cases.

[*Signatures and exhibits follow*]

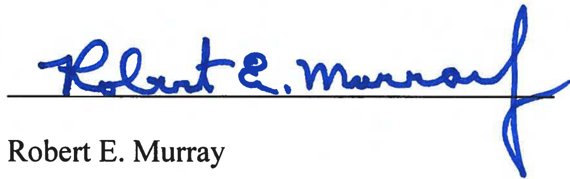
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first written above.

MURRAY ENERGY CORPORATION



By: ______________________________
Name: Robert D. Moore
Title: President, CEO, COO, CFO

CONSENTING EQUITYHOLDER

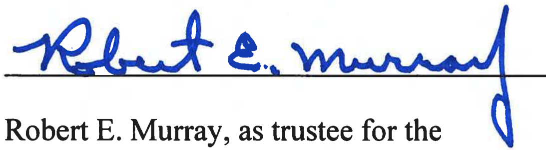


Robert E. Murray

<u>Notice Address</u>:

c/o Murray Energy Corporation
46226 National Road
St. Clairsville, Ohio 43950

CONSENTING EQUITYHOLDER

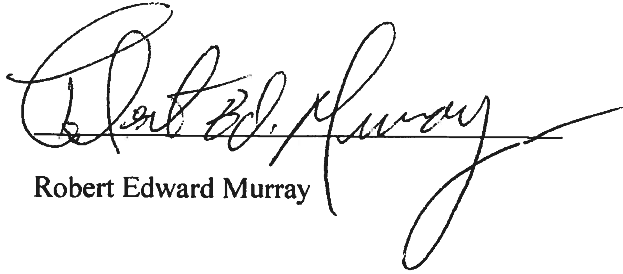


Robert E. Murray, as trustee for the
Robert E. Murray Trust

Notice Address:

c/o Murray Energy Corporation
46226 National Road
St. Clairsville, Ohio 43950

CONSENTING EQUITYHOLDER



Robert Edward Murray

Notice Address:

c/o Murray Energy Corporation
46226 National Road
St. Clairsville, Ohio 43950

[*Signature Page to Restructuring Support Agreement*]

CONSENTING EQUITYHOLDER

Ryan Murray

Notice Address:

c/o Murray Energy Corporation
46226 National Road
St. Clairsville, Ohio 43950

[*Signature Page to Restructuring Support Agreement*]

CONSENTING EQUITYHOLDER

Jonathan Murray

Notice Address:

c/o Murray Energy Corporation
46226 National Road
St. Clairsville, Ohio 43950

Exhibit A to the Amended and Restated Restructuring Support Agreement

Restructuring Term Sheet

 Execution Version

RESTRUCTURING TERM SHEET

This plan term sheet (including all exhibits and schedules hereto, the "***Term Sheet***") sets forth the indicative terms of a proposed restructuring (the "***Restructuring***") of the Company[1] to be implemented through a purchase of the Company by a new entity ("***Murray NewCo***")[2] to be formed at the direction of certain holders of the Superpriority Term Loan through a chapter 11 plan (the "***Plan***"). This Term Sheet does not purport to set forth all the terms and conditions of the Restructuring, which will be set forth in the Plan and the Definitive Documents in accordance with the Restructuring Support Agreement, dated October 28, 2019, between the Company, the Consenting Equityholders, and the Consenting Superpriority Lenders (each as defined in the RSA, as defined herein), and other persons that become party thereto from time to time in accordance with the terms therein (the "***RSA***"). Terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the RSA.

THIS TERM SHEET DOES NOT CONSTITUTE (NOR SHALL IT BE CONSTRUED AS) AN OFFER WITH RESPECT TO ANY SECURITIES OF THE COMPANY. NOTHING IN THIS TERM SHEET SHALL BE DEEMED TO BE THE SOLICITATION OF AN ACCEPTANCE OR REJECTION OF A CHAPTER 11 PLAN. ANY SUCH OFFER OR SOLICITATION SHALL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE.

THIS TERM SHEET HAS BEEN PRODUCED FOR DISCUSSION AND SETTLEMENT PURPOSES ONLY AND IS SUBJECT TO THE PROVISIONS OF RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND OTHER SIMILAR APPLICABLE STATE AND FEDERAL RULES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS. NOTHING HEREIN SHALL BE DEEMED TO BE AN ADMISSION OF FACT OR LIABILITY BY ANY PARTY.

Restructuring Overview	
Chapter 11 Cases; Plan & Sale Milestones	The Company will commence cases (the "***Chapter 11 Cases***") for each of the Company entities under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "***Bankruptcy Code***"), in the United States Bankruptcy Court for the Southern District of Ohio (the "***Bankruptcy Court***") on or before 11:59 p.m. New York City time on October 29, 2019 (the date of such filing, the "***Petition Date***"). Following the Petition Date, the Company will pursue confirmation of the Plan and simultaneously market all or substantially all of the assets of the Company in compliance with the terms set forth herein and with the milestones set forth in the RSA and the DIP term sheet attached as **Exhibit 2**

[1] "***Company***" means, collectively, Murray Energy Holdings Company ("***Holdings***"), Murray Energy Corporation, and each of their direct and indirect subsidiaries, other than Foresight Energy GP LLC, Foresight Energy LP and its direct and indirect subsidiaries, Murray Metallurgical Coal Holdings, LLC and its direct and indirect subsidiaries, Murray Colombian Resources, LLC and its domestic direct and indirect subsidiaries, and Javelin Global Commodities Holdings LLP.

[2] It is expected that Murray Newco shall bear the Murray name in a manner acceptable to the Requisite Consenting Superpriority Lenders, in consultation with the Consenting Equityholders.

	to the RSA (the "***DIP Term Sheet***").
Plan Sale to Murray NewCo; Subject to Overbid Process	The Plan will provide for the sale of the Purchased Assets (as defined herein) to Murray NewCo, a special purpose vehicle to be formed at the direction of certain of the Consenting Superpriority Lenders (which shall be a corporation, limited liability company or such other corporate form acceptable to the Requisite Consenting Superpriority Lenders), pursuant to sections 105, 363, and/or 1123 of the Bankruptcy Code. On or before the deadline to file the motion (the "***Bidding Procedures Motion***") seeking approval of the bidding procedures for the Sale Process (as defined herein)), the Requisite Consenting Superpriority Lenders will provide the Company with a term sheet that includes a credit bid of some or all of the Superpriority Claims (as defined herein) for substantially all of the Company's core operating assets, including all assets and equity interests related to mining operations, other than any assets identified for exclusion by the Requisite Consenting Superpriority Lenders, in their sole discretion, in due diligence prior to execution of a definitive purchase agreement (collectively, the "***Purchased Assets***"), which definitive purchase agreement (the "***Credit Bid***") must be agreed to before the hearing to consider approval of the Bidding Procedures Motion and shall provide the purchaser the ability to exclude any assets from the Purchased Assets at any time prior to the bid deadline (as it may be extended from time to time) established in any order approving the Bidding Procedures Motion. The Credit Bid will be subject to an overbid process pursuant to bidding procedures approved by the Bankruptcy Court in the Chapter 11 Cases, which bidding procedures will be reasonably acceptable to the Company and the Requisite Consenting Superpriority Lenders (the "***Sale Process***"). The closing of the sale of the Purchased Assets to Murray NewCo or any other successful bidder will occur on or prior to the Plan Effective Date.
DIP Facilities	The Company will fund the Chapter 11 Cases with (i) cash on hand, and (ii) a new money debtor in possession term loan facility (the "***DIP Term Facility***") in an amount of up to $350 million to be funded by the members of the Ad Hoc Group of Superpriority Lenders and other Superpriority Lenders that choose to participate in the DIP Term Facility (the "***DIP Term Lenders***"), all on terms set forth in the DIP Term Sheet, which DIP Term Facility will be documented in a new credit agreement (the "***DIP Credit Agreement***"). Upon entry of an interim order approving the DIP Credit Agreement, (a) the Prepetition FILO Claims (as defined herein) will convert into a new debtor in possession first in, last out facility under the terms of the DIP Credit Agreement (the "***DIP FILO Facility***," and together with the DIP Term Facility, the "***DIP Facility***") and (b) the Prepetition ABL Claims (as defined herein) will be repaid in full in cash with the cash proceeds of the DIP Term Facility. The approved budget for the DIP Facility will provide for up to $162.5 million in funding for payment of certain prepetition claims to providers of goods and services necessary to the Company's ongoing

	operations and mine safety who agree to postpetition terms acceptable to the Company and the Requisite Consenting Superpriority Lenders.
Secured Debt to be Restructured:	The Company's secured debt to be restructured pursuant to the Plan includes: • **Prepetition ABL Facility**. Approximately $60,743,542.00 in obligations (which amount does not include accrued and unpaid interest and allowed prepayment fees and expenses, the "***Prepetition ABL Claims***") outstanding under that certain Amended and Restated Revolving Credit Agreement, originally dated as of December 5, 2013, as amended and restated as of June 29, 2018 (as amended, restated, modified, or supplemented from time to time prior to the date hereof, the "***Prepetition ABL Facility***") among Holdings, Murray Energy Corporation, as Borrower, the guarantors from time to time party thereto, the various lenders from time to time party thereto, and Goldman Sachs USA; • **Prepetition ABL FILO Facility**. $90,000,000 in first in, last out obligations (which amount includes any accrued and unpaid interest and allowed prepayment fees and expenses, the "***Prepetition FILO Claims***") outstanding under the Prepetition ABL Facility; • **Superpriority Term Loan**. $1,726,555,184 in obligations (which amount includes any accrued and unpaid interest through the Petition Date, the "***Superpriority Claims***") outstanding under that certain Superpriority Credit and Guaranty Agreement, dated as of June 29, 2018 (as amended, restated, modified, or supplemented from time to time prior to the date hereof), among Holdings, Murray Energy Corporation, as Borrower, the guarantors from time to time party thereto, the various lenders from time to time party thereto (the "***Superpriority Lenders***"), and GLAS Trust Company LLC, as administrative agent; • **Term Loan**. $51,094,229 in obligations (which amount includes any accrued and unpaid interest through the Petition Date, the "***Term Loan Claims***") outstanding under that certain Credit and Guaranty Agreement, dated as of April 16, 2015 (as amended, restated, modified, or supplemented from time to time prior to the date hereof), among Holdings, Murray Energy Corporation, as Borrower, the guarantors from time to time party thereto, the various lenders from time to time party thereto (the "***Term Loan Lenders***") and Black Diamond Commercial Finance, L.L.C., as successor administrative agent to GLAS Trust Company LLC and Deutsche Bank AG New York Branch; • **1.5L Notes**. $490,121,115 in obligations (which amount includes any accrued and unpaid interest, the "***1.5L Notes Claims***") of 12.00% Senior Secured Notes pursuant to that certain Indenture, dated June 29, 2018, by and among Murray Energy Corporation, as Issuer, the guarantors from time to time party thereto, The Bank of New York Mellon Trust

	Company, N.A., as Indenture Trustee, and U.S. Bank National Association, as Collateral Trustee (as amended, restated, modified, or supplemented from time to time prior to the date hereof, the "***1.5L Notes***"); • **Stub 2L Notes**. $1,916,000 in obligations (which amount includes any accrued and unpaid interest, the "***Stub 2L Notes Claims***") of 9.5% Senior Secured Notes pursuant to that certain Indenture, dated May 8, 2014, by and among Murray Energy Corporation, as Issuer, the guarantors from time to time party thereto, The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, and U.S. Bank National Association, as Collateral Trustee (as amended, restated, modified or supplemented from time to time prior to the date hereof, the "***Stub 2L Notes***"); and • **2L Notes**. $298,764,642 in obligations (which amount includes any accrued and unpaid interest, and together with the Stub 2L Notes Claims, the "***2L Notes Claims***") of 11.25% Senior Secured Notes pursuant to that certain Indenture, dated April 16, 2015, by and among Murray Energy Corporation, as Issuer, the guarantors from time to time party thereto, The Bank of New York Mellon Trust Company, N.A., as Indenture Trustee, and U.S. Bank National Association, as Collateral Trustee (as amended, restated, modified or supplemented from time to time prior to the date hereof, and together with the Stub 2L Notes, the "***2L Notes***").
Wind-Down Trust	The Plan will provide for the funding of a wind-down trust (the "***Wind-Down Trust***"), the budget for which shall be addressed in the Credit Bid in a manner acceptable to the Requisite Consenting Superpriority Lenders and the Company. The Wind-Down Trust will have assets to be agreed upon by the Company and the Requisite Consenting Superpriority Lenders (the "***Wind-Down Trust Assets***"). The Company, with the prior consent of the Requisite Consenting Superpriority Lenders (not to be unreasonably withheld, conditioned, or delayed), will select a plan administrator who will oversee the Wind-Down Trust.
Certain Employee Matters During Chapter 11 Cases	Except as otherwise set forth herein, and subject to Bankruptcy Court approval, the Company will continue its ordinary course employee compensation and benefits programs according to existing terms and practices, and any motions in the Bankruptcy Court for approval of such programs shall be reasonably acceptable to the Company and the Required Consenting Superpriority Lenders. Upon and subject to any applicable Bankruptcy Court approval and the order approving the DIP Facility, the Company shall implement (a) a retention plan for certain non-insider employees and (b) an incentive plan for certain insider employees (the "***Key Employee Retention Plan***" and the "***Key Employee Incentive Plan***"), in amounts, allocations, and subject to terms, conditions, documentation and the development of metrics reasonably acceptable to the Company and the Required Consenting Superpriority Lenders. The approved budget for the DIP Facility will contemplate funding

	for the Key Employee Retention Plan and the Key Employee Incentive Plan. As of the Petition Date, Mr. Robert D. Moore shall be appointed President and Chief Executive Officer of Murray Energy Holding Company and Murray Energy Corporation, with requisite authority to monitor the operations and finances of the Company to ensure compliance with the provisions of the DIP Credit Agreement, including the budget and cash flow forecast thereunder.
<u>Treatment of Claims and Interests</u>	
DIP Term Loan Claims	On the Plan Effective Date, in full and final satisfaction and settlement and in exchange of such claims, the claims under the DIP Term Facility will either be, at the election of each DIP Lender, (i) paid in full in cash, (ii) converted into a new term loan facility or such other debt securities issued at Murray NewCo in form and on terms acceptable to the Requisite Consenting Superpriority Lenders (the "***Take-Back Debt***"), subject to agreement on Maximum Leverage (as defined herein), or (iii) such other treatment acceptable to such DIP Lender.
DIP FILO Claims	On the Plan Effective Date, in full and final satisfaction and settlement and in exchange of such claims, the claims under the DIP FILO Facility will either be (i) paid in full in cash or (ii) treated in such other manner acceptable to the DIP FILO lenders.
Administrative Claims **Priority Tax Claims** **Other Priority Claims** **Secured Tax Claims** **Other Secured Claims**	The Plan will provide that administrative claims, priority tax claims, other priority claims, secured tax claims, and other secured claims (each as such claims are defined in a manner reasonably acceptable to the Required Consenting Superpriority Lenders) (collectively, the "***Required Plan Payments***") shall be paid in full in cash or receive such other treatment that renders such claims unimpaired under the Bankruptcy Code. To the extent not paid on the Plan Effective Date, the Required Plan Payments will be paid from the Wind-Down Trust Assets.
Superpriority Claims	On the Plan Effective Date, in full and final satisfaction and settlement and in exchange of such claims, each holder of an allowed Superpriority Claim will receive either: • if Murray NewCo is the winning bidder, its pro rata share of (i) 100% equity interests in Murray NewCo, subject to dilution for the MIP, (ii) subject to compliance with the Maximum Leverage, an amount of the Takeback Debt to be determined by the Requisite Consenting Superpriority Lenders, (iii) to the extent of any remaining secured portion of the Superpriority Claims, all proceeds of the Company's assets that are not Purchased Assets and that constitute collateral of the holders of the Superpriority Claims, and (iv) to the extent of any general unsecured deficiency claim, the distribution to allowed General Unsecured Claims (as defined herein) under the Plan; or

	• if another purchaser is the winning bidder, either (i) payment in full in cash or (ii) an amount of cash acceptable to Required Consenting Superpriority Lenders.
Term Loan Claims, 1.5L Notes Claims, 2L Notes Claims, and General Unsecured Claims[3]	On the Effective Date, in full and final satisfaction and settlement and in exchange of such claims, each holder of an allowed Term Loan Claim, 1.5L Notes Claim, 2L Notes Claim, and General Unsecured Claim will receive its pro rata share of a distribution to which it is legally entitled under the Bankruptcy Code, if any, after payment in full in cash (or satisfaction by such other consideration contemplated under this term sheet) of the DIP Claims and Superpriority Claims, and the Required Plan Payments.
Ongoing Trade Partner Claims[4]	On the Plan Effective Date, in full and final satisfaction and settlement and in exchange of such claims, each holder of an allowed Ongoing Trade Partner Claim will receive, to the extent not already paid pursuant to "first day" relief in the Chapter 11 Cases, payment in full in accordance with the terms of a trade agreement acceptable to the Company and the Requisite Consenting Superpriority Lenders. No Claim may be designated an Ongoing Trade Partner Claims by the Company without the prior consent of the Requisite Consenting Superpriority Lenders (or such other winning bidder) in consultation with the Company.
Murray Metallurgical Coal Properties, LLC Note	Note issued to Robert E. Murray Trust from Murray Metallurgical Coal Properties, LLC will be provided with similar treatment under the Plan as all similarly situated claims against Murray Metallurgical Coal Properties, LLC.
Murray NewCo	
Murray NewCo's Capital Structure	Murray NewCo will be capitalized as determined by the Requisite Consenting Superpriority Lenders (in consultation with the Company); *provided* that the Requisite Consenting Superpriority Lenders shall agree to a total maximum leverage for Murray NewCo ("***Maximum Leverage***") prior

[3] "***General Unsecured Claims***" means any unsecured claim arising against any Company entity (but excluding the Superpriority Claims, the Term Loan Claims, the 1.5L Notes Claims, the 2L Notes Claims, claims arising under Murray Promissory Notes (as defined herein), or any related deficiency claims, or Ongoing Trade Partner Claims (as defined herein)) that is not otherwise entitled to administrative expense or priority treatment under the Bankruptcy Code, including claims, if any, arising from the rejection of any contracts (including the termination of any CBAs (as defined herein)), the withdrawal from any multiemployer pension funds, or the termination of any retiree benefits or other retirement obligations.

[4] "***Ongoing Trade Partner Claims***" means any unsecured claim against any Company entity that arises solely on account of the receipt of goods or services by the Company prior to the commencement of the Chapter 11 Cases where the holder of such claim will have an ongoing go-forward business relationship with Murray NewCo (or such other winning bidder, as applicable) and its subsidiaries after the Effective Date, as determined by the Requisite Consenting Superpriority Lenders (or such other winning bidder) in consultation with the Company.

	to the consummation of the transaction contemplated by the Credit Bid.
Murray NewCo Management	The Credit Bid will provide for the identification of and certain proposed terms of employment for certain executive employees, which terms shall be acceptable to such executive and the Required Consenting Superpriority Lenders, in consultation with the Consenting Equityholders and the Company. The Chief Executive Officer of Murray NewCo will be Robert D. Moore, subject to his employment agreement being assumed and assigned to Murray NewCo, as amended on terms and conditions acceptable to Mr. Moore and the Required Consenting Superpriority Lenders.
Murray NewCo MIP	On the Plan Effective Date, Murray NewCo will reserve exclusively for participating employees (such reserve, the "***MIP***") a pool of shares of common stock or limited liability company interests of Murray NewCo representing no less than an amount of Murray NewCo's equity interests to be set forth in the Plan Supplement, in the form of options, appreciation rights, profit interests, or similar securities, as applicable, determined on a fully diluted and fully distributed basis (i.e., assuming conversion of all outstanding convertible securities and full distribution of the MIP and all securities contemplated by the Plan), as determined by the New Board. The terms and conditions for initial awards to Mr. Robert D. Moore shall be set forth in the Plan Supplement.
Murray NewCo Governance	The Board of Directors of Murray NewCo (the "***New Board***") shall consist of an odd number of directors, which shall be comprised of: • the Chairman of the New Board, who will be Mr. Robert E. Murray; • the Chief Executive Officer and President who shall be Robert D. Moore on the Effective Date; and • the remaining directors with industry and financial experience and expertise selected by the Requisite Consenting Superpriority Lenders in reasonable consultation with Mr. Robert E. Murray and Robert D. Moore. Murray NewCo's and any of its subsidiaries' organizational documents (including any bylaws, certificates of incorporation or formation, charters, limited liability company agreements, other organizational or formation documents, or board resolutions) will be consistent with this Term Sheet and otherwise acceptable to the Requisite Consenting Superpriority Lenders; *provided* that the corporate organizational documents for Murray NewCo shall contain provisions for a limited right of first offer in favor of Mr. Robert. E. Murray, in form and substance acceptable to Mr. Robert E. Murray and the Requisite Consenting Superpriority Lenders.
Mr. Robert E. Murray and Family	On the Plan Effective Date, Mr. Robert E. Murray shall be the Chairman of the New Board with responsibilities to be determined by the New Board.

	As part of his compensation for services as Chairman of the New Board, Mr. Robert E. Murray shall receive equity in Murray NewCo in an amount to be determined by the New Board and shall continue to receive the same health benefits he currently receives from the Company. Mr. Robert E. Murray's compensation for his services as Chairman of the New Board shall be market-based (consistent with Mr. Robert E. Murray's duties and responsibilities as Chairman of the New Board) and determined by the New Board. Mr. Robert E. Murray's compensation for services as Chairman of the New Board, including the amount of equity in Murray NewCo he shall receive as part of such compensation, shall be determined by the New Board as soon as reasonably practicable after the Plan Effective Date. Ryan Murray, Robert Murray, and Jonathan Murray shall be employed by Murray Newco upon consummation of the transaction contemplated by the Credit Bid, subject to new employment agreements acceptable to the New Board.
Director and Officer Liability Policy	The Credit Bid will provide that Murray NewCo shall obtain and maintain sufficient liability insurance policy coverage for the benefit of Murray NewCo's directors, members, managers, officers, and employees on terms determined by the New Board.
Exemption from SEC Registration	The issuance of all Murray NewCo securities will be exempt from registration with the U.S. Securities and Exchange Commission (the "SEC") under section 1145 of the Bankruptcy Code. To the extent section 1145 is unavailable, such securities shall be exempt from SEC registration as a private placement pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and/or the safe harbor of Regulation D promulgated thereunder, or such other exemption as may be available from any applicable registration requirements.
Assignments to Murray NewCo	
Executory Contracts and Unexpired Leases	The Credit Bid will include the assumption and assignment to Murray NewCo of all executory contracts and unexpired leases that are necessary to operate the Purchased Assets, as determined by the Requisite Consenting Superpriority Lenders in consultation with the Company, and such other executory contracts and unexpired leases to be agreed upon by the Requisite Consenting Superpriority Lenders and the Company.
Environmental Obligations	The Credit Bid will provide that Murray NewCo will assume all economic and non-economic environmental obligations related to the Purchased Assets, including continuation of the Company's surety bonding program, subject to satisfactory legal, market, and other due diligence.
Collective Bargaining Agreements	The Company must obtain the consent of the Required Consenting Superpriority Lenders before assuming, renewing, or extending the term of any Collective Bargaining Agreement ("***CBA***"). To the extent the Company fails to reach an agreement with applicable authorized

	representatives of their employees and retirees regarding modifications to any of the Company's CBAs and retiree benefits that is acceptable to the Required Consenting Superpriority Lenders, the Company must file the 1113/1114 Motion in accordance with the terms of the RSA and DIP Term Sheet. Murray NewCo will not accept or assume any existing CBAs between the Company and its employees, and will not be bound by or accept the terms of any such existing CBAs.
Avoidance Actions	All of the Company's rights to commence and pursue any and all claims and causes of action, including without limitation, any claims and causes of action arising under the sections 544, 545, 547, 548, and 550 of the Bankruptcy Code and other litigation shall be assigned to Murray NewCo (or such other winning bidder), except to the extent waived or released by the Company in a manner acceptable to the Requisite Consenting Superpriority Lenders.
Foresight Agreements	The Credit Bid will provide for the option, which may be exercised by Requisite Consenting Superpriority Lenders, to direct the assumption by the Company and assignment to Murray NewCo of (i) that certain Third Amended and Restated Management Services Agreement, dated as of March 28, 2017, by and among Murray American Coal, Inc. and Foresight Energy GP LLC, and (ii) that certain Fourth Amended and Restated Limited Liability Company Agreement of Foresight Energy GP LLC (collectively, the "***Foresight Agreements***").[5] The Company will use commercially reasonable efforts to obtain "first day" relief from the bankruptcy court in the Chapter 11 Cases to continue to honor all prepetition and postpetition obligations arising under the Foresight Agreements in the ordinary course of business. The Company further agrees (i) to negotiate in good faith with the Consenting Superpriority Term Lenders regarding any restructuring related to Foresight and (ii) not to support any restructuring, renegotiation, or disposition of any of its Foresight interests without the prior consent of the Requisite Consenting Superpriority Lenders.
<u>Miscellaneous</u>	
Conditions Precedent to Plan Effective Date	The occurrence of the Plan Effective Date shall be subject to conditions precedent that are acceptable to the Requisite Consenting Superpriority Lenders and the Company, including, without limitation: • the occurrence of the closing of the sale of the Purchased Assets;

[5] The Credit Bid may also provide for the transfer of equity ownership of Murray American Coal, Inc., to Murray NewCo.

	• the RSA shall not have been terminated and shall remain in full force and effect; • the employment agreement for Mr. Robert D. Moore must be agreed to and assumed and assigned to Murray NewCo; • the orders approving the disclosure statement for the Plan and the Plan shall have been entered and such orders shall not have been stayed, modified, or vacated on appeal; • establishment of a professional fee escrow account reasonably satisfactory to the Requisite Consenting Superpriority Lenders funded in the amount of estimated accrued but unpaid professional fees incurred by the legal counsel and other advisors to the Company and any statutory committees during the Chapter 11 Cases; • all schedules, documents, supplements, and exhibits to the Plan shall be, in form and substance, in accordance with the terms of the RSA and acceptable to the Company and subject to the consent rights set forth in the RSA; and • any and all requisite governmental, regulatory, and third-party approvals and consents shall have been obtained.
Release, Exculpation, and Injunction	The Plan will include release, exculpation, and injunction provisions in form and substance acceptable to the Requisite Consenting Superpriority Lenders and the Company.
Tax Structure	The Restructuring contemplated by this Term Sheet will be structured in a tax efficient manner as agreed on by the Company and the Requisite Consenting Superpriority Lenders.
Documentation	The parties shall negotiate the definitive documents necessary to complete the Restructuring in good faith. Any and all documentation necessary to effectuate the Restructuring, including the definitive documents, shall be in form and substance consistent with this Term Sheet and the RSA.
Reservation of Rights	Nothing herein is an admission of any kind. If the Restructuring is not consummated for any reason, all parties reserve any and all of their respective rights.

* * * * *

Exhibit B to the Amended and Restated Restructuring Support Agreement

DIP Term Sheet

DIP Term Loan Term Sheet[1]

Term	Proposal
Borrower	Murray Energy Corporation (the "Borrower")
Guarantors	Murray Energy Holdings Company ("Holdings") All other direct and indirect domestic subsidiaries of the Borrower that are guarantors under the prepetition Superpriority Credit and Guaranty Agreement (the "Superpriority Credit Agreement"), each as a debtor and debtor-in-possession, and each other existing and future domestic direct or indirect subsidiary of the Borrower (including, for the avoidance of doubt, Murray Metallurgical Coal Properties, LLC and Murray Metallurgical Coal Properties II, LLC (each, a "Mission Holdco")) other than (i) Foresight GP, Foresight LP and their respective subsidiaries and (ii) the subsidiaries of any Mission Holdco (collectively, the "Guarantors" and, together with the Borrower, the "Debtors")
DIP Lenders	To include participating lenders under the Superpriority Credit Agreement (the "DIP Lenders"). Each Prepetition Superpriority Lender will be given the opportunity to provide a ratable portion of the DIP Term Facility offered in syndication.
Backstop Parties	Certain lenders under the Superpriority Credit Agreement that will backstop the full amount of the DIP Term Facility (the "Backstop Parties").
Commitment Amount	$350,000,000.00 To be provided by the DIP Lenders and fully backstopped by the Backstop Parties
Facility Structure	Term Loan with $200,000,000.00 funded upon entry of the Interim DIP Term Order and an additional $150,000,000.00 funded in one draw upon entry of the Final DIP order (the "DIP Term Facility"). Funding of the DIP Term Facility to be structured such that DIP Term Facility proceeds shall not constitute ABL collateral or additional ABL collateral, including by means of segregation of DIP Term Facility proceeds.
Maturity	Earliest of (a) the date that is nine (9) months following the Petition Date, (b) the effective date of the Acceptable Plan of Reorganization or any other Reorganization Plan, (c) the consummation of a sale or other disposition of all or substantially all assets of the Debtors under section 363 of the Bankruptcy Code, and (d) the date of acceleration or termination of the DIP Term Facility in accordance with its terms
Interest Rate	LIBOR + 11.00% cash interest paid monthly
Fees	Put Premium: 5.00%, paid in cash upon entry of the Interim DIP Term Order

[1] Capitalized terms used herein but not defined herein are used as defined in the Restructuring Support Agreement.

Term	Proposal
	Upfront Fee: 3.00%, paid in cash upon entry of the Interim DIP Term Order Exit Fee: 1.00%, paid in cash upon repayment of the DIP Term Facility Agent Fee: $75,000
Existing ABL/FILO Facility Treatment	Certain outstanding amounts under the Prepetition ABL Loan Documents to be refinanced by a portion of the DIP Term Facilty proceeds (the "DIP ABL Refinancing Portion"). A portion of the DIP Term Facility equal to $65 million (the "Senior ABL Lien Amount") shall be senior to the DIP FILO Facility with respect to the ABL collateral and proceeds therefrom.
Adequate Protection for the Superpriority Lenders	• Adequate protection liens on all Collateral (including avoidance action proceeds, subject to entry of a final order) • Adequate protection 507(b) superpriority claim • Waiver of marshalling, section 506(c) and section 552(b) equity of the cases exception • Current cash payment of professional fees and expenses • Immediate pay down upon receipt of proceeds of the sale of Collateral (subject to prior repayment in full of the DIP Term Facilty) • All information and reporting rights set forth in the DIP Term Facility • All milestones set forth in the DIP Term Facility • All financial covenants in the DIP Term Facility • Debtors must not file a Plan of Reorganization that does not satisfy in cash or such other consideration acceptable to the Superpriority Lenders all claims on account of the Superpriority Claims
Collateral	Substantially all assets and property of the Borrower and the Guarantors, including: (i) a first priority priming security interest in the existing fixed asset collateral and additional fixed asset collateral securing the prepetition Superpriority Term Loans, (ii) a first priority security interest in unencumbered assets of the Borrower and the Guarantors (including avoidance action proceeds, subject to entry of a final order), subject to certain limitations to be agreed (iii) a security interest in the existing ABL collateral and additional ABL collateral securing the prepetition Revolving Credit Agreement, junior to ABL FILO Loan other than the Senior ABL Lien Amount
Use of Proceeds and Budgets	The use of proceeds of the DIP Term Facility shall be subject to budgets agreed upon between the Debtors and the DIP Term Lenders, including the DIP ABL Refinancing Portion to refinance certain prepetition ABL obligations
Mandatory Prepayments	Usual and customary for DIP facilities, including, without limitation, 100% of net cash proceeds of (i) debt issuances (other than debt permitted to be incurred under the terms of the DIP Term Facility) and (ii) non-ordinary course asset sales or dispositions, including casualty and condemnation events, in excess of $500,000 in the aggregate (with no individual asset sale or disposition in excess of $250,000).

Term	Proposal
Ratings	The Borrower shall use commercially reasonable efforts to obtain and maintain facility ratings for the DIP Term Facility from Moody's and Standard & Poor's within 30 days of the closing date
Financial Covenants	The use of cash and proceeds from the DIP Term Facility will be subject to the above-referenced budgets with variance covenants tested on a bi-weekly basis, with receipts not to fall below 90% (or with respect to the first two weeks of any covenant testing period, 85%) of projections and disbursements (excluding professional fees) not to exceed 110% (or with respect to the first two weeks of any covenant testing period, 115%) of projections. Budget to be updated every four weeks. Minimum liquidity covenant in an amount of $50 million. Minimum EBITDA covenant tested monthly on a cumulative basis versus forecasted EBITDA with a cushion to be agreed commencing on the third full calendar month after the Petition Date
Reporting	Monthly financial reporting, which shall be satisfied by the Debtors' monthly operating reports. Additional monthly financial reporting to the financial advisor to the DIP Lenders of mine-by-mine level operational performance information in form and substance acceptable to such financial advisor. Critical vendor report on a weekly basis to the financial advisor to the DIP Lenders. Bi-weekly call with lenders and once weekly call with financial advisors to discuss cash flows and operations.
Negative Covenants	Consistent with the Superpriority Credit Agreement subject to (i) modifications to be agreed between the Borrower and the DIP Lenders, (ii) modifications to remove references and provisions related to certain "Specified Guarantor Subsidiaries" and "Specified Restricted Subsidiaries" with the treatment of such entities being generally the same as the treatement of other Guarantors and restricted subsidiaries (except with respect to dispositions of assets to such entities and investments in such entities, which will be restricted in a manner to be agreed) and (iii) and other modifications usual and customary for financings of this type and acceptable to the DIP Lenders.
Milestones	Petition Date + 1 calendar day: Deadline to file motion seeking relief of the Interim DIP Term Order Petition Date + 5 calendar days: Deadline for entry of Interim DIP Term Order Petition Date + 35 calendar days: Deadline to file (x) Plan, Disclosure Statement, and Disclosure Statement Motion or (y) a Bidding Procedures Motion that contemplates the sale of all or substantially all of the assets of the Debtors, which sale shall be backstopped by a bid from the Superpriority Lenders (which bid may be in the form of a plan of reorganization) that contemplates, among other things, cash payment of administrative expenses and wind-down costs set forth in a wind down budget acceptable to the Superpriority Lenders in their sole discretion Petition Date + 35 calendar days: Deadline to file KEIP Motion Petition Date + 40 calendar days: Deadline for the Borrower to make proposal for collective bargaining agreement and retiree benefit modifications Petition Date + 45 calendar days: Deadline for entry of Final DIP Term Order Subject to entry of a Final DIP Term Order approving such relief:

Term	Proposal
	Petition Date + 106 calendar days: Deadline to reach agreement on collective bargaining agreement and retiree benefit modifications or to file 1113/1114 Motion Petition Date + 70 calendar days: Deadline for entry of Bidding Procedures Order (if a Bidding Procedures Motion is filed) Petition Date + 125 calendar days: Bid Deadline (if a Bidding Procedures Motion is filed) Petition Date + 135 calendar days: Auction (if a Bidding Procedures Motion is filed) Petition Date + 140 calendar days: Deadline for entry of a Sale Order (if a Bidding Procedures Motion is filed) Sale Order Entry Date + 14 calendar days: Deadline for closing of a sale transaction (if a Bidding Procedures Motion is filed) Petition Date + 150 calendar days: Deadline for entry of 1113/1114 Approval Order Petition Date + 150 calendar days: Deadline for entry of Disclosure Statement Approval Order Petition Date + 195 calendar days: Deadline for entry of Confirmation Order Petition Date + 210 calendar days: Deadline for effective date of Plan

DIP FILO Term Sheet[1]

Term	Proposal
Borrower	Murray Energy Corporation (the "Borrower")
Guarantors	Murray Energy Holdings Company ("Holdings") With respect to the DIP FILO Loans (as defined below), all direct and indirect domestic subsidiaries of the Borrower that are guarantors under the prepetition Amended and Restated Revolving Credit Agreement (the "ABL Credit Agreement"), each as a debtor and debtor-in-possession (the "DIP FILO Guarantors") With respect to the DIP Term Loans (as defined below), all direct and indirect domestic subsidiaries of the Borrower that are guarantors under the prepetition Superpriority Credit and Guaranty Agreement (the "Superpriority Credit Agreement"), each as a debtor and debtor-in-possession, and each other existing and future domestic direct or indirect subsidiary of the Borrower (including, for the avoidance of doubt, Murray Metallurgical Coal Properties, LLC and Murray Metallurgical Coal Properties II, LLC (each, a "Mission Holdco") and, excluding, (i) Foresight GP, Foresight LP and their respective subsidiaries and (ii) the subsidiaries of any Mission Holdco) (collectively, the "DIP Term Guarantors" and, together with the Borrower and the DIP FILO Guarantors, the "Debtors")
Facility Size	$350,000,000.00 of new money term loans (the "DIP Term Loans") to be provided by the DIP Term Lenders and fully backstopped by the Backstop Parties. $90,000,000.00 of rolled up prepetition Last-Out Loans (under and as defined in the ABL Credit Agreement), equal to the total amount of the outstanding Last-Out Loans, provided by the DIP FILO Lender (the "DIP FILO Loans").
DIP FILO Lender	GACP Finance Co., LLC
Facility Structure	DIP Term Loan with $200,000,000.00 funded upon entry of the Interim DIP Term Order and an additional $150,000,000.00 funded in one draw upon entry of the Final DIP Term Order DIP FILO Lender to agree that proceeds of DIP Term Loans shall not constitute ABL Collateral or additional ABL Collateral. Entry into the DIP FILO Loans to be effective upon entry of the Interim DIP Term Order, subject to customary challenge rights prior to entry of the Final DIP Term Order.
DIP FILO Loans Interest Rate	On amounts not rolled up: L + 9.75% On amounts rolled up: L + 9.50%

[1] Capitalized terms used herein but not defined herein are used as defined in the Restructuring Support Agreement.

Term	Proposal
ABL Refinancing	Outstanding prepetition non-FILO ABL obligations under the ABL Credit Agreement to be refinanced by a portion of the DIP Term Facility proceeds.
Anti-Cram Up Provision	Final DIP Term Order to provide that the Borrower and the DIP FILO Guarantors shall not propose or support any plan of reorganization or sale of all or substantially all of the Borrower and the DIP FILO Guarantors' assets, or order confirming such plan or approving such sale, that is not conditioned upon the indefeasible payment in full, no later than the effective date of such plan or sale, of (i) all claims of the DIP FILO Lender on account of the DIP FILO Loans and (ii) all claims of the prepetition Last-Out Lender on account of the adequate protection obligations provided for herein with respect to the prepetition Last-Out Loans, in each case in cash or such other consideration acceptable to the DIP FILO Lenders and the prepetition Last-Out Lenders, as applicable, regardless of whether the DIP FILO Loans become undersecured at any point during the chapter 11 cases and regardless of the value of the ABL Collateral and the value of the gross Accounts Receivable and gross Inventory; provided, however, that in the event that the claims of the prepetition Last-Out Lender become undersecured, the prepetition Last-Out Lender's adequate protection claims need not be paid in full, but such claims shall be treated no worse than the treatment of the adequate protection claims of the prepetition Superpriority Lenders.
Collateral	The DIP Term Loans shall be secured by substantially all assets and property of the Borrower and the DIP Term Guarantors, including: (i) a first priority priming security interest in the existing fixed asset collateral securing the prepetition Superpriority Term Loans, (ii) a first priority security interest in unencumbered assets of the Borrower and the Guarantors (including avoidance action proceeds, subject to entry of a final order), subject to certain limitations to be agreed (iii) a first priority security interest in the existing ABL collateral securing the ABL Credit Agreement (the "<u>ABL Collateral</u>"), senior to the DIP FILO Loans solely to the extent of $65 million (the "<u>DIP ABL Priority Amount</u>") (iv) a junior priority security interest in the ABL Collateral, junior to ABL FILO Loan, except to the extent of the DIP ABL Priority Amount The DIP FILO Loans shall be secured by the following assets and property of the Borrower and the DIP FILO Guarantors: (i) a first priority security interest in the ABL Collateral, junior only to the DIP Term Loans solely to the extent of the DIP ABL Priority Amount (ii) a junior priority security interest in the existing fixed asset collateral securing the prepetition Superpriority Term Loans, junior to the DIP Term Loans and Term Debt Obligations (as defined in the Second Amended and Restated Intercreditor Agreement)
Certain Covenants	The Borrower shall no longer provide periodic borrowing base reporting required under the ABL Credit Agreement to the DIP FILO Lender or DIP Term Lenders. No field exam or appraisals will be required until the earliest of (x) the occurrence of an Event of Default resulting from a payment default or default under the Current Asset Test, (y) the date that is six (6) months from the

Term	Proposal
	Effective Date or (z) the filing of a Plan of Reorganization that does not indefeasibly satisfy all claims of the DIP FILO Lenders on account of the DIP FILO Loans in full in cash or such other consideration acceptable to the DIP FILO Lenders. There shall be no cash dominion and no paydown of the DIP FILO Loans or DIP Term Loans required as a result of a borrowing base. The definitive documentation with respect to the DIP FILO Loans and the DIP Term Facility (the "DIP Credit Agreement") shall contain a covenant, solely in favor of the DIP FILO Lender, that the average gross Accounts Receivable and gross aggregate Inventory (in each case, as currently reported in the existing Borrowing Base (as defined in the ABL Credit Agreement), and collectively the "Reported Covenant Level")) for any week be no less than $175M to be tested as of the fourth business day of each week (the "Current Asset Test"); provided that such covenant (and the related component definitions) may be amended or waived solely with the consent of the DIP FILO Lender and the Borrower (and may not be amended or waived without the consent of the DIP FILO Lender), and a breach of such covenant shall not result in any default or event of default with respect to the DIP Term Loans until the DIP FILO Lender shall have accelerated its obligations, provided that the Company shall receive holiday for 3 non-consecutive reporting periods in the event of breach of such covenant so long as the Reported Covenant Level is at least $160M and the entire amount of prepetition Last-Out Loan has been rolled up (it being agreed such covenant shall be the sole covenant with respect to the reporting of borrowing base assets). The DIP FILO Lender shall receive all written financial reporting and other periodic reporting that is required to be delivered to the DIP Term Lenders under the DIP Credit Agreement. The DIP Credit Agreement shall contain budget variance, minimum liquidity and minimum EBITDA covenants (the "DIP Term Covenants") solely in favor of the DIP Term Lenders (however the reporting thereof shall be provided to the DIP FILO Lender), and a breach of such covenants shall not result in any default or event of default with respect to the DIP FILO Loans until the DIP Term Lenders accelerate their obligations.
Adequate Protection	Only to the extent that the full amount of the prepetition Last-Out Loans is not effectively rolled up upon entry of the Interim DIP Term Order as provided herein, the DIP FILO Lender shall receive adequate protection (including liens, superpriority claims, payment of accrued and unpaid interest and reasonable out-of-pocket professional fees and expenses, including a financial advisor, and access to information), both on an interim and final basis.
Other Terms	• The DIP FILO Lender to have consent rights with respect to initial DIP budget (but not any subsequent DIP budget). • Carve-out shall apply to ABL Collateral up to the DIP ABL Priority Amount. • Interim DIP Term Order and Final DIP Term Order to include customary waivers (e.g., section 506(c) surcharge, "equities of the case" exception under section 552(b), etc.), with DIP FILO Lender receiving the benefit of such waivers to the same extent as DIP Term Lenders and substantially similar DIP protections as DIP Term Lenders. • DIP FILO Lenders shall have customary "sacred rights" including all economic terms and customary required lender provisions for all amendments, modifications and waivers other than (x) amendments, modifications and waivers of the DIP Term Covenants (and the related component definitions), which may be amended or waived solely with the consent of the DIP Term

Term	Proposal
	Lenders holding a majority of the DIP Term Loans and commitments to lend DIP Term Loans and (y) amendments, modifications and waivers that by their terms would disproportionately (relative to the DIP Term Lenders) and adversely affect the rights and duties of the DIP FILO Lender which shall be subject to consent of DIP FILO Lender. • Form and substance of Interim DIP Term Order, Final DIP Term Order and DIP Credit Agreement to be consistent with this term sheet and otherwise acceptable to DIP FILO Lender. • Payment of reasonable out-of-pocket professional fees and expenses of the DIP FILO Lender, including a financial advisor (capped at $50,000.00 per month for first 2 months and $35,000.00 per month thereafter), the fees and expenses of Sidley Austin LLP and the fees and expenses of a single firm of local counsel in each necessary jurisdiction.

Exhibit C to the Amended and Restated Restructuring Support Agreement

Form of Transferee Joinder

Form of Transferee Joinder

This joinder (this "Joinder") to the Restructuring Support Agreement (the "Agreement"), dated as of [__], 20[19], by and among: (i) Murray Energy Holdings Company, Murray Energy Corporation, and certain of their direct and indirect subsidiaries (collectively, the "Company"); (ii) the Consenting Superpriority Lenders; and (iii) Consenting Equityholders, is executed and delivered by [________________] (the "Joining Party") as of [________________]. Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.

1. Agreement to be Bound. The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Restructuring Support Parties.

2. Representations and Warranties. The Joining Party hereby represents and warrants to each other Party to the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, and has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Claims identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section 18 of the Agreement to each other Party.

3. Governing Law. This Joinder shall be governed by and construed in accordance with the internal laws of the State of New York without regard to any conflicts of law provisions which would require the application of the law of any other jurisdiction.

DIP Term Loan Commitment

☐ By checking this box, the Joining Party hereby represents and warrants that as of October 28, 2019 it held Superpriority Claims in the amount set forth below, and hereby commits to provide a share of the DIP Term Financing and, in respect of any funded portion, purchase such loans via assignment, equal to the DIP Commitment Amount plus the Additional Commitment Amount, and otherwise on the terms and conditions in the DIP Term Sheet and/or the DIP Term Credit Agreement, as applicable:

(A) Principal Amount of Superpriority Claims: $________________________

(B) Principal Amount of Superpriority Claims set forth in (A) above divided by $[ ],[4] expressed as a percentage: ________________________

[4] Outstanding principal amount of Superpriority Term Loans.

____

(C) Percentage of the DIP Term Financing the Joining Party hereby agrees to commit to, which shall not be greater than the percentage set forth in (B) above ("***DIP Commitment Amount***"):

____

(D) In the event that an Additional Subscription Right is provided to the Joining Party, the Joining Party hereby agrees to commit to, in addition to the DIP Commitment Amount, the following amount of the DIP Term Financing (the "***Additional Commitment Amount***"):

____

4. Notice. All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

[JOINING PARTY]
[ADDRESS]
Attn:
Facsimile:
Email:

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

[*Signatures and annexes follow*]

JOINING PARTY

By: ________________________________
Name:
Title:

Principal Amount of Superpriority Claims: $______________

Principal Amount of Term Loan Claims $______________

Principal Amount of 1.5L Notes Claims: $______________

Principal Amount of 2L Notes Claims: $______________

Principal Amount of Prepetition ABL Claims $______________

Principal Amount of Prepetition FILO Claims $______________

Notice Address:

Fax:
Attention:
Email:

Annex 1 to the Form of Transferee Joinder

Exhibit D

Liquidation Analysis

[To Come]

Exhibit E

Financial Projections

[To Come]