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and Debtors in Possession*

15 **ACCEPTANCES AND REJECTIONS OF THE PLAN MAY NOT BE SOLICITED UNTIL A
16 DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. ALL
17 HOLDERS OF CLAIMS AND INTERESTS ARE ENCOURAGED TO READ THE PLAN AND THE
18 DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT
19 THE PLAN.**

20 **UNITED STATES BANKRUPTCY COURT
21 NORTHERN DISTRICT OF CALIFORNIA
22 SAN FRANCISCO DIVISION**

23 **In re:**

24 **PG&E CORPORATION,**

25 **- and -**

26 **PACIFIC GAS AND ELECTRIC COMPANY,**

27 **Debtors.**

- 28 Affects PG&E Corporation
 Affects Pacific Gas and Electric Company
 Affects both Debtors

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11

(Lead Case)
(Jointly Administered)

**DEBTORS' AND SHAREHOLDER
PROONENTS' JOINT CHAPTER 11 PLAN OF
REORGANIZATION DATED DECEMBER 12,
2019**

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1 PG&E Corporation and Pacific Gas and Electric Company, the above-captioned debtors
 2 (the “**Debtors**”), certain funds and accounts managed or advised by Abrams Capital Management,
 3 LP, and certain funds and accounts managed or advised by Knighthead Capital Management, LLC
 4 (together, the “**Shareholder Proponents**,” and, collectively with the Debtors, the “**Plan**
 5 **Proponents**”), as plan proponents within the meaning of section 1129 of the Bankruptcy Code,
 propose the following joint chapter 11 plan of reorganization pursuant to section 1121(a) of the
 Bankruptcy Code. Capitalized terms used but not defined herein shall have the meanings ascribed to
 such terms in Article I of the Plan.

6 ARTICLE I.

7 DEFINITIONS, INTERPRETATION AND CONSENTS

8 **DEFINITIONS.** The following terms used herein shall have the respective meanings defined
 9 below (such meanings to be equally applicable to both the singular and plural):

10 **1.1 2001 Utility Exchange Claim** means any Claim against the Utility arising
 11 solely from (a) amounts due to the CAISO, PX, and/or various market participants based on
 12 purchases or sales of electricity, capacity, or ancillary services by the Utility and other market
 13 participants in markets operated by the CAISO and the PX that are subject to determination by
 14 FERC in refund proceedings bearing FERC Docket Nos. EL00-95-000 and EL00-98-000 and
 15 related subdockets, and (b) amounts due under any settlement agreements, allocation
 16 agreements, escrow agreements, letter agreements, other written agreements, or court orders
 17 (including orders entered in the chapter 11 case styled *In re California Power Exchange*
 18 *Corporation*, Case No. LA 01-16577 ES) that expressly relate thereto.

19 **1.2 503(b)(9) Claim** means a Claim or any portion thereof entitled to administrative
 20 expense priority pursuant to section 503(b)(9) of the Bankruptcy Code, which Claim was
 21 timely filed and Allowed pursuant to the 503(b)(9) Procedures Order.

22 **1.3 503(b)(9) Procedures Order** means the *Amended Order Pursuant to 11 U.S.C.*
 23 *§§ 503(b)(9) and 105(a) Establishing Procedures for the Assertion, Resolution, and*
 24 *Satisfaction of Claims Asserted Pursuant to 11 U.S.C. § 503(b)(9)* [Docket No. 725].

25 **1.4 Administrative Expense Claim** means any cost or expense of administration
 26 of any of the Chapter 11 Cases arising on or before the Effective Date that is allowable under
 27 section 503(b) of the Bankruptcy Code and entitled to priority under sections 364(c)(1), 503(b)
 28 (including 503(b)(9) Claims), 503(c), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code
 that has not already been paid, including, (a) any actual and necessary costs and expenses of
 preserving the Debtors’ estates, any actual and necessary costs and expenses of operating the
 Debtors’ businesses, any indebtedness or obligations incurred or assumed by one or more of
 the Debtors, as a debtor in possession, during the Chapter 11 Cases, including, for the
 acquisition or lease of property or an interest in property or the performance of services, or any
 fees or charges assessed against the estates of the Debtors under section 1930 of chapter 123
 of title 28 of the United States Code, (b) any DIP Facility Claim, (c) any Professional Fee
 Claim and (d) any Intercompany Claim authorized pursuant to the Cash Management Order.

1 **1.5 Aggregate Backstop Commitment Amount** means the aggregate amount of
2 all backstop commitments, if any, under all Backstop Commitment Letters; *provided*, however,
3 that if the backstop commitments under all Backstop Commitment Letters shall be \$0, then all
4 consent and other rights hereunder shall no longer apply.

5 **1.6 Aggregate Fire Victim Consideration** means the aggregate consideration used
6 to fund the Fire Victim Trust of (a) \$5.4 billion in cash to be contributed on the Effective Date,
7 (b) \$1.35 billion consisting of (i) \$650 million to be paid in cash on or before January 15, 2021
8 pursuant to the Tax Benefits Payment Agreement, and (ii) \$700 million to be paid in cash on
9 or before January 15, 2022 pursuant to the Tax Benefits Payment Agreement; (c) \$6.75 billion
10 in New HoldCo Common Stock (issued at Fire Victim Equity Value), which shall not be less
11 than 20.9% of the New HoldCo Common Stock assuming the Utility's allowed return on equity
12 as of the date of the Tort Claimants RSA; (d) the assignment by the Debtors and Reorganized
13 Debtors to the Fire Victim Trust of the Assigned Rights and Causes of Action; and (e)
14 assignment of rights, other than the rights of the Debtors to be reimbursed thereunder for claims
15 submitted prior to the Petition Date, under the 2015 and 2016 Insurance Policies to resolve any
16 claims related to Fires in those policy years. For the avoidance of doubt, the Aggregate Fire
17 Victim Consideration shall not include any amounts for the Public Entities Settlement which
18 shall be satisfied from other Plan financing sources but not from the Aggregate Fire Victim
19 Consideration.

20 **1.7 Allowed** means, with reference to any Claim or Interest: (a) any Claim listed in
21 the Debtors' Schedules, as such Schedules may be amended from time to time in accordance
22 with Bankruptcy Rule 1009, as liquidated, non-contingent, and undisputed, and for which no
23 contrary proof of Claim has been filed; (b) any Claim or Interest expressly allowed hereunder;
24 (c) any Claim (other than a Subrogation Wildfire Claim) or Interest to which a Debtor and the
25 holder of such Claim or Interest agree to the amount and priority of the Claim or Interest, which
26 agreement is approved by a Final Order; (d) any individual Subrogation Wildfire Claim (not
27 held by a Consenting Creditor or a party to the Subrogation Wildfire Claim Allocation
28 Agreement) to which the Subrogation Wildfire Trustee and the holder of such Claim agree to
the amount of such Claim (e) any Claim or Interest that is compromised, settled or otherwise
resolved or Allowed pursuant to a Final Order (including any omnibus or procedural Final
Order relating to the compromise, settlement, resolution, or allowance of any Claims) or under
the Plan; or (f) any Claim or Interest arising on or before the Effective Date as to which no
objection to allowance has been interposed within the time period set forth in the Plan;
provided, that notwithstanding the foregoing, unless expressly waived by the Plan, the Allowed
amount of Claims or Interests shall be subject to, and shall not exceed the limitations or
maximum amounts permitted by, the Bankruptcy Code, including sections 502 or 503 of the
Bankruptcy Code, to the extent applicable. The Reorganized Debtors shall retain all Claims
and defenses with respect to Allowed Claims that are Reinstated or otherwise Unimpaired
under the Plan.

29 **1.8 Assigned Rights and Causes of Action** means any and all rights, claims,
30 causes of action, and defenses related thereto relating directly or indirectly to any of the Fires
31 that the Debtors may have against vendors, suppliers, third party contractors and consultants
32

(including those who provided services regarding the Debtors' electrical system, system equipment, inspection and maintenance of the system, and vegetation management), former directors and officers of the Debtors solely to the extent of any directors and officers' Side B Insurance Coverage, and others as mutually agreed upon by the Plan Proponents and identified in the Schedule of Assigned Rights and Causes of Action.

1.9 Avoidance Action means any action commenced, or that may be commenced, before or after the Effective Date pursuant to chapter 5 of the Bankruptcy Code including sections 544, 545, 547, 548, 549, 550, or 551 of the Bankruptcy Code.

1.10 Backstop Approval Order means an order of the Bankruptcy Court, approving the Backstop Commitment Letters, which order shall be in form and substance satisfactory to the Debtors and the Backstop Parties.

1.11 Backstop Commitment Letters means those certain letter agreements, as may be amended or modified from time to time in accordance with the terms thereof and the Backstop Approval Order, pursuant to which the Backstop Parties have agreed to purchase shares of New HoldCo Common Stock on the terms and subject to the conditions thereof.

1.12 Backstop Parties means the parties that have agreed to purchase shares of New HoldCo Common Stock on the terms and subject to the conditions of the Backstop Commitment Letters and the Backstop Approval Order.

1.13 Ballot means the form(s) distributed to holders of impaired Claims or Interests on which the acceptance or rejection of the Plan is to be indicated.

1.14 Bankruptcy Code means title 11 of the United States Code, as applicable to the Chapter 11 Cases.

1.15 Bankruptcy Court means the United States Bankruptcy Court for the Northern District of California, having subject matter jurisdiction over the Chapter 11 Cases and, to the extent of any reference withdrawal made under section 157(d) of title 28 of the United States Code, the District Court.

1.16 Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, applicable to the Chapter 11 Cases, and any Local Rules of the Bankruptcy Court.

1.17 Business Day means any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

1.18 CAISO means the California Independent System Operator Corporation.

1.19 Cash means legal tender of the United States of America.

1 **1.20 Cash Management Order** means the *Final Order Pursuant to 11 U.S.C. §§*
 2 *105(a), 345(b), 363(b), and 363(c), and Fed. R. Bankr. P.6003 and 6004 (i) Authorizing*
 3 *Debtors to (a) Continue Their Existing Cash Management System, (b) Honor Certain*
 4 *Prepetition Obligations Related to the Use Thereof, (c) Continue Intercompany Arrangements,*
 5 *(d) Continue to Honor Obligations Related to Joint Infrastructure Projects, and (e) Maintain*
 6 *Existing Bank Accounts and Business Forms; and (ii) Waiving the Requirements of 11 U.S.C.*
 7 *§ 345(b), dated March 13, 2019 [Docket No. 881].*

8 **1.21 Cause of Action** means, without limitation, any and all actions, class actions,
 9 proceedings, causes of action, controversies, liabilities, obligations, rights, rights of setoff,
 10 recoupment rights, suits, damages, judgments, accounts, defenses, offsets, powers, privileges,
 11 licenses, franchises, Claims, Avoidance Actions, counterclaims, cross-claims, affirmative
 12 defenses, third-party claims, Liens, indemnity, contribution, guaranty, and demands of any
 13 kind or character whatsoever, whether known or unknown, asserted or unasserted, reduced to
 14 judgment or otherwise, liquidated or unliquidated, fixed or contingent, matured or unmatured,
 15 disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect,
 16 choate or inchoate, secured or unsecured, assertable directly or derivatively, existing or
 17 hereafter arising, in contract or in tort, in law, in equity, or otherwise, whether arising under
 18 the Bankruptcy Code or any applicable nonbankruptcy law, based in whole or in part upon any
 19 act or omission or other event occurring on or prior to the Petition Date or during the course
 20 of the Chapter 11 Cases, including through the Effective Date. Without limiting the generality
 21 of the foregoing, when referring to Causes of Action of the Debtors or their estates, Causes of
 22 Action shall include (a) all rights of setoff, counterclaim, or recoupment and Claims for breach
 23 of contracts or for breaches of duties imposed by law or equity; (b) the right to object to any
 24 Claim or Interest; (c) Claims (including Avoidance Actions) pursuant to section 362 and
 25 chapter 5 of the Bankruptcy Code, including sections 510, 542, 543, 544 through 550, or 553;
 26 (d) Claims and defenses such as fraud, mistake, duress, usury, and any other defenses set forth
 27 in section 558 of the Bankruptcy Code; and (e) any Claims under any state or foreign law,
 28 including any fraudulent transfer or similar claims.

18 **1.22 Channeling Injunction** means the permanent injunction provided for in
 19 Section 10.7 of the Plan with respect to Fire Claims to be issued pursuant to, and included in,
 20 the Confirmation Order.

21 **1.23 Chapter 11 Cases** means the jointly administered cases under chapter 11 of the
 22 Bankruptcy Code commenced by the Debtors on the Petition Date in the Bankruptcy Court
 23 and currently styled *In re PG&E Corporation and Pacific Gas and Electric Company*, Ch. 11
 24 Case No. 19-30088 (DM) (Jointly Administered).

25 **1.24 Chief Executive Officer** means William D. Johnson, the current chief
 26 executive officer of HoldCo.

27 **1.25 Claim** has the meaning set forth in section 101(5) of the Bankruptcy Code.

28 **1.26 Claims Resolution Procedures** means, collectively, the Fire Victim Claims
 Resolution Procedures and the Subrogation Wildfire Claim Allocation Agreement.

1 **1.27 Class** means any group of Claims or Interests classified herein pursuant to
2 sections 1122 and 1123(a)(1) of the Bankruptcy Code.

3 **1.28 Collateral** means any property or interest in property of the estate of any Debtor
4 subject to a lien, charge, or other encumbrance to secure the payment or performance of a
5 Claim, which lien, charge, or other encumbrance is not subject to a Final Order ordering the
6 remedy of avoidance on any such lien, charge, or other encumbrance under the Bankruptcy
7 Code.

8 **1.29 Collective Bargaining Agreements** means, collectively, (a) the IBEW
9 Collective Bargaining Agreements, (b) the Collective Bargaining Agreement currently in place
10 between the Utility and the Engineers and Scientists of California Local 20, IFPTE, and (c) the
11 Collective Bargaining Agreement currently in place between the Utility and the Service
12 Employees International Union.

13 **1.30 Confirmation Date** means the date on which the Clerk of the Bankruptcy Court
14 enters the Confirmation Order.

15 **1.31 Confirmation Hearing** means the hearing to be held by the Bankruptcy Court
16 regarding confirmation of the Plan, as such hearing may be adjourned or continued from time
17 to time.

18 **1.32 Consenting Creditors** has the meaning set forth in Subrogation Claims RSA.

19 **1.33 Consenting Fire Claimant Professionals** has the meaning set forth in the Tort
20 Claimants RSA.

21 **1.34 Confirmation Order** means the order of the Bankruptcy Court confirming the
22 Plan pursuant to section 1129 of the Bankruptcy Code and approving the transactions
23 contemplated thereby, which shall be in form and substance acceptable to the Debtors.

24 **1.35 CPUC** means the California Public Utilities Commission.

25 **1.36 CPUC Approval** means all necessary approvals, authorizations and final
26 orders from the CPUC to implement the Plan, and to participate in the Go-Forward Wildfire
27 Fund, including: (a) satisfactory provisions pertaining to authorized return on equity and
28 regulated capital structure; (b) a disposition of proposals for certain potential changes to the
Utility's corporate structure and authorizations to operate as a utility; (c) satisfactory resolution
of claims for monetary fines or penalties under the California Public Utilities Code for
prepetition conduct; (d) approval (or exemption from approval) of the financing structure and
securities to be issued under Article VI of the Plan, including one or more financing orders
approving the Wildfire Victim Recovery Bonds; (e) approval of any hedges executed by the
Utility in consultation with the CPUC staff; and (f) any approvals or determinations with
respect to the Plan and related documents that may be required by the Wildfire Legislation
(A.B. 1054).

1 **1.37 Creditors Committee** means the statutory committee of unsecured creditors
2 appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to section 1102 of the
3 Bankruptcy Code.

4 **1.38 Cure Amount** means the payment of Cash or the distribution of other property
5 (as the parties may agree or the Bankruptcy Court may order) as necessary to (a) cure a
6 monetary default, as required by section 365(a) of the Bankruptcy Code by the Debtors in
7 accordance with the terms of an executory contract or unexpired lease of the Debtors, and (b)
8 permit the Debtors to assume or assume and assign such executory contract or unexpired lease
9 under section 365(a) of the Bankruptcy Code.

10 **1.39 D&O Liability Insurance Policies** means all unexpired directors', managers',
11 and officers' liability insurance policies (including any "tail policy") of either of the Debtors.

12 **1.40 Debtors** means, collectively, HoldCo and the Utility.

13 **1.41 DIP Facilities** means the senior secured postpetition credit facilities approved
14 pursuant to the DIP Facility Order, as the same may be amended, modified, or supplemented
15 from time to time through the Effective Date in accordance with the terms of the DIP Facility
16 Documents and the DIP Facility Order.

17 **1.42 DIP Facility Agents** means JPMorgan Chase Bank, N.A., solely in its capacity
18 as administrative agent under the DIP Facility Documents, and Citibank, N.A., solely in its
19 capacity as collateral agent under the DIP Facility Documents, and their respective successors,
20 assigns, or any replacement agents appointed pursuant to the terms of the DIP Facility
21 Documents.

22 **1.43 DIP Facility Claim** means any Claim arising under, or related to, the DIP
23 Facility Documents.

24 **1.44 DIP Facility Credit Agreement** means that certain Senior Secured
25 Superpriority Debtor-In-Possession Credit, Guaranty and Security Agreement, dated as of
26 February 1, 2019, by and among the Utility as borrower, HoldCo as guarantor, the DIP Facility
27 Agents, and the DIP Facility Lenders, as the same has been or may be further amended,
28 modified, or supplemented from time to time.

1.45 DIP Facility Documents means, collectively, the DIP Facility Credit
Agreement and all other "Loan Documents" (as defined therein), and all other agreements,
documents, and instruments delivered or entered into pursuant thereto or entered into in
connection therewith (including any collateral documentation) (in each case, as amended,
supplemented, restated, or otherwise modified from time to time).

1.46 DIP Facility Lenders means the lenders under the DIP Facility Credit
Agreement and each other party that becomes a lender thereunder from time to time in
accordance with the terms of the DIP Facility Credit Agreement.

1 **1.47 DIP Facility Order** means the *Final Order Pursuant to 11 U.S.C. §§ 105, 362,*
 2 *363, 503 and 507, Fed. R. Bankr. P. 2002, 4001, 6004 and 9014 and (i) Authorizing the*
 3 *Debtors to Obtain Senior Secured, Superpriority, Postpetition Financing, (ii) Granting Liens*
 4 *and Superpriority Claims, (iii) Modifying the Automatic Stay, and (iv) Granting Related Relief*
 [Docket No. 1091], dated March 27, 2019, as may be amended, modified, or supplemented
 from time to time through the Effective Date.

5 **1.48 DIP Letters of Credit** means any letters of credit issued by a DIP Facility
 Lender pursuant to the DIP Facility Credit Agreement.

6 **1.49 Disallowed** means a Claim, or any portion thereof, (a) that has been disallowed
 7 by a Final Order, agreement between the holder of such Claim and the applicable Debtor, or
 8 the Plan; (b) that is listed in the Debtors’ Schedules, as such Schedules may be amended,
 9 modified, or supplemented from time to time in accordance with Bankruptcy Rule 1009, at
 10 zero (\$0) dollars or as contingent, disputed, or unliquidated and as to which no proof of Claim
 11 has been filed by the applicable deadline or deemed timely filed with the Bankruptcy Court
 12 pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or
 13 applicable law; or (c) that is not listed in the Debtors’ Schedules and as to which no proof of
 14 Claim has been timely filed by the applicable deadline or deemed timely filed with the
 15 Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy
 16 Court or under applicable law.

17 **1.50 Disbursing Agent** means the Utility (or such Entity designated by the Debtors
 18 and without the need for any further order of the Bankruptcy Court) in its capacity as a
 19 disbursing agent pursuant to Section 5.6 hereof.

20 **1.51 Disclosure Statement** means the disclosure statement relating to the Plan,
 21 including, all schedules, supplements, and exhibits thereto, as approved by the Bankruptcy
 22 Court pursuant to section 1125 of the Bankruptcy Code.

23 **1.52 Disclosure Statement Order** means a Final Order finding that the Disclosure
 24 Statement contains adequate information pursuant to section 1125 of the Bankruptcy Code.

25 **1.53 Disputed** means with respect to a Claim or any portion thereof (a) that is neither
 26 Allowed nor Disallowed under the Plan or a Final Order, nor deemed Allowed under sections
 27 502, 503, or 1111 of the Bankruptcy Code; (b) that has not been Allowed and is listed as
 28 unliquidated, contingent, or disputed in the Schedules; (c) that is a Subrogation Wildfire Claim
 (i) not held by a Consenting Creditor or (ii) a party to the Subrogation Wildfire Claim
 Allocation Agreement; or (d) for which a proof of Claim has been filed and related to which
 the Debtors or any party in interest has interposed a timely objection or request for estimation,
 and such objection or request for estimation has not been withdrawn or determined by a Final
 Order.

1.54 Distribution Record Date means the Effective Date, unless otherwise
 provided in the Plan or designated by the Bankruptcy Court. The Distribution Record Date
 shall not apply to Securities of the Debtors deposited with DTC, the holders of which shall

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1 receive a distribution in accordance with Article V of this Plan and, as applicable, the
2 customary procedures of DTC.

3 **1.55 District Court** means the United States District Court for the Northern District
4 of California having subject matter jurisdiction over the Chapter 11 Cases.

5 **1.56 DTC** means the Depository Trust Company.

6 **1.57 Effective Date** means a Business Day on or after the Confirmation Date
7 selected by the Debtors, on which the conditions to the effectiveness of the Plan specified in
8 Section 9.2 hereof have been satisfied or otherwise effectively waived in accordance with the
9 terms hereof.

10 **1.58 Eligible Offeree** has the meaning set forth in the Rights Offering Procedures,
11 if applicable.

12 **1.59 Employee Benefit Plans** means any written contracts, agreements, policies,
13 programs, and plans (including any related trust or other funding vehicle) governing any
14 obligations relating to compensation, reimbursement, indemnity, health care benefits,
15 disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave
16 benefits, savings, severance benefits, retirement benefits, welfare benefits, relocation
17 programs, life insurance, and accidental death and dismemberment insurance, including
18 written contracts, agreements, policies, programs, and plans for bonuses and other incentives
19 or compensation for the current and former directors, officers, and employees, as applicable,
20 of any of the Debtors.

21 **1.60 Entity** has the meaning set forth in section 101(15) of the Bankruptcy Code.

22 **1.61 Exculpated Parties** means collectively, and, in each case, in their capacities as
23 such: (a) the Debtors and Reorganized Debtors; (b) the DIP Facility Agents; (c) the DIP
24 Facility Lenders; (d) the Exit Financing Agents; (e) the Exit Financing Lenders; [(f) the
25 Funded Debt Trustees;] (g) the HoldCo Revolver Lenders; (h) the HoldCo Term Loan Lenders;
26 [(i) the Utility Revolver Lenders; (j) the Utility Term Loan Lenders;] (k) the Public Entities
27 Releasing Parties; (l) the Statutory Committees; (m) the Backstop Parties; (n) the Consenting
28 Creditors; (o) the Shareholder Proponents; and (p) with respect to each of the foregoing entities
(a) through (o), such entities' predecessors, successors, assigns, subsidiaries, affiliates,
managed accounts and funds, current and former officers and directors, principals, equity
holders, members, partners, managers, employees, subcontractors, agents, advisory board
members, restructuring advisors, financial advisors, attorneys, accountants, investment
bankers, consultants, representatives, management companies, fund advisors (and employees
thereof), and other professionals, and such entities' respective heirs, executors, estates,
servants, and nominees, in each case in their capacity as such.

1.62 Exit Financing means, collectively, the Exit Revolver Facility, and all other
indebtedness to be incurred by the Reorganized Debtors on or about the Effective Date as part
of the Plan Funding.

1 **1.63 Exit Financing Agents** means, collectively, the Exit Revolver Facility Agent
2 and any other facility agent or indenture trustee acting in such capacity under the Exit
3 Financing Documents.

4 **1.64 Exit Financing Documents** means, collectively, the Exit Revolver Facility
5 Documents and all other agreements, indentures, documents, and instruments delivered or
6 entered into pursuant to or in connection with the Exit Financing (including any guarantee
7 agreements and collateral documentation) (in each case, as amended, supplemented, restated,
8 or otherwise modified from time to time).

9 **1.65 Exit Financing Lenders** means, collectively, the Exit Revolver Facility
10 Lenders and all other lenders or holders (as applicable) under the Exit Financing Documents.

11 **1.66 Exit Financing Term Sheets** means those certain term sheets that shall be
12 included in the Plan Supplement that set forth the principal terms of the Exit Financing.

13 **1.67 Exit Revolver Facility** means any revolving loan facility provided to the
14 Reorganized Utility or Reorganized HoldCo, pursuant to the Exit Revolver Facility
15 Documents, including the Exit Revolver Facility Credit Agreement, as contemplated by, and
16 which shall be consistent with, the Exit Financing Term Sheets.

17 **1.68 Exit Revolver Facility Agent** means the administrative agent or collateral
18 agent (if applicable) under the Exit Revolver Facility Credit Agreement, its successors, assigns,
19 or any replacement agent appointed pursuant to the terms of the Exit Revolver Facility
20 Documents.

21 **1.69 Exit Revolver Facility Credit Agreement** means the credit agreement
22 providing for the Exit Revolver Facility, including all agreements, notes, instruments, and any
23 other documents delivered pursuant thereto or in connection therewith (in each case, as
24 amended, supplemented, restated, or otherwise modified from time to time), as contemplated
25 by, and which shall be consistent with, the Exit Financing Term Sheets.

26 **1.70 Exit Revolver Facility Documents** means, collectively, the Exit Revolver
27 Facility Credit Agreement and all other agreements, documents, and instruments delivered or
28 entered into pursuant thereto or in connection therewith (including any guarantee agreements
and collateral documentation) (in each case, as amended, supplemented, restated, or otherwise
modified from time to time), each of which shall be, to the extent applicable, consistent with
the Exit Financing Term Sheets.

1.71 Exit Revolver Facility Lenders means each person who on the Effective Date
shall become a lender under the Exit Revolver Facility Documents.

1.72 Federal Judgment Rate means the interest rate of 2.59% as provided under 28
U.S.C. § 1961(a), calculated as of the Petition Date in accordance with *In re Cardelucci*, 285
F.3d 1231 (9th Cir. 2002).

1 **1.73 Final Order** means an order or judgment of the Bankruptcy Court entered by
2 the Clerk of the Bankruptcy Court on the docket in the Chapter 11 Cases which has not been
3 reversed, vacated, or stayed and as to which (a) the time to appeal, petition for certiorari, or
4 move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition
5 for certiorari, or other proceeding for a new trial, reargument, or rehearing shall then be
6 pending, or (b) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has
7 been sought, such order or judgment of the Bankruptcy Court shall have been affirmed by the
8 highest court to which such order was appealed, or certiorari shall have been denied, or a new
9 trial, reargument, or rehearing shall have been denied or resulted in no modification of such
10 order, and the time to take any further appeal, petition for certiorari, or move for a new trial,
11 reargument, or rehearing shall have expired; *provided*, that no order or judgment shall fail to
12 be a Final Order solely because of the possibility that a motion under Rule 60 of the Federal
13 Rules of Civil Procedure has been or may be filed with respect to such order or judgment. The
14 susceptibility of a Claim to a challenge under section 502(j) of the Bankruptcy Code shall not
15 render a Final Order not a Final Order.

16 **1.74 Fire Claim** means any Claim against the Debtors in any way arising out of the
17 Fires, including, but not limited to, any Claim resulting from the Fires for (a) general and/or
18 specific damages, including any Claim for personal injury, wrongful death, emotional distress
19 and similar claims, pavement fatigue, damage to culverts, ecosystem service losses, municipal
20 budget adjustments/reallocation, lost revenue and tax impacts, local share of reimbursed fire
21 clean-up costs, future estimated infrastructure costs, water service losses, lost landfill capacity,
22 costs related to unmet housing (e.g., housing market impact due to the Fires and adjustments
23 for increased homeless population), and/or hazard mitigation costs (including, watershed
24 restoration and hazardous tree removal expenses); (b) damages for repair, depreciation and/or
25 replacement of damaged, destroyed, and/or lost personal and/or real property; (c) damages for
26 loss of the use, benefit, goodwill, and enjoyment of real and/or personal property; (d) damages
27 for loss of wages, earning capacity and/or business profits and/or any related displacement
28 expenses; (e) economic losses; (f) damages for wrongful injuries to timber, trees, or underwood
under California Civil Code § 3346; (g) damages for injuries to trees under California Code of
Civil Procedure § 733; (h) punitive and exemplary damages under California Civil Code §§
733 and 3294, California Public Utilities Code § 2106, or otherwise, (i) restitution; (j) fines or
penalties; (k) any and all costs of suit, including all attorneys' fees and expenses, expert fees,
and related costs, including all attorneys and other fees under any theory of inverse
condemnation; (l) for prejudgment and/or postpetition interest; (m) other litigation costs
stemming from the Fires; and (n) declaratory and/or injunctive relief. For avoidance of doubt
and without prejudice to the Debtors' right to object to any such Claim, "Fire Claim" shall not
include any (y) Claim for substantial contribution under section 503(b) of the Bankruptcy
Code, or (z) any Subordinated Debt Claim and HoldCo Common Interest. The Fire Claims
shall not include claims arising from any fire other than the Fires (including, without limitation,
the Kincade Fire or any postpetition fire) or any Administrative Expense Claims.

1.75 Fire Victim Claim means any Fire Claim that is not a Public Entities Wildfire
Claim or a Subrogation Wildfire Claim.

1 **1.76 Fire Victim Claims Resolution Procedures** means the procedures for the
2 resolution, liquidation, and payment of Fire Victim Claims by the Fire Victim Trust,
3 substantially in the form included in the Plan Supplement, which shall comply with Section
4.18(f)(ii) hereof.

4 **1.77 Fire Victim Equity Value** means 14.9 multiplied by the Normalized Estimated
5 Net Income as of a date to be agreed upon [among the parties to the Tort Claimants RSA].

6 **1.78 Fire Victim Trust** means one or more trusts established on the Effective Date,
7 in accordance with Section 6.7 of the Plan to, among other purposes, administer, process, settle,
8 resolve, satisfy, and pay Fire Victim Claims, and prosecute or settle the Assigned Rights and
9 Causes of Action.

10 **1.79 Fire Victim Trust Agreement** means that certain trust agreement or
11 agreements by and among the Debtors, the Fire Victim Trust, and the Fire Victim Trustee,
12 substantially in the form included in the Plan Supplement.

13 **1.80 Fire Victim Trustee** means the Person or Persons selected by [the Consenting
14 Fire Claimant Professionals and the Tort Claimants Committee], subject to the approval of the
15 Bankruptcy Court, and identified in the Plan Supplement, to serve as the trustee(s) of the Fire
16 Victim Trust, and any successor thereto, appointed pursuant to the Fire Victim Trust
17 Agreement.

18 **1.81 Fire Victim Trust Oversight Committee** means the oversight committee
19 appointed by [the Consenting Fire Claimant Professionals and the Tort Claimants Committee]
20 to oversee the Fire Victim Trust in accordance with the Plan and the Fire Victim Trust
21 Agreement.

22 **1.82 Fires** means the fires that occurred in Northern California, listed on **Exhibit A**
23 annexed hereto.

24 **1.83 Funded Debt Claims** means, collectively, the HoldCo Funded Debt Claims
25 and the Utility Funded Debt Claims.

26 **1.84 Funded Debt Documents** means, collectively, the HoldCo Revolver
27 Documents, the HoldCo Term Loan Documents, the PC Bond Loan Documents, the PC Bond
28 LOC Documents, the Utility Revolver Documents, the Utility Term Loan Documents, and the
Utility Senior Notes Documents.

1.85 Funded Debt Trustees means, collectively, the HoldCo Revolver Agent, the
HoldCo Term Loan Agent, the Utility Revolver Agent, the Utility Term Loan Agent, and the
Utility Senior Notes Trustee.

1.86 General Unsecured Claim means any Claim, other than a DIP Facility Claim,
Administrative Expense Claim, Professional Fee Claim, Priority Tax Claim, Other Secured
Claim, Priority Non-Tax Claim, Funded Debt Claim, Workers' Compensation Claim, 2001

1 Utility Exchange Claim, Fire Claim, Intercompany Claim, or Subordinated Debt Claim, that is
2 not entitled to priority under the Bankruptcy Code or any Final Order. General Unsecured
3 Claims shall include any (a) Prepetition Executed Settlement Claim and (b) Claim for damages
4 resulting from or otherwise based on the Debtors' rejection of an executory contract or
5 unexpired lease.

6 **1.87 Ghost Ship Fire** means the fire known as the "Ghost Ship Fire" which occurred
7 in Oakland, California on December 2, 2016.

8 **1.88 Go-Forward Wildfire Fund** means a long-term, state-wide fund established,
9 pursuant to section 3292(a) of the California Public Utilities Code and the Wildfire Legislation
10 (A.B. 1054), to pay for certain future wildfire obligations, the terms of which are set forth in
11 the Wildfire Legislation (A.B. 1054).

12 **1.89 Governmental Unit** has the meaning set forth in section 101(27) of the
13 Bankruptcy Code.

14 **1.90 HoldCo** means Debtor PG&E Corporation, a California corporation.

15 **1.91 HoldCo Common Interest** means any HoldCo Interest which results or arises
16 from the existing common stock of HoldCo, and any Claim against HoldCo subject to
17 subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to the
18 common stock of HoldCo.

19 **1.92 HoldCo Fire Victim Claim** means any Fire Victim Claim against HoldCo.

20 **1.93 HoldCo Funded Debt Claims** means, collectively, the HoldCo Revolver
21 Claims and the HoldCo Term Loan Claims.

22 **1.94 HoldCo General Unsecured Claim** means any General Unsecured Claim
23 against HoldCo.

24 **1.95 HoldCo Intercompany Claim** means any Intercompany Claim against
25 HoldCo.

26 **1.96 HoldCo Interest** means any Interest in HoldCo immediately prior to the
27 Effective Date.

28 **1.97 HoldCo Other Interest** means any HoldCo Interest that is not a HoldCo
Common Interest.

1.98 HoldCo Other Secured Claim means any Other Secured Claim against
HoldCo.

1.99 HoldCo Priority Non-Tax Claim means any Priority Non-Tax Claim against
HoldCo.

1 **1.100 HoldCo Public Entities Wildfire Claim** means any Public Entities Wildfire
2 Claim against HoldCo.

3 **1.101 HoldCo Revolver Agent** means such entity or entities acting as administrative
4 agent under the HoldCo Revolver Documents, and any of their respective successors, assigns,
5 or replacement agents appointed pursuant to the terms of the HoldCo Revolver Documents.

6 **1.102 HoldCo Revolver Claim** means any Claim arising under, or related to, the
7 HoldCo Revolver Documents.

8 **1.103 HoldCo Revolver Credit Agreement** means that certain Second Amended and
9 Restated Credit Agreement, dated as of April 27, 2015, by and among HoldCo, the HoldCo
10 Revolver Agent, and the HoldCo Revolver Lenders, as amended, supplemented, restated, or
11 otherwise modified from time to time.

12 **1.104 HoldCo Revolver Documents** means, collectively, the HoldCo Revolver
13 Credit Agreement and all other “Loan Documents” (as defined therein), and all other
14 agreements, documents, and instruments delivered or entered into pursuant thereto or entered
15 into in connection therewith (in each case, as amended, supplemented, restated, or otherwise
16 modified from time to time).

17 **1.105 HoldCo Revolver Lenders** means the lenders under the HoldCo Revolver
18 Credit Agreement and each other party that becomes a lender thereunder from time to time in
19 accordance with the terms of the HoldCo Revolver Credit Agreement.

20 **1.106 HoldCo Subordinated Debt Claim** means any Claim against HoldCo that is
21 subject to subordination under section 510(b) of the Bankruptcy Code, including any Claim
22 for reimbursement, indemnification or contribution, but excluding any HoldCo Common
23 Interest.

24 **1.107 HoldCo Subrogation Wildfire Claim** means any Subrogation Wildfire Claim
25 against HoldCo.

26 **1.108 HoldCo Term Loan Agent** means Mizuho Bank, Ltd. solely in its capacity as
27 administrative agent under the HoldCo Term Loan Documents, its successors, assigns, or any
28 replacement agent appointed pursuant to the terms of the HoldCo Term Loan Documents.

1.109 HoldCo Term Loan Claim means any Claim arising under, or related to, the
HoldCo Term Loan Documents.

1.110 HoldCo Term Loan Credit Agreement means that certain Term Loan
Agreement, dated as of April 16, 2018, by and among HoldCo, as borrower, the HoldCo Term
Loan Agent, and the HoldCo Term Loan Lenders, as amended, supplemented, restated, or
otherwise modified from time to time.

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1 **1.111 HoldCo Term Loan Documents** means, collectively, the HoldCo Term Loan
2 Credit Agreement and all other “Loan Documents” (as defined therein), including all other
3 agreements, documents, and instruments delivered or entered into pursuant thereto or entered
4 into in connection therewith (in each case, as amended, supplemented, restated, or otherwise
5 modified from time to time).

6 **1.112 HoldCo Term Loan Lenders** means the lenders under the HoldCo Term Loan
7 Credit Agreement and each other party that becomes a lender thereunder from time to time in
8 accordance with the terms of the HoldCo Term Loan Credit Agreement.

9 **1.113 HoldCo Workers’ Compensation Claim** means any Workers’ Compensation
10 Claim against HoldCo.

11 **1.114 IBEW Collective Bargaining Agreements** mean, collectively, the two (2)
12 Collective Bargaining Agreements currently in place between the Utility and IBEW Local
13 1245: (i) the IBEW Physical Agreement, and (ii) the IBEW Clerical Agreement.

14 **1.115 IBEW Local 1245** means Local Union No. 1245 of the International
15 Brotherhood of Electrical Workers.

16 **1.116 Impaired** means, with respect to a Claim, Interest, or Class of Claims or
17 Interests, “impaired” within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy
18 Code.

19 **1.117 Indemnification Obligation** means each of the Debtors’ indemnification
20 obligations existing or outstanding prior to the Effective Date, whether arising by statute,
21 agreement, in the bylaws, certificates of incorporation or formation, limited liability company
22 agreements, other organizational or formation documents, board resolutions, management or
23 indemnification agreements, or employment or other contracts, for their current and former
24 directors, officers, managers, employees, attorneys, accountants, restructuring advisors,
25 financial advisors, investment bankers, and other professionals and agents of the Debtors, as
26 applicable.

27 **1.118 Insurance Policies** means any insurance policy issued to any of the Debtors or
28 under which the Debtors have sought or may seek coverage, including the D&O Liability
Insurance Policies.

1.119 Intercompany Claim means any Claim against a Debtor held by either another
Debtor or by a non-Debtor affiliate which is controlled by a Debtor (excluding any Claims of
an individual).

1.120 Interest means (a) any equity security (as defined in section 101(16) of the
Bankruptcy Code) of a Debtor, including all units, shares, common stock, preferred stock,
partnership interests, or other instrument evidencing any fixed or contingent ownership interest
in any Debtor, including any option, warrant, or other right, contractual or otherwise, to acquire
any such interest in a Debtor, whether or not transferable and whether fully vested or vesting

1 in the future, that existed immediately before the Effective Date and (b) any Claim against any
2 Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising
3 from or related to any of the foregoing.

4 **1.121 Interim Compensation Order** means the *Order Pursuant to 11 U.S.C. §§ 331*
5 *and 105(a) and Fed. R. Bankr. P. 2016 for Authority to Establish Procedures for Interim*
6 *Compensation and Reimbursement of Expenses of Professionals* [Docket No. 701].

7 **1.122 Kincade Fire** means the wildfire which started on October 23, 2019 in the area
8 northeast of Geyserville, in Sonoma County, California.

9 **1.123 Lien** has the meaning set forth in section 101(37) of the Bankruptcy Code.

10 **1.124 Management Incentive Plan** means the post-emergence management
11 incentive plan for certain of the Reorganized Debtors' employees on the terms set forth in the
12 Management Incentive Plan Term Sheet that may be established and implemented at the
13 discretion of the New Board on or after the Effective Date.

14 **1.125 Management Incentive Plan Term Sheet** means that certain term sheet that
15 sets forth the principal terms of the Management Incentive Plan.

16 **1.126 New Board** means, on and as of the Effective Date, the board of directors of
17 Reorganized HoldCo, and the board of directors of the Reorganized Utility, as applicable.

18 **1.127 New HoldCo Common Stock** means the common stock of HoldCo issued in
19 connection with the implementation of the Plan.

20 **1.128 New Organizational Documents** means, if applicable, the forms of articles of
21 incorporation or other forms of organizational documents and bylaws, as applicable, of the
22 Reorganized Debtors, substantially in the form included in the Plan Supplement and which
23 shall be in form and substance acceptable to the Debtors.

24 **1.129 Non-cash Recovery** has the meaning set forth in Subrogation Claims RSA.

25 **1.130 Normalized Estimated Net Income** shall mean, in each case with respect to
26 the estimated year 2021, (a) on a component-by-component basis (*e.g.*, distribution,
27 generation, gas transmission and storage, and electrical transmission), the sum of (i) the
28 Utility's estimated earning rate base for such component, *times* (ii) the equity percentage of
the Utility's authorized capital structure, *times* (iii) the Utility's authorized rate of return on
equity for such component, *less* (b) the projected post-tax difference in interest expense or
preferred dividends for the entire company and the authorized interest expense or preferred
dividends expected to be collected in rates based on the capital structure in the approved Plan,
if any, *less* (c) the amount of the Utility's post-tax annual contribution to the Go-Forward
Wildfire Fund.

1 **1.131 North Bay Public Entities** means, collectively, (a) the City of Clearlake, a
 2 California municipal corporation duly organized and existing by virtue of the laws of the State
 3 of California; (b) the City of Napa, a California municipal corporation duly organized and
 4 existing by virtue of the laws of the State of California; (c) the City of Santa Rosa, a California
 5 municipal corporation duly organized and existing by virtue of the laws of the State of
 6 California; (d) the County of Lake, a general law county and political subdivision of the State
 7 of California duly organized and existing by virtue of the laws of the State of California; (e)
 8 Lake County Sanitation District, a sanitary district organized under the laws of the State of
 9 California; (f) the County of Mendocino, a general law county and political subdivision of the
 10 State of California, duly organized and existing by virtue of the laws of the State of California;
 11 (g) Napa County, a general law county and political subdivision of the State of California, duly
 12 organized and existing by virtue of the laws of the State of California; (h) the County of
 13 Nevada, a general law county and political subdivision of the State of California, duly
 14 organized and existing by virtue of the laws of the State of California; (i) the County of
 15 Sonoma, a general law county and political subdivision of the State of California, duly
 16 organized and existing by virtue of the laws of the State of California; (j) the Sonoma County
 17 Agricultural Preservation and Open Space District, a public agency formed pursuant to the
 18 Public Resources code sections 5500, et seq.; (k) Sonoma County Community Development
 19 Commission, a public and corporate entity pursuant to section 34110 of the California Health
 20 & Safety Code; (l) Sonoma County Water Agency, a public agency of the State of California;
 21 (m) Sonoma Valley County Sanitation District, a sanitary district organized under the laws of
 22 the State of California; and (n) the County of Yuba, a general law county and political
 23 subdivision of the State of California, duly organized and existing by virtue of the laws of the
 24 State of California.

25 **1.132 Ordinary Course Professionals Order** means the *Order Pursuant to 11*
 26 *U.S.C. §§ 105(a), 327, 328, and 330 Authorizing the Debtors to Employ Professionals Used in*
 27 *the Ordinary Course of Business Nunc Pro Tunc to the Petition Date*, dated February 28, 2019
 28 [Docket No. 707].

29 **1.133 Other Secured Claim** means a Secured Claim that is not a DIP Facility Claim
 30 or Priority Tax Claim.

31 **1.134 PC Bond Documents** means, collectively, the PC Bond Loan Documents and
 32 the PC Bond LOC Documents.

33 **1.135 PC Bond Loan Documents** means each of the following loan agreements, as
 34 amended, supplemented, restated, or otherwise modified from time to time, (a) Loan
 35 Agreement between the California Infrastructure and Economic Development Bank and the
 36 Utility, dated August 1, 2009 (Series 2009 A); (b) Loan Agreement between the California
 37 Infrastructure and Economic Development Bank and the Utility, dated August 1, 2009 (Series
 38 2009 B); (c) Amended and Restated Loan Agreement between California Infrastructure and
 39 Economic Development Bank and the Utility, dated September 1, 2010 (Series 2008F); (d)
 40 Loan Agreement between the California Infrastructure and Economic Development Bank and
 41 the Utility, dated April 1, 2010 (Series 2010 E); (e) Loan Agreement between the California

1 Pollution Control Financing Authority and the Utility, dated September 1, 1997 (1997 Series
2 B-C); (f) First Supplemental Loan Agreement between the California Pollution Control
3 Financing Authority and the Utility, dated December 1, 2003 (1997 Series B); (g) Loan
4 Agreement between the California Pollution Control Financing Authority and the Utility, dated
5 May 1, 1996 (1996 Series A-G); (h) First Supplemental Loan Agreement between the
6 California Pollution Control Financing Authority and the Utility, dated July 1, 1998 (1996
7 Series A-G); and (i) Third Supplemental Loan Agreement between the California Pollution
8 Control Financing Authority and the Utility, dated December 1, 2003 (1996 Series C, E, F).

9 **1.136 PC Bond LOC Documents** means each of the following reimbursement
10 agreements, as assigned, amended, supplemented, restated, or otherwise modified from time
11 to time: (a) Reimbursement Agreement (Series 2009A) between the Utility and Union Bank,
12 N.A., dated June 5, 2014; (b) Reimbursement Agreement (Series 2009B) between the Utility
13 and Union Bank, N.A., dated June 5, 2014; (c) Reimbursement Agreement between the Utility
14 and Canadian Imperial Bank of Commerce, New York Branch relating to California Pollution
15 Control Financing Authority Pollution Control Refunding Revenue Bonds (Pacific Gas and
16 Electric Company) 1997 Series B, dated December 1, 2015; (d) Reimbursement Agreement
17 between the Utility and Mizuho Bank Ltd. relating to California Pollution Control Financing
18 Authority Pollution Control Refunding Revenue Bonds (Pacific Gas and Electric Company)
19 1996 Series C, dated December 1, 2015; (e) Reimbursement Agreement between the Utility
20 and Sumitomo Mitsui Banking Corporation relating to California Pollution Control Financing
21 Authority Pollution Control Refunding Revenue Bonds (Pacific Gas and Electric Company)
22 1996 Series E, dated December 1, 2015; and (f) Reimbursement Agreement between the Utility
23 and TD Bank N.A. relating to California Pollution Control Financing Authority Pollution
24 Control Refunding Revenue Bonds (Pacific Gas and Electric Company) 1996 Series F, dated
25 December 1, 2015.

26 **1.137 Person** has the meaning set forth in section 101(41) of the Bankruptcy Code.

27 **1.138 Petition Date** means January 29, 2019, the date on which the Debtors
28 commenced the Chapter 11 Cases.

29 **1.139 Plan** means this chapter 11 plan, as the same may be amended, supplemented,
30 or modified from time to time in accordance with the provisions of the Bankruptcy Code and
31 the terms hereof.

32 **1.140 Plan Document** means any of the documents, other than this Plan, to be
33 executed, delivered, assumed, or performed in connection with the occurrence of the Effective
34 Date, including the documents to be included in the Plan Supplement, all of which shall be in
35 form and substance as provided herein and acceptable to the Plan Proponents.

36 **1.141 Plan Funding** means, collectively, (a) the proceeds from the incurrence of the
37 Exit Financing and the Wildfire Victim Recovery Bonds or other securitized bonds (if
38 applicable), (b) the proceeds of any Rights Offering, if implemented, (c) any other sources of
39 funding used for distributions under the Plan, including from any underwritten primary or
40 secondary equity offering, a direct equity investment, and/or other equity-linked securities, and

1 (d) Cash on hand. For the avoidance of doubt, Plan Funding does not include any Claim that
2 has been Reinstated pursuant to the Plan.

3 **1.142 Plan Supplement** means the forms of certain documents effectuating the
4 transactions contemplated herein, which documents shall be filed with the Clerk of the
5 Bankruptcy Court no later than fourteen (14) days prior to the deadline set to file objections to
6 the confirmation of the Plan, including, but not limited to: (a) the Schedule of Rejected
7 Contracts; (b) the Wildfire Trust Agreements; (c) the New Organizational Documents (to the
8 extent such New Organizational Documents reflect material changes from the Debtors'
9 existing organizational documents and bylaws); (d) to the extent known, information required
10 to be disclosed in accordance with section 1129(a)(5) of the Bankruptcy Code; (e) the Exit
11 Financing Term Sheets; (f) if applicable, the Wildfire Victim Recovery Bonds Term Sheets;
12 (g) the Fire Victim Claims Resolution Procedures; and (h) the Schedule of Assigned Rights
13 and Causes of Action. Such documents shall be consistent with the terms hereof, *provided*,
14 that, through the Effective Date, the Plan Proponents shall have the right to amend, modify, or
15 supplement documents contained in, and exhibits to, the Plan Supplement in accordance with
16 the terms of the Plan.

17 **1.143 Prepetition Executed Settlement Claim** means any liquidated Claim against
18 a Debtor, other than a 2001 Utility Exchange Claim, arising from a binding award, agreement,
19 or settlement fully effective prior to the Petition Date, which for the purposes of the Plan shall
20 be Allowed in the amount set forth in the applicable award, agreement or settlement.

21 **1.144 Priority Non-Tax Claim** means any Claim, other than an Administrative
22 Expense Claim or a Priority Tax Claim, entitled to priority in payment as specified in section
23 507(a)(3), (4), (5), (6), (7), or (9) of the Bankruptcy Code.

24 **1.145 Priority Tax Claim** means any Claim of a Governmental Unit of the kind
25 entitled to priority in payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy
26 Code.

27 **1.146 Professional** means an Entity, excluding those Entities entitled to
28 compensation pursuant to the Ordinary Course Professionals Order that is retained pursuant to
an order of the Bankruptcy Court in accordance with sections 327, 363, or 1103 of the
Bankruptcy Code and to be compensated for services rendered pursuant to sections 327, 328,
329, 330, 331, and 363 of the Bankruptcy Code.

1.147 Professional Fee Claim means any Administrative Expense Claim for the
compensation of a Professional and the reimbursement of expenses incurred by such
Professional through and including the Effective Date to the extent such fees and expenses
have not been paid pursuant to any Final Order (including, but not limited to, any fees of a
Professional held back in accordance with the Interim Compensation Order or otherwise). To
the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a
Professional's requested fees and expenses (whether or not paid pursuant to an order granting
interim allowance), then the amount by which such fees or expenses are reduced or denied
shall reduce the applicable Professional Fee Claim.

1 **1.148 Professional Fee Escrow Account** means an interest-bearing account in an
2 amount equal to the Professional Fee Reserve Amount and funded by the Debtors in Cash on
the Effective Date, pursuant to Section 2.2(b) of the Plan.

3 **1.149 Professional Fee Reserve Amount** means the total amount of Professional Fee
4 Claims estimated in accordance with Section 2.2(c) of the Plan.

5 **1.150 Public Entities** means, collectively, (a) the North Bay Public Entities; (b) the
6 Town of Paradise; (c) the County of Butte; (d) the Paradise Park and Recreation District; (e)
the County of Yuba; and (f) the Calaveras County Water District.

7 **1.151 Public Entities Operative Complaints** means all complaints filed by the
8 Public Entities in relation to the Fires, including the complaints filed in *Calaveras County*
9 *Water District v. PG&E*, No. 34-2018-00238630 (Cal. Super. Ct. Sacramento Cty), the Public
10 Entity Master Complaint filed in Judicial Council Coordination Proceeding No. 4853, *Butte*
11 *Fire Cases*, No. JCCP 4853 (Cal. Super. Ct. Sacramento Cty.), *City of Clearlake v. PG&E*
12 *Corp. et al.*, No. CV419398 (Cal. Super. Ct. Lake Cty.), *City of Napa v. PG&E Corp. et al.*,
13 No. 19CV000148 (Cal. Super. Ct. Napa Cty.), *City of Santa Rosa v. Pacific Gas and Electric*
14 *Company, et al.*, No. SCV-262772 (Cal. Super. Ct. Sonoma Cty.), *County of Lake v. PG&E*
15 *Corp. et al.*, No. CV-419417 (Cal. Super. Ct. Lake Cty.), *Mendocino County v. PG&E*
16 *Corporation et al.*, No. SCU-K-CVPO-18-70440 (Cal. Super. Ct. Mendocino Cty.), *Napa*
17 *County v. PG&E Corporation et al.*, No. 18CV000238 (Cal. Super. Ct. Napa Cty.), *County of*
18 *Nevada v. PG&E Corp. et al.*, No. CU19-083418 (Cal. Super. Ct. Nevada Cty.), *County of*
19 *Sonoma v. PG&E Corporation et al.*, No. SCV-262045 (Cal. Super. Ct. Sonoma Cty.), *County*
20 *of Yuba v. PG&E Corp. et al.*, No. CVCV19-00045 (Cal. Super. Ct. Yuba Cty.), the Public
21 Entity Master Complaint filed in Judicial Council Coordination Proceeding No. 4955
22 (*California North Bay Fire Cases*, No. JCCP 4955 (Cal. Super. Ct. San Francisco Cty.), *Butte*
23 *County v. PG&E Corp. et al.*, No. 19CV00151 (Cal. Super. Ct. Butte Cty.) and *Town of*
24 *Paradise v. PG&E Corporation et al.*, No. 19CV00259 (Cal. Super. Ct. Butte Cty.).

25 **1.152 Public Entities Plan Support Agreements** means the Plan Support
26 Agreements as to Plan Treatment of Public Entities’ Wildfire Claims, each dated June 18,
27 2019, by and between the Debtors and the Public Entities.

28 **1.153 Public Entities Releasing Parties** means the Public Entities and any
subsidiary, affiliate, department, agency, political subdivision, or instrumentality thereof.

1.154 Public Entities Segregated Defense Fund means a segregated fund
established for the benefit of the Public Entities in the amount of \$10 million, which funds
shall be used by the Reorganized Debtors solely to reimburse the Public Entities for any and
all legal fees and costs associated with the defense or resolution of any Public Entities Third
Party Claims against a Public Entity, in accordance with the Public Entities Plan Support
Agreements.

1.155 Public Entities Settlement means the settlement of the Public Entities Wildfire
Claims pursuant to the terms of the Public Entities Plan Support Agreements and this Plan.

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1 **1.156 Public Entities Settlement Distribution Protocol** means the \$1.0 billion in
2 Cash, to be deposited in a trust account and distributed in accordance with the Plan and the
3 Public Entities Plan Support Agreements, to satisfy the Public Entities Wildfire Claims.

4 **1.157 Public Entities Third Party Claims** means any past, present, or future Claim
5 held by entities or individuals other than the Debtors or the Public Entities against the Public
6 Entities that in any way arises out of or relates to the Fires (other than the Ghost Ship Fire),
7 including but not limited to any Claim held by individual plaintiffs or subrogated insurance
8 carriers against the Public Entities for personal injuries, property damage, reimbursement of
9 insurance payments, and/or wrongful death that in any way arises out of or relates to the Fires
10 (other than the Ghost Ship Fire).

11 **1.158 Public Entities Wildfire Claim** means any Fire Claim against the Debtors,
12 including any Claim pleaded or asserted or that could have been pleaded or asserted based on
13 the factual allegations set forth in the Public Entities Operative Complaints or that were filed
14 or could be filed by the Public Entities in connection with the Chapter 11 Cases whether arising
15 under California law or any other applicable law of the United States (state or federal) or any
16 other jurisdiction, in each case whether such claims are absolute or contingent, direct or
17 indirect, known or unknown, foreseen or unforeseen, in contract, tort or in equity, under any
18 theory of law.

19 **1.159 PX** means the California Power Exchange Corporation.

20 **1.160 Reinstatement** means (a) leaving unaltered the legal, equitable, and contractual
21 rights to which a Claim or Interest entitles the holder of such Claim or Interest in accordance
22 with section 1124 of the Bankruptcy Code, or (b) if applicable under section 1124 of the
23 Bankruptcy Code: (i) curing all prepetition and postpetition defaults other than defaults
24 relating to the insolvency or financial condition of the applicable Debtor or its status as a debtor
25 under the Bankruptcy Code; (ii) reinstating the maturity date of the Claim; (iii) compensating
26 the holder of such Claim for damages incurred as a result of its reasonable reliance on a
27 contractual provision or such applicable law allowing the Claim’s acceleration; and (iv) not
28 otherwise altering the legal, equitable or contractual rights to which the Claim entitles the
holder thereof, and Claims are **Reinstated** when the requirements for Reinstatement have been
met by Debtors.

1.161 Released Parties means, collectively, and in each case in their capacities as
such: (a) the Debtors and Reorganized Debtors; (b) the Tort Claimants Committee; (c) the DIP
Facility Agents; (d) the DIP Facility Lenders; (e) the Exit Financing Agents; (f) the Exit
Financing Lenders; (g) the Backstop Parties; (h) the Public Entities Releasing Parties; (i) the
Consenting Creditors (solely in their capacity as holders of Subrogation Wildfire Claims); (j)
the Shareholder Proponents; and (k) with respect to each of the foregoing entities (a) through
(j), such entities’ predecessors, successors, assigns, subsidiaries, affiliates, managed accounts
and funds, current and former officers and directors, principals, equity holders, members,
partners, managers, employees, subcontractors, agents, advisory board members, restructuring
advisors, financial advisors, attorneys, accountants, investment bankers, consultants,
representatives, management companies, fund advisors (and employees thereof), and other

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1 professionals, and such entities' respective heirs, executors, estates, servants, and nominees, in
2 each case in their capacity as such.

3 **1.162 Releasing Parties** means, collectively, and, in each case, in their capacities as
4 such: (a) the Debtors; (b) the Reorganized Debtors, (c) any holder of a Claim or Interest that
5 is solicited and voluntarily indicates on a duly completed Ballot submitted on or before the
6 Voting Deadline that such holder opts into granting the releases set forth in Section 10.9(b) of
7 the Plan to the extent permitted by applicable law, *provided that* for the avoidance of doubt
8 any such a holder who does not indicate on their Ballot that they opt into granting such releases
9 shall not be a Releasing Party, *provided further* that such holder's decision to opt-in or not to
10 the releases shall not in any way affect the classification or treatment of such Claim or Interest;
11 (d) the DIP Facility Agents; (e) the DIP Facility Lenders; (f) the Exit Financing Agents; (g) the
12 Exit Financing Lenders; (h) the Funded Debt Trustees; (i) the HoldCo Revolver Lenders; (j)
13 the HoldCo Term Loan Lenders; (k) the Utility Revolver Lenders; (l) the Utility Term Loan
14 Lenders; (m) the holders of Utility Senior Notes Claims; (n) the Public Entities Releasing
15 Parties; (o) the Statutory Committees; (p) the Backstop Parties; (q) the Consenting Creditors;
16 and (r) with respect to each of the foregoing entities (a) through (q), such entities' predecessors,
17 successors, assigns, subsidiaries, affiliates, managed accounts and funds, current and former
18 officers and directors, principals, equity holders, members, partners, managers, employees,
19 subcontractors, agents, advisory board members, restructuring advisors, financial advisors,
20 attorneys, accountants, investment bankers, consultants, representatives, management
21 companies, fund advisors (and employees thereof), and other professionals, and such entities'
22 respective heirs, executors, estates, servants, and nominees, in each case in their capacity as
23 such.

24 **1.163 Reorganized Debtors** means each of the Debtors, or any successor thereto, as
25 reorganized, pursuant to and under the Plan, on the Effective Date.

26 **1.164 Reorganized HoldCo** means HoldCo as reorganized, pursuant to and under the
27 Plan, on the Effective Date.

28 **1.165 Reorganized Utility** means the Utility as reorganized, pursuant to and under
the Plan, on the Effective Date.

1.166 Restructuring means the restructuring of the Debtors, the principal terms of
which are set forth in the Plan, the Plan Documents and the Plan Supplement.

1.167 Restructuring Transactions has the meaning set forth in Section 6.2(a) of the
Plan.

1.168 Rights Offering means, if implemented, an offering pursuant to which each
Eligible Offeree is entitled to receive subscription rights to acquire shares of New HoldCo
Common Stock in accordance with the Plan, the Rights Offering Procedures, and the Backstop
Commitment Letters.

1 **1.169 Requisite Consenting Creditors** has the meaning set forth in Subrogation
2 Claims RSA.

3 **1.170 Rights Offering Procedures** means, if applicable, the procedures governing
4 and for the implementation of the Rights Offering, as approved by the Bankruptcy Court.

5 **1.171 Schedule of Assigned Rights and Causes of Action** means the schedule to be
6 included in the Plan Supplement that is consistent in all respects with the definition of Assigned
7 Rights and Causes of Action.

8 **1.172 Schedule of Rejected Contracts** means the schedule of executory contracts
9 and unexpired leases to be rejected by the Debtors pursuant to the Plan, to be filed as part of
10 the Plan Supplement.

11 **1.173 Schedules** means the schedules of assets and liabilities and the statements of
12 financial affairs filed by the Debtors under section 521 of the Bankruptcy Code, Bankruptcy
13 Rule 1007, and the Official Bankruptcy Forms of the Bankruptcy Rules as such schedules and
14 statements have been or may be amended, supplemented, or modified from time to time.

15 **1.174 Secured Claim** means any Claim secured by a Lien on property in which a
16 Debtor’s estate has an interest or that is subject to setoff under section 553 of the Bankruptcy
17 Code, to the extent of the value of the Claim holder’s interest in such estate’s interest in such
18 property or to the extent of the amount subject to setoff, as applicable, as determined pursuant
19 to sections 506(a) and, if applicable, 1129(b) of the Bankruptcy Code.

20 **1.175 Securities Act** means the Securities Act of 1933, as amended from time to time.

21 **1.176 Security** has the meaning set forth in section 101(49) of the Bankruptcy Code.

22 **1.177 Side B Insurance Coverage** means all director and officer insurance policy
23 proceeds paid by any insurance carrier to reimburse the Debtors for amounts paid pursuant to
24 their indemnification obligations to their former directors and officers in connection with any
25 Assigned Rights or Causes of Action under Section 1.8 hereof.

26 **1.178 Statutory Committees** means collectively, the Creditors Committee and the
27 Tort Claimants Committee.

28 **1.179 Subordinated Debt Claim** means any HoldCo Subordinated Debt Claim and
any Utility Subordinated Debt Claim.

1.180 Subrogation Claims RSA means that certain Restructuring Support
Agreement, dated as of September 22, 2019, by and among the Debtors and the Consenting
Creditors (as defined therein), as amended, supplemented, restated, or otherwise modified from
time to time, in accordance with its terms.

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1 **1.181 Subrogation Claims RSA Approval Order** means the order of the Bankruptcy
2 Court, dated [●], 2019, approving the Subrogation Claims RSA and the Allowance of the
3 Utility Subrogation Wildfire Claims as provided therein [Docket No. [●]].

4 **1.182 Subrogation Wildfire Claim** means any Fire Claim (other than a Fire Claim
5 arising from the Butte Fire (2015) or the Ghost Ship Fire) that arises from subrogation (whether
6 such subrogation is contractual, equitable, or statutory), assignment (whether such assignment
7 is contractual, equitable, or statutory), or otherwise in connection with payments made or to be
8 made by the applicable insurer to insured tort victims, and whether arising as a matter of state
9 or federal law, including, without limitation, under section 509 of the Bankruptcy Code,
10 including attorneys’ fees and interest. For the avoidance of doubt, Subrogation Wildfire
11 Claims shall include both “Paid” and “Reserved” claims, each as defined in the Subrogation
12 Claims RSA. Subrogation Wildfire Claims shall not include the claims of any Governmental
13 Unit (as defined in section 101(27) of the Bankruptcy Code) and any such claims are not the
14 subject of, or compromised under, the Subrogation Claims RSA.

15 **1.183 Subrogation Wildfire Claim Allocation Agreement** means the agreement
16 entered into by and among certain holders of Subrogation Wildfire Claims, and which
17 describes the procedures for the payment of Subrogation Wildfire Claims by the Subrogation
18 Wildfire Trust, consistent with the terms of the Subrogation Claims RSA.

19 **1.184 Subrogation Wildfire Trust** means one or more trusts established on the
20 Effective Date, in accordance with Section 6.4 of the Plan, to administer, process, settle,
21 resolve, liquidate, satisfy and pay all Subrogation Wildfire Claims.

22 **1.185 Subrogation Wildfire Trust Advisory Board** means the advisory board
23 appointed by the holders of Subrogation Wildfire Claims in accordance with the Subrogation
24 Wildfire Claim Allocation Agreement to oversee the Subrogation Wildfire Trust in accordance
25 with the Plan, the Subrogation Wildfire Trust Agreement, and the Subrogation Wildfire Claim
26 Allocation Agreement.

27 **1.186 Subrogation Wildfire Trust Agreement** means that certain trust agreement or
28 agreements substantially in the form included in the Plan Supplement, which shall be in form
and substance satisfactory to the Ad Hoc Subrogation Group (as defined in the Subrogation
Claims RSA) in accordance with the Subrogation Wildfire Claim Allocation Agreement, and
the Debtors (whose consent will not be unreasonably withheld).

1.187 Subrogation Wildfire Trustee means the Person selected by the holders of
Subrogation Wildfire Claims in accordance with the Subrogation Wildfire Claim Allocation
Agreement to serve as the trustee or trustees of the Subrogation Wildfire Trust, and any
successor thereto, in each case, appointed pursuant to the Subrogation Wildfire Trust
Agreement; *provided that*, in the event the Debtors intend that a Subrogation Wildfire Trust
will be funded (at least in part) through the issuance of tax-exempt bonds, the identity of the
Person or Persons to be selected to serve as the trustee of such Subrogation Wildfire Trust shall
not impair the use of tax-exempt financing.

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1 **1.188 Tax Benefits** mean the difference between the income taxes actually paid by
2 the Reorganized Utility and the income taxes that the Reorganized Utility would have paid to
3 the taxing authorities for such taxable year absent the net operating losses of the Utility and
any deductions arising from the payment of Fire Victim Claims and Subrogation Claims.

4 **1.189 Tax Benefits Payment Agreement** means an agreement between the
5 Reorganized Utility and the Fire Victim Trust pursuant to which the Reorganized Utility agrees
6 (a) to pay to the Fire Victim Trust an amount of cash equal to (i) up to \$650 million of Tax
7 Benefits for fiscal year 2020 to be paid on or before January 15, 2021 (the “**First Payment**
8 **Date**”); and (ii) up to \$700 million of Tax Benefits for fiscal year 2021 to be paid on or before
9 January 15, 2022 (the “**Final Payment Date**”) plus the amount of any shortfall of the payments
10 owed on the First Payment Date and the Final Payment Date so that on the Final Payment Date,
11 the Fire Victim Trust shall have received payments under the Tax Benefits Payment Agreement
12 in an aggregate cash amount of \$1.350 billion from Tax Benefits or draws upon letters of credit
13 under the terms of this definition or otherwise; (b) in the event that Tax Benefits in fiscal year
14 2020 exceed \$650 million, the Reorganized Utility shall use such excess Tax Benefits to
15 prepay, on or before the First Payment Date the amount of Tax Benefits to be paid for fiscal
16 year 2021; (c) in the event that payments from the Tax Benefits Payment Agreement received
17 on or before the First Payment Date are less than \$650 million for any reason (a “**First**
18 **Payment Shortfall**”), the Reorganized Utility shall deliver to the Fire Victim Trust an
19 unconditional, standby letter of credit, payable at sight (with no approval or confirmation from
20 the Reorganized Utility or other drawing conditions) and otherwise in form and substance
21 satisfactory to the Fire Victim Trustee, naming the Fire Victim Trust as beneficiary the
22 (“**LOC**”), from an institution acceptable to the Fire Victim Trust within fifteen (15) business
23 days of the First Payment Date (the “**LOC Issuance Date**”) in an amount to cover such First
24 Payment Shortfall, which may be presented to the issuing bank for payment to the Fire Victim
25 Trust on February 9, 2022 to the extent that any amounts remain owing to the Fire Victim Trust
26 under the Tax Benefits Payment Agreement on that date; (d) if the Reorganized Utility has not
27 delivered such letter of credit within ten (10) days of the LOC Issuance Date, then the Fire
28 Victim Trust shall have the right to file a stipulated judgment against the Reorganized Utility,
which form of stipulated judgment shall be an exhibit to the Tax Benefits Payment Agreement,
in the amount of the First Payment Shortfall based on a declaration by the Fire Victim Trustee
of the Reorganized Utility’s failure to comply with this requirement of the Tax Benefits
Payment Agreement; (e) in the event that payments from the Tax Benefit Payment Agreement
and LOC received on or before the Final Payment Date are less than \$1.350 billion for any
reason (a “**Final Payment Shortfall**”) then on February 9, 2022, the Fire Victim Trust shall
have the right to file a stipulated judgment against the Reorganized Utility, which form of
stipulated judgment shall be an exhibit to the Tax Benefits Payment Agreement, in the amount
of the Final Payment Shortfall based on a declaration by the Fire Victim Trustee of the
Reorganized Utility’s failure to comply with this requirement of the Tax Benefits Payment
Agreement; (f) in the event there is a change of control as defined within the meaning of
Section of 382 of the Internal Revenue Code after and other than as a result of the occurrence
of the Effective Date, if any, all such payments provided for in (a)(i) and (ii) shall become
automatically due and payable within fifteen days of such change in control (and the letter of
credit, if issued, may be drawn); and (g) in the event that the Reorganized Utility obtains

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1 financing that monetizes or is otherwise secured by any Tax Benefits, the Reorganized Utility
2 shall use the first \$1.350 billion in proceeds of such financing to make all payments in (a)(i)
and (ii) above to the Fire Victim Trust on January 15, 2021.

3 **1.190 Tax Code** means title 26 of the United States Code, as amended from time to
4 time.

5 **1.191 Tort Claimants Committee** means the official committee of tort claimants
6 appointed by the U.S. Trustee in the Chapter 11 Cases pursuant to section 1102 of the
Bankruptcy Code.

7 **1.192 Tort Claimants RSA** means that certain Restructuring Support Agreement,
8 dated December 6, 2019, by and among the Debtors, the Tort Claimants Committee, the
9 Consenting Fire Claimant Professionals, and the Shareholder Proponents, as amended,
supplemented, restated, or otherwise modified from time to time, in accordance with its terms.

10 **1.193 Trading Order** means the *Final Order Pursuant to Sections 105(a) and 362 of*
11 *the Bankruptcy Code Establishing (1) Notification Procedures and Certain Restrictions*
12 *Regarding Ownership and Acquisitions of Stock of the Debtors and (2) a Record Date*
13 *Regarding the Ownership of Claims Against the Debtors with Respect to Certain Notification*
14 *and Sell-Down Procedures and Requirements*, dated March 27, 2019 [Docket No. 1094].

15 **1.194 U.S. Trustee** means Andrew S. Vara, Acting United States Trustee for Region
16 3, or such other person appointed to serve as the United States Trustee in respect of the Chapter
17 11 Cases.

18 **1.195 Unimpaired** means, with respect to a Claim, Interest, or Class of Claims or
19 Interests, not “impaired” within the meaning of section 1124 of the Bankruptcy Code.

20 **1.196 Utility** means Debtor Pacific Gas and Electric Company, a California
21 corporation.

22 **1.197 Utility Common Interest** means any Interest in the Utility that is not a Utility
23 Preferred Interest.

24 **1.198 Utility Fire Victim Claim** means any Fire Victim Claim against the Utility.

25 **1.199 Utility Funded Debt Claim** means any Claim arising under, or related to, the
26 Utility Funded Debt Documents.

27 **1.200 Utility Funded Debt Documents** means, collectively, the (i) Utility Revolver
28 Documents, (ii) Utility Term Loan Documents, (iii) Utility Senior Notes Documents, and (iv)
PC Bond Documents.

1.201 Utility General Unsecured Claim means any General Unsecured Claim
against the Utility.

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1 **1.202 Utility Intercompany Claim** means any Intercompany Claim against the
2 Utility.

3 **1.203 Utility Letters of Credit** means any letters of credit issued by a Utility
4 Revolver Lender pursuant to the Utility Revolver Documents.

5 **1.204 Utility Other Secured Claim** means any Other Secured Claim against the
6 Utility.

7 **1.205 Utility Preferred Interest** means any Interest in the Utility which results or
8 arises from preferred stock issued by the Utility.

9 **1.206 Utility Priority Non-Tax Claim** means any Priority Non-Tax Claim against
10 the Utility.

11 **1.207 Utility Public Entities Wildfire Claim** means any Public Entities Wildfire
12 Claim against the Utility.

13 **1.208 Utility Revolver Agent** means Citibank, N.A., solely in its capacity as
14 administrative agent under the Utility Revolver Documents, its successors, assigns, or any
15 replacement agent appointed pursuant to the terms of the Utility Revolver Documents.

16 **1.209 Utility Revolver Credit Agreement** means that certain Second Amended and
17 Restated Credit Agreement, dated as of April 27, 2015, by and among Utility, the Utility
18 Revolver Agent, and the Utility Revolver Lenders, as amended, supplemented, restated, or
19 otherwise modified from time to time.

20 **1.210 Utility Revolver Documents** means, collectively, the Utility Revolver Credit
21 Agreement and all other “Loan Documents” (as defined therein), including all other
22 agreements, documents, and instruments delivered or entered into pursuant thereto or entered
23 into in connection therewith (in each case, as amended, supplemented, restated, or otherwise
24 modified from time to time).

25 **1.211 Utility Revolver Lenders** means the lenders under the Utility Revolver Credit
26 Agreement and each other party that becomes a lender thereunder from time to time in
27 accordance with the terms of the Utility Revolver Credit Agreement.

28 **1.212 Utility Senior Notes** means, collectively, the following series of notes issued
by the Utility pursuant to the Utility Senior Notes Indentures: (a) 3.50% Senior Notes due
October 1, 2020; (b) 3.50% Senior Notes due October 1, 2020; (c) 4.25% Senior Notes due
May 15, 2021; (d) 3.25% Senior Notes due September 15, 2021; (e) 2.45% Senior Notes due
August 15, 2022; (f) 3.25% Senior Notes due June 15, 2023; (g) 4.25% Senior Notes due
August 1, 2023; (h) 3.85% Senior Notes due November 15, 2023; (i) 3.75% Senior Notes due
February 15, 2024; (j) 3.40% Senior Notes due August 15, 2024; (k) 3.50% Senior Notes due
June 15, 2025; (l) 3.50% Senior Notes due June 15, 2025, (m) 2.95% Senior Notes due March
1, 2026; (n) 3.30% Senior Notes due March 15, 2027; (o) 3.30% Senior Notes due December

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1 1, 2027; (p) 4.65% Senior Notes due August 1, 2028; (q) 6.05% Senior Notes due March 1,
2 2034; (r) 5.80% Senior Notes due March 1, 2037; (s) 5.80% Senior Notes due March 1, 2037;
3 (t) 6.35% Senior Notes due February 15, 2038; (u) 6.25% Senior Notes due March 1, 2039;
4 (v) 5.40% Senior Notes due January 15, 2040; (w) 5.40% Senior Notes due January 15, 2040;
5 (x) 4.50% Senior Notes due December 15, 2041; (y) 4.45% Senior Notes due April 15, 2042;
6 (z) 3.75% Senior Notes due August 15, 2042; (aa) 4.60% Senior Notes due June 15, 2043; (bb)
7 5.125% Senior Notes due November 15, 2043; (cc) 4.75% Senior Notes due February 15,
8 2044; (dd) 4.75% Senior Notes due February 15, 2044; (ee) 4.30% Senior Notes due March
9 15, 2045; (ff) 4.30% Senior Notes due March 15, 2045; (gg) 4.25% Senior Notes due March
10 15, 2046; (hh) 4.00% Senior Notes due December 1, 2046; (ii) 4.00% Senior Notes due
11 December 1, 2046; and (jj) 3.95% Senior Notes due December 1, 2047.

12 **1.213 Utility Senior Notes Claim** means any Claim arising under, or related to, the
13 Utility Senior Notes Documents.

14 **1.214 Utility Senior Notes Documents** means, collectively, the Utility Senior Notes
15 Indentures, the Utility Senior Notes, and all other agreements, documents, and instruments
16 delivered or entered into pursuant thereto or entered into in connection therewith (in each case,
17 as amended, restated, modified, or supplemented from time to time).

18 **1.215 Utility Senior Notes Indentures** means, the following senior notes indentures,
19 between the Utility, as issuer, and the Utility Senior Notes Trustee, governing the Utility Senior
20 Notes, including all agreements, notes, instruments, and any other documents delivered
21 pursuant thereto or in connection therewith (in each case, as amended, supplemented, restated,
22 or otherwise modified from time to time): (a) Amended and Restated Indenture, dated as of
23 April 22, 2005; (b) First Supplemental Indenture, dated as of March 13, 2007 – Supplement to
24 the Amended and Restated Indenture dated as of April 22, 2005; (c) Third Supplemental
25 Indenture, dated as of March 3, 2008 – Supplement to the Amended and Restated Indenture,
26 dated as of April 22, 2005; (d) Sixth Supplemental Indenture, dated as of March 6, 2009 –
27 Supplement to the Amended and Restated Indenture, dated as of April 22, 2005; (e) Seventh
28 Supplemental Indenture, dated as of June 11, 2009 – Supplement to the Amended and Restated
Indenture, dated as of April 22, 2005 (f) Eighth Supplemental Indenture dated as of November
18, 2009 – Supplement to the Amended and Restated Indenture dated as of April 22, 2005; (g)
Ninth Supplemental Indenture, dated as of April 1, 2010 – Supplement to the Amended and
Restated Indenture, dated as of April 22, 2005; (h) Tenth Supplemental Indenture, dated as of
September 15, 2010 – Supplement to the Amended and Restated Indenture, dated as of April
22, 2005; (i) Twelfth Supplemental Indenture, dated as of November 18, 2010 – Supplement
to the Amended and Restated Indenture, dated as of April 22, 2005; (j) Thirteenth
Supplemental Indenture dated as of May 13, 2011 – Supplement to the Amended and Restated
Indenture dated as of April 22, 2005; (k) Fourteenth Supplemental Indenture dated as of
September 12, 2011 – Supplement to the Amended and Restated Indenture dated as of April
22, 2005; (l) Sixteenth Supplemental Indenture, dated as of December 1, 2011 – Supplement
to the Amended and Restated Indenture, dated as of April 22, 2005; (m) Seventeenth
Supplemental Indenture, dated as of April 16, 2012 – Supplement to the Amended and Restated
Indenture, dated as of April 22, 2005; (n) Eighteenth Supplemental Indenture, dated as of

1 August 16, 2012 – Supplement to the Amended and Restated Indenture, dated as of April 22,
 2 2005; (o) Nineteenth Supplemental Indenture, dated as of June 14, 2013 – Supplement to the
 3 Amended and Restated Indenture, dated as of April 22, 2005; (p) Twentieth Supplemental
 4 Indenture, dated as of November 12, 2013 – Supplement to the Amended and Restated
 5 Indenture, dated as of April 22, 2005; (q) Twenty-First Supplemental Indenture, dated as of
 6 February 21, 2014 – Supplement to the Amended and Restated Indenture, dated as of April 22,
 7 2005; (r) Twenty-Third Supplemental Indenture, dated as of August 18, 2014 – Supplement to
 8 the Amended and Restated Indenture, dated as of April 22, 2005; (s) Twenty-Fourth
 9 Supplemental Indenture, dated as of November 6, 2014 – Supplement to the Amended and
 10 Restated Indenture, dated as of April 22, 2005; (t) Twenty-Fifth Supplemental Indenture, dated
 11 as of June 12, 2015 – Supplement to the Amended and Restated Indenture, dated as of April
 12 22, 2005; (u) Twenty-Sixth Supplemental Indenture, dated as of November 5, 2015 –
 13 Supplement to the Amended and Restated Indenture, dated as of April 22, 2005; (v) Twenty-
 14 Seventh Supplemental Indenture, dated as of March 1, 2016 – Supplement to the Amended
 15 and Restated Indenture, dated as of April 22, 2005; (w) Twenty-Eighth Supplemental
 16 Indenture, dated as of December 1, 2016 – Supplement to the Amended and Restated
 17 Indenture, dated as of April 22, 2005; (x) Twenty-Ninth Supplemental Indenture, dated as of
 18 March 10, 2017 – Supplement to the Amended and Restated Indenture, dated as of April 22,
 19 2005; (y) Indenture, dated as of November 29, 2017; (z) Indenture, dated as of August 6, 2018;
 20 and (aa) First Supplemental Indenture dated as of August 6, 2018 – Supplement to the
 21 Indenture, dated as of August 6, 2018;

22 **1.216 Utility Senior Notes Trustee** means, as applicable, The Bank of New York
 23 Mellon Trust Company, N.A., or BOKF, N.A. solely in their capacity as indenture trustee or
 24 successor indenture trustee under the Utility Senior Notes Indentures for the applicable Utility
 25 Senior Notes, and their successors and assigns.

26 **1.217 Utility Subordinated Debt Claim** means any Claim against the Utility that is
 27 subject to subordination under section 510(b) of the Bankruptcy Code, including any Claim
 28 for reimbursement, indemnification or contribution.

1.218 Utility Subrogation Wildfire Claim means any Subrogation Wildfire Claim
 against the Utility.

1.219 Utility Term Loan Agent means The Bank of Tokyo- Mitsubishi UFJ, Ltd.,
 solely in its capacity as administrative agent under the Utility Term Loan Documents, its
 successors, assigns, or any replacement agent appointed pursuant to the terms of the Utility
 Term Loan Documents.

1.220 Utility Term Loan Credit Agreement means that certain Term Loan
 Agreement, dated as of February 23, 2018, by and among the Utility as borrower, the Utility
 Term Loan Agent, and the Utility Term Loan Lenders, as amended, supplemented, restated, or
 otherwise modified from time to time.

1.221 Utility Term Loan Documents means, collectively, the Utility Term Loan
 Credit Agreement and all other “Loan Documents” (as defined therein), including all other

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1 agreements, documents, and instruments delivered or entered into pursuant thereto or entered
2 into in connection therewith (in each case, as amended, supplemented, restated, or otherwise
3 modified from time to time).

4 **1.222 Utility Term Loan Lenders** means the lenders under the Utility Term Loan
5 Credit Agreement and each other party that becomes a lender thereunder from time to time in
6 accordance with the terms of the Utility Term Loan Credit Agreement.

7 **1.223 Utility Workers' Compensation Claim** means any Claim against the Utility
8 by an employee of the Utility for the payment of workers' compensation benefits under
9 applicable law.

10 **1.224 Voting Deadline** means the date set by the Bankruptcy Court by which all
11 completed Ballots must be received.

12 **1.225 Wildfire Assistance Program** means the Wildfire Assistance Program
13 established and administered pursuant to the Wildfire Assistance Program Orders.

14 **1.226 Wildfire Assistance Program Orders** means, collectively, the *Order*
15 *Authorizing Debtors to Establish and Fund Program to Assist Wildfire Claimants with*
16 *Alternative Living Expenses and Other Urgent Needs and (b) Granting Related Relief*, dated
17 May 24, 2019 [Docket No. 2223], the *Supplemental Order (a) Approving Appointment of*
18 *Administrator and Establishing Guidelines for the Wildfire Assistance Program and (b)*
19 *Granting Related Relief*, dated June 5, 2019 [Docket No. 2409], and the *Order (a) Establishing*
20 *Qualified Settlement Fund for the Wildfire Assistance Program and (b) Authorizing QSF*
21 *Administrator*, dated July 17, 2019 [Docket No. 3026].

22 **1.227 Wildfire Insurance Policy** means any Insurance Policy that was issued or
23 allegedly issued that does or may afford the Debtors rights, benefits, indemnity, or insurance
24 coverage with respect to any Fire Claim.

25 **1.228 Wildfire Insurance Proceeds** means any proceeds received by the Debtors
26 under a Wildfire Insurance Policy.

27 **1.229 Wildfire Legislation (A.B. 1054)** means A.B. 1054, 2019 Assemb. (Cal. 2019).

28 **1.230 Wildfire Trust Agreements** means, collectively, the Subrogation Wildfire
Trust Agreement and the Fire Victim Trust Agreement.

1.231 Wildfire Trusts means, collectively, the Subrogation Wildfire Trust and the
Fire Victim Trust.

1.232 Wildfire Victim Recovery Bonds means, if applicable, the bonds to be issued
by a California State government special purpose entity and/or a subsidiary of the Reorganized
Debtors pursuant to the Wildfire Victim Recovery Bonds Documents.

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1 **1.233 Wildfire Victim Recovery Bonds Documents** means, collectively, all
 2 agreements, documents, and instruments delivered or entered into pursuant to or in connection
 3 with the Wildfire Victim Recovery Bonds (in each case, as amended, supplemented, restated,
 4 or otherwise modified from time to time), each of which shall be, to the extent applicable,
 consistent with the Wildfire Victim Recovery Bonds Term Sheets, and the Wildfire Victim
 Recovery Bonds Legislation.

5 **1.234 Wildfire Victim Recovery Bonds Legislation** means any legislation or related
 6 guidance enacted by the State of California or the CPUC providing for the right to impose
 7 Wildfire Victim Recovery Charges that would serve as security for the Wildfire Victim
 Recovery Bonds.

8 **1.235 Wildfire Victim Recovery Bonds Term Sheets** means those certain term
 9 sheets that, if applicable, shall be included in the Plan Supplement that set forth the principal
 terms of the Wildfire Victim Recovery Bonds.

10 **1.236 Wildfire Victim Recovery Charges** means nonbypassable securitization
 11 charges on a dedicated rate component imposed on the retail electric customers of the Utility.

12 **1.237 Workers' Compensation Claims** means, collectively, the HoldCo Workers'
 13 Compensation Claims and the Utility Workers' Compensation Claims.

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1 **INTERPRETATION; APPLICATION OF DEFINITIONS AND RULES OF CONSTRUCTION.**

2 For purposes herein: (a) the words “herein,” “hereof,” “hereto,” “hereunder,” and other words
3 of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause
4 contained therein; (b) in the appropriate context, each term, whether stated in the singular or the plural,
5 shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter
6 gender shall include the masculine, feminine, and the neuter gender; (c) except as otherwise provided,
7 any reference herein to a contract, lease, instrument, release, indenture, or other agreement or
8 document being in a particular form or on particular terms and conditions means that the referenced
9 document shall be substantially in that form or substantially on those terms and conditions; (d) the
10 words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation,
11 and shall be deemed to be followed by the words “without limitation;” (e) a term used herein that is
12 not defined herein or by cross reference shall have the meaning assigned to that term in the Bankruptcy
13 Code; (f) the rules of construction contained in section 102 of the Bankruptcy Code shall apply to the
14 Plan; (g) the headings in the Plan are for convenience of reference only and shall not limit or otherwise
15 affect the provisions hereof; (h) in the event that a particular term of the Plan (including any exhibits
16 or schedules hereto) conflicts with a particular term of the definitive documentation required to be
17 implemented pursuant to the terms of the Plan or any settlement or other agreement contemplated
18 hereunder, the definitive documentation shall control and shall be binding on the parties thereto; (i)
19 except as otherwise provided, any reference herein to an existing document or exhibit having been
20 filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, restated,
21 supplemented, or otherwise modified in accordance with the terms of the Plan; (j) any effectuating
22 provisions may be interpreted by the Reorganized Debtors in a manner consistent with the overall
23 purpose and intent of the Plan, all without further notice to or action, order, or approval of the court
24 or any other entity, and such interpretation shall control in all respects; (k) any effectuating provisions
25 relating to the Fire Victim Claims or Fire Victim Trust may be interpreted by the Fire Victim Trustee
26 in a manner consistent with the overall purpose and intent of the Plan, all without further notice to or
27 action, order, or approval of the court or any other entity, and such interpretation shall control in all
28 respects; (l) except as otherwise provided, any reference to the Effective Date shall mean the Effective
Date or as soon as reasonably practicable thereafter; and (m) any docket number references in the Plan
shall refer to the docket number of any document filed with the Bankruptcy Court in the Chapter 11
Cases.

20 **CERTAIN CONSENT RIGHTS.**

21 Notwithstanding anything in the Plan to the contrary, and without limiting the Debtors’
22 fiduciary duties, any and all consent rights of any party set forth in the Public Entities Plan Support
23 Agreements, the Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants
24 RSA, or any other plan support agreement that the Debtors hereafter enter into with any other parties
25 with respect to the form and substance of this Plan, the Plan Supplement, the Plan Documents,
26 including any amendments, restatements, supplements, or other modifications to such documents, and
27 any consents, waivers, or other deviations under or from any such documents, shall be incorporated
28 herein by this reference (including to the applicable definitions in Article I hereof) and fully
enforceable as if stated in full herein until such time as the Public Entities Plan Support Agreements,

1 the Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, or, as
2 applicable, such other plan support agreements, are terminated in accordance with their terms.

3 ARTICLE II.

4 ADMINISTRATIVE EXPENSE CLAIMS, PRIORITY TAX CLAIMS AND OTHER 5 UNCLASSIFIED CLAIMS

6 **2.1 Administrative Expense Claims.** In full and final satisfaction, settlement,
7 release, and discharge of any Allowed Administrative Expense Claim against a Debtor, except to the
8 extent the Debtors or Reorganized Debtors, as applicable, and a holder of an Allowed Administrative
9 Expense Claim against a Debtor agrees to a less favorable treatment of such Administrative Expense
10 Claim, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed
11 Administrative Expense Claim shall receive, in full and final satisfaction, settlement, and discharge of
12 such Allowed Administrative Expense Claim, an amount in Cash equal to the Allowed amount of such
13 Administrative Expense Claim; *provided that* any Allowed Administrative Expense Claim that is not
14 due and payable prior to the Effective Date, shall be paid by the Debtors or the Reorganized Debtors,
15 as applicable, in the ordinary course of business, consistent with past practice and in accordance with
16 the terms and subject to the conditions of any orders or agreements governing, instruments evidencing,
17 or other documents establishing, such liabilities.

18 **2.2 Professional Fee Claims.**

19 (a) All final requests for the payment of Professional Fee Claims against a Debtor,
20 including any Professional Fee Claim incurred during the period from the Petition Date through and
21 including the Effective Date, must be filed and served on the Reorganized Debtors no later than sixty
22 (60) days after the Effective Date. All such final requests will be subject to approval by the Bankruptcy
23 Court after notice and a hearing in accordance with the procedures established by the Bankruptcy
24 Code, the Interim Compensation Order, and any other prior orders of the Bankruptcy Court regarding
25 the payment of Professionals in the Chapter 11 Cases, and once approved by the Bankruptcy Court,
26 promptly paid in Cash in the Allowed amount from the Professional Fee Escrow Account. If the
27 Professional Fee Escrow Account is insufficient to fund the full Allowed amount of all Professional
28 Fee Claims, remaining unpaid Allowed Professional Fee Claims will be allocated among and paid in
full in Cash directly by the Reorganized Debtors.

(b) Prior to the Effective Date, the Debtors shall establish and fund the Professional
Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount. Such funds shall not
be considered property of the estates of the Debtors or the Reorganized Debtors. Any amounts
remaining in the Professional Fee Escrow Account after payment in full of all Allowed Professional
Fee Claims shall promptly be paid to the Reorganized Debtors without any further action or order of
the Bankruptcy Court.

(c) No later than ten (10) Business Days prior to the Effective Date, each
Professional shall provide the restructuring advisors for the Debtors with an estimate of its unpaid
Professional Fee Claims incurred in rendering services to the Debtors or their estates before and as of
the Effective Date; *provided*, that such estimate shall not be deemed to limit the amount of fees and

1 expenses that are the subject of the Professional’s final request for payment of its Professional Fee
 2 Claims whether from the Professional Fee Escrow Account or, if insufficient, from the Reorganized
 3 Debtors. If a Professional does not timely provide an estimate as set forth above, the Debtors or
 4 Reorganized Debtors shall estimate the unpaid and unbilled fees and expenses of such Professional
 5 for purposes of funding the Professional Fee Escrow Account. The total amount of Professional Fee
 6 Claims estimated pursuant to this Section shall comprise the Professional Fee Reserve Amount. The
 7 Professional Fee Reserve Amount, as well as the return of any excess funds in the Professional Fee
 8 Escrow Account after all Allowed Professional Fee Claims have been paid in full, shall be allocated
 9 to the applicable Debtor for whose benefit such Professional Fees Claims were incurred.

10 (d) Except as otherwise specifically provided in the Plan, from and after the
 11 Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any
 12 further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and
 13 documented legal, professional, or other fees and expenses incurred by the Debtors. Upon the
 14 Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and
 15 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such
 16 date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the
 17 ordinary course of business without any further notice to or action, order, or approval of the
 18 Bankruptcy Court.

19 **2.3 DIP Facility Claims.** In full and final satisfaction, settlement, release, and
 20 discharge of the Allowed DIP Facility Claims against the Debtors (subject to the last sentence of this
 21 Section 2.3), on the Effective Date, such Allowed DIP Facility Claims shall be paid in full in Cash by
 22 the Debtors in the Allowed amount of such DIP Facility Claims and all commitments under the DIP
 23 Facility Documents shall terminate. On the Effective Date, any DIP Letters of Credit outstanding shall
 24 be replaced, returned to the issuing DIP Facility Lender, or collateralized with cash or backstopped
 25 with new letters of credit in accordance with the terms of the applicable DIP Letter of Credit and the
 26 DIP Facility Documents. Upon the indefeasible payment or satisfaction in full in Cash of the DIP
 27 Facility Claims (other than any DIP Facility Claims based on the Debtors’ contingent obligations
 28 under the DIP Facility Documents not yet due and payable), the termination of all commitments
 thereunder, and the replacement, return, collateralization or backstop of all outstanding DIP Letters of
 Credit in accordance with the terms of this Plan, on the Effective Date, all Liens granted to secure such
 obligations automatically shall be terminated and of no further force and effect.

2.4 Priority Tax Claims. In full and final satisfaction, settlement, release, and
 discharge of any Allowed Priority Tax Claim against a Debtor, except to the extent that the Debtors
 or Reorganized Debtors, as applicable, and a holder of an Allowed Priority Tax Claim agree to a less
 favorable treatment of such Claim, each holder of an Allowed Priority Tax Claim shall receive, at the
 option of the Debtors or Reorganized Debtors, (a) Cash in an amount equal to such Allowed Priority
 Tax Claim on the Effective Date or as soon as reasonably practicable thereafter, or (b) Cash, in equal
 semi-annual installments and continuing over a period not exceeding five (5) years from and after the
 Petition Date, together with interest accrued thereon at the applicable nonbankruptcy rate, which as to
 any Allowed Priority Tax Claim of the Internal Revenue Service on behalf of the United States shall
 be the applicable rate specified by the Tax Code, as of the Confirmation Date, applied pursuant to
 section 511 of the Bankruptcy Code, subject to the sole option of the Reorganized Debtors to prepay

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1 the entire amount of the Allowed Priority Tax Claim. Any Allowed Priority Tax Claim that is not due
2 and payable on or before the Effective Date shall be paid in the ordinary course of business as such
3 obligation becomes due.

4 **ARTICLE III.**

5 **CLASSIFICATION OF CLAIMS AND INTERESTS**

6 **3.1 Classification in General.** A Claim or Interest is placed in a particular Class
7 for all purposes, including voting, confirmation, and distribution under the Plan and under sections
8 1122 and 1123(a)(1) of the Bankruptcy Code; *provided that* a Claim or Interest is placed in a particular
9 Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim
10 or Interest is an Allowed Claim or Allowed Interest in that Class and such Allowed Claim or Allowed
11 Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

12 **3.2 Summary of Classification.**

13 (a) The following table designates the Classes of Claims against, and Interests in,
14 the Debtors and specifies which of those Classes are (i) Impaired or Unimpaired by the Plan,
15 (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy
16 Code, and (iii) presumed to accept or deemed to reject the Plan. In accordance with section 1123(a)(1)
17 of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims have not been
18 classified.
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<u>Class</u>	<u>Designation</u>	<u>Impairment</u>	<u>Entitled to Vote</u>
Claims Against and Interests in HoldCo			
Class 1A	HoldCo Other Secured Claims	Unimpaired	No (presumed to accept)
Class 2A	HoldCo Priority Non-Tax Claims	Unimpaired	No (presumed to accept)
Class 3A	HoldCo Funded Debt Claims	Unimpaired	No (presumed to accept)
Class 4A	HoldCo General Unsecured Claims	Unimpaired	No (presumed to accept)
Class 5A-I	HoldCo Public Entities Wildfire Claims	Impaired	Yes
Class 5A-II	HoldCo Subrogation Wildfire Claims	Impaired	Yes
Class 5A-III	HoldCo Fire Victim Claims	Impaired	Yes
Class 6A	HoldCo Workers' Compensation Claims	Unimpaired	No (presumed to accept)
Class 7A	HoldCo Intercompany Claims	Unimpaired	No (presumed to accept)
Class 8A	HoldCo Subordinated Debt Claims	Unimpaired	No (presumed to accept)
Class 9A	HoldCo Common Interests	Impaired	Yes
Class 10A	HoldCo Other Interests	Unimpaired	No (presumed to accept)
Claims Against and Interests in the Utility			
Class 1B	Utility Other Secured Claims	Unimpaired	No (presumed to accept)
Class 2B	Utility Priority Non-Tax Claims	Unimpaired	No (presumed to accept)
Class 3B	Utility Funded Debt Claims	Unimpaired	No (presumed to accept)
Class 4B	Utility General Unsecured Claims	Unimpaired	No (presumed to accept)
Class 5B-I	Utility Public Entities Wildfire Claims	Impaired	Yes
Class 5B-II	Utility Subrogation Wildfire Claims	Impaired	Yes
Class 5B-III	Utility Fire Victim Claims	Impaired	Yes
Class 6B	Utility Workers' Compensation Claims	Unimpaired	No (presumed to accept)
Class 7B	2001 Utility Exchange Claims	Unimpaired	No (presumed to accept)
Class 8B	Utility Intercompany Claims	Unimpaired	No (presumed to accept)
Class 9B	Utility Subordinated Debt Claims	Unimpaired	No (presumed to accept)
Class 10B	Utility Preferred Interests	Unimpaired	No (presumed to accept)
Class 11B	Utility Common Interests	Unimpaired	No (presumed to accept)

3.3 Separate Classification of Other Secured Claims. Each Other Secured Claim, to the extent secured by a Lien on Collateral different from the Collateral securing another Other Secured Claim, shall be treated as being in a separate sub-Class for the purposes of receiving distributions under this Plan.

3.4 Nonconsensual Confirmation. In the event any impaired Class of Claims or Interests entitled to vote on the Plan does not accept the Plan by the requisite statutory majority under section 1126(c) of the Bankruptcy Code, then the Debtors reserve the right to undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code.

3.5 Debtors' Rights in Respect of Unimpaired Claims. Except as otherwise provided in this Plan, nothing under this Plan shall affect the rights of the Reorganized Debtors in respect of any Claim that is not "impaired" (within the meaning of such term in section 1124 of the Bankruptcy Code), including all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Claim.

ARTICLE IV.

TREATMENT OF CLAIMS AND INTERESTS

4.1 Class 1A – HoldCo Other Secured Claims.

(a) Treatment: In full and final satisfaction, settlement, release, and discharge of any Allowed HoldCo Other Secured Claim, except to the extent that the Debtors or Reorganized Debtors, as applicable, and a holder of an Allowed HoldCo Other Secured Claim agree to a less favorable treatment of such Claim, each holder of an Allowed HoldCo Other Secured Claim shall, at the option of the Debtors or Reorganized Debtors, (i) retain its HoldCo Other Secured Claim and the Collateral securing such Claim; (ii) receive Cash in an amount equal to such Allowed Claim, including the payment of any interest due and payable under section 506(b) of the Bankruptcy Code, on the Effective Date or as soon as reasonably practicable thereafter; or (iii) receive treatment of such Allowed HoldCo Other Secured Claim in any other manner that is necessary to satisfy the requirements of section 1124 of the Bankruptcy Code. In the event a HoldCo Other Secured Claim is treated under clause (ii) of this Section 4.1(a), the Liens securing such Other Secured Claim shall be deemed released immediately upon payment.

(b) Impairment and Voting: The HoldCo Other Secured Claims are Unimpaired, and the holders of HoldCo Other Secured Claims are presumed to have accepted the Plan.

4.2 Class 2A – HoldCo Priority Non-Tax Claims.

(a) Treatment: In full and final satisfaction, settlement, release, and discharge of any Allowed HoldCo Priority Non-Tax Claim, except to the extent that the Debtors or Reorganized Debtors, as applicable, and a holder of an Allowed HoldCo Priority Non-Tax Claim agree to a less favorable treatment of such Claim, each holder of an Allowed HoldCo Priority Non-Tax Claim shall receive, at the option of the Debtors or Reorganized Debtors, as applicable (i) Cash in an amount equal to such Allowed HoldCo Priority Non-Tax Claim, including interest through the Effective Date calculated at the Federal Judgment Rate, payable on the Effective Date or as soon as reasonably practicable thereafter, or (ii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

(b) Impairment and Voting: The HoldCo Priority Non-Tax Claims are Unimpaired, and the holders of HoldCo Priority Non-Tax Claims are presumed to have accepted the Plan.

4.3 Class 3A: HoldCo Funded Debt Claims.

(a) Treatment: In full and final satisfaction, settlement, release, and discharge of any Allowed HoldCo Funded Debt Claim, except to the extent that the Debtors or Reorganized Debtors, as applicable, and a holder of an Allowed HoldCo Funded Debt Claim agree to a less favorable treatment of such Claim, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed HoldCo Funded Debt Claim shall receive Cash in an amount equal to (i) the principal amount outstanding as of the Petition Date of such holder’s HoldCo Funded

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1 Debt Claim plus all accrued and unpaid interest owed as of the Petition Date at the non-default contract
 2 rate plus (ii) all interest accrued from the Petition Date through the Effective Date at the Federal
 3 Judgment Rate. Notwithstanding the foregoing, if it is determined that any holder of a HoldCo Funded
 Debt Claim is entitled to payment of postpetition interest at a rate other than the Federal Judgment
 Rate, the treatment of such Claim shall be modified in a manner to render the Claim Unimpaired.

4 (b) Impairment and Voting: The HoldCo Funded Debt Claims are Unimpaired,
 5 and the holders of HoldCo Funded Debt Claims are presumed to have accepted the Plan.

6 **4.4 Class 4A: HoldCo General Unsecured Claims.**

7 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
 8 any Allowed HoldCo General Unsecured Claim, except to the extent that the Debtors or the
 Reorganized Debtors, as applicable, and a holder of an Allowed HoldCo General Unsecured Claim
 9 agree to a less favorable treatment of such Claim, on the Effective Date or as soon as reasonably
 practicable thereafter, each holder of an Allowed HoldCo General Unsecured Claim shall receive Cash
 10 in an amount equal to such holder's Allowed HoldCo General Unsecured Claim. The Allowed amount
 of any HoldCo General Unsecured Claim shall include all interest accrued from the Petition Date
 11 through the Effective Date at the Federal Judgment Rate.

12 (b) Impairment and Voting: The HoldCo General Unsecured Claims are
 13 Unimpaired, and holders of HoldCo General Unsecured Claims are presumed to have accepted the
 Plan.

14 **4.5 Class 5A-I – HoldCo Public Entities Wildfire Claims.**

15 (a) Treatment: On the Effective Date, all HoldCo Public Entities Wildfire Claims
 16 shall be deemed satisfied, settled, released and discharged through the treatment provided to Utility
 Public Entities Wildfire Claims. HoldCo Public Entities Wildfire Claims shall be satisfied solely from
 17 the Cash amount of \$1.0 billion and the Public Entities Segregated Defense Fund, as described in
 Section 4.17(a) of the Plan.

18 (b) Impairment and Voting: The HoldCo Public Entities Wildfire Claims are
 19 Impaired, and holders of HoldCo Public Entities Wildfire Claims are entitled to vote to accept or reject
 20 the Plan.

21 **4.6 Class 5A-II – HoldCo Subrogation Wildfire Claims.**

22 (a) Treatment: On the Effective Date, all HoldCo Subrogation Wildfire Claims
 23 shall be deemed satisfied, settled, released and discharged through the treatment provided to Utility
 Subrogation Wildfire Claims. Pursuant to the Channeling Injunction, each holder of a HoldCo
 24 Subrogation Wildfire Claim shall have its Claim permanently channeled to the Subrogation Wildfire
 Trust, and such Claim shall be asserted exclusively against the Subrogation Wildfire Trust in
 25 accordance with its terms, with no recourse to the Debtors, the Reorganized Debtors, or their respective
 assets and properties.
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1 (b) Impairment and Voting: The HoldCo Subrogation Wildfire Claims are
2 Impaired, and holders of HoldCo Subrogation Wildfire Claims are entitled to vote to accept or reject
the Plan.

3 **4.7 Class 5A-III – HoldCo Fire Victim Claims.**

4 (a) Treatment: On the Effective Date, all HoldCo Fire Victim Claims shall be
5 deemed satisfied, settled, released and discharged through the treatment provided to Utility Fire Victim
6 Claims. Pursuant to the Channeling Injunction, each holder of a HoldCo Fire Victim Claim shall have
7 its Claim permanently channeled to the Fire Victim Trust, and such Claim shall be asserted exclusively
against the Fire Victim Trust in accordance with its terms, with no recourse to the Debtors, the
Reorganized Debtors, or their respective assets and properties.

8 (b) Impairment and Voting: The HoldCo Fire Victim Claims are Impaired, and
9 holders of HoldCo Fire Victim Claims are entitled to vote to accept or reject the Plan.

10 **4.8 Class 6A – HoldCo Workers’ Compensation Claims.**

11 (a) Treatment: On and after the Effective Date, each holder of a HoldCo Workers’
12 Compensation Claim shall be entitled to pursue its Claim against Reorganized HoldCo as if the
Chapter 11 Cases had not been commenced.

13 (b) Impairment and Voting: The HoldCo Workers’ Compensation Claims are
14 Unimpaired, and holders of HoldCo Workers’ Compensation Claims are presumed to have accepted
the Plan.

15 **4.9 Class 7A – HoldCo Intercompany Claims.**

16 (a) Treatment: On the Effective Date, all Allowed HoldCo Intercompany Claims
17 shall either be (i) cancelled (or otherwise eliminated) and receive no distribution under the Plan or (ii)
18 Reinstated, in each case as determined in the sole discretion of the Debtors or the Reorganized Debtors,
as applicable.

19 (b) Impairment and Voting: The HoldCo Intercompany Claims are Unimpaired,
20 and the holders of HoldCo Intercompany Claims are presumed to have accepted the Plan.

21 **4.10 Class 8A – HoldCo Subordinated Debt Claims.**

22 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
23 any HoldCo Subordinated Debt Claim, except to the extent that the Debtors or the Reorganized
24 Debtors, as applicable, and a holder of an Allowed HoldCo Subordinated Debt Claim agree to a less
25 favorable treatment of such Claim, on the Effective Date or as soon as reasonably practicable
thereafter, each holder of an Allowed HoldCo Subordinated Debt Claim shall receive Cash in an
amount equal to such holder’s Allowed HoldCo Subordinated Debt Claim.

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1 (b) Impairment and Voting: The HoldCo Subordinated Debt Claims are
2 Unimpaired, and the holders of HoldCo Subordinated Debt Claims are presumed to have accepted the
3 Plan.

4 **4.11 Class 9A – HoldCo Common Interests.**

5 (a) Treatment: On the Effective Date, subject to the New Organizational
6 Documents, each holder of a HoldCo Common Interest shall retain such Interest subject to dilution
7 from any New HoldCo Common Stock, or securities linked to New HoldCo Common Stock, issued
8 pursuant to the Plan and, if applicable, shall receive a pro rata distribution of any subscription rights
9 to be distributed to holders of HoldCo Common Interests in connection with a Rights Offering.

10 (b) Impairment and Voting: The HoldCo Common Interests are Impaired, and the
11 holders of HoldCo Common Interests are entitled to vote to accept or reject the Plan.

12 **4.12 Class 10A – HoldCo Other Interests.**

13 (a) Treatment: On the Effective Date, each holder of a HoldCo Other Interest shall
14 have such holder’s HoldCo Other Interest Reinstated.

15 (b) Impairment and Voting: The HoldCo Other Interests are Unimpaired, and the
16 holders of HoldCo Other Interests are presumed to have accepted the Plan.

17 **4.13 Class 1B – Utility Other Secured Claims.**

18 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
19 any Allowed Utility Other Secured Claim, except to the extent that the Debtors or Reorganized
20 Debtors, as applicable, and a holder of an Allowed Utility Other Secured Claim agree to a less
21 favorable treatment of such Claim, each holder of an Allowed Utility Other Secured Claim shall, at
22 the option of the Debtors or Reorganized Debtors, (i) retain its Utility Other Secured Claim and the
23 Collateral securing such Claim; (ii) receive Cash in an amount equal to such Allowed Claim, including
24 the payment of any interest due and payable under section 506(b) of the Bankruptcy Code, on the
25 Effective Date or as soon as reasonably practicable thereafter; or (iii) receive treatment of such
26 Allowed Utility Other Secured Claim in any other manner that is necessary to satisfy the requirements
27 of section 1124 of the Bankruptcy Code. In the event a Utility Other Secured Claim is treated under
28 clause (ii) of this Section 4.13(a), the Liens securing such Other Secured Claim shall be deemed
released immediately upon payment.

(b) Impairment and Voting: The Utility Other Secured Claims are Unimpaired,
and the holders of Utility Other Secured Claims are presumed to have accepted the Plan.

4.14 Class 2B – Utility Priority Non-Tax Claims.

(a) Treatment: In full and final satisfaction, settlement, release, and discharge of
any Allowed Utility Priority Non-Tax Claim, except to the extent that the Debtors or Reorganized
Debtors, as applicable, and a holder of an Allowed Utility Priority Non-Tax Claim agree to a less

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1 favorable treatment of such Claim, each holder of an Allowed Utility Priority Non-Tax Claim shall
2 receive, at the option of the Debtors or the Reorganized Debtors, as applicable (i) Cash in an amount
3 equal to such Allowed Utility Priority Non-Tax Claim, including interest through the Effective Date
4 calculated at the Federal Judgment Rate, payable on the Effective Date or as soon as reasonably
practicable thereafter, or (ii) such other treatment consistent with the provisions of section 1129(a)(9)
of the Bankruptcy Code.

5 (b) Impairment and Voting: The Utility Priority Non-Tax Claims are Unimpaired,
6 and the holders of Utility Priority Non-Tax Claims are presumed to have accepted the Plan.

7 **4.15 Class 3B: Utility Funded Debt Claims.**

8 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
9 any Allowed Utility Funded Debt Claim, except to the extent that the Debtors or Reorganized Debtors,
10 as applicable, and a holder of an Allowed Utility Funded Debt Claim agree to a less favorable treatment
11 of such Claim, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an
12 Allowed Utility Funded Debt Claim shall receive Cash in an amount equal to (i) the principal amount
13 outstanding as of the Petition Date of such holder’s Utility Funded Debt Claim plus all accrued and
14 unpaid interest owed as of the Petition Date at the non-default contract rate plus (ii) all interest accrued
15 from the Petition Date through the Effective Date at the Federal Judgment Rate. The Debtors believe
16 that under the documents governing the Utility Funded Debt Claims and applicable law, no make-
whole or similar amounts are payable upon payment of the Utility Funded Debt Claims. Accordingly,
the Allowed amount of any Utility Funded Debt Claim shall not include any Claim for make-whole
or similar amounts. Notwithstanding the foregoing, if it is determined that any holder of a Utility
Funded Debt Claim is entitled to payment of a make-whole or similar amount or that postpetition
interest is payable at a rate other than the Federal Judgment Rate, the treatment of such Claim shall be
modified in a manner to render the Claim Unimpaired.

17 On the Effective Date, any Utility Letters of Credit outstanding shall be
18 replaced, returned to the issuing Utility Revolver Lender, or collateralized with cash or new letters of
19 credit in accordance with the terms of the applicable Utility Letter of Credit and the Utility Revolver
20 Documents.

21 (b) Impairment and Voting: The Utility Funded Debt Claims are Unimpaired, and
22 the holders of Utility Funded Debt Claims are presumed to have accepted the Plan.

23 **4.16 Class 4B: Utility General Unsecured Claims.**

24 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
25 any Allowed Utility General Unsecured Claim, except to the extent that the Debtors or Reorganized
26 Debtors, as applicable, and a holder of an Allowed Utility General Unsecured Claim agree to a less
27 favorable treatment of such Claim, on the Effective Date or as soon as reasonably practicable
28 thereafter, each holder of an Allowed Utility General Unsecured Claim shall receive Cash in an amount
equal to such holder’s Allowed Utility General Unsecured Claim. The Allowed amount of any Utility
General Unsecured Claim shall reflect all interest accrued from the Petition Date through the Effective
Date at the Federal Judgment Rate.

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1 (b) Impairment and Voting: The Utility General Unsecured Claims are
2 Unimpaired, and the holders of Utility General Unsecured Claims are presumed to have accepted the
3 Plan.

4 **4.17 Class 5B-I – Utility Public Entities Wildfire Claims.**

5 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
6 all Allowed Utility Public Entities Wildfire Claims, on the Effective Date, or as soon as reasonably
7 practicable thereafter, but in no event later than thirty (30) days after the Effective Date, the Public
8 Entities shall receive an aggregate Cash amount of \$1.0 billion, as provided in the Public Entities Plan
9 Support Agreements, to be distributed in accordance with the Public Entities Settlement Distribution
10 Protocol. The Reorganized Debtors shall also establish the Public Entities Segregated Defense Fund,
11 in accordance with the terms of the Public Entities Plan Support Agreements. Utility Public Entities
12 Wildfire Claims shall be satisfied solely from the Cash amount of \$1.0 billion and the Public Entities
13 Segregated Defense Fund, as described above.

14 (b) Impairment and Voting: The Utility Public Entities Wildfire Claims are
15 Impaired, and holders of the Utility Public Entities Wildfire Claims are entitled to vote to accept or
16 reject the Plan.

17 **4.18 Class 5B-II – Utility Subrogation Wildfire Claims.**

18 The Utility Subrogation Wildfire Claims shall be treated as follows:

19 (a) Allowance: For purposes of this Plan, and in accordance with the Subrogation
20 Claims RSA Approval Order, the Utility Subrogation Wildfire Claims shall be settled and Allowed in
21 the aggregate amount of \$11 billion.

22 (b) Treatment: On the Effective Date or as soon as reasonably practicable
23 thereafter, the Reorganized Debtors shall fund the Subrogation Wildfire Trust with Cash in the amount
24 of \$11 billion. No postpetition, and pre-Effective Date, interest shall be paid with respect to the Utility
25 Subrogation Wildfire Claims as Allowed pursuant to the immediately preceding clause (a). All Utility
26 Subrogation Wildfire Claims shall be satisfied solely from the assets funded to the Subrogation
27 Wildfire Trust. The Plan may be amended prior to the entry of the Disclosure Statement Order in
28 accordance with the Subrogation Claims RSA to replace a portion of the Cash consideration with
Non-cash Recovery.

(c) Professional Fees: On the Effective Date, the Reorganized Debtors shall pay
the reasonable, documented, and contractual professional fees of the Ad Hoc Professionals (as such
term is defined in the Subrogation Claims RSA) up to an aggregate amount of \$55 million (inclusive
of all such fees and expenses paid by the Debtors prior to the Effective Date, and which shall include
success fees, transaction fees or other similar fees). The Reorganized Debtors are authorized to pay
the professional fees and expenses of Rothschild & Co US Inc., Kekst and Company Incorporated
d/b/a Kekst CNC, and Wilson Public Affairs, in each case subject to, and in accordance with, the
Subrogation Claims RSA without the necessity of filing formal fee applications. Solely with respect
to fees and expenses for professional services rendered by Willkie Farr & Gallagher LLP and Diemer

1 & Wei LLP, the Reorganized Debtors are authorized to pay such fees and expenses ten (10) business
 2 after the receipt by the Debtors and the U.S. Trustee (the “**Review Period**”) of invoices therefor (the
 3 “**Invoiced Fees**”) and without the necessity of filing formal fee applications. The invoices for such
 4 Invoiced Fees shall include the number of hours billed and the aggregate expenses incurred by the
 5 applicable professional firm; *provided, however*, that any such invoice (i) may be limited and/or
 6 redacted to protect privileged, confidential, or proprietary information and (ii) shall not be required to
 7 contain individual time detail (provided that such invoice shall contain summary data regarding hours
 8 worked by each timekeeper for the applicable professional and such timekeepers’ hourly rates). The
 9 Reorganized Debtors and the U.S. Trustee may object to any portion of the Invoiced Fees (the
 10 “**Disputed Invoiced Fees**”) within the Review Period by filing with the Court a motion or other
 11 pleading, on at least ten days’ prior written notice (but no more than 30 days’ notice) of any hearing
 12 on such motion or other pleading, setting forth the specific objections to the Disputed Invoiced Fees
 13 in reasonable narrative detail and the bases for such objections; provided that the Reorganized Debtors
 14 shall pay all amounts that are not the subject of such objection upon the expiration of the Review
 15 Period and shall pay the balance following resolution of any such objection or upon an order of the
 16 Bankruptcy Court.

17 (d) Distributions and Discharge: Funding of the Subrogation Wildfire Trust as
 18 provided above shall be in restitution and in full and final satisfaction, release, and discharge of all
 19 Utility Subrogation Wildfire Claims. Each holder of a Utility Subrogation Wildfire Claim that is party
 20 to the Subrogation Wildfire Claim Allocation Agreement shall receive payment as determined in
 21 accordance with the Subrogation Wildfire Claim Allocation Agreement. Holders of Disputed Utility
 22 Subrogation Wildfire Claims as of the Effective Date shall not receive any payment unless and until
 23 such claims either are resolved consensually as between such holders and the Subrogation Wildfire
 24 Trustee or become Allowed Claims.

25 (e) Channeling Injunction: On the Effective Date, the Debtors’ liability for all
 26 Utility Subrogation Wildfire Claims shall be fully assumed by, and be the sole responsibility of, the
 27 Subrogation Wildfire Trust, and all such Claims shall be satisfied solely from the assets of the
 28 Subrogation Wildfire Trust. Pursuant to the Channeling Injunction, each holder of a Utility
 Subrogation Wildfire Claim shall have its Claim permanently channeled to the Subrogation Wildfire
 Trust, and such Claim shall be asserted exclusively against the Subrogation Wildfire Trust in
 accordance with its terms, with no recourse to the Debtors, the Reorganized Debtors, or their respective
 assets and properties.

(f) In accordance with the provisions of the Subrogation Claims RSA, the Confirmation Order shall contain the following findings and order:

(i) the resolution of the Debtors’ insolvency proceeding provides funding or establishes reserves for, provides for assumption of, or otherwise provides for satisfying any prepetition wildfire claims asserted against the Debtors in the insolvency proceeding in the amounts agreed upon in any pre-insolvency proceeding settlement agreements or any post-insolvency settlement agreements, authorized by the court through an estimation process or otherwise allowed by the court, and

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(ii) except with respect to any settlement or other agreement regarding the Fire Victim Claims asserted by Adventist Health System/West and Feather River Hospital d/b/a Adventist Health Feather River, any settlement or other agreement with any holder or holders of a Fire Victim Claim that fixes the amount or terms for satisfaction of such Claim, including by a post-Effective Date trust established for the resolution and payment of such Claim, shall contain as a condition to such settlement or other agreement that the holder or holders of such Claim contemporaneously execute and deliver a release and waiver of any potential made-whole claims against present and former holders of Subrogation Wildfire Claims, which release shall be substantially in the form attached hereto as **Exhibit B**.

(g) **Impairment and Voting**: The Utility Subrogation Wildfire Claims are Impaired, and holders of Utility Subrogation Wildfire Claims are entitled to vote to accept or reject the Plan.

4.19 Class 5B-III – Utility Fire Victim Claims.

(a) **Treatment**: In accordance with the requirements of section 3292 of the Wildfire Legislation (A.B. 1054), on the Effective Date or as soon as reasonably practicable thereafter, the Reorganized Debtors shall establish and fund the Fire Victim Trust with the Aggregate Fire Victim Consideration. Utility Fire Victim Claims shall be satisfied solely from the Fire Victim Trust.

(b) Funding of the Fire Victim Trust as provided above shall be in restitution and full and final satisfaction, release, and discharge of all Utility Fire Victim Claims. Each holder of a Utility Fire Victim Claim shall receive payment as determined in accordance with the Fire Victim Claims Resolution Procedures.

(c) On the Effective Date, the Debtors’ liability for all Utility Fire Victim Claims shall be fully assumed by, and be the sole responsibility of the Fire Victim Trust, and all such Claims shall be satisfied solely from the assets of the Fire Victim Trust. Pursuant to the Channeling Injunction, each holder of a Utility Fire Victim Claim shall have its Claim permanently channeled to the Fire Victim Trust, and such Claim shall be asserted exclusively against the Fire Victim Trust in accordance with its terms, with no recourse to the Debtors, the Reorganized Debtors, or their respective assets and properties.

(d) **Impairment and Voting**: The Utility Fire Victim Claims are Impaired, and holders of Utility Fire Victim Claims are entitled to vote to accept or reject the Plan.

4.20 Class 6B – Utility Workers’ Compensation Claims.

(a) **Treatment**: On and after the Effective Date, each holder of a Utility Workers’ Compensation Claim shall be entitled to pursue its Claim against the Reorganized Utility as if the Chapter 11 Cases had not been commenced.

(b) **Impairment and Voting**: The Utility Workers’ Compensation Claims are Unimpaired, and holders of Utility Workers’ Compensation Claims are presumed to have accepted the Plan.

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1 **4.21 Class 7B – 2001 Utility Exchange Claims.**

2 (a) Treatment: On and after the Effective Date, each holder of a 2001 Utility
3 Exchange Claim shall be entitled to pursue its Claim against the Reorganized Utility as if the Chapter
4 11 Cases had not been commenced.

5 (b) Impairment and Voting: The 2001 Utility Exchange Claims are Unimpaired,
6 and holders of 2001 Utility Exchange Claims are presumed to have accepted the Plan.

7 **4.22 Class 8B – Utility Intercompany Claims.**

8 (a) Treatment: On the Effective Date, all Allowed Utility Intercompany Claims
9 shall either be (i) cancelled (or otherwise eliminated) and receive no distribution under the Plan or
10 (ii) Reinstated, in each case as determined in the sole discretion of the Debtors or the Reorganized
11 Debtors, as applicable.

12 (b) Impairment and Voting: The Utility Intercompany Claims are Unimpaired, and
13 holders of Utility Intercompany Claims are presumed to have accepted the Plan.

14 **4.23 Class 9B – Utility Subordinated Debt Claims.**

15 (a) Treatment: In full and final satisfaction, settlement, release, and discharge of
16 any Utility Subordinated Debt Claim, except to the extent that the Debtors or the Reorganized Debtors,
17 as applicable, and a holder of an Allowed Utility Subordinated Debt Claim agree to a less favorable
18 treatment of such Claim, on the Effective Date or as soon as reasonably practicable thereafter, each
19 holder of an Allowed Utility Subordinated Debt Claim shall receive Cash in an amount equal to such
20 holder's Allowed Utility Subordinated Debt Claim.

21 (b) Impairment and Voting: The Utility Subordinated Debt Claims are
22 Unimpaired, and the holders of Utility Subordinated Debt Claims are presumed to have accepted the
23 Plan.

24 **4.24 Class 10B – Utility Preferred Interests.**

25 (a) Treatment: On the Effective Date, all Utility Preferred Interests shall be
26 Reinstated.

27 (b) Impairment and Voting: The Utility Preferred Interests are Unimpaired, and
28 holders of Utility Preferred Interests are presumed to have accepted the Plan.

29 **4.25 Class 11B – Utility Common Interests.**

30 (a) Treatment: On the Effective Date, all Utility Common Interests shall be
31 Reinstated.

32 (b) Impairment and Voting: The Utility Common Interests are Unimpaired, and
33 the holders of Utility Common Interests are presumed to have accepted the Plan.

ARTICLE V.

PROVISIONS GOVERNING DISTRIBUTIONS

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3 **5.1 Distributions Generally.** Except as otherwise provided in the Plan, the
4 Wildfire Trust Agreements, or the Claims Resolution Procedures the Disbursing Agent shall make all
5 distributions to the appropriate holders of Allowed Claims, or such other persons designated by this
6 Plan, in accordance with the terms of this Plan.

7 **5.2 Plan Funding.** Except as otherwise provided in the Plan, the Wildfire Trust
8 Agreements, or the Claims Resolution Procedures, distributions of Cash shall be funded from the
9 proceeds of the Plan Funding or the Wildfire Insurance Proceeds as of the applicable date of such
10 distribution as set forth herein.

11 **5.3 No Postpetition or Default Interest on Claims.** Except as otherwise
12 specifically provided for in this Plan or the Confirmation Order, or another order of the Bankruptcy
13 Court or required by the Bankruptcy Code, postpetition and/or default interest shall not accrue or be
14 paid on any Claims, and no holder of a Claim shall be entitled to interest accruing on such Claim on
15 or after the Petition Date. Except as otherwise provided in the Plan, to the extent that a Disputed Claim
16 becomes an Allowed Claim after the Effective Date, the holder of such Claim shall not be entitled to
17 any interest that accrued thereon from and after the Effective Date.

18 **5.4 Date of Distributions.** Unless otherwise provided in this Plan, the Wildfire
19 Trust Agreements, or the Claims Resolution Procedures, any distributions and deliveries to be made
20 under this Plan shall be made on the Effective Date or as soon as reasonably practicable thereafter;
21 *provided*, that the Reorganized Debtors may implement periodic distribution dates to the extent they
22 determine appropriate. Holders of Wildfire Claims subject to the Claims Resolution Procedures shall
23 receive distributions in accordance with the applicable Claims Resolution Procedures.

24 **5.5 Distribution Record Date.** Except as otherwise provided in the Wildfire Trust
25 Agreements or the Claims Resolution Procedures, as of the close of business on the Distribution
26 Record Date, the various lists of holders of Claims and Interests in each Class, as maintained by the
27 Debtors or their agents, shall be deemed closed, and there shall be no further changes in the record
28 holders of any Claims or Interests after the Distribution Record Date. None of the Debtors, the
Reorganized Debtors, or the Disbursing Agent shall have any obligation to recognize any transfer of
a Claim or Interest occurring after the close of business on the Distribution Record Date. In addition,
with respect to payment of any Cure Amounts or disputes over any Cure Amounts, none of the
Debtors, the Reorganized Debtors, or the Disbursing Agent shall have any obligation to recognize or
deal with any party other than the non-Debtor party to the applicable executory contract or unexpired
lease, even if such non-Debtor party has sold, assigned, or otherwise transferred its Claim for a Cure
Amount.

5.6 Disbursing Agent. Except as otherwise provided in the Plan or the Wildfire
Trust Agreements, all distributions under this Plan shall be made by the Disbursing Agent, on behalf
of the applicable Debtor, on and after the Effective Date as provided herein. The Disbursing Agent
shall not be required to give any bond or surety or other security for the performance of its duties. The

1 Debtors or the Reorganized Debtors, as applicable, shall use commercially reasonable efforts to
2 provide the Disbursing Agent (if other than the Reorganized Debtors) with the amounts of Claims and
3 the identities and addresses of holders of Claims, in each case, as set forth in the Debtors' or
4 Reorganized Debtors' books and records. The Debtors or the Reorganized Debtors, as applicable,
5 shall cooperate in good faith with the Disbursing Agent (if other than the Reorganized Debtors) to
6 comply with the reporting and withholding requirements outlined in Section 5.15 of this Plan. Wildfire
7 Claims subject to the Channeling Injunction shall not be administered by the Disbursing Agent and
8 shall instead be administered by the Wildfire Trusts.

6 **5.7 Delivery of Distributions.**

7 (a) Except as otherwise provided in the Plan, the Wildfire Trust Agreements, or the
8 Claims Resolution Procedures, the Disbursing Agent will make the applicable distribution under this
9 Plan and, subject to Bankruptcy Rule 9010, will make all distributions to any holder of an Allowed
10 Claim as and when required by this Plan at: (i) the address of such holder on the books and records
11 of the Debtors or their agents, (ii) the address in the most recent proof of claim filed by such holder,
12 or (iii) the address in any written notice of address change delivered to the Debtors or the Disbursing
13 Agent, including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule
14 3001. In the event that any distribution to any holder is returned as undeliverable, no distribution or
15 payment to such holder shall be made unless and until the Disbursing Agent has been notified of the
16 then current address of such holder, at which time or as soon thereafter as reasonably practicable, such
17 distribution shall be made to such holder without interest.

18 (b) The Disbursing Agent, with the Funded Debt Trustees' cooperation, shall make
19 any distributions on account of the Allowed Funded Debt Claims. The Funded Debt Trustees shall
20 have no duties or responsibility relating to any form of distribution that is not DTC eligible and the
21 Disbursing Agent, the Debtors, or the Reorganized Debtors, as applicable, shall seek the cooperation
22 of DTC so that any distribution on account of an Allowed Funded Debt Claim that is held in the name
23 of, or by a nominee of, DTC, shall be made through the facilities of DTC on the Effective Date or as
24 soon as practicable thereafter. The Reorganized Debtors shall reimburse the Funded Debt Trustees
25 for any reasonable and documented fees and expenses (including the reasonable and documented fees
26 and expenses of its counsel and agents) incurred after the Effective Date solely in connection with
27 actions explicitly requested by the Reorganized Debtors necessary for implementation of the Plan;
28 *provided*, that, for the avoidance of doubt, nothing in the Plan or Confirmation Order shall be
considered or construed as an explicit request by the Reorganized Debtors authorizing the incurrence
of fees and expenses by the Funded Debt Trustees.

22 **5.8 Unclaimed Property.** For distributions other than from the Wildfire Trusts, all
23 distributions payable on account of Claims that are not deliverable, or have not responded to a request
24 for information to make such delivery, and remain unclaimed shall be deemed unclaimed property
25 under section 347(b) of the Bankruptcy Code and shall revert to the Reorganized Debtors or their
26 successors or assigns one year from the later of (a) the Effective Date and (b) the date that is ten (10)
27 Business Days after the date a Claim is first Allowed, and all claims of any other Entity (including the
28 holder of a Claim in the same Class) to such distribution shall be discharged and forever barred. The
Reorganized Debtors and the Disbursing Agent shall have no obligation to attempt to locate any holder

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1 of an Allowed Claim other than by reviewing the Debtors' books and records and filings with the
2 Bankruptcy Court.

3 **5.9 Satisfaction of Claims.** Unless otherwise provided herein, any distributions
4 and deliveries to be made on account of Allowed Claims under this Plan shall be in complete and final
5 satisfaction, settlement, and discharge of and exchange for such Allowed Claims.

6 **5.10 Fractional Stock.** No fractional shares or Interests of New HoldCo Common
7 Stock shall be distributed. If any distributions of New HoldCo Common Stock pursuant to the Plan
8 or the Plan Documents would result in the issuance of a fractional share or Interest of New HoldCo
9 Common Stock, then the number of shares or Interests of New HoldCo Common Stock to be issued
10 in respect of such distribution shall be calculated to one decimal place and rounded up or down to the
11 closest whole share or Interest (with a half share or Interest or greater rounded up and less than a half
12 share or Interest rounded down). The total number of shares or Interests of New HoldCo Common
13 Stock, as applicable, to be distributed in connection with the Plan shall be adjusted as necessary to
14 account for the rounding provided for in this Section 5.10. No consideration shall be provided in lieu
15 of fractional shares or Interests that are rounded down. Neither the Reorganized Debtors nor the
16 Disbursing Agent shall have any obligation to make a distribution that is less than (1) share or Interest
17 of New HoldCo Common Stock. Any New HoldCo Common Stock that is not distributed in
18 accordance with this Section 5.10 shall be returned to, and ownership thereof shall vest in, Reorganized
19 HoldCo.

20 **5.11 Manner of Payment under Plan.** Except as specifically provided herein, at
21 the option of the Debtors or the Reorganized Debtors, as applicable, any Cash payment to be made
22 under this Plan may be made by check, ACH, wire transfer, or any other method agreed between the
23 Debtors or Reorganized Debtors and the holder of the Claim.

24 **5.12 No Distribution in Excess of Amount of Allowed Claim.** Notwithstanding
25 anything to the contrary in this Plan, no holder of an Allowed Claim shall receive, on account of such
26 Allowed Claim, distributions in excess of the Allowed amount of such Claim, except to the extent that
27 payment of postpetition interest on such Claim is specifically provided for by the Plan, the
28 Confirmation Order, or another order of the Bankruptcy Court or required by the Bankruptcy Code.

5.13 Setoffs and Recoupments. Each Debtor or Reorganized Debtor, as applicable,
or such Entity's successor or designee, may, pursuant to section 553 of the Bankruptcy Code or
applicable nonbankruptcy law, offset or recoup against any Allowed Claim and the distributions to be
made pursuant to this Plan on account of such Allowed Claim any and all Claims, rights, and Causes
of Action that such Debtor or Reorganized Debtor or its successors may hold against the holder of
such Allowed Claim; *provided*, that neither the failure to effect a setoff or recoupment nor the
allowance of any Claim hereunder will constitute a waiver or release by a Debtor or Reorganized
Debtor or its successor of any Claims, rights, or Causes of Action that any such entity or its successor
or designee may possess against such holder.

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5.14 Rights and Powers of Disbursing Agent.

(a) The Disbursing Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all applicable distributions or payments provided for under this Plan; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers (A) as may be vested in the Disbursing Agent by order of the Bankruptcy Court (including any order issued after the Effective Date) or pursuant to this Plan or (B) as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of this Plan.

(b) To the extent the Disbursing Agent is an Entity other than a Debtor or Reorganized Debtor, except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement Claims (including for reasonable attorneys' and other professional fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

5.15 Withholding and Reporting Requirements.

(a) In connection with this Plan and all distributions made hereunder, the Reorganized Debtors and the Disbursing Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all distributions under this Plan shall be subject to any such withholding or reporting requirements. In the case of a non-Cash distribution that is subject to withholding, the distributing party may withhold an appropriate portion of such distributed property and sell such withheld property to generate Cash necessary to pay over the withholding tax. Any amounts withheld pursuant to the preceding sentence shall be deemed to have been distributed to and received by the applicable recipient for all purposes of this Plan.

(b) Notwithstanding the above, each holder of an Allowed Claim that is to receive a distribution under this Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed on such holder by any federal, state, local, or foreign taxing authority, including income, withholding, and other tax obligations, on account of such distribution. The Reorganized Debtors and the Disbursing Agent have the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to any issuing or disbursing party for payment of any such tax obligations.

(c) The Reorganized Debtors and the Disbursing Agent may require, as a condition to receipt of a distribution, that the holder of an Allowed Claim provide any information necessary to allow the distributing party to comply with any such withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority. If the Reorganized Debtors or the Disbursing Agent make such a request and the holder fails to comply before the date that is 180 days after the request is made, the amount of such distribution shall irrevocably revert to the applicable Reorganized Debtor and any Claim in respect of such distribution shall be discharged and forever barred from assertion against such Reorganized Debtor or its respective property.

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1 **5.16 Credit for Distributions under Wildfire Assistance Program.** If a holder of
2 an Allowed Fire Claim has received any distribution from the Wildfire Assistance Program, such
3 distribution shall be credited against any distribution to be made on account of such holder’s Fire
4 Claim under this Plan and in accordance with the terms of the Wildfire Trust Agreements.

4 **ARTICLE VI.**

5 **MEANS FOR IMPLEMENTATION AND EXECUTION OF THE PLAN**

6 **6.1 General Settlement of Claims and Interests.** The Plan shall be deemed a
7 motion to approve a good-faith compromise and settlement pursuant to which the Debtors and the
8 holders of Claims against and/or Interests in the Debtors settle all Claims, Interests, and Causes of
9 Action pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in
10 consideration for the classification, distributions, releases, and other benefits provided under the Plan,
11 on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and
12 settlement of all Claims and Interests and controversies resolved pursuant to the Plan. The
13 Confirmation Order shall constitute the Court’s approval of the compromise, settlement, and release
14 of all such Claims, Interests, and Causes of Action, as well as a finding by the Bankruptcy Court that
15 all such compromises, settlements, and releases are mutual and bi-directional and are in the best
16 interests of the Debtors, their estates, and the holders of Claims, Interests, and Causes of Action, and
17 is fair, equitable, and reasonable. Except as otherwise provided in the Wildfire Trust Agreements and
18 the Claims Resolution Procedures, in accordance with the provisions of the Plan, pursuant to section
19 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order,
20 or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors, may
21 compromise and settle all Claims and Causes of Action against, and Interests in, the Debtors and their
22 estates. The compromises, settlements, and releases described herein shall be deemed nonseverable
23 from each other and from all other terms of the Plan.

17 **6.2 Restructuring Transactions; Effectuating Documents.**

18 (a) Following the Confirmation Date or as soon as reasonably practicable
19 thereafter, the Debtors or the Reorganized Debtors, as applicable, may take all actions as may be
20 necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or
21 necessary to effectuate the Plan or to obtain any of the Plan Funding (collectively, the “**Restructuring
22 Transactions**”), including (i) the execution and delivery of appropriate agreements or other
23 documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer,
24 arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are
25 consistent with the terms of the Plan, (ii) the execution and delivery of appropriate instruments of
26 transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or
27 obligation on terms consistent with the terms of the Plan, (iii) the filing of appropriate certificates or
28 articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation,
arrangement, continuance, or dissolution pursuant to applicable state or federal law, (iv) the execution
and delivery of the Plan Documents, (v) the issuance of securities, all of which shall be authorized and
approved in all respects in each case without further action being required under applicable law,
regulation, order, or rule (except such filings, approvals and authorizations as may be required,

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1 necessary or desirable for offerings of securities not exempt from the Securities Act pursuant to section
2 1145 of the Bankruptcy Code), (vi) such other transactions that are necessary or appropriate to
3 implement the Plan in the most tax efficient manner, and (vii) all other actions that the applicable
4 Entities determine to be necessary or appropriate, including making filings or recordings that may be
5 required by applicable law.

6 (b) Each officer, or member of the board of directors, of the Debtors is (and each
7 officer, or member of the board of directors of the Reorganized Debtors shall be) authorized to issue,
8 execute, deliver, file, or record such contracts, securities, instruments, releases, indentures, and other
9 agreements or documents and take such actions as may be necessary or appropriate to effectuate,
10 implement, and further evidence the terms and conditions of the Plan and the securities issued pursuant
11 to the Plan in the name of and on behalf of the Reorganized Debtors, all of which shall be authorized
12 and approved in all respects, in each case, without the need for any approvals, authorization, consents,
13 or any further action required under applicable law, regulation, order, or rule (including any action by
14 the stockholders or directors of the Debtors or the Reorganized Debtors) except for those expressly
15 required pursuant to the Plan.

16 (c) All matters provided for herein involving the corporate structure of the Debtors
17 or Reorganized Debtors, or any corporate action required by the Debtors or Reorganized Debtors in
18 connection herewith shall be deemed to have occurred and shall be in effect, without any requirement
19 of further action by the stockholders or directors of the Debtors or Reorganized Debtors, and with like
20 effect as though such action had been taken unanimously by the stockholders of the Debtors or
21 Reorganized Debtors.

22 **6.3 Continued Corporate Existence.** Except as otherwise provided in this Plan
23 (including pursuant to the Restructuring Transactions), the Debtors shall continue to exist after the
24 Effective Date as Reorganized Debtors in accordance with the applicable laws of the respective
25 jurisdictions in which they are incorporated or organized. On or after the Effective Date, without
26 prejudice to the rights of any party to a contract or other agreement with any Reorganized Debtor, each
27 Reorganized Debtor may, in its sole discretion, take such action as permitted by applicable law and
28 such Reorganized Debtor's organizational documents, as such Reorganized Debtor may determine is
reasonable and appropriate, including causing: (i) the legal name of a Reorganized Debtor to be
changed; (ii) the closure of a Reorganized Debtor's Chapter 11 Case on the Effective Date or any time
thereafter; or (iii) Reorganized HoldCo to amend its charter so as to prevent the acquisition, sale, or
other transaction of any class or classes of stock of Reorganized HoldCo, other than pursuant to the
Plan, for the purpose of preserving the tax benefits of the Reorganized Debtors if such acquisition,
sale, or other transaction would result in an increase in the amount stock of Reorganized HoldCo
beneficially owned (as determined for applicable tax purposes) by any person or group of persons that
owns, or as a result of such acquisition, sale, or other transaction would own, at least 4.75% of any
class or classes of stock of Reorganized HoldCo.

29 **6.4 The Subrogation Wildfire Trust.**

30 (a) On or before the Effective Date, the Subrogation Wildfire Trust shall be
31 established by the Subrogation Wildfire Trustee and on the Effective Date or as soon as reasonably
32 practicable thereafter, the Debtors shall fund the Subrogation Wildfire Trust as provided in Section
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4.18(b) hereof. In accordance with the Subrogation Wildfire Trust Agreement and the Subrogation Wildfire Claim Allocation Agreement, each of which shall become effective as of the Effective Date, the Subrogation Wildfire Trust shall administer, process, settle, resolve, liquidate, satisfy, and pay all Subrogation Wildfire Claims. All Subrogation Wildfire Claims shall be channeled to the Subrogation Wildfire Trust and shall be subject to the Channeling Injunction.

(b) Each trust comprising the Subrogation Wildfire Trust is intended to be treated, and shall be reported, as a “qualified settlement fund” for U.S. federal income tax purposes and shall be treated consistently for state and local tax purposes, to the extent applicable; *provided*, however, that the Reorganized Debtors may elect to treat any trust comprising the Subrogation Wildfire Trust as a “grantor trust” for U.S. federal income tax purposes, in which case each such trust shall be treated consistently for state and local tax purposes, to the extent applicable. The Subrogation Wildfire Trustee and all holders of Subrogation Wildfire Claims shall report consistently with the foregoing. The Subrogation Wildfire Trustee shall be the “administrator,” within the meaning of Treasury Regulations Section 1.468B-2(k)(3), of the Subrogation Wildfire Trust and, in such capacity, the Subrogation Wildfire Trustee shall be responsible for filing all tax returns of the Subrogation Wildfire Trust and, out of the assets of the Subrogation Wildfire Trust, the payment of any taxes due with respect to trust assets or otherwise imposed on the Subrogation Wildfire Trust (including any tax liability arising in connection with the distribution of trust assets), and shall be permitted to sell any assets of the Subrogation Wildfire Trust to the extent necessary to satisfy such tax liability (including any tax liability arising in connection with such sale).

(c) Except as otherwise provided in the Subrogation Wildfire Trust Agreement, or the Subrogation Wildfire Claim Allocation Agreement, the Subrogation Wildfire Trustee will make the applicable distribution under the Subrogation Wildfire Trust Agreement and, subject to Bankruptcy Rule 2002, at: (i) the address of such holder on the books and records of the Debtors or their agents; (ii) the address provided by such holder on its most recent proof of claim, or (iii) the address in any written notice of address change delivered to the Debtors prior to the Effective Date, or the Subrogation Wildfire Trustee after the Effective Date, including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule 3001. In the event that any distribution to any holder is returned as undeliverable, no distribution or payment to such holder shall be made unless and until the Subrogation Wildfire Trustee has been notified of the then-current address of such holder, at which time or as soon as reasonably practicable thereafter, such distribution shall be made to such holder without interest.

(d) The Subrogation Wildfire Trustee may request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all tax returns filed by or on behalf of the Subrogation Wildfire Trust through the termination of the Subrogation Wildfire Trust.

6.5 Subrogation Wildfire Trustee.

(a) Powers and Duties of Trustee. The powers and duties of the Subrogation Wildfire Trustee shall include, but shall not be limited to, those responsibilities vested in the Subrogation Wildfire Trustee pursuant to the terms of the Subrogation Trust Agreement, or as may be otherwise necessary and proper to (i) make distributions to holders of Subrogation Wildfire Claims in accordance with the terms of the Plan, Subrogation Trust Agreement, and Subrogation Wildfire Claim

1 Allocation Agreement and (ii) carry out the provisions of the Plan relating to the Subrogation Wildfire
2 Trust and the Subrogation Wildfire Claims. The Trustee shall maintain good and sufficient books and
3 records relating to each Subrogation Wildfire Claim, including the identity of the owner of each
4 such Subrogation Wildfire Claim.

5 (b) The Subrogation Wildfire Trustee shall cooperate fully with the Reorganized
6 Debtors in connection with the preparation and filing by the Reorganized Debtors of any tax returns,
7 claims for refunds, or other tax filings, and any tax proceedings, to the extent relating to any transfers
8 to, distributions by, or the operations of the Subrogation Wildfire Trust.

9 **6.6 Subrogation Trust Advisory Board.**

10 (a) Appointment of Subrogation Trust Advisory Board. The Subrogation Trust
11 Advisory Board shall consist of three (3) initial members selected by holders of Subrogation Wildfire
12 Claims in accordance with the Subrogation Trust Agreement and the Subrogation Wildfire Claim
13 Allocation Agreement.

14 (b) Powers and Duties of Subrogation Trust Advisory Board. The Subrogation
15 Trust Advisory Board shall, as and when requested by the Subrogation Wildfire Trustee, or as is
16 otherwise either (i) required under the Plan, the Confirmation Order, the Subrogation Trust Agreement
17 or (ii) contemplated by the Subrogation Wildfire Claim Allocation Agreement, consult with and advise
18 the Subrogation Wildfire Trustee as to the administration and management of the Subrogation Wildfire
19 Trust in accordance with the terms of this Plan, the Confirmation Order, and/or the Subrogation Trust
20 Agreement.

21 (c) The Subrogation Wildfire Trust Advisory Board shall be appointed on the
22 Effective Date. The rights and responsibilities of the Subrogation Wildfire Trust Advisory Board shall
23 be set forth in the Subrogation Wildfire Trust Agreement.

24 **6.7 The Fire Victim Trust.**

25 (a) On or before the Effective Date, the Fire Victim Trust shall be established. In
26 accordance with the Plan, the Confirmation Order, the Fire Victim Trust Agreement and the Fire
27 Victim Claims Resolution Procedures, the Fire Victim Trust shall, among other tasks described in this
28 Plan or the Fire Victim Trust Agreement, administer, process, settle, resolve, liquidate, satisfy, and
pay all Fire Victim Claims, and prosecute or settle all Assigned Rights and Causes of Action. All Fire
Victim Claims shall be channeled to the Fire Victim Trust and shall be subject to the Channeling
Injunction. The Fire Victim Trust shall be funded with the Aggregate Fire Victim Consideration. To
the extent, if any, a holder of a Fire Victim Claim asserts damages against the Debtors or the Fire
Victim Trust for amounts already compensated by an insurance company, the Fire Victim Trust
Agreement shall provide that the Fire Victim Trust shall receive a credit against any Fire Victim Claim
for the amount that any holder of such Fire Victim Claim, its predecessor, successor, or assignee
received or shall receive from any insurance company under and pursuant to the terms and coverage
provisions of any insurance policy for losses resulting from a Fire and that any funds received by any

1 holder of a Fire Victim Claim, net of attorney's fees, shall satisfy, to the extent applicable, any amounts
2 of restitution the Debtors or Reorganized Debtors might be subject to under Cal. Penal Code § 1202.4.

3 (b) Each trust comprising the Fire Victim Trust is intended to be treated, and shall
4 be reported, as a "qualified settlement fund" for U.S. federal income tax purposes and shall be treated
5 consistently for state and local tax purposes, to the extent applicable; provided, however, that the
6 Reorganized Debtors may elect to treat any trust comprising the Fire Victim Trust as a "grantor trust"
7 for U.S. federal income tax purposes, in which case each such trust shall be treated consistently for
8 state and local tax purposes, to the extent applicable. The Fire Victim Trustee and all holders of Fire
9 Victim Claims shall report consistently with the foregoing. The Fire Victim Trustee shall be the
10 "administrator," within the meaning of Treasury Regulations Section 1.468B-2(k)(3), of the Fire
11 Victim Trust and, in such capacity, the Fire Victim Trustee shall be responsible for filing all tax returns
12 of the Fire Victim Trust and, out of the assets of the Fire Victim Trust, the payment of any taxes due
13 with respect to trust assets or otherwise imposed on the Fire Victim Trust (including any tax liability
14 arising in connection with the distribution of trust assets), shall be permitted to sell any assets of the
15 Fire Victim Trust to the extent necessary to satisfy such tax liability (including any tax liability arising
16 in connection with such sale).

17 (c) On the Effective Date, the Fire Victim Claims Resolution Procedures shall
18 become effective.

19 (d) No parties other than holders of Fire Victim Claims shall have a right, or
20 involvement in, the Fire Victim Claims Resolution Procedures, the Fire Victim Trust Agreement, the
21 administration of the Fire Victims Trust, the selection of a Fire Victim Trustee, settlement fund
22 administrator, claims administrator, or the Fire Victims Trust Oversight Committee. The Fire Victim
23 Claims shall be administered by a Fire Victim Trust and the Fire Victims Trust Oversight Committee
24 independent of the Debtors. The Fire Victim Claims shall be administered, allocated and distributed
25 in accordance with applicable ethical rules and subject to adequate informed consent procedures. The
26 Fire Victim Trustee shall receive settlement allocations consistent with Rule 1.8(g) of the Model Rules
27 of Professional Conduct. The rules and procedures governing the administration and allocation of the
28 funds from the Fire Victim Trust shall be objectively applied and transparent. No party other than
holders of Fire Victim Claims, including but not limited to the Debtors, the Reorganized Debtors, and
any holders of Claims or Interests other than holders of Fire Victim Claims, shall have any rights to
any of the proceeds in the Fire Victim Trust, or any clawback or reversionary interest of any of the
consideration (whether Cash or otherwise) allocated to any of the holders of Fire Victim Claims
generally or in the total amount funded to the Fire Victim Trust.

22 **6.8 Fire Victim Trustee**

23 (a) Powers and Duties of Trustee. The powers and duties of the Fire Victim Trustee
24 shall include, but shall not be limited to, those responsibilities vested in the Fire Victim Trustee
25 pursuant to the terms of the Fire Victim Trust Agreement, or as may be otherwise necessary and proper
26 to (i) make distributions to holders of Fire Victim Claims in accordance with the terms of the Plan and
27 the Fire Victim Trust Agreement and (ii) carry out the provisions of the Plan relating to the Fire Victim
28 Trust and the Fire Victim Claims, including but not limited to prosecuting or settling all Assigned
Rights and Causes of Action in his or her capacity as a trustee for the benefit of Fire Victims. On the

1 Effective Date, pursuant to this Plan and sections 1123, 1141, and 1146(a) of the Bankruptcy Code,
2 the Debtors, on behalf of their estates, and the Fire Victim Trustee, will be authorized and directed to,
3 and will execute the Fire Victim Trust Agreement in substantially the form that will be attached to the
4 Plan Supplement, and will be further authorized and directed to, and will, take all such actions as
5 required to transfer the Assigned Rights and Causes of Action from the Debtors to the Fire Victim
6 Trust. The Fire Victim Trustee shall maintain good and sufficient books and records relating to each
7 Fire Victim Claim, including the identity of the owner of each Fire Victim Claim and the amount and
8 date of all Distributions made on account of each such Fire Victim Claim. In addition to all powers
9 enumerated in the Fire Victim Trust Agreement, in this Plan, and in the Confirmation Order, from and
10 after the Effective Date, the Fire Victim Trust shall succeed to all of the rights and standing of the
11 Debtors with respect to the Assigned Rights and Causes of Action in its capacity as a trust
12 administering assets for the benefit of Fire Victims.

13 (b) The Fire Victim Trustee will be appointed as the representative of each of the
14 Debtors' estates pursuant to sections 1123(a)(5), (a)(7), and (b)(3)(B) of the Bankruptcy Code and as
15 such will be vested with the authority and power (subject to the Fire Victim Trust Agreement and the
16 Plan) to, among other things: (i) administer, object to or settle Fire Victim Claims; (ii) make
17 distributions to holders of Fire Victim Claims in accordance with the terms of the Plan and the Fire
18 Victim Trust Agreement, and (iii) carry out the provisions of the Plan related to the Fire Victim Trust
19 and the Fire Victim Claims, including but not limited to prosecuting or settling all Assigned Rights
20 and Causes of Action in his or her capacity as a trustee for the benefit of holders of Fire Victim Claims.
21 As the representative of the Debtors' estates, in his or her capacity as a trustee for the benefit of Fire
22 Victims, the Fire Victim Trustee will succeed to all of the rights and powers of the Debtors and their
23 estates with respect to all Assigned Rights and Causes of Action assigned and transferred to the Fire
24 Victim Trust, and the Fire Victim Trustee will be substituted and will replace the Debtors, their estates,
25 any official committee appointed in these cases if applicable, in all such Assigned Rights and Causes
26 of Action, whether or not such claims are pending in filed litigation.

27 (c) The Fire Victim Trustee shall cooperate fully with the Reorganized Debtors in
28 connection with the preparation and filing by the Reorganized Debtors of any tax returns, claims for
refunds, or other tax filings, and any tax proceedings, to the extent relating to any transfers to,
distributions by, or the operations of the Fire Victim Trust.

(d) Except as otherwise provided in the Fire Victim Trust Agreement, or the Fire
Victim Claims Resolution Procedures, the Fire Victim Trustee will make the applicable distribution
under the Fire Victim Trust Agreement and, subject to Bankruptcy Rule 2002, at: (i) the address of
such holder on the books and records of the Debtors or their agents; (ii) the address provided by such
holder on its most recent proof of claim, or (iii) the address in any written notice of address change
delivered to the Debtors prior to the Effective Date, or the Fire Victim Trustee after the Effective Date,
including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule 3001.
In the event that any distribution to any holder is returned as undeliverable, no distribution or payment
to such holder shall be made unless and until the Fire Victim Trustee has been notified of the then-
current address of such holder, at which time or as soon as reasonably practicable thereafter, such
distribution shall be made to such holder without interest.

1 (e) The Fire Victim Trust Oversight Committee shall be appointed on the Effective
2 Date. The Fire Victim Trust Oversight Committee shall consist of members selected and appointed
3 by [the Consenting Fire Claimant Professionals and the Tort Claimants Committee]. The rights and
4 responsibilities of the Fire Victim Trust Oversight Committee shall be set forth in the Fire Victim
5 Trust Agreement.

6 (f) Unless otherwise expressly provided under this Plan, on the Effective Date, all
7 Assigned Rights and Causes of Action will vest in the Fire Victim Trust. On and after the Effective
8 Date, the transfer of the Assigned Rights and Causes of Action to the Fire Victim Trust will be deemed
9 final and irrevocable and distributions may be made from the Fire Victim Trust. The Confirmation
10 Order will provide the Fire Victim Trustee with express authority and standing necessary to take all
11 actions to prosecute or settle any and all Assigned Rights and Causes of Action.

12 (g) The Fire Victim Trustee may request an expedited determination of taxes under
13 section 505(b) of the Bankruptcy Code for all tax returns filed by or on behalf of the Fire Victim Trust
14 through the termination of the Fire Victim Trust.

15 **6.9 Public Entities Segregated Defense Fund.**

16 (a) On the Effective Date, the Reorganized Debtors shall fund the Public Entities
17 Segregated Defense Fund in accordance with the terms of the Public Entities Plan Support
18 Agreements.

19 (b) The Public Entities Segregated Defense Fund shall be maintained by the
20 Reorganized Debtors until the later of (i) the expiration of the applicable statute of limitations period
21 for any and all Public Entities Third Party Claims and (ii) the conclusion of all litigation, including
22 appeals, involving all Public Entities Third Party Claims.

23 **6.10 Go-Forward Wildfire Fund.**

24 (a) On the Effective Date, the Debtors shall contribute, in accordance with the
25 Wildfire Legislation (A.B. 1054), an initial contribution of approximately \$4.8 billion and first annual
26 contribution of approximately \$193 million, to the Go-Forward Wildfire Fund in order to secure the
27 participation of the Reorganized Debtors therein.

28 (b) The Reorganized Debtors shall also be responsible for ongoing funding
commitments to the Go-Forward Wildfire Fund as required by the terms thereof and the Wildfire
Legislation (A.B. 1054).

6.11 Officers and Board of Directors.

(a) On the Effective Date, (i) the New Board of HoldCo shall consist of the Chief
Executive Officer and [●] other initial directors and (ii) the New Board of the Utility shall consist of
the Chief Executive Officer and [●] other initial directors. The New Board for HoldCo and the Utility
will, among other things, satisfy the requirements of the Wildfire Legislation (A.B. 1054) and other
applicable law, including with respect to directors having appropriate experience in safety, finance

1 and utility operations. The composition of the New Board shall be disclosed in accordance with
2 section 1129(a)(5) of the Bankruptcy Code.

3 (b) Except as otherwise provided in the Plan Supplement, the officers of the
4 respective Debtors immediately before the Effective Date, as applicable, shall serve as the initial
5 officers of each of the respective Reorganized Debtors on and after the Effective Date.

6 (c) Except to the extent that a member of the board of directors of a Debtor
7 continues to serve as a director of the respective Reorganized Debtor on and after the Effective Date,
8 the members of the board of directors of each Debtor prior to the Effective Date, in their capacities as
9 such, shall have no continuing obligations to the Reorganized Debtors on or after the Effective Date
10 and each such director will be deemed to have resigned or shall otherwise cease to be a director of the
11 applicable Debtor on the Effective Date.

12 (d) Commencing on the Effective Date, the directors of each of the Reorganized
13 Debtors shall be elected and serve pursuant to the terms of the applicable organizational documents of
14 such Reorganized Debtor and may be replaced or removed in accordance with such organizational
15 documents.

16 **6.12 Management Incentive Plan.** On or after the Effective Date, the Management
17 Incentive Plan may be established and implemented at the discretion of the New Board and in
18 compliance with the Wildfire Legislation (A.B. 1054).

19 **6.13 Cancellation of Existing Securities and Agreements.**

20 (a) Except for the purpose of enabling holders of Allowed Claims to receive a
21 distribution under the Plan as provided herein and except as otherwise set forth in this Plan, the Plan
22 Supplement or the Confirmation Order, on the Effective Date, all agreements, instruments, and other
23 documents evidencing any prepetition Claim or and any rights of any holder in respect thereof shall
24 be deemed cancelled, discharged, and of no force or effect. For the avoidance of doubt, in accordance
25 with Sections 4.11, 4.12, 4.24, and 4.25 of the Plan, none of the HoldCo Common Interests, the
26 HoldCo Other Interests, the Utility Preferred Interests, or the Utility Common Interests shall be
27 cancelled pursuant to the Plan. The holders of, or parties to, such cancelled instruments, Securities,
28 and other documentation shall have no rights arising from or related to such instruments, Securities,
or other documentation or the cancellation thereof, except the rights provided for pursuant to this Plan.

(b) The Funded Debt Trustees shall be released and discharged from all duties and
responsibilities under the applicable Funded Debt Documents; *provided*, that notwithstanding the
releases in Article X of the Plan, entry of the Confirmation Order or the occurrence of the Effective
Date, each of the Funded Debt Documents or agreement that governs the rights of the holder of a
Claim shall continue in effect to the extent necessary to: (i) enforce the rights, Claims, and interests
of the Funded Debt Trustees thereto vis-a-vis any parties other than the Released Parties; (ii) allow the
holders of Funded Debt Claims, as applicable, to receive distributions under the Plan, to the extent
provided for under the Plan; (iii) appear to be heard in the Chapter 11 Cases or in any proceedings in
this Court or any other court; (iv) preserve any rights of the Funded Debt Trustees to payment of fees,
expenses, and indemnification obligations from or on any money or property to be distributed in

1 respect of the Allowed Funded Debt Claims, solely to the extent provided in the Plan; and (v) enforce
2 any obligation owed to the Funded Debt Trustees under the Plan.

3 **6.14 Cancellation of Certain Existing Security Agreements.** Promptly following
4 the payment in full or other satisfaction of an Allowed Other Secured Claim, the holder of such
5 Allowed Other Secured Claim shall deliver to the Debtors or Reorganized Debtors, as applicable, any
6 Collateral or other property of a Debtor held by such holder, together with any termination statements,
7 instruments of satisfaction, or releases of all security interests with respect to its Allowed Other
8 Secured Claim that may be reasonably required to terminate any related financing statements,
9 mortgages, mechanics' or other statutory Liens, or lis pendens, or similar interests or documents.

10 **6.15 Issuance of New HoldCo Common Stock.** On and after the Effective Date,
11 Reorganized HoldCo is authorized to issue, or cause to be issued, the New HoldCo Common Stock in
12 accordance with the Plan and the Plan Documents, all without the need for any further corporate,
13 limited liability company, or shareholder action. All of the New HoldCo Common Stock distributable
14 under the Plan shall be duly authorized, validly issued, and fully paid and non-assessable.

15 **6.16 Exit Financing.** On the Effective Date, the Exit Financing Documents shall be
16 executed and delivered. The Reorganized Debtors shall be authorized to execute, deliver, and enter
17 into and perform under the Exit Financing Documents and to consummate the Exit Financing without
18 the need for any further corporate action and without further action by the holders of Claims or
19 Interests.

20 **6.17 Wildfire Victim Recovery Bonds or Other Securitized Bonds.**

21 (a) If the State of California enacts legislation authorizing the issuance of Wildfire
22 Victim Recovery Bonds or other securitized bonds, this would provide a source of low cost financing
23 for expediting payment and satisfaction of Fire Claims following estimation or settlement.

24 (b) On or after the Effective Date, if authorized, the Wildfire Victim Recovery
25 Bonds or other securitized bonds shall be issued on the terms set forth in the Plan, the Wildfire Victim
26 Recovery Bonds Documents or other applicable bonds documents, and the Wildfire Victim Recovery
27 Bonds Legislation or other legislation.

28 (c) On or after the Effective Date, if authorized, the Wildfire Victim Recovery
Bonds Documents or other securitized bonds documents shall be executed and delivered. The
Reorganized Debtors shall be authorized to execute, deliver, and enter into and perform under the
Wildfire Victim Recovery Bonds Documents or other applicable bonds documents, without the need
for any further corporate action and without further action by the holders of Claims or Interests.

6.18 Rights Offering. If applicable, following approval by the Bankruptcy Court of
the Rights Offering Procedures and, if the offer, issuance and distribution of Securities pursuant to the
Rights Offering is to be registered under the Securities Act, effectiveness of an appropriate registration
statement registering such offer, issuance and distribution under the Securities Act, the Debtors shall,
if they determine to implement the same, commence and consummate the Rights Offering in
accordance therewith. New HoldCo Common Stock shall be issued to each Eligible Offeree that

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1 exercises its respective subscription rights pursuant to the Rights Offering Procedures and the Plan.
 2 The consummation of the Rights Offering shall be conditioned on the occurrence of the Effective Date,
 3 and any other condition specified in the Backstop Commitment Letters. Amounts held by the
 4 subscription agent with respect to the Rights Offering prior to the Effective Date shall not be entitled
 to any interest on account of such amounts and no Eligible Offeree participating in the Rights Offering
 shall have any rights in New HoldCo Common Stock until the Rights Offering is consummated.

5 **6.19 Securities Act Registrations or Exemptions.**

6 (a) The offer, issuance and distribution of the New HoldCo Common Stock,
 7 Wildfire Victim Recovery Bonds, other securitized bonds, and other Securities as provided hereunder
 8 may be exempt from registration under (i) the Securities Act of 1933 and all rules and regulations
 9 promulgated thereunder and (ii) any state or local law requiring registration for the offer, issuance, or
 10 distribution of Securities, pursuant to section 1145 of the Bankruptcy Code, without further act or
 11 action by any Entity, pursuant to another available exemption from registration, such as section 4(a)(2)
 12 of the Securities Act and/or Regulation D promulgated thereunder, or pursuant to Article III of the
 Securities Act, or such offer, issuance and distribution may be registered under the Securities Act
 pursuant to an appropriate registration statement. Any offer, issuance and distribution of Securities
 pursuant to any Backstop Commitment Letter may be exempt from registration pursuant to section
 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

13 (b) Under section 1145 of the Bankruptcy Code, any securities issued under the
 14 Plan that are exempt from such registration pursuant to section 1145(a) of the Bankruptcy Code will
 15 be freely tradable by the recipients thereof, subject to (i) the provisions of section 1145(b)(1) of the
 16 Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act
 17 of 1933, (ii) compliance with any rules and regulations of the Securities and Exchange Commission,
 18 if any, applicable at the time of any future transfer of such securities or instruments, (iii) the
 19 restrictions, if any, on the transferability of such securities and instruments, including any restrictions
 20 on the transferability under the terms of the New Organizational Documents, (iv) any applicable
 procedures of DTC, and (v) applicable regulatory approval.

21 **ARTICLE VII.**

22 **PROCEDURES FOR DISPUTED CLAIMS**

23 **7.1 Objections to Claims.** Except as otherwise provided herein, in the Claims
 24 Resolution Procedures, the Subrogation Claims RSA, and in the Wildfire Trust Agreements, the
 25 Reorganized Debtors shall be entitled to object to Claims. The Subrogation Wildfire Trustee shall be
 26 entitled to object to Subrogation Wildfire Claims. The Fire Victim Trustee shall be entitled to object
 27 to Fire Victim Claims. Except as otherwise set forth in the Plan, any objections to Claims shall be
 28 served and filed on or before the later of (i) one-hundred and eighty (180) days after the Effective Date
 and (ii) such later date as may be fixed by the Bankruptcy Court (as the same may be extended by the
 Bankruptcy Court for cause shown). Fire Victim Claims, other than those Claims arising out of the
 2015 Butte fires that were the subject of fully executed prepetition settlement agreements with the
 Debtor(s) and any other Fire Victim Claim that is settled or Allowed by order of the Bankruptcy Court
 prior to the Effective Date, are treated as unliquidated Disputed Claims under the Plan and shall be

1 subject to resolution by the Fire Victim Trust in accordance with the Fire Victim Claims Resolution
2 Procedures, and the Plan shall be deemed an objection to such claims under Bankruptcy Rule 3007.

3 **7.2 Resolution of Disputed Administrative Expense Claims and Disputed**
4 **Claims.** Except as otherwise provided for in the Plan, in the Claims Resolution Procedures, the
5 Subrogation Claims RSA, or in the Wildfire Trust Agreements, on and after the Effective Date, the
6 Reorganized Debtors shall have the authority to compromise, settle, otherwise resolve, or withdraw
7 any objections to Disputed Administrative Expense Claims or Disputed Claims and to compromise,
8 settle, or otherwise resolve any Disputed Administrative Expense Claims and Disputed Claims without
9 approval of the Bankruptcy Court, other than with respect to any Professional Fee Claims. On and
10 after the Effective Date, the Subrogation Wildfire Trustee shall have the authority to compromise,
11 settle, otherwise resolve, or withdraw any objections to Disputed Subrogation Wildfire Claims without
12 approval of the Bankruptcy Court. On and after the Effective Date, the Fire Victim Trustee shall have
13 the authority to compromise, settle, otherwise resolve, or withdraw any objections to Disputed Fire
14 Victim Claims without approval of the Bankruptcy Court. Notwithstanding the foregoing, and for the
15 avoidance of doubt, Subrogation Wildfire Claims and Fire Victim Claims may only be compromised,
16 settled, or resolved pursuant to the applicable Claims Resolution Procedures and Wildfire Trust
17 Agreement.

18 **7.3 Payments and Distributions with Respect to Disputed Claims.**
19 Notwithstanding anything herein to the contrary, if any portion of a Claim is a Disputed Claim, no
20 payment or distribution provided hereunder shall be made on account of such Claim (including on
21 account of the non-Disputed portion of such Claim) unless and until such Disputed Claim becomes an
22 Allowed Claim.

23 **7.4 Distributions After Allowance.** After such time as a Disputed Claim becomes,
24 in whole but not in part, an Allowed Claim, the holder thereof shall be entitled to distributions, if any,
25 to which such holder is then entitled as provided in this Plan. Such distributions shall be made as soon
26 as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed
27 Claim (or portion thereof) becomes a Final Order.

28 **7.5 Disallowance of Claims.** Any Claims held by an Entity from which property
is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a
transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy
Code, as determined by a Final Order, shall be deemed disallowed pursuant to section 502(d) of the
Bankruptcy Code, and holders of such Claims may not receive any distributions on account of such
Claims until such time as such Causes of Action against that Entity have been settled or a Final Order
with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been
turned over or paid to the Debtors or the Reorganized Debtors. Except as otherwise provided herein
or by an order of the Bankruptcy Court, all proofs of Claim filed after the Effective Date shall be
disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable
against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or
any further notice to or action, order, or approval of the Bankruptcy Court, other than a claim for
damages arising from the rejection of an executory contract or unexpired lease.

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1 **7.6 Estimation.** Except as otherwise provided in the Plan, the Claims Resolution
 2 Procedures, and the Wildfire Trust Agreements, the Debtors or the Reorganized Debtors (or the
 3 Subrogation Wildfire Trustee solely with respect to Disputed Subrogation Wildfire Claims and the
 4 Fire Victim Trustee solely with respect to Disputed Fire Victim Claims) may determine, resolve and
 5 otherwise adjudicate all contingent Claims or unliquidated Claims in the Bankruptcy Court or such
 6 other court of the Debtors', Reorganized Debtors', the Subrogation Wildfire Trustee's or the Fire
 7 Victim Trustee's choice having jurisdiction over the validity, nature or amount thereof. The Debtors
 8 or the Reorganized Debtors (or the Subrogation Wildfire Trustee solely with respect to Disputed
 9 Subrogation Wildfire Claims and the Fire Victim Trustee solely with respect to Disputed Fire Victim
 10 Claims) may at any time request that the Bankruptcy Court estimate any contingent Claims or
 11 unliquidated Claims pursuant to section 502(c) of the Bankruptcy Code for any reason or purpose,
 12 regardless of whether any of the Debtors or the Reorganized Debtors (or the Subrogation Wildfire
 13 Trustee solely with respect to Disputed Subrogation Wildfire Claims and the Fire Victim Trustee
 14 solely with respect to Disputed Fire Victim Claims) have previously objected to such Claim or whether
 15 the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction
 16 to estimate any Claim at any time during litigation concerning any objection to any Claim, including,
 17 during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates
 18 any contingent Claim or unliquidated Claim, that estimated amount shall constitute the maximum
 19 limitation on such Claim, and the Debtors or the Reorganized Debtors (or the Subrogation Wildfire
 20 Trustee solely with respect to Disputed Subrogation Wildfire Claims and the Fire Victim Trustee
 21 solely with respect to Disputed Fire Victim Claims) may pursue supplementary proceedings to object
 22 to the ultimate allowance of such Claim; *provided*, that such limitation shall not apply to Claims
 23 requested by the Debtors to be estimated for voting purposes only. All of the aforementioned
 24 objection, estimation and resolution procedures are cumulative and not exclusive of one another.
 25 Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any
 26 mechanism approved by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy
 27 Code, in no event shall any holder of a Claim that has been estimated pursuant to section 502(c) of the
 28 Bankruptcy Code or otherwise be entitled to seek reconsideration of such Claim unless the holder of
 such Claim has filed a motion requesting the right to seek such reconsideration on or before twenty
 (20) calendar days after the date such Claim is estimated by the Bankruptcy Court. Notwithstanding
 the foregoing, and for the avoidance of doubt, Subrogation Wildfire Claims and Fire Victim Claims
 may only be compromised, settled, or resolved pursuant to terms of the applicable Wildfire Trust
 Agreement.

ARTICLE VIII.

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

8.1 General Treatment.

(a) As of, and subject to, the occurrence of the Effective Date and the payment of any applicable Cure Amount, all executory contracts and unexpired leases of the Reorganized Debtors shall be deemed assumed, unless such executory contract or unexpired lease (i) was previously assumed or rejected by the Debtors, pursuant to a Final Order, (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (iii) is the subject of a motion to

1 assume, assume and assign, or reject filed by the Debtors on or before the Confirmation Date, or (iv) is
2 specifically designated as an executory contract or unexpired lease to be rejected on the Schedule of
3 Rejected Contracts.

4 Notwithstanding the foregoing, as of and subject to the occurrence of the
5 Effective Date and the payment of any applicable Cure Amount, all power purchase agreements,
6 renewable energy power purchase agreements, and Community Choice Aggregation servicing
7 agreements of the Debtors shall be deemed assumed.

8 (b) Subject to the occurrence of the Effective Date, entry of the Confirmation Order
9 by the Bankruptcy Court shall constitute approval of the assumptions, assumptions and assignments,
10 or rejections provided for in this Plan pursuant to sections 365(a) and 1123 of the Bankruptcy Code.
11 Each executory contract and unexpired lease assumed pursuant to this Plan shall vest in, and be fully
12 enforceable by, the applicable Reorganized Debtor in accordance with its terms, except as modified
13 by the provisions of this Plan, any order of the Bankruptcy Court authorizing and providing for its
14 assumption or assumption and assignment, or applicable law.

10 **8.2 Determination of Cure Disputes and Deemed Consent.**

11 (a) Any monetary defaults under an assumed or assumed and assigned executory
12 contract or unexpired lease, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code,
13 by payment of the default amount, as reflected in the applicable cure notice, in Cash on the Effective
14 Date, subject to the limitations described below, or on such other terms as the parties to such executory
15 contracts or unexpired leases and the Debtors may otherwise agree.

16 (b) At least fourteen (14) days before the deadline set to file objections to
17 confirmation of the Plan, the Debtors shall distribute, or cause to be distributed, assumption and cure
18 notices to the applicable third parties. **Any objection by a counterparty to an executory contract
19 or unexpired lease to the proposed assumption, assumption and assignment, or related Cure
20 Amount must be filed, served, and actually received by the Debtors before the deadline set to
21 file objections to confirmation of the Plan.** Any counterparty to an executory contract or unexpired
22 lease that fails to object timely to the proposed assumption, assumption and assignment, or Cure
23 Amount will be deemed to have assented to such assumption, assumption and assignment, or Cure
24 Amount. Notwithstanding anything herein to the contrary, in the event that any executory contract or
25 unexpired lease is removed from the Schedule of Rejected Contracts after such fourteen (14)-day
26 deadline, a cure notice with respect to such executory contract or unexpired lease will be sent promptly
27 to the counterparty thereof and a noticed hearing set to consider whether such executory contract or
28 unexpired lease can be assumed or assumed and assigned, as applicable.

23 (c) In the event of an unresolved dispute regarding (i) any Cure Amount, (ii) the
24 ability of the Reorganized Debtors or any assignee to provide “adequate assurance of future
25 performance” (within the meaning of section 365 of the Bankruptcy Code) under the executory
26 contract or unexpired lease to be assumed, or (iii) any other matter pertaining to assumption,
27 assumption and assignment, or the Cure Amounts required by section 365(b)(1) of the Bankruptcy
28 Code, such dispute shall be resolved by a Final Order (which order may be the Confirmation Order).

1 (d) If the Bankruptcy Court makes a determination regarding any of the matters set
2 forth in Section 8.2(c) above with respect to any executory contract or unexpired lease is greater than
3 the amount set forth in the applicable cure notice, as set forth in Section 8.8(a) below, the Debtors or
4 Reorganized Debtors, as applicable, shall have the right to alter the treatment of such executory
5 contract or unexpired lease, including, without limitation, to add such executory contract or unexpired
6 lease to the Schedule of Rejected Contracts, in which case such executory contract or unexpired lease
7 shall be deemed rejected as of the Effective Date.

8 (e) Assumption or assumption and assignment of any executory contract or
9 unexpired lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any
10 Claims and Causes of Action against any Debtor or defaults by any Debtor arising under any assumed
11 executory contract or unexpired lease at any time before the date that the Debtors assume or assume
12 and assign such executory contract or unexpired lease, whether monetary or nonmonetary, including
13 all Claims arising under sections 503(b)(9) or 546(c) of the Bankruptcy Code, any defaults of
14 provisions restricting the change in control or ownership interest composition, or any other
15 bankruptcy-related defaults. Any proofs of Claim filed with respect to an executory contract or
16 unexpired lease that has been assumed or assumed and assigned shall be deemed disallowed and
17 expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

18 **8.3 Rejection Damages Claims.** In the event that the rejection of an executory
19 contract or unexpired lease hereunder results in damages to the other party or parties to such contract
20 or lease, any Claim for such damages, if not heretofore evidenced by a timely filed proof of Claim,
21 shall be forever barred and shall not be enforceable against the Debtors or the Reorganized Debtors,
22 or their respective estates, properties or interests in property, unless a proof of Claim is filed with the
23 Bankruptcy Court and served upon the Debtors or the Reorganized Debtors, as applicable, no later
24 than thirty (30) days after the later of (i) the Confirmation Date or (ii) the effective date of the rejection
25 of such executory contract or unexpired lease, as set forth on the Schedule of Rejected Contracts or
26 order of the Bankruptcy Court. The Confirmation Order shall constitute the Bankruptcy Court's
27 approval of the rejection of all the leases and contracts identified in the Schedule of Rejected Contracts.

28 **8.4 Survival of the Debtors' Indemnification Obligations.** Any and all
obligations of the Debtors pursuant to their corporate charters, agreements, bylaws, limited liability
company agreements, memorandum and articles of association, or other organizational documents
(including all Indemnification Obligations) to indemnify current and former officers, directors, agents,
or employees with respect to all present and future actions, suits, and proceedings against the Debtors
or such officers, directors, agents, or employees based upon any act or omission for or on behalf of
the Debtors shall remain in full force and effect to the maximum extent permitted by applicable law
and shall not be discharged, impaired, or otherwise affected by this Plan. All such obligations shall
be deemed and treated as executory contracts that are assumed by the Debtors under this Plan and shall
continue as obligations of the Reorganized Debtors. Any Claim based on the Debtors' obligations in
this Section 8.4 herein shall not be a Disputed Claim or subject to any objection, in either case, by
reason of section 502(e)(1)(B) of the Bankruptcy Code or otherwise.

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8.5 Assumption of Employee Benefit Plans. On the Effective Date, all Employee Benefit Plans are deemed to be, and shall be treated as, executory contracts under this Plan and, on the Effective Date, shall be assumed pursuant to sections 365 and 1123 of the Bankruptcy Code.

8.6 Collective Bargaining Agreements.

(a) On or prior to the Effective Date, and subject to the occurrence of the Effective Date, the Reorganized Debtors shall assume the Collective Bargaining Agreements.

8.7 Insurance Policies.

(a) All Insurance Policies (including all D&O Liability Insurance Policies and tail coverage liability insurance), surety bonds, and indemnity agreements entered into in connection with surety bonds to which any Debtor is a party as of the Effective Date shall be deemed to be and treated as executory contracts and shall be assumed by the applicable Debtors or Reorganized Debtor and shall continue in full force and effect thereafter in accordance with their respective terms.

8.8 Reservation of Rights.

(a) The Debtors may amend the Schedule of Rejected Contracts and any cure notice until the later of (i) through 4:00 p.m. (Pacific Time) on the Business Day immediately prior to the commencement of the Confirmation Hearing or (ii) if Section 8.2(d) is applicable, the Business Day seven (7) Business Days following the determination by the Bankruptcy Court, in order to add, delete, or reclassify any executory contract or unexpired lease; *provided*, that if the Confirmation Hearing is adjourned for a period of more than two (2) consecutive calendar days, the Debtors' right to amend such schedules and notices shall be extended to 4:00 p.m. (Pacific Time) on the Business Day immediately prior to the adjourned date of the Confirmation Hearing, with such extension applying in the case of any and all subsequent adjournments of the Confirmation Hearing.

(b) Neither the exclusion nor the inclusion by the Debtors of any contract or lease on any exhibit, schedule, or other annex to this Plan or in the Plan Supplement, nor anything contained in this Plan or in the Plan Documents, will constitute an admission by the Debtors that any such contract or lease is or is not an executory contract or unexpired lease or that the Debtors or the Reorganized Debtors or their respective affiliates has any liability thereunder.

(c) Except as explicitly provided in this Plan, nothing herein shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtors or the Reorganized Debtors under any executory or non-executory contract or unexpired or expired lease.

(d) Nothing in this Plan will increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtors or the Reorganized Debtors, as applicable, under any executory or non-executory contract or unexpired or expired lease.

8.9 Modifications, Amendments, Supplements, Restatements, or Other Agreements. Unless otherwise provided in the Plan, each executory contract or unexpired lease that

1 is assumed shall include all modifications, amendments, supplements, restatements, or other
2 agreements that in any manner affect such executory contract or unexpired lease, and executory
3 contracts and unexpired leases related thereto, if any, including easements, licenses, permits, rights,
4 privileges, immunities, options, rights of first refusal, and any other interests, unless any of the
5 foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the
6 Plan.

7 **ARTICLE IX.**

8 **EFFECTIVENESS OF THE PLAN**

9 **9.1 Conditions Precedent to Confirmation of the Plan.** The following are
10 conditions precedent to confirmation of the Plan:

- 11 (a) The Disclosure Statement Order has been entered by the Bankruptcy Court;
- 12 (b) The Bankruptcy Court shall have entered the Confirmation Order in form and
13 substance acceptable to the Debtors;
- 14 (c) The Debtors have received the CPUC Approval;
- 15 (d) The Subrogation Claims RSA shall be in full force and effect;
- 16 (e) The Tort Claimants RSA shall be in full force and effect; and
- 17 (f) The Backstop Commitment Letters, if necessary for the Plan Funding, shall be
18 in full force and effect and binding on all parties thereto, and shall not have been terminated by the
19 parties thereto.

20 **9.2 Conditions Precedent to the Effective Date.** The following are conditions
21 precedent to the Effective Date of the Plan:

- 22 (a) The Confirmation Order shall have been entered by the Bankruptcy Court no
23 later than the June 30, 2020 date set forth in section 3292(b) of the Wildfire Legislation (A.B. 1054)
24 or any extension of such date;
- 25 (b) The Subrogation Claims RSA shall be in full force and effect;
- 26 (c) The Tort Claimants RSA shall be in full force and effect;
- 27 (d) The Confirmation Order shall be in full force and effect, and no stay thereof
28 shall be in effect;
- (e) The Debtors shall have implemented all transactions contemplated by this Plan;
- (f) All documents and agreements necessary to consummate the Plan shall have
been effected or executed;

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1 (g) The Debtors shall have elected, and received Bankruptcy Court approval to, participate in and fund the Go-Forward Wildfire Fund;

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(h) The Debtors shall have obtained the Plan Funding;

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(i) The Debtors shall have received all authorizations, consents, legal and regulatory approvals, rulings, letters, no-action letters, opinions, or documents that are necessary to implement and consummate the Plan and the Plan Funding and that are required by law, regulation, or order;

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(j) The CPUC Approval remains in full force and effect;

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(k) The Subrogation Wildfire Trust shall have been established and the Subrogation Wildfire Trustee shall have been appointed;

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(l) The Fire Victim Trust shall have been established, the Fire Victim Trustee shall have been appointed and the Tax Benefits Payment Agreement shall have been fully executed; and

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(m) The Plan shall not have been materially amended, altered or modified from the Plan as confirmed by the Confirmation Order, unless such material amendment, alteration or modification has been made in accordance with Section 12.6 of the Plan.

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It shall not be a condition to the occurrence of the Effective Date that Wildfire Victim Recovery Bonds shall be available for the Plan Funding or that Wildfire Victim Recovery Bonds Legislation shall have been enacted.

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9.3 Satisfaction of Conditions. Except as otherwise provided herein, any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. If the Debtors determine that any of the conditions precedent set forth in Sections 9.1 or 9.2 hereof cannot be satisfied and the occurrence of such conditions is not waived pursuant to Section 9.4, then the Debtors shall file a notice of the failure of the Effective Date with the Bankruptcy Court.

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9.4 Waiver of Conditions. The conditions set forth in Sections 9.1 or 9.2 may be waived or modified only by the Plan Proponents with the consent of the Backstop Parties holding a majority of the Aggregate Backstop Commitment Amount (such consent not to be unreasonably withheld, conditioned or delayed), without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan; *provided* that for Sections 9.1(d) and 9.2(b) of the Plan only, the consent of the Requisite Consenting Creditors shall also be required; *provided further* that for Sections 9.1(e) and 9.2(c) of the Plan only, the consent of the Requisite Consenting Fire Claimant Professionals (as such term is defined in the Tort Claimants RSA) shall also be required.

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9.5 Effect of Non-Occurrence of Effective Date. If the Effective Date does not occur on or before December 31, 2020, then: (a) the Plan will be null and void in all respects; and (b) nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release

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1 of any Claims, Interests, or Causes of Action by an Entity; (ii) prejudice in any manner the rights of
 2 of any Debtor or any other Entity; or (iii) constitute an admission, acknowledgment, offer, or undertaking
 of any sort by any Debtor or any other Entity.

3 ARTICLE X.

4 EFFECT OF CONFIRMATION

5 **10.1 Binding Effect.** Except as otherwise provided in section 1141(d)(3) of the
 6 Bankruptcy Code, and subject to the occurrence of the Effective Date, on and after the entry of the
 7 Confirmation Order, the provisions of this Plan shall bind every holder of a Claim against or Interest
 8 in any Debtor and inure to the benefit of and be binding on such holder's respective successors and
 assigns, regardless of whether the Claim or Interest of such holder is impaired under this Plan and
 whether such holder has accepted this Plan.

9 **10.2 Vesting of Assets.** Upon the Effective Date, pursuant to sections 1141(b) and
 10 (c) of the Bankruptcy Code, all assets and property of the Debtors shall vest in the Reorganized
 11 Debtors, as applicable, free and clear of all Claims, Liens, charges, and other interests, except as
 12 otherwise provided herein. The Reorganized Debtors may operate their businesses and use, acquire,
 and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and
 13 in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy
 Code, except as otherwise provided herein.

14 **10.3 Release and Discharge of Debtors.** Upon the Effective Date and in
 15 consideration of the distributions to be made hereunder, except as otherwise expressly provided herein,
 16 each holder (as well as any representatives, trustees, or agents on behalf of each holder) of a Claim or
 Interest and any affiliate of such holder shall be deemed to have forever waived, released, and
 17 discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and
 from any and all Claims, Interests, rights, and liabilities that arose prior to the Effective Date. Upon
 18 the Effective Date, all such Persons shall be forever precluded and enjoined, pursuant to section 524
 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or Interest
 in the Debtors.

19 **10.4 Term of Injunctions or Stays.** Unless otherwise provided herein or in a Final
 20 Order, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105
 21 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain
 22 in full force and effect until the later of the Effective Date and the date indicated in the order providing
 for such injunction or stay. The Trading Order shall remain enforceable as to transfers through the
 23 Effective Date with respect to those persons having "beneficial ownership" of "PG&E Stock" (as such
 terms are defined in Trading Order). Accordingly, the Trading Order has no applicability or effect
 24 with respect to the trading of stock of Reorganized HoldCo after the Effective Date.

25 **10.5 Injunction Against Interference with Plan.** Upon entry of the Confirmation
 26 Order, all holders of Claims and Interests and other parties in interest, along with their respective
 present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined
 27 from taking any actions to interfere with the implementation or consummation of the Plan; *provided,*
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1 *that* nothing herein or in the Confirmation Order shall preclude, limit, restrict or prohibit any party in
 2 interest from seeking to enforce the terms of the Plan, the Confirmation Order, or any other agreement
 or instrument entered into or effectuated in connection with the consummation of the Plan.

3 **10.6 Injunction.**

4 (a) Except as otherwise provided in this Plan or in the Confirmation Order, as of
 5 the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons
 6 who have held, hold, or may hold Claims or Interests are, with respect to any such Claim or Interest,
 7 permanently enjoined after the entry of the Confirmation Order from: (i) commencing, conducting, or
 8 continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind
 9 (including, any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting,
 10 directly or indirectly, a Debtor, a Reorganized Debtor, or an estate or the property of any of the
 11 foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in
 12 interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such
 13 transferee or successor; (ii) enforcing, levying, attaching (including any prejudgment attachment),
 14 collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any
 15 judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an estate or its property,
 16 or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any
 17 of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or
 18 successor; (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any
 19 encumbrance of any kind against a Debtor, a Reorganized Debtor, or an estate or any of its property,
 or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing
 20 Persons mentioned in this subsection (iii) or any property of any such transferee or successor;
 21 (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply
 22 with the provisions of this Plan to the full extent permitted by applicable law; and (v) commencing or
 23 continuing, in any manner or in any place, any action that does not comply with or is inconsistent with
 24 the provisions of this Plan; *provided*, that nothing contained herein shall preclude such Persons who
 25 have held, hold, or may hold Claims against a Debtor or an estate from exercising their rights, or
 26 obtaining benefits, pursuant to and consistent with the terms of this Plan, the Confirmation Order, or
 27 any other agreement or instrument entered into or effectuated in connection with the consummation
 28 of the Plan; *provided further* that this Section 10.6 shall not apply to holders of Workers' Compensation Claims or 2001 Utility Exchange Claims.

(b) By accepting distributions pursuant to this Plan, each holder of an Allowed Claim will be deemed to have affirmatively and specifically consented to be bound by this Plan, including, the injunctions set forth in this Section.

10.7 Channeling Injunction.

(a) **The sole source of recovery for holders of Subrogation Wildfire Claims and Fire Victim Claims shall be from the Subrogation Wildfire Trust and the Fire Victim Trust, as applicable. The holders of such Claims shall have no recourse to or Claims whatsoever against the Reorganized Debtors or their assets and properties. Consistent with the foregoing, all Persons that have held or asserted, or that hold or assert any Subrogation Wildfire Claim or Fire Victim Claim shall be permanently and forever stayed, restrained, and enjoined from**

1 taking any action for the purpose of directly or indirectly collecting, recovering, or receiving
 2 payments, satisfaction, or recovery from any Reorganized Debtor or its assets and properties
 with respect to any Fire Claims, including all of the following actions:

3 (i) commencing, conducting, or continuing, in any manner, whether
 4 directly or indirectly, any suit, action, or other proceeding of any kind in any forum with
 5 respect to any such Fire Claim, against or affecting any Reorganized Debtor, or any
 property or interests in property of any Reorganized Debtor with respect to any such
 6 Fire Claim;

7 (ii) enforcing, levying, attaching, collecting or otherwise recovering, by
 8 any manner or means, or in any manner, either directly or indirectly, any judgment,
 award, decree or other order against any Reorganized Debtor or against the property of
 any Reorganized Debtor with respect to any such Fire Claim;

9 (iii) creating, perfecting, or enforcing in any manner, whether directly
 10 or indirectly, any Lien of any kind against any Reorganized Debtor or the property of
 any Reorganized Debtor with respect to any such Fire Claims;

11 (iv) asserting or accomplishing any setoff, right of subrogation,
 12 indemnity, contribution, or recoupment of any kind, whether directly or indirectly,
 13 against any obligation due to any Reorganized Debtor or against the property of any
 Reorganized Debtor with respect to any such Fire Claim; and

14 (v) taking any act, in any manner, in any place whatsoever, that does
 15 not conform to, or comply with, the provisions of the Plan Documents, with respect to
 16 any such Fire Claim.

17 (b) **Reservations.** Notwithstanding anything to the contrary in this Section 10.7 of
 the Plan, this Channeling Injunction shall not enjoin:

18 (i) the rights of holders of Subrogation Fire Claims and Fire Victim Claims
 19 to the treatment afforded them under the Plan, including the right to assert such Claims in
 accordance with the applicable Wildfire Trust Agreements solely against the applicable
 20 Wildfire Trust whether or not there are funds to pay such Fire Claims; and

21 (ii) the Wildfire Trusts from enforcing their rights under the Wildfire Trust
 22 Agreements.

23 (c) **Modifications.** There can be no modification, dissolution, or termination of
 the Channeling Injunction, which shall be a permanent injunction.

24 (d) **No Limitation on Channeling Injunction.** Nothing in the Plan, the
 25 Confirmation Order, or the Wildfire Trust Agreements shall be construed in any way to limit the scope,
 enforceability, or effectiveness of the Channeling Injunction provided for herein and in the
 26 Confirmation Order.

1 (e) **Bankruptcy Rule 3016 Compliance.** The Debtors' compliance with the
2 requirements of Bankruptcy Rule 3016 shall not constitute an admission that the Plan provides for an
injunction against conduct not otherwise enjoined under the Bankruptcy Code.

3 **10.8 Exculpation.** Notwithstanding anything herein to the contrary, and to the
4 maximum extent permitted by applicable law, and except for the Assigned Rights and Causes of
5 Action solely to the extent preserved by Section 10.9(g), no Exculpated Party shall have or incur,
6 and each Exculpated Party is hereby released and exculpated from, any Claim, Interest,
7 obligation, suit, judgment, damage, demand, debt, right, Cause of Action, loss, remedy, or
8 liability for any claim (including, but not limited to, any claim for breach of any fiduciary duty
9 or any similar duty) in connection with or arising out of the administration of the Chapter 11
10 Cases; the negotiation and pursuit of the Public Entities Plan Support Agreements, the Backstop
11 Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the Exit Financing
12 Documents, the Plan Funding, the DIP Facilities, the Disclosure Statement, the Plan, the
13 Restructuring Transactions, the Wildfire Trusts (including the Plan Documents, the Claims
14 Resolution Procedures and the Wildfire Trust Agreements), or any agreement, transaction, or
15 document related to any of the foregoing, or the solicitation of votes for, or confirmation of, this
16 Plan; the funding of this Plan; the occurrence of the Effective Date; the administration of this
17 Plan or the property to be distributed under this Plan; any membership in (including, but not
18 limited to, on an *ex officio* basis), participation in, or involvement with the Statutory
19 Committees; the issuance of Securities under or in connection with this Plan; or the transactions
20 in furtherance of any of the foregoing; except for Claims related to any act or omission that is
determined in a Final Order by a court of competent jurisdiction to have constituted actual
fraud or willful misconduct, 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 this Plan.
The Exculpated Parties and each of their respective affiliates, agents, directors, officers,
employees, advisors, and attorneys have acted in compliance with the applicable provisions of
the Bankruptcy Code with regard to the solicitation and distributions pursuant to this 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 this Plan or such distributions made pursuant to this Plan, including the issuance
of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all
other releases, indemnities, exculpations, and any other applicable law or rules protecting such
Exculpated Parties from liability.

21 **10.9 Releases.**

22 (a) ***Releases by the Debtors.*** As of and subject to the occurrence of the Effective
23 Date, except for the rights that remain in effect from and after the Effective Date to enforce this
24 Plan and the Plan Documents, and except for the Assigned Rights and Causes of Action solely
25 to the extent preserved by Section 10.9(g), for good and valuable consideration, the adequacy of
26 which is hereby confirmed, including, the service of the Released Parties to facilitate the
reorganization of the Debtors, the implementation of the Restructuring, and except as otherwise
provided in this Plan or in the Confirmation Order, the Released Parties are deemed forever
released and discharged, to the maximum extent permitted by law and unless barred by law, by

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1 the Debtors, the Reorganized Debtors, and the Debtors' estates, in each case on behalf of
2 themselves and their respective successors, assigns, and representatives and any and all other
3 Entities who may purport to assert any Cause of Action derivatively, by or through the foregoing
4 Entities, from any and all claims, interests, obligations, suits, judgments, damages, demands,
5 debts, rights, Causes of Action, losses, remedies, or liabilities whatsoever, including any
6 derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or
7 the Debtors' estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter
8 arising, in law, equity, or otherwise, that the Debtors, the Reorganized Debtors, or the Debtors'
9 estates would have been legally entitled to assert in their own right (whether individually or
10 collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or
11 relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11
12 Cases, the Fires, the purchase, sale, or rescission of the purchase or sale of any Security of the
13 Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving
14 rise to, any Claim or Interest that is treated in this Plan, the business or contractual
15 arrangements between any Debtor and any Released Party, the DIP Facilities, the Plan Funding,
16 the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11
17 Cases, the Restructuring Transactions, the Public Entities Plan Support Agreements, the
18 Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the Exit
19 Financing Documents, the negotiation, formulation, or preparation of the Disclosure Statement
20 and this Plan and related agreements, instruments, and other documents (including the Plan
21 Documents, the Claims Resolution Procedures, the Wildfire Trust Agreements, Public Entities
22 Plan Support Agreements, the Backstop Commitment Letters, the Subrogation Claims RSA, the
23 Tort Claimants RSA, and the Exit Financing Documents), the solicitation of votes with respect
24 to this Plan, any membership (including, but not limited to, on an *ex officio* basis), participation
25 in, or involvement with the Statutory Committees, or any other act or omission, transaction,
26 agreement, event, or other occurrence, and in all respects such Entities shall be entitled to
27 reasonably rely upon the advice of counsel with respect to their duties and responsibilities
28 pursuant to this Plan.

(b) *Releases by Holders of Claims and Interests.* As of and subject to the occurrence of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, and except for the Assigned Rights and Causes of Action solely to the extent preserved by Section 10.9(g), for good and valuable consideration, the adequacy of which is hereby confirmed, including, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, and except as otherwise provided in the Plan or in the Confirmation Order, the Released Parties, are deemed forever released and discharged, to the maximum extent permitted by law and unless barred by law, by the Releasing Parties from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, and any claims for breach of any fiduciary duty (or any similar duty), whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such holders or their affiliates (to the extent such affiliates can be bound) would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or

1 relating to, or in any manner arising from, in whole or in part, the Debtors, the Fires, the
2 Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the
3 Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving
4 rise to, any Claim or Interest that is treated in the Plan, the business or contractual
5 arrangements between any Debtor and any Released Party, the DIP Facilities, the Plan Funding,
6 the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11
7 Cases, the Restructuring Transactions, the Public Entities Plan Support Agreement, the
8 Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the Exit
9 Financing Documents, the negotiation, formulation, or preparation of the Disclosure Statement,
10 the Plan and related agreements, instruments, and other documents (including the Plan
11 Documents, the Claims Resolution Procedures, the Wildfire Trust Agreements, Public Entities
12 Plan Support Agreements, the Backstop Commitment Letters, the Subrogation Claims RSA, the
13 Tort Claimants RSA, and the Exit Financing Documents), the solicitation of votes with respect
14 to the Plan, any membership in (including, but not limited to, on an *ex officio* basis),
15 participation in, or involvement with the Statutory Committees, or any other act or omission,
16 transaction, agreement, event, or other occurrence, and in all respects such Entities shall be
17 entitled to reasonably rely upon the advice of counsel with respect to their duties and
18 responsibilities pursuant to the Plan. Notwithstanding the above, the holders of Workers'
19 Compensation Claims and 2001 Utility Exchange Claims retain the right to assert such Claims
20 against the Reorganized Debtors in accordance with the terms of the Plan; and nothing herein
21 shall be deemed to impose a release by holders of Fire Victim Claims of insurance claims arising
22 under their insurance policies against holders of Subrogation Wildfire Claims, other than any
23 rights such holder may elect to release as part of any settlement as set forth in Section 4.18(f)(ii)
24 hereof.

25 (c) *Only Consensual Non-Debtor Releases.* Except as set forth under Section
26 4.18(f)(ii) hereof, for the avoidance of doubt, and notwithstanding any other provision of this
27 Plan, nothing in the Plan is intended to, nor shall the Plan be interpreted to, effect a
28 nonconsensual release by a holder of a Claim in favor of a party that is not a Debtor, it being
acknowledged that such holder shall be deemed to release a party that is not a Debtor under the
Plan solely to the extent that such holder consensually elects to provide such Plan release in
accordance with the opt-in release procedures set forth herein or in any applicable Ballot. The
holder of a Claim shall receive the same amount of consideration under the Plan whether or not
such holder elects to release a party that is not a Debtor in accordance with the opt-in release
procedures set forth herein or in any applicable Ballot.

(d) *Release of Liens.* Except as otherwise specifically provided in the Plan or
in any contract, instrument, release, or other agreement or document created pursuant to the
Plan, including the Exit Financing Documents, on the Effective Date and concurrently with the
applicable distributions made pursuant to the Plan and, in the case of a Secured Claim,
satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date,
all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of
the estates shall be fully released and discharged, 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
to the Reorganized Debtors and their successors and assigns, in each case, without any further

1 approval or order of the Bankruptcy Court and without any action or filing being required to
2 be made by the Debtors.

3 (e) ***Waiver of Statutory Limitations on Releases.*** Each releasing party in any
4 general release contained in the Plan expressly acknowledges that although ordinarily a general
5 release may not extend to claims which the releasing party does not know or suspect to exist in
6 his favor, which if known by it may have materially affected its settlement with the party
7 released, each releasing party has carefully considered and taken into account in determining to
8 enter into the above releases the possible existence of such unknown losses or claims. Without
9 limiting the generality of the foregoing, and solely with respect to any general release under this
10 Plan, each releasing party expressly waives any and all rights conferred upon it by any statute
or rule of law which provides that a release does not extend to claims which the claimant does
not know or suspect to exist in its favor at the time of executing the release, which if known by
it may have materially affected its settlement with the released party, including the provisions
of California Civil Code section 1542. The releases contained in this Article X of the Plan are
effective regardless of whether those released matters are presently known, unknown, suspected
or unsuspected, foreseen or unforeseen.

11 (f) **Injunction Related to Releases and Exculpation.** The Confirmation Order
12 shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly,
13 derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts,
14 rights, Causes of Action, losses, or liabilities released pursuant to this Plan, including, the claims,
15 obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities
16 released or exculpated in this Plan. For the avoidance of doubt, this injunction shall not apply to the
17 rights of the Fire Victims Trust to prosecute and settle any Assigned Rights and Causes of Action
solely to the extent provided for in the Plan. Notwithstanding the above, the holders of Workers'
Compensation Claims and 2001 Utility Exchange Claims retain the right to assert such Claims against
the Reorganized Debtors in accordance with the terms of the Plan.

18 (g) **No Release or Exculpation of Assigned Rights and Causes of Action.**
19 Notwithstanding any other provision of the Plan, including anything in Section 10.8 and/or 10.9, the
20 releases, discharges, and exculpations contained in this Plan shall not release, discharge, or exculpate
21 any Person from the Assigned Rights and Causes of Action.

22 **10.10 Subordination.** The allowance, classification, and treatment of all Allowed
23 Claims and Interests and the respective distributions and treatments thereof under this Plan take into
24 account and conform to the relative priority and rights of the Claims and Interests in each Class in
25 connection with any contractual, legal, and equitable subordination rights relating thereto, whether
26 arising under general principles of equitable subordination, sections 510(a), 510(b), or 510(c) of the
27 Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve
28 the right to reclassify any Allowed Claim (other than any DIP Facility Claims) or Interest in
accordance with any contractual, legal, or equitable subordination relating thereto.

10.11 Retention of Causes of Action/Reservation of Rights.

(a) Except as otherwise provided in Section 10.9 hereof, nothing herein or in the Confirmation Order shall be deemed to be a waiver or the relinquishment of any rights or Causes of Action that the Debtors or the Reorganized Debtors may have or which the Reorganized Debtors may choose to assert on behalf of their respective estates under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including (i) any and all Claims against any Person or Entity, to the extent such Person or Entity asserts a crossclaim, counterclaim, and/or Claim for setoff which seeks affirmative relief against the Debtors, the Reorganized Debtors, or their officers, directors, or representatives and (ii) for the turnover of any property of the Debtors' estates.

(b) Nothing herein or in the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights or Causes of Action, right of setoff, or other legal or equitable defense that the Debtors had immediately prior to the Petition Date, against or with respect to any Claim left unimpaired by the Plan. The Reorganized Debtors shall have, retain, reserve, and be entitled to assert all such claims, Causes of Action, rights of setoff, and other legal or equitable defenses that they had immediately prior to the Petition Date fully as if the Chapter 11 Cases had not been commenced, and all of the Reorganized Debtors' legal and equitable rights with respect to any Claim left unimpaired by the Plan may be asserted after the Confirmation Date to the same extent as if the Chapter 11 Cases had not been commenced.

(c) The Reorganized Debtors reserve and shall retain the applicable Causes of Action notwithstanding the rejection of any executory contract or unexpired lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors in accordance with the terms hereof. The Reorganized Debtors 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.

10.12 Preservation of Causes of Action. 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 them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action against them. The Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided herein.

10.13 Special Provisions for Governmental Units. Solely with respect to Governmental Units, nothing herein shall limit or expand the scope of discharge, release, or injunction to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code. Further, nothing herein, including Sections 10.8 and 10.9 hereof, shall discharge, release, enjoin, or otherwise bar (a) any liability of the Debtors or the Reorganized Debtors to a Governmental Unit arising on or after the Confirmation Date with respect to events occurring on or after the Confirmation Date, (b) any liability to a Governmental Unit that is not a Claim, (c) any valid right of setoff or recoupment of a Governmental Unit, (d) any police or regulatory action by a Governmental Unit, (e) any environmental

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1 liability to a Governmental Unit that the Debtors, the Reorganized Debtors, any successors thereto, or
 2 any other Person or Entity may have as an owner or operator of real property after the Effective Date,
 3 or (f) any liability to a Governmental Unit on the part of any Persons or Entities other than the Debtors
 4 or the Reorganized Debtors, *provided*, that nothing in this Section 10.13 shall affect the Debtors'
 5 releases in Section 10.9 hereof, nor shall anything herein enjoin or otherwise bar any Governmental
 6 Unit from asserting or enforcing, outside the Bankruptcy Court, any of the matters described in clauses
 7 (a) through (f) above.

8 **10.14 Document Retention and Cooperation with the Fire Victim Trust.** On and
 9 after the Effective Date, the Reorganized Debtors may maintain documents in accordance with the
 10 Debtors' standard document retention policy, as may be altered, amended, modified, or supplemented
 11 by the Reorganized Debtors. The Debtors and the Reorganized Debtors shall respond to reasonable
 12 requests of the Fire Victim Trust for any non-privileged information and documents related to the
 13 Assigned Claims and Causes of Action and the Fire Victim Claims or as reasonably necessary for the
 14 administration of the Fire Victim Trust.

15 **10.15 Solicitation of Plan.** As of the Confirmation Date: (a) the Debtors shall be
 16 deemed to have solicited acceptances of the Plan in good faith and in compliance with the applicable
 17 provisions of the Bankruptcy Code, including sections 1125(a) and (e) of the Bankruptcy Code, and
 18 any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in
 19 connection with such solicitation and (b) the Debtors and each of their respective directors, officers,
 20 employees, affiliates, agents, restructuring advisors, financial advisors, investment bankers,
 21 professionals, accountants, and attorneys shall be deemed to have participated in good faith and in
 22 compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any
 23 securities under the Plan, and therefore are not, and on account of such offer, issuance, and solicitation
 24 shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing
 25 the solicitation of acceptances or rejections of the Plan or the offer and issuance of any securities under
 26 the Plan.

27 **ARTICLE XI.**

28 **RETENTION OF JURISDICTION**

1 **11.1 Jurisdiction of Bankruptcy Court.** On and after the Effective Date, the
 2 Bankruptcy Court shall retain exclusive jurisdiction of all matters arising under, arising out of, or
 3 related to the Chapter 11 Cases and the Plan pursuant to, and for the purposes of, sections 105(a) and
 4 1142 of the Bankruptcy Code and for, among other things, the following purposes:

5 (a) To hear and determine motions for and any disputes involving the assumption,
 6 assumption and assignment, or rejection of executory contracts or unexpired leases and the allowance
 7 of Claims resulting therefrom, including the determination of any Cure Amount;

8 (b) To determine any motion, adversary proceeding, application, contested matter,
 9 and other litigated matter pending on or commenced before or after the Confirmation Date, including,
 10 any proceeding with respect to a Cause of Action or Avoidance Action;

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(c) To ensure that distributions to holders of Allowed Claims are accomplished as provided herein;

(d) To consider Claims or the allowance, classification, priority, compromise, estimation, or payment of any Claim, including any Administrative Expense Claims;

(e) To enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(f) To issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Person with the consummation, implementation, or enforcement of the Plan, the Confirmation Order, or any other order, judgment or ruling of the Bankruptcy Court, including enforcement of the releases, exculpations, and the Channeling Injunction;

(g) To hear and determine any application to modify the Plan in accordance with section 1127 of the Bankruptcy Code and to remedy any defect or omission or reconcile any inconsistency in the Plan, the Disclosure Statement, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(h) To hear and determine all applications under sections 330, 331, and 503(b) of the Bankruptcy Code for awards of compensation for services rendered and reimbursement of expenses incurred prior to the Confirmation Date;

(i) To hear and determine disputes arising in connection with or related to the interpretation, implementation, or enforcement of the Plan, the Confirmation Order, any transactions or payments contemplated herein, or any agreement, instrument, or other document governing or relating to any of the foregoing;

(j) To hear and determine disputes arising in connection with Disputed Claims;

(k) To take any action and issue such orders as may be necessary to construe, enforce, implement, execute, and consummate the Plan or to maintain the integrity of the Plan following consummation;

(l) To recover all assets of the Debtors and property of the Debtors' estates, wherever located;

(m) To determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(n) To hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including the expedited determination of taxes under section 505(b) of the Bankruptcy Code);

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1 (o) To enforce all orders previously entered by the Bankruptcy Court;

2 (p) To hear and determine any other matters related hereto and not inconsistent with
3 the Bankruptcy Code and title 28 of the United States Code;

4 (q) To resolve any disputes concerning whether a Person or entity had sufficient
5 notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection
6 with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for
responding or objecting to a Cure Amount, in each case, for the purpose for determining whether a
Claim or Interest is discharged hereunder or for any other purpose;

7 (r) To determine any other matters or adjudicate any disputes that may arise in
8 connection with or are related to the Plan, the Disclosure Statement, the Confirmation Order, the Plan
Supplement, or any document related to the foregoing; *provided*, that the Bankruptcy Court shall not
9 retain jurisdiction over disputes concerning documents contained in the Plan Supplement that have a
jurisdictional, forum selection or dispute resolution clause that refers disputes to a different court;

10 (s) To hear and determine all disputes involving the existence, nature, or scope of
11 the Debtors' discharge;

12 (t) To hear and determine any rights, claims, or Causes of Action held by or
13 accruing to the Debtors or the Reorganized Debtors pursuant to the Bankruptcy Code or any federal
or state statute or legal theory;

14 (u) To hear and determine any dispute involving the Wildfire Trusts, including but
15 not limited to the interpretation of the Wildfire Trust Agreements;

16 (v) To hear any other matter not inconsistent with the Bankruptcy Code; and

17 (w) To enter a final decree closing the Chapter 11 Cases.

18 To the extent that the Bankruptcy Court is not permitted under applicable law to preside over
19 any of the forgoing matters, the reference to the "Bankruptcy Court" in this Article XI shall be deemed
20 to be replaced by the "District Court." Nothing in this Article XI shall expand the exclusive
jurisdiction of the Bankruptcy Court beyond that provided by applicable law.

21 ARTICLE XII.

22 MISCELLANEOUS PROVISIONS

23 **12.1 Dissolution of Statutory Committees.** On the Effective Date, the Statutory
24 Committees shall dissolve, the current and former members of the Statutory Committees, including
25 any *ex officio* members, and their respective officers, employees, counsel, advisors and agents, shall
26 be released and discharged of and from all further authority, duties, responsibilities and obligations
27 related to and arising from and in connection with the Chapter 11 Cases, except for the limited purpose
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1 of prosecuting (i) requests for allowances of compensation and reimbursement of expenses incurred
2 prior to the Effective Date or (ii) any appeals of the Confirmation Order.

3 **12.2 Substantial Consummation.** On the Effective Date, the Plan shall be deemed
4 to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

5 **12.3 Exemption from Transfer Taxes.** Pursuant to section 1146(a) of the
6 Bankruptcy Code, the issuance, transfer, or exchange of any Security or property hereunder or in
7 connection with the transactions contemplated hereby, the creation, filing, or recording of any
8 mortgage, deed of trust, or other security interest, the making, assignment, filing, or recording of any
9 lease or sublease, or the making or delivery of any deed, bill of sale, or other instrument of transfer
10 under, in furtherance of, or in connection with the Plan, or any agreements of consolidation, deeds,
11 bills of sale, or assignments executed in connection with any of the transactions contemplated herein,
12 shall constitute a “transfer under a plan” within the purview of section 1146 of the Bankruptcy Code
13 and shall not be subject to or taxed under any law imposing a stamp tax or similar tax, to the maximum
14 extent provided by section 1146(a) of the Bankruptcy Code. To the maximum extent provided by
15 section 1146(a) of the Bankruptcy Code and applicable nonbankruptcy law, the Restructuring
16 Transactions shall not be taxed under any law imposing a stamp tax or similar tax.

17 **12.4 Expedited Tax Determination.** The Reorganized Debtors may request an
18 expedited determination of taxes under section 505(b) of the Bankruptcy Code for all returns filed for
19 or on behalf of the Debtors or the Reorganized Debtors for all taxable periods of the Debtors through
20 the Effective Date.

21 **12.5 Payment of Statutory Fees.** On the Effective Date, and thereafter as may be
22 required, each of the Debtors shall pay all the respective fees payable pursuant to section 1930 of
23 chapter 123 of title 28 of the United States Code, together with interest, if any, pursuant to section
24 3717 of title 31 of the United States Code, until the earliest to occur of the entry of (i) a final decree
25 closing such Debtor’s Chapter 11 Case, (ii) a Final Order converting such Debtor’s Chapter 11 Case
26 to a case under chapter 7 of the Bankruptcy Code, or (iii) a Final Order dismissing such Debtor’s
27 Chapter 11 Case.

28 **12.6 Plan Modifications and Amendments.** The Plan may be amended, modified,
or supplemented by the Plan Proponents, in the manner provided for by section 1127 of the Bankruptcy
Code or as otherwise permitted by law without additional disclosure pursuant to section 1125 of the
Bankruptcy Code, except as the Bankruptcy Court may otherwise direct, so long as such action does
not materially and adversely affect the treatment of holders of Claims or Interests hereunder. The Plan
Proponents may institute proceedings in the Bankruptcy Court to remedy any defect or omission or
reconcile any inconsistencies in the Plan or the Confirmation Order with respect to such matters as
may be necessary to carry out the purposes and effects of the Plan and any holder of a Claim or Interest
that has accepted the Plan shall be deemed to have accepted the Plan as so amended, modified, or
supplemented. Prior to the Effective Date, the Plan Proponents may make appropriate technical
adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court;
provided, that such technical adjustments and modifications do not materially and adversely affect the
treatment of holders of Claims or Interests.

1 **12.7 Revocation or Withdrawal of Plan.** The Plan Proponents may revoke,
2 withdraw, or delay consideration of the Plan prior to the Confirmation Date, either entirely or with
3 respect to one or more of the Debtors, and to file subsequent amended plans of reorganization. If the
4 Plan is revoked, withdrawn, or delayed with respect to fewer than all of the Debtors, such revocation,
5 withdrawal, or delay shall not affect the enforceability of the Plan as it relates to the Debtors for which
6 the Plan is not revoked, withdrawn, or delayed. If the Plan Proponents revoke the Plan in its entirety,
7 the Plan shall be deemed null and void. In such event, nothing herein shall be deemed to constitute a
8 waiver or release of any Claim by or against the Debtors or any other Person or to prejudice in any
9 manner the rights of the Debtors or any other Person in any further proceedings involving the Debtors.

7 **12.8 Courts of Competent Jurisdiction.** If the Bankruptcy Court abstains from
8 exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter
9 arising out of the Plan, such abstention, refusal, or failure of jurisdiction shall have no effect upon and
10 shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent
11 jurisdiction with respect to such matter.

10 **12.9 Severability.** If, prior to entry of the Confirmation Order, any term or provision
11 of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy
12 Court, in each case at the election and request of the Debtors may alter and interpret such term or
13 provision to make it valid or enforceable to the maximum extent practicable, consistent with the
14 original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or
15 provision shall then be applicable as altered or interpreted. Notwithstanding any such holding,
16 alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full
17 force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration,
18 or interpretation. The Confirmation Order shall constitute a judicial determination and provide that
19 each term and provision hereof, as it may have been altered or interpreted in accordance with the
20 foregoing, is (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be
21 deleted or modified except in accordance with the terms of the Plan; and (c) nonseverable and mutually
22 dependent.

18 **12.10 Governing Law.** Except to the extent the Bankruptcy Code or other U.S.
19 federal law is applicable, or to the extent a schedule hereto, or a schedule in the Plan Supplement
20 expressly provides otherwise, the rights, duties, and obligations arising hereunder shall be governed
21 by, and construed and enforced in accordance with, the laws of the State of California, without giving
22 effect to the principles of conflicts of law thereof to the extent they would result in the application of
23 the laws of any other jurisdiction.

22 **12.11 Schedules and Exhibits.** The schedules and exhibits to the Plan and the Plan
23 Supplement are incorporated into, and are part of, the Plan as if set forth herein.

24 **12.12 Successors and Assigns.** All the rights, benefits, and obligations of any Person
25 named or referred to herein shall be binding on, and inure to the benefit of, the heirs, executors,
26 administrators, successors, and/or assigns of such Person.
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1 **12.13 Time.** In computing any period of time prescribed or allowed herein, unless
 2 otherwise set forth herein or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule
 9006 shall apply.

3 **12.14 Notices.** To be effective, all notices, requests, and demands to or upon the
 4 Debtors shall be in writing (including by facsimile or electronic transmission) and, unless otherwise
 5 expressly provided herein, shall be deemed to have been duly given or made when actually delivered,
 or in the case of notice by facsimile transmission, when received and telephonically confirmed,
 6 addressed as follows:

7 **If to the Debtors, to:**

<p>8 PG&E Corporation and Pacific Gas and 9 Electric Company 10 77 Beale Street San Francisco, CA 94105 Attn: Janet Loduca, Senior Vice President and 11 General Counsel E-mail: janet.loduca@pge.com</p>	<p>Cravath, Swaine & Moore LLP Worldwide Plaza 825 Eighth Avenue New York, NY 10019-7475 Attn: Kevin J. Orsini, Paul H. Zumbro Telephone: (212) 474-1000 Email: korsini@cravath.com, pzumbro@cravath.com</p>
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<p>12 Weil, Gotshal & Manges LLP 13 767 Fifth Avenue New York, New York 10153 Attn: Stephen Karotkin, Ray C. Schrock, 14 Jessica Liou and Matthew Goren Telephone: (212) 310-8000 E-mail: stephen.karotkin@weil.com, 15 ray.schrock@weil.com, 16 jessica.liou@weil.com, 17 matthew.goren@weil.com</p>	<p>Keller & Benvenuti LLP 650 California Street, Suite 1900 San Francisco, CA 94108 Attn: Tobias S. Keller, Peter J. Benvenuti, and Jane Kim Telephone: (415) 796 0709 Email: tkeller@kellerbenvenuti.com, pbenvenuti@kellerbenvenuti.com, jkim@kellerbenvenuti.com</p>
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18 **If to the Shareholder Proponents, to:**

19 Jones Day
 20 555 South Flower Street
 21 Fiftieth Floor
 Los Angeles, CA 90071-2300
 22 Attn: Bruce S. Bennett, Joshua M. Mester
 and James O. Johnston
 23 Telephone: (213) 489-3939
 E-mail: bbennett@jonesday.com,
 24 jmester@jonesday.com,
 25 jjohnston@jonesday.com

If to the Creditors Committee, to:

Milbank LLP
55 Hudson Yards
New York, New York 10001-2163
Attn: Dennis F. Dunne
Telephone: (212) 530-5000
Email: ddunne@milbank.com

Milbank LLP
2029 Century Park East, 33rd Floor
Los Angeles, CA US 90067-3019
Attn: Thomas A. Kreller
Telephone: (424) 386-4000
Email: tkreller@milbank.com

If to the Tort Claimants Committee, to:

Baker & Hostetler LLP
600 Montgomery Street, Suite 3100
San Francisco, CA 94111
Attn: Robert Julian and Cecily A. Dumas
Telephone: (628) 208 6434
Email: rjulian@bakerlaw.com and
cdumas@bakerlaw.com

Baker & Hostetler LLP
11601 Wilshire Boulevard, Suite 1400
Los Angeles, CA 90025
Attn: Eric E. Sagerman and Lauren T. Attard
Telephone (310) 820 8800
Email: esagerman@bakerlaw.com,
lattard@bakerlaw.com

If to the U.S. Trustee, to:

United States Department of Justice
Office of the U.S. Trustee
450 Golden Gate Avenue, Suite 05-0153
San Francisco, CA 94102
Attn: Andrew R. Vara and Timothy S.
Laffredi
Telephone: (415) 705-3333
Email: Andrew.R.Vara@usdoj.gov and
Timothy.S.Laffredi@usdoj.gov

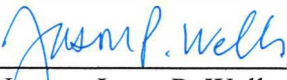
After the occurrence of the Effective Date, the Reorganized Debtors have authority to send a notice to Entities that in order to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the occurrence of the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities that have filed such renewed requests.

12.15 Reservation of Rights. Except as otherwise provided herein, this Plan shall be of no force or effect unless the Bankruptcy Court enters the Confirmation Order. None of the filing of this Plan, any statement or provision of this Plan, or the taking of any action by the Debtors with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of the Debtors with respect to any Claims or Interests prior to the Effective Date.

1 Dated: December 12, 2019
2 San Francisco, California

3 Respectfully submitted,

4 PG&E CORPORATION

5
6 By: 
7 Name: Jason P. Wells
8 Title: Executive Vice President and Chief Financial
9 Officer
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Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-0119

PACIFIC GAS AND ELECTRIC COMPANY

By: David Thomason

Name: David S. Thomason

Title: Vice President, Chief Financial Officer and
Controller

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-0119

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Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-0119

1 Dated: December 12, 2019
2 San Francisco, California

3 Respectfully submitted,

4
5 PG&E CORPORATION

6 By: _____
7 Name: Jason P. Wells
8 Title: Executive Vice President and Chief Financial
9 Officer

10 PACIFIC GAS AND ELECTRIC COMPANY

11 By: _____
12 Name: David S. Thomason
13 Title: Vice President, Chief Financial Officer and
14 Controller

15 ABRAMS CAPITAL MANAGEMENT, L.P. on behalf of
16 certain funds and accounts it manages or advises

17 By: David Abrams
18 Abrams Capital Management, LLC,
19 its General Partner
20 Name: David Abrams
21 Title: Managing Member

22 KNIGHTHEAD CAPITAL MANAGEMENT, LLC on
23 behalf of certain funds and accounts it manages or advises

24 By: _____
25 Name: Thomas A. Wagner

1 Dated: December 12, 2019
2 San Francisco, California

3 Respectfully submitted,

4
5 PG&E CORPORATION

6 By: _____

7 Name: Jason P. Wells

8 Title: Executive Vice President and Chief Financial
9 Officer

10 PACIFIC GAS AND ELECTRIC COMPANY

11 By: _____

12 Name: David S. Thomason

13 Title: Vice President, Chief Financial Officer and
14 Controller

15 ABRAMS CAPITAL MANAGEMENT, L.P. on behalf of
16 certain funds and accounts it manages or advises

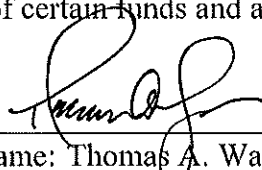
17 By: _____

18 Abrams Capital Management, LLC,
19 its General Partner

20 Name: David Abrams

21 Title: Managing Member

22 KNIGHTHEAD CAPITAL MANAGEMENT, LLC on
23 behalf of certain funds and accounts it manages or advises

24 By:  _____

25 Name: Thomas A. Wagner

26 Title: Managing Member

27
28
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-0119

Exhibit A

Fires

1. Butte Fire (2015)
2. North Bay Wildfires (2017)
 - a. LaPorte
 - b. McCourtney
 - c. Lobo
 - d. Honey
 - e. Redwood / Potter Valley
 - f. Sulphur
 - g. Cherokee
 - h. 37
 - i. Blue
 - j. Pocket
 - k. Atlas
 - l. Cascade
 - m. Nuns
 - n. Adobe
 - o. Norrbom
 - p. Pressley
 - q. Patrick
 - r. Pythian / Oakmont
 - s. Maacama
 - t. Tubbs
 - u. Point
 - v. Sullivan
3. Camp Fire (2018)
4. Ghost Ship Fire (2016)

Exhibit B

MUTUAL MADE WHOLE RELEASE

The terms “Claimant” and “Insurer,” are defined in Paragraph G. below.

_____, Trustee of the Fire Victim Trust, the undersigned party or personal representative (referred to herein as “Claimant”), individually and on behalf of the estate of the Claimant, and the Insurer (collectively, the “Parties” or “Releasees”) agree as follows:

- A. Whereas, the Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization dated _____ (the “Plan”), was confirmed by an order of the United States Bankruptcy Court for the Northern District of California entered on _____, 2020, and the Plan became effective on _____, 2020.
- B. Whereas the Plan provides for the treatment of all allowed Fire Victim Claims (as defined in the Plan) against the Debtors through the Fire Victim Trust (as defined in the Plan) and for the discharge of the Debtors from any further or other liability on account of all Fire Victim Claims.
- C. Whereas the Plan provides for the treatment of all allowed Subrogation Wildfire Claims (as defined in the Plan) against the Debtors through the Subrogation Wildfire Trust (as defined in the Plan) and for the discharge of the Debtors from any further or other liability on account of all Subrogation Wildfire Claims.
- D. Whereas, the Plan provides that the Fire Victim Claims are administered by a Fire Victim Trust and a Fire Victim Trustee who operates independent from the Debtors, holders of the Fire Subrogation Claims, and the Insurer. Neither the Debtors, holders of the Fire Subrogation Claims, nor the Insurer shall have any right to participate in the administration of the Fire Victim Trust, review any allocation or distribution decision of the Trustee or Trust Oversight Committee, including that of the Claimant, or make any claim for money against the Trust or the Trustee in any way or at any time.
- E. Whereas, the Trustee and Fire Victim Trust Oversight Committee have reviewed and advised the Claimant of (a) the total amount paid into the Fire Victim Trust available for compensation to the Fire Victims, (b) the total number of claims made against the Fire Victim Trust, (c) the process by which trust funds will be allocated and distributed, and (d) the total allocated amount from the Fire Victim Trust to the Claimant (“Total Allocation Award”).
- F. Whereas, the Claimant has reviewed the Total Allocation Award.

- G. Whereas, the Plan provides the Claimant and the Insurer execute a mutual limited release after the Claimant has reviewed the Total Allocation Award wherein the Claimant agrees to release only their claim against the Insurer under the Made Whole Doctrine (see Paragraph 1) and no other claim, cause of action, defense or remedy against the Insurer, and the Insurer agrees to release the Claimant as described herein in Paragraph 3. For the purpose of this Release, “Claimant” includes the Claimant’s heirs, legal representatives, successor or assigns and “Insurer” includes the Claimants’ insurance carriers, their past and present holders of insurance subrogation claims against the Debtors (and their direct and indirect assignors or assignees), and each of their directors, officers, agents, consultants, financial advisers, employees, attorneys, predecessors, successors and assigns.
- H. Whereas, nothing in this Release is an affirmation, representation, or an acknowledgment that the Claimant has in fact been fully compensated for their damages covered by the contract of insurance between the Insurer and the Claimant. The parties agree that Court’s approval of the Plan and the Claimants’ acceptance of the Total Allocation Award does not establish that the Claimant has been fully compensated under California law for their compensable damages as a result of the fire to the extent those damages are covered by insurance.
- I. Whereas, the Insurer has agreed to the terms, provisions, and agreements of this Mutual Release in a separate agreement dated _____, 20__, affirming, adopting, and attaching a copy of this Mutual Release (“Insurer Adoption Agreement”). This Mutual Release is conditioned upon the Insurer, or the Insurer’s successor on behalf of the Insurer, filing in the Chapter 11 case the Insurer Adoption Agreement, which states the Insurer releases, as to the Made Whole Doctrine only, each Claimant who signs and agrees to the terms of this Mutual Release. The terms, provisions, and agreements of the Insurer Adoption Agreement are incorporated herein by reference. Insurer’s consent and agreement to the terms, provisions, and agreements of this Mutual Release shall be effective upon the signature of the Claimant.
- J. Whereas, this release is not required for the Trustee to allocate and distribute preliminary awards to individuals on a case by case basis for humanitarian or urgent needs.

NOW, THEREFORE, in consideration for the agreements described in this Release and other good and valuable consideration, the Claimant and the Insurer agree as follows:

1. By accepting the Total Allocation Award, the Claimant hereby waives and releases their rights, known or unknown, to assert the Made Whole Doctrine against the Insurer. Claimant is not waiving or releasing any other claim, cause of action, defense, or remedy against Insurer. Also, by signing this agreement, the Claimant is not agreeing as a factual matter that the Claimant has been fully compensated for each and every category of their damages under California law.

2. The Claimant is not releasing any claims the Claimant may have against the Insurer other than the Claimant's foregoing waiver set forth in Paragraph 1. The Parties to this Release further agree and acknowledge that the Claimant is not releasing any claims, except and only to the extent set forth above, they might have against the Insurer, including but not limited to those claims or causes of action related to: (1) the policy of insurance and what is still owed or to be paid under the policy terms and conditions; (2) the right to pursue claims already made or to make new or continued claims under the policy; (3) claims handling issues; (4) delay in paying claims under the policy; (5) inadequate or untimely communication relating to the claim; (6) unreasonable positions taken relating to coverage, payment of the claim, acknowledging coverage, or day-to-day claims decisions; (7) actions or inactions of insurance agents or brokers in underwriting, securing, adjusting, calculating or recommending coverage; (8) coverage issues over policy language; (9) any action for bad faith or breach of the covenant of good faith and fair dealing; (10) any claims to reform or modify the terms of any policy; (12) any rights to recover damages for breach of contract or tort (including punitive damages), penalties or equitable relief; (13) any claims of violations of statutory or regulatory obligations; or (14) any claim for unfair business acts or practices.

3. The Insurer agrees to release and waive any right to make claim for any amount paid to the Claimant pursuant to the Fire Victim Trust or to assert as a defense, offset or reduction, the money paid to the Claimant from the Fire Victim Trust, which belongs solely to the Claimant. The Claimant agrees to make no claim on the money paid to the Insurer from the Subrogation Wildfire Trust. In agreeing to this limited release, Insurer is not releasing any claim, cause of action, defense, or remedy it may have against the Claimant other than Claimant's foregoing release of any Made Whole Doctrine claim.

4. The Insurer is not releasing any claims the Insurer may have against Claimant other than the Insurer's foregoing waiver set forth in Paragraph 3. The Parties to this Release further agree and acknowledge that the Insurer is not releasing any claims, except and only to the extent set forth above, it might have against the Claimant, including but not limited to those claims related to: (1) the policy of insurance and what is still owed or to be paid under the policy terms and conditions; (2) defenses to garden variety claims handling issues unrelated to the Made Whole Doctrine; (3) defenses related to delay in paying claims under the policy; (4) defenses to alleged inadequate or untimely communication relating to the claim; (5) defenses to alleged unreasonable positions taken relating to coverage, payment of the claim, acknowledging coverage, or day-to-day claims decisions; (6) defenses to actions or inactions of insurance agents or brokers in securing coverage; (7) coverage issues over policy language unrelated to Made Whole Doctrine; or (8) defenses to any common law action for bad faith unrelated to Made Whole Doctrine.

5. The Insurer further agrees that the Total Allocation Award shall not be the subject of discovery or mentioned in any pleadings in any state or federal court action or admissible in evidence in any state or federal court action for any of the causes of action or claims for relief identified in Paragraphs 2 or 4. Claimant agrees that the amount paid to Insurer from the Subrogation Wildfire Trust shall not be the subject of discovery or mentioned in any pleadings in any state or federal court action or admissible in evidence in any state or federal court action.

6. To the extent that the Claimant brings a claim for breach of contract, wrongful denial of coverage and/or bad faith against the Insurer, the Insurer shall not assert in any way or at any time that the Claimant should have or could have pursued that claim against the Debtors, the Fire Victim Trust, or any other party. The Insurer agrees that that it will not assert in any action or proceeding covered under Paragraph 2 or 4 that the Claimant has been compensated as a result of the Claimant's settlement with the Debtors.

7. Both the Claimant and the Insurer agree that this Release gives the parties released the status of third-party beneficiary of the Release, and such Releasees may enforce this Release and any rights or remedies set forth herein.

8. This Release contains the entire agreement between the parties as to the subject matter hereof and is effective immediately upon signing. Likewise the release in Paragraph 1 is effective immediately upon signing. If there is a conflict between this Release and any other prior or contemporaneous agreement between the parties concerning the subject matter of the Release, the Release controls.

9. The law of the State of California shall govern the interpretation of this Release. The Bankruptcy Court has jurisdiction to resolve any disputes under this agreement.

10. Each Releasor states that he, she, or it is of legal age, with no mental disability of any kind, is fully and completely competent, and is duly authorized to execute this Release on Releasor's own behalf. Releasor further states that this Release has been explained to Releasor and that Releasor knows the contents as well as the effect thereof. Releasor further acknowledges that Releasor executed this Release after consulting with Releasor's attorney or the opportunity to consult with an attorney.

11. For avoidance of doubt, the Made Whole Doctrine is described herein. Subrogation is a doctrine that permits an insurance company, or its assignees, to assert the rights and remedies of an insured against a third party tortfeasor. The Made Whole Doctrine is a common law exception to insurer's right of subrogation. The Made Whole Doctrine, under certain circumstances, could preclude an insurer from recovering any third-party funds unless and until the insured has been made whole for the loss. Both the Claimant and Insurer agree that this Release does not modify, abrogate or affect any prior release or waiver between the Parties arising from the Fire.

12. Consistent with the foregoing, it is expressly understood and agreed by claimant that claimant is waiving and releasing all known or unknown claims under the Made Whole Doctrine. It is expressly understood and agreed by insurer that insurer is waiving and releasing all known or unknown claims under the Made Whole Doctrine as to claimant.

Executed on this [●] day of [●], 20[●].

BY CLAIMANT [Add Name]:

Signature of Claimant or Representative

Printed Name of Signator

Capacity of Signator