

(ii) *Treatment.* Effective as of the later of (i) the Effective Date or (ii) the date such Class 3 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or the Reorganized Debtors, (x) each Allowed Class 3 Claim shall be Reinstated (as amended and extended to the extent agreed to in writing by the Holder of such Allowed Class 3 Claim); (y) each Holder of an Allowed Class 3 Claim shall receive such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 3 Claim shall have agreed upon in writing; or (z) each Holder of an Allowed Class 3 Claim shall receive such other treatment such that the applicable Allowed Class 3 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting.* Class 3 Claims are Unimpaired and the Holders of Allowed Class 3 Claims are conclusively presumed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(d) *Class 4: LATAM 2024/2026 Bond Claims Against LATAM Finance and LATAM Parent.*

(i) *Classification.* Class 4 consists of LATAM 2024 Bond Claims and LATAM 2026 Bond Claims against LATAM Finance and LATAM Parent.

(ii) *Treatment.* Effective as of the later of (i) the Effective Date or (ii) the date such Class 4 Claim becomes Allowed or as soon as reasonably practicable thereafter, at the discretion of the Debtors or Reorganized Debtors, each Holder of an Allowed LATAM 2024 Bond Claim and LATAM 2026 Bond Claim shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 4 Claim, (x) a distribution in Cash of its Pro Rata share of the LATAM International Bond Claim Amount; (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 4 Claim shall have agreed upon in writing or (z) such other treatment that the applicable Allowed Class 4 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting.* Class 4 Claims are Unimpaired and the Holders of Allowed Class 4 Claims are conclusively presumed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.<sup>13</sup>

(e) *Class 5: General Unsecured Claims Against LATAM Parent.*

(i) *Classification.* Class 5 consists of General Unsecured Claims against LATAM Parent.

(ii) *Treatment.* On the Effective Date or as soon as reasonably practicable after the Effective Date, each Holder of an Allowed General Unsecured Claim against LATAM Parent shall receive in full satisfaction, settlement, discharge and release of its

<sup>13</sup> Class 4 is Unimpaired. The Holders of LATAM 2024 Bond Claims and LATAM 2026 Bond Claims are deemed to have voted to Accept this Plan. Notwithstanding the foregoing, the Debtors have agreed to provisionally solicit the votes of Holders of Claims in Class 4 in the manner and to the extent provided in the Disclosure Statement Order.



Allowed Class 5 Claim a distribution pursuant to Class 5a Treatment described below, unless such Holder (excluding any Ineligible Holders) opts into Class 5b Treatment or Class 5c Treatment. For the avoidance of doubt, such election into Class 5b Treatment shall apply to all of such Holder's General Unsecured Allowed Claims against LATAM Parent, consistent with the provisions below. For the further avoidance of doubt, a Holder who elects into Class 5c Treatment is not required to elect into Class 5c all of such Holder's General Unsecured Allowed Claims against LATAM Parent.

*Class 5a Treatment.* Effective as of the Effective Date, on the Effective Date or as soon as reasonably practicable after the Effective Date, each Holder of Allowed General Unsecured Claims against LATAM Parent (excluding Participating Holders of General Unsecured Claims and Ineligible Holders) shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 5 Claim (x) (A) its Pro Rata share of New Convertible Notes Class A, subject to reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, (B) its Pro Rata share of the New Convertible Notes Class A Preemptive Rights Proceeds (if any) in an amount up to the Allowed Class 5a Treatment Cash Amount, (C) its Pro Rata share of the Total Allocation Amount, and (D) its Pro Rata share of the Total Allocation Amount Gross Up (if any); or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing. Each Holder of an Allowed General Unsecured Claim against LATAM Parent that is an Ineligible Holder shall receive, in lieu of the distribution in clause (x)(A) above, a distribution of Cash in respect of their Allowed Class 5 Claim equal to (A) their Pro Rata share of the Net Sale Proceeds in respect of the New Convertible Notes Class A such Ineligible Holder would be entitled to receive under this Plan if it were not an Ineligible Holder. No more than ninety (90) days after the Effective Date, New Convertible Notes Class A that would otherwise be distributed to Ineligible Holders will be sold by the Sales Agent in one or more block trades or otherwise in a manner intended to maximize the sale proceeds from such sale and such sale proceeds shall be distributed for Ineligible Holders Pro Rata as soon as practical thereafter. For the avoidance of doubt, any costs associated with the Sales Agent's sale of such Convertible Notes Class A as provided for herein shall be borne by the Reorganized Debtors.

*Class 5b Treatment.* Effective as of the Effective Date, on, or as soon as reasonably practicable after, the Initial Distribution Date, each Participating Holder of General Unsecured Claims (including New Convertible Notes Class C Unsecured Creditors and the New Convertible Notes Class C Backstop Parties) shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 5 Claim, (x) (A) its Pro Rata share of the GUC New Convertible Notes Class C Distribution, and (B) its Pro Rata share of the Total Allocation Amount; or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing, provided that in accordance with the Commitment Creditors Backstop Agreement, the New Convertible Notes Class C Backstop Parties shall also be allocated the Direct Allocation Amount.

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To the extent of any Allowed Class 5 Claims held by Participating Holders of General Unsecured Claims which have not been settled in connection with the GUC New Convertible Notes Class C Distribution or the Direct Allocation Amount (including with respect to the New Convertible Notes Class C backstop commitment) (the "Unused Allowed 5b Claims"), each such affected Holder shall receive in settlement of such Unused Allowed 5b Claims: (x) (1) its Pro Rata share of Convertible Notes Class A, (2) its Pro Rata share of New Convertible Notes Class A Preemptive Rights Proceeds up to the Allowed Class 5a Treatment Cash Amount, (3) its Pro Rata Share of the Total Allocation Amount and (4) such Holder's Pro Rata share of the Total Allocation Amount Unused Allowed 5b Claim Gross Up (if any), in each case to the extent of any of its Unused Allowed 5b Claims; or (y) such other less favorable treatment as to which the Debtors and the Holder of such Unused Allowed 5b Claim shall have agreed upon in writing. For the avoidance of doubt, the treatment of such Unused Allowed 5b Claims shall be on the same terms and Conversion Ratio applicable to Holders of General Unsecured Claims who do not elect Class 5b or 5c Treatment. For the avoidance of doubt, no Ineligible Holder shall be able to become a Participating Holder of a General Unsecured Claim.

*Class 5c Treatment.* Effective as of the Effective Date, on, or as soon as reasonably practicable after, the Initial Distribution Date, each New Local Notes Unsecured Creditor (and, in the case of New Local Notes Unsecured Creditors who are Holders of Local Bonds, Holders of Eligible Local Bonds) shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 5 Claim (x) its Pro Rata share of the New Local Notes or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing.

To the extent of any Allowed Class 5 Claims held by New Local Notes Unsecured Creditors which have not been settled in connection with the distribution of the New Local Notes (the "Unused Allowed 5c Claims"), each such affected Holder shall receive in settlement of such Unused Allowed 5c Claims: (x) (1) its Pro Rata share of Convertible Notes Class A, (2) its Pro Rata share of New Convertible Notes Class A Preemptive Rights Proceeds up to the Allowed Class 5a Treatment Cash Amount, (3) its Pro Rata share of the Total Allocation Amount, and (4) its Pro Rata share of the Total Allocation Amount Gross Up (if any), in each case to the extent of any of its Unused Allowed 5c Claims; or (y) such other less favorable treatment as to which the Debtors and the Holder of such Unused Allowed 5c Claim shall have agreed upon in writing. For the avoidance of doubt, the treatment of such Unused Allowed 5c Claims shall be on the same terms and Conversion Ratio applicable to Holders of General Unsecured Claims who do not elect Class 5b or 5c Treatment. For the avoidance of doubt, no Ineligible Holder shall be able to become a New Local Notes Unsecured Creditor.

For the avoidance of doubt, (i) each Allowed General Unsecured Claim against LATAM Parent receiving Class 5a Treatment under this Plan (and Unused Allowed Class 5c Claims) shall receive a Pro Rata share of the Total Allocation Amount Gross Up in the event such Claim's Pro Rata share of the Total Allocation Amount is less than 4.875% of the face amount of such Allowed Claim and (ii) each Unused Allowed Class 5b Claims shall receive a Pro Rata share of





the Total Allocation Amount Unused Allowed 5b Claim Gross Up in the event such Claim's Pro Rata share of the Total Allocation Amount is less than 2.4375% of the face amount of such Unused Allowed 5b Claim.

For the avoidance of doubt, the IRS will be deemed to be an Ineligible Holder and accordingly, any Allowed Class 5 Claims held by the IRS shall be paid in Cash in accordance with the procedures for distributions to Ineligible Holders provided for in this Plan.

(iii) *Voting.* Class 5 Claims are Impaired and the Holders of Allowed Class 5 Claims are entitled to vote.

(f) *Class 6: General Unsecured Claims Against Debtors Other Than LATAM Parent, Piquero Leasing Limited and LATAM Finance.*

(i) *Classification.* Class 6 consists of General Unsecured Claims against Debtors other than LATAM Parent, Piquero Leasing Limited and LATAM Finance.

(ii) *Treatment.* On the Effective Date or as soon as reasonably practicable after the Effective Date, each Holder of an Allowed General Unsecured Claim against a Debtor other than LATAM Parent, Piquero Leasing Limited or LATAM Finance shall receive, in full satisfaction, settlement, discharge and release of its Allowed Class 6 Claim, (x) Cash equal to the amount of such Allowed Class 6 Claim; (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 6 Claim shall have agreed upon in writing or (z) such other treatment such that the applicable Allowed Class 6 Claim will be rendered Unimpaired pursuant to section 1124 of the Bankruptcy Code.

(iii) *Voting.* Class 6 Claims are Unimpaired and the Holders of Allowed Class 6 Claims are conclusively presumed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(g) *Class 7: General Unsecured Claim Against Piquero.*

(i) *Classification.* Class 7 consists of the General Unsecured Claim against Piquero.

(ii) *Treatment.* On the Effective Date or as soon as reasonably practicable after the Effective Date, the Holder of the Allowed General Unsecured Claim against Piquero shall receive, in full satisfaction, settlement, discharge and release of such Claim, (x) the Piquero Consideration or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 7 Claim shall have agreed upon in writing.

(iii) *Voting.* The Class 7 Claim is Impaired and the Holder of the Allowed Class 7 Claim is entitled to vote.

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(h) Class 8: Litigation Claims Against All Debtors.

(i) Classification. Class 8 consists of Litigation Claims against each Debtor.

(ii) Treatment. On the Effective Date or as soon as reasonably practicable after the Effective Date, (i) each Allowed Class 8 Claim shall be Reinstated and paid in the ordinary course if and when finally resolved under applicable local law or (ii) each Holder of an Allowed Class 8 Claim shall receive such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 8 Claim shall have agreed upon in writing. For the avoidance of doubt, the Reinstatement of Allowed Class 8 Claims shall be without prejudice to the rights, claims and defenses of the Debtors and/or Reorganized Debtors pursuant to all applicable non-bankruptcy law.

(i) Voting. Class 8 Claims are Unimpaired and the Holders of Allowed Class 8 Claims are conclusively presumed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(j) Class 9: Intercompany Claims.

(i) Classification. Class 9 consists of Intercompany Claims at each Debtor.

(ii) Treatment. On the Effective Date or, if such Claim is subsequently Allowed, then the date such Class 9 Claim becomes Allowed or as soon as reasonably practicable thereafter, each Allowed Class 9 Claim shall be Reinstated.

(iii) Voting. Class 9 Claims are Unimpaired and the Holders of Allowed Class 9 Claims are deemed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

(k) Class 10: Existing Equity Interests in LATAM Parent.

(i) Classification. Class 10 consists of Existing Equity Interests in LATAM Parent.

(ii) Treatment. Existing Equity Interests in LATAM Parent shall be retained and reinstated subject to the dilution referred to below. No distribution shall be made under this Plan in respect of Existing Equity Interests in LATAM Parent. On the Effective Date, Holders of Existing Equity Interests in LATAM Parent shall be substantially diluted by the issuance of ERO New Common Stock and the New Convertible Notes Back-Up Shares pursuant to this Plan, including upon any conversion of the New Convertible Notes into equity, such that they hold no more than 0.1% of the common stock in LATAM Parent in respect of such interests.

(iii) Voting. Class 10 Claims are Impaired and the Holders of Allowed Class 10 Interests are deemed to Reject this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.





(l) Class 11: Equity Interests in Debtors Other Than LATAM Parent.

(i) *Classification.* Class 11 consists of Equity Interests in Debtors other than LATAM Parent.

(ii) *Treatment.* On the Effective Date, (i) Equity Interests in Debtors other than LATAM Parent shall be preserved and Reinstated so as to maintain the organizational structure of the Debtors as such structure exists on the Effective Date or (ii) each Holder of an Allowed Class 11 Claim shall receive such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 11 Interest shall have agreed upon in writing.

(iii) *Voting.* Class 11 Claims are Unimpaired and the Holders of Allowed Class 11 Claims are conclusively presumed to have Accepted this Plan pursuant to section 1126 of the Bankruptcy Code and are therefore not entitled to vote.

**3.3 Special Provision Regarding Unimpaired Claims**

Except as otherwise provided in this Plan, nothing under this Plan shall affect the Debtors' rights in respect of any Unimpaired Claims, including all rights with respect to legal and equitable defenses, including setoff or recoupment, against any such Unimpaired Claim.

**ARTICLE IV  
ACCEPTANCE OR REJECTION OF THIS PLAN**

**4.1 Impaired Classes of Claims Entitled to Vote**

Holders of Claims in Classes 1, 5 and 7 are entitled to vote to Accept or Reject this Plan as provided in the Disclosure Statement Order, the Disclosure Statement Supplemental Order, or any other order(s) of the Bankruptcy Court.

**4.2 Acceptance by an Impaired Class**

(a) In accordance with section 1126(c) of the Bankruptcy Code and except as provided in section 1126 of the Bankruptcy Code, an Impaired Class of Claims shall have Accepted this Plan if this Plan is Accepted by the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims of such Class that have timely and properly voted to Accept or Reject this Plan.

**4.3 Presumed Acceptances by Unimpaired Classes**

Classes 2, 3, 4, 6, 8, 9 and 11 are Unimpaired by this Plan. Accordingly, under section 1126(f) of the Bankruptcy Code, Holders of such Claims or Interests are conclusively presumed to Accept this Plan, and therefore the votes of the Holders of such Claims or Interests will not be solicited.

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#### **4.4 Deemed Rejections by Impaired Classes**

Class 10 is Impaired by this Plan and Holders of such Interests will not receive any recovery on account of their Interests. Accordingly, under section 1126(g) of the Bankruptcy Code, Holders of such Interests are deemed to Reject this Plan, and therefore the votes of the Holders of such Interests will not be solicited.

#### **4.5 Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes**

(a) Any Class of Claims that is not occupied as of the commencement of the Confirmation Hearing by an Allowed Claim or a Claim temporarily Allowed under Bankruptcy Rule 3018 shall be deemed eliminated from this Plan for purposes of voting to Accept or Reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

(b) If no votes to Accept or Reject this Plan are properly completed and timely received in compliance with the Disclosure Statement Order or the Disclosure Statement Supplemental Order with respect to a Class whose votes have been solicited under this Plan (other than a Class that is deemed eliminated pursuant to Section 4.5(a) hereof), such Class shall be deemed to have voted to Accept this Plan.

#### **4.6 Conversion or Dismissal of Certain of the Chapter 11 Cases**

If the requisite Classes do not vote to Accept this Plan pursuant to section 1129 of the Bankruptcy Code or the Bankruptcy Court does not confirm this Plan, the Debtors reserve the right to have each Debtor's Chapter 11 Case dismissed or converted, or to liquidate or dissolve such Debtor under applicable non-bankruptcy procedure or chapter 7 of the Bankruptcy Code, consistent with the terms and conditions of this Plan and other Restructuring Documents and any consents or approvals required thereunder (as applicable).

#### **4.7 Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code**

In the event that any Impaired Class of Claims or Equity Interests Rejects this Plan, the Debtors reserve the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (a) request that the Bankruptcy Court confirm this Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case this Plan shall constitute a motion for such relief, and/or (b) amend this Plan in accordance with Section 13.8 of this Plan.

### **ARTICLE V MEANS FOR IMPLEMENTATION OF THIS PLAN**

#### **5.1 No Substantive Consolidation**

This Plan is being proposed as a joint plan of reorganization of the Debtors for administrative purposes only. This Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Interests set forth in this Plan.





## **5.2 General Settlement of Claims and Interests**

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, this Plan incorporates an integrated compromise and settlement designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all stakeholders and parties in interests. Accordingly, in consideration for the classification, distributions, releases, and other benefits provided under this Plan, the provisions of this Plan shall constitute a good-faith compromise and settlement of all Claims, Equity Interests and controversies released, settled, compromised, discharged or otherwise resolved pursuant to this Plan, including relating to the contractual, legal and subordination rights that a Holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Allowed Equity Interest, or any distribution to be made on account of such Allowed Claim or Allowed Equity Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of all such compromises and/or settlements under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such compromises and/or settlements are in the best interest of the Debtors, their Estates and Holders of Claims and Equity Interests and are fair, equitable and reasonable.

## **5.3 Corporate Incentive Plan; Management Protection Provisions and Short Term Cash Incentive**

Certain Debtors' employees will be able to participate in the Corporate Incentive Plan the terms of which shall be consistent with those set forth in the term sheet attached as Schedule 3 to the Commitment Creditors Backstop Agreement and Exhibit C to the Backstop Shareholders Backstop Agreement and which shall be allocated and implemented post-Effective Date by the Effective Date Board.

As set forth in that term sheet, the Debtors will seek to amend and assume up to approximately forty (40) executives' existing employment agreements, which amended agreements shall include management protection provisions (the "Management Protection Provisions") in the amount of no more than \$35 million in the aggregate on terms acceptable to the Commitment Creditors and the Backstop Shareholders. The program implementing the Management Protection Provisions shall include a short-term cash incentive plan in the aggregate amount of \$12 million, which shall be deemed earned as of the Effective Date. For the avoidance of doubt, any amounts paid pursuant to such short-term cash incentive plan shall be credited in full against any amounts that may subsequently become due and payable pursuant to the program implementing the Management Protection Provisions.

## **5.4 Corporate Existence**

Except as otherwise provided in this Plan, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by this Plan or otherwise, and to the extent such documents





are amended, such documents are deemed to be amended pursuant to this Plan and without any further notice to or action, order, or approval of the Bankruptcy Court or any other court of competent jurisdiction (other than any requisite filings required under applicable state, provincial, or federal law).

### 5.5 Issuance of the Plan Securities

Pursuant to Article VI hereof, and following all necessary shareholder, board and other corporate approvals as set forth in the ERO Rights Offering Procedures and New Plan Notes Offering Procedures or as otherwise required under applicable law, Reorganized LATAM Parent is authorized to sell, issue, place and distribute, or cause to be distributed, the Plan Securities, including the ERO New Common Stock, the New Convertible Notes, New Local Notes and any and all other securities, notes, stock, instruments, certificates and other documents or agreements required to be issued, executed or delivered pursuant to this Plan (collectively, the "New Securities and Documents") in accordance with the terms and conditions of the applicable Restructuring Documents. Except as otherwise set forth herein, the issuance of the Plan Securities shall be authorized and issued as of the Effective Date, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan, the Restructuring Documents or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law.

### 5.6 Effectuating Documents; Further Transactions

(a) Except as otherwise set forth herein, including Article VI hereof, each of the matters provided for by this Plan involving the corporate structure of the Debtors or corporate or related actions to be taken by or required of the Reorganized Debtors, whether taken prior to or as of the Effective Date, shall be authorized without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan and the other Restructuring Documents (as applicable) or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law, consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable). Such actions may include (i) the appointment of any officers or directors of any Reorganized Debtor, (ii) the authorization, issuance and distribution of ERO New Common Stock, the New Convertible Notes, New Local Notes and any other securities to be authorized, issued and distributed pursuant to this Plan, and (iii) the consummation and implementation of the Exit Financing.

(b) On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan and the securities issued pursuant to this Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required pursuant to this Plan and the other Restructuring Documents (as applicable) or required under the Debtors' or Reorganized Debtors' applicable corporate documents or applicable foreign nonbankruptcy law.



consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable).

#### 5.7 Restructuring Transactions

(a) On, prior to, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may enter into any transaction (each a “Restructuring Transaction”) and take any actions as may be necessary or appropriate to effectuate this Plan and the Restructuring Support Agreement that are consistent with and pursuant to the terms and conditions of this Plan, including conducting the ERO Rights Offering, conducting the New Plan Notes Offering, obtaining the Exit Financing, and all other steps necessary to effectuate this Plan pursuant to any corporate governance obligation from any of the Debtors; provided, that, for the avoidance of doubt, each Restructuring Transaction and the documentation with respect to the Restructuring Transactions shall be consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable).

(b) The actions to effectuate the Restructuring Transactions may include (i) the execution and delivery of appropriate agreements, amendment of by-laws, or other documents containing terms that are consistent with the terms of this Plan and the applicable Restructuring Document(s) and that satisfy the applicable requirements of applicable law and such other terms to which the applicable entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of this Plan and having such other terms to which the applicable entities may agree; (iii) the filing of appropriate certificates pursuant to applicable law; (iv) pledging, granting of liens or security interests over, assuming or guarantying obligations or taking such similar actions as may be necessary to preserve the rights and collateral interests of the Holders of Secured Claims of the Debtors and their subsidiaries at all times prior to the effectiveness and consummation of this Plan; (v) the payment, transfer or assignment of intercompany debt among the Debtors as may be necessary to comply with the term of this Plan and (vi) all other actions that the applicable entities determine to be necessary or appropriate to effectuate the Restructuring Transactions, including making filings or recordings that may be required by applicable law in connection with such transactions (including any filings that may be required with the CMF and the Chilean stock exchange; provided that the New Plan Notes (but not the New Local Notes) will not be listed on the Chilean stock exchanges to the extent permitted by applicable law), in each case consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable).

(c) The Confirmation Order shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate this Plan, including the Restructuring Transactions consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable).

#### 5.8 Exit Financing

On the Effective Date, the Exit Financing shall become effective. From and after the Effective Date, the Reorganized Debtors, subject to any applicable limitations set forth in any

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post-Effective Date financing documentation, shall have the right and authority without further order of the Bankruptcy Court to raise additional capital and obtain additional financing as the boards of directors of the applicable Reorganized Debtors deem appropriate.

#### 5.9 Secured Aircraft

Subject to the definitive documentation governing the Exit Financing, the aircraft and equipment securing the Exit Financing shall be retained by the Reorganized Debtors.

#### 5.10 Sources of Consideration for Plan Distributions; Subscriptions

The Debtors and Reorganized Debtors, as applicable, shall fund distributions under this Plan with: (i) Cash on hand, including Cash from operations or asset dispositions; (ii) Cash proceeds from the subscription of ERO New Common Stock pursuant to the ERO Rights Offering Procedures (including the subscription of ERO New Common Stock by Eligible Equity Holders during the ERO Preemptive Rights Offering Period), (iii) the New Convertible Notes Class A (and the Cash proceeds from the sale by the Sales Agent of the New Convertible Notes Class A that would otherwise be distributed to Ineligible Holders of General Unsecured Claims against LATAM Parent), (iv) the New Convertible Notes Class C, (v) the Cash proceeds from the subscription of the New Convertible Notes (including any Cash proceeds from the subscription of the New Convertible Notes Class A and New Convertible Notes Class C by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period above the Allowed Class 5a Treatment Cash Amount), (vi) the New Local Notes, (vii) the RCF Tranche B Exit Loans and (viii) the proceeds of the Exit Financing. Each distribution and issuance referred to herein shall be governed by the terms and conditions set forth herein applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Person receiving such distribution or issuance.

The GUC New Convertible Notes Class C Distribution shall be allocated as follows:

1. In addition to any other consideration provided pursuant to Section 3.2 of this Plan, the New Convertible Notes Class C Unsecured Creditors shall receive in full satisfaction, settlement, discharge and release of their Allowed Class 5 Claims, their respective Pro Rata shares of the GUC New Convertible Notes Class C Distribution in settlement of an amount of such Allowed Claims (and related new money) equal in the aggregate to approximately 36.23%<sup>14</sup> of the Allowed Class 5 Claims that are held by the New Convertible Notes Class C Unsecured Creditors.

<sup>14</sup> Subscription shall be based on Allowed Claims as of the Convertible Note Class A/Class C Record Date, provided that the final allocation is subject to revision prior to the Effective Date based on ongoing claims reconciliation process, in each case consistent with the Restructuring Support Agreement and the Commitment Creditors Backstop Agreement.





2. In addition to any other consideration provided pursuant to Section 3.2 of this Plan, the New Convertible Notes Class C Backstop Parties shall receive in full satisfaction, settlement, discharge and release of their Allowed Class 5 Claims, their respective Pro Rata shares of the GUC New Convertible Notes Class C Distribution in settlement of an amount of such Allowed Claims (and related new money) equal in the aggregate to approximately 72.46%<sup>15</sup> of the Allowed Claims held by the New Convertible Notes Class C Backstop Parties that remain after reduction by Allowed Class 5 Claims used in the Direct Allocation Amount.
3. For purposes of the preceding clause 1 and 2, the Pro Rata share of each New Convertible Notes Class C Unsecured Creditor and New Convertible Notes Class C Backstop Party shall be calculated by reference to the aggregate amount of Allowed Class 5 Claims (*i.e.*, the proportion of the Allowed Claims of each such New Convertible Notes Class C Unsecured Creditor and New Convertible Notes Class C Backstop Party bears to the aggregate amount of Allowed Class 5 Claims against LATAM Parent).
4. Any GUC New Convertible Notes Class C Distribution that remains unallocated after such applications shall be allocated to the New Convertible Notes Class C Backstop Parties in accordance with their New Convertible Notes Class C backstop commitments.

The consideration provided by the New Convertible Notes Class C Backstop Parties for the Direct Allocation Amount and the consideration provided by Participating Holders of General Unsecured Claims for the GUC New Convertible Notes Class C Distribution (including with respect to the New Convertible Notes Class C backstop commitment) shall comprise \$0.899774 of new money for each \$1 of Allowed General Unsecured Claims against LATAM Parent.<sup>16</sup>

#### 5.11 Vesting of Assets in the Reorganized Debtors

Except as otherwise set forth herein, in the Plan Supplement or in the Confirmation Order, as of the Effective Date, or, with respect to any property subject to any Lien in favor of any Secured Claim, the date of the satisfaction of the Allowed portion of such Secured Claim in accordance with this Plan, all property of each of the Estates, including all Causes of Action (unless released pursuant to Section 11.3(a) of this Plan) shall vest and revest in each of the appropriate Reorganized Debtors free and clear of all Claims, Liens, encumbrances

<sup>15</sup> Subscription shall be based on Allowed Claims as of the Convertible Note Class A/Class C Record Date, provided that the final allocation is subject to revision prior to the Effective Date based on ongoing claims reconciliation process, in each case consistent with the Restructuring Support Agreement and the Commitment Creditors Backstop Agreement.

<sup>16</sup> Numbers subject to change based on the Debtors' ongoing claims reconciliation process. Final numbers are subject to mutual agreement between the Debtors and the Requisite Backstop Parties (as defined in the Commitment Creditors Backstop Agreement).



and Equity Interests. From and after the Effective Date, the Reorganized Debtors are authorized to operate their businesses and use, acquire and dispose of property and settle and compromise Claims, Equity Interests, or Causes of Action without supervision by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by this Plan and the Confirmation Order consistent with the terms and conditions of this Plan and the other Restructuring Documents (as applicable). Without limiting the generality of the foregoing, the Reorganized Debtors may, without application to or approval by the Bankruptcy Court, pay fees that they incur after the Effective Date for professional fees and expenses.

This Plan shall be conclusively deemed to be adequate notice that Liens, Claims, charges and other encumbrances are being extinguished. Any Person having a Lien, Claim, charge or other encumbrance against any of the property vested in accordance with the foregoing paragraph shall be conclusively deemed to have consented to the transfer, assignment and vesting of such property to or in the Reorganized Debtors free and clear of all Liens, Claims, charges or other encumbrances by failing to object to confirmation of this Plan, except as otherwise provided in this Plan.

#### **5.12 Closing of the Chapter 11 Cases**

At any time following the Effective Date, the Reorganized Debtors shall be authorized to file a motion for the entry of a final decree closing the Chapter 11 Cases pursuant to section 350 of the Bankruptcy Code.

#### **5.13 Corporate Governance, Directors, and Officers**

(a) *Certificates of Incorporation and By-Laws.* The certificates or articles of incorporation of the Reorganized Debtors shall be amended on terms reasonably acceptable to the Commitment Creditors and the Backstop Shareholders, and the by-laws of the Reorganized Debtors shall be amended on terms acceptable to the Commitment Creditors and the Backstop Shareholders, in each case, including to satisfy the provisions of this Plan and the Bankruptcy Code, shall be included in the Plan Supplement, and, among other things, (i) shall include pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities upon the occurrence of the Effective Date, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code and without waiver of any right to further modify or amend the certificates or articles of incorporation and by-laws of the Reorganized Debtors as permitted therein and pursuant to applicable non-bankruptcy law on and after the Effective Date, (ii) to the extent necessary or appropriate, shall include such provisions as may be needed to effectuate and consummate this Plan and the transactions contemplated herein and (iii) shall include, in a transitory article of the by-laws for LATAM Parent, an increase of the threshold for LATAM Parent shareholder approval of corporate actions identified in the second paragraph of Section 67 of Law 18,046 to 73% of shareholders of LATAM Parent for two (2) years following the Effective Date. The proposed foregoing amendments shall be included in the Plan Supplement and are subject to (i) approval by Holders of LATAM Parent's Equity Interests at a shareholders' meeting and (ii) the occurrence of the Effective Date.





(b) *Directors of Reorganized LATAM Parent.* The Commitment Creditors and the Backstop Shareholders, acting reasonably and in good faith, shall enter into an agreement on terms acceptable to such parties (the “Shareholders’ Agreement”), or enter into other arrangements mutually acceptable to the Commitment Creditors, the Backstop Shareholders and the Debtors, that provides, (A) for a two (2) year term following the Effective Date, that the parties shall vote their shares so that the Reorganized LATAM Parent Board will comprise, both initially and in the filling of any vacancies thereon, nine (9) directors, who in accordance with Chilean law, shall be appointed as follows: (i) five (5) directors, including the vice-chair of the Reorganized LATAM Parent Board, nominated by the Commitment Creditors; and (ii) four (4) directors, including the chair of the Reorganized LATAM Parent Board (who shall be a Chilean national), nominated by the Backstop Shareholders<sup>17</sup> (such a board of directors constituted as described in clauses (i) through (ii), the “Effective Date Board”); and (B) for the first five (5) years after the Effective Date, in the event of a wind-down liquidation or dissolution of LATAM Parent, recoveries on the New Convertible Notes Back-Up Shares delivered in exchange for the New Convertible Notes Class B to the extent the conversion option thereunder is exercised, shall be subordinated to any right of recovery for any New Convertible Notes Back-Up Shares delivered or to be delivered upon conversion of the New Convertible Notes Class A or New Convertible Notes Class C, in each case held by the Commitment Creditors on the Effective Date. A list of the directors comprising the Effective Date Board shall be filed as Exhibit B to the Plan Supplement. The Shareholders’ Agreement shall be included as Exhibit L in the Plan Supplement and shall be registered in the shareholders’ registry of Reorganized LATAM Parent.

(c) *Officers and Directors of Reorganized Debtors.* By and after the Effective Date, each director, officer, or manager of the Reorganized Debtors shall continue to serve pursuant to the terms of their respective charters and bylaws or other formation and constituent documents (each as amended as provided in this Section 5.13 and the Shareholders’ Agreement) and applicable laws of the respective Reorganized Debtor’s jurisdiction of formation. Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, unless otherwise provided for herein, the existing named executive officers of the Debtors shall continue in office on and after the Effective Date in accordance with the applicable governing documents and employment arrangements.

#### **5.14 Cancellation of Notes, Instruments and Debentures**

Except as otherwise set forth herein, in the Plan Supplement or in the Confirmation Order, as of the Effective Date, or, with respect to any Secured Claim, the date of the satisfaction of the Allowed portion of such Secured Claim in accordance with this Plan, all notes, instruments, certificates, and other documents including credit agreements and indentures, shall be canceled, and the Debtors’ obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged; provided, however, that Existing Letters of Credit, Existing Surety Bonds, insurance bonds, financial assurances, Cartas Fianzas, Boletas Bancarias, Boletas Garantía, Seguros de Caucción, seguro garantía, fiança bancária, fiança de qualquer natureza, cartas de crédito, and other similar instruments (as amended, restated, renewed, modified, supplemented, extended, confirmed, or counter guaranteed from time to time) issued

<sup>17</sup> With respect to the four (4) directors to be nominated by the Backstop Shareholders, one (1) will be nominated by Delta, one (1) will be nominated by Qatar, and the remaining two (2) will be nominated by CVA.





by various banks and other financial institutions to the Debtors on an unsecured or secured basis shall not be canceled, satisfied or discharged; provided that nothing shall limit the Debtors' ability to object to or seek a discharge of any contingent claims arising prior to the Effective Date; provided, further, that any indenture or agreement that governs the rights of the Holder of a Claim, including the indentures pursuant to which the LATAM 2024 Bonds, LATAM 2026 Bonds, and the Local Bonds were issued shall continue in effect solely for purposes of (i) allowing such beneficial holders to receive distributions under this Plan, and (ii) allowing and preserving all rights of the Local Bond Trustee and LATAM 2024/LATAM 2026 Bond Trustees.

Notwithstanding anything to the contrary herein, (i) any provision of any Prepetition Secured Credit Document that by its terms survives payoff and termination shall survive in accordance with its terms, (ii) the provisions of the Prepetition Secured Credit Documents shall survive to the extent necessary to preserve any rights (including any charging liens) of the RCF Agents and the Spare Engine Facility Agent against any money or property distributable to any Holder of any Allowed Class 1 Claim or Allowed Class 2 Claim, respectively, and to appear and be heard in the Chapter 11 Cases or any related proceeding, (iii) to the extent not previously paid by the Debtors during the course of the Chapter 11 Cases, on the Effective Date and thereafter as invoiced, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all Prepetition Secured Agent Expenses, (iv) all accrued but unpaid Prepetition Secured Agent Expenses shall constitute Allowed Administrative Expense Claims, and (v) the Prepetition Secured Parties and their respective representatives and professionals shall not be required to file applications or proofs of claims, comply with any guidelines of the U.S. Trustee, or otherwise seek or obtain approval of the Bankruptcy Court as a condition to payment of any Prepetition Secured Agent Expenses.

**5.15 Exemption from Registration**

All Plan Securities shall be registered with the CMF and listed on the Santiago Stock Exchange; provided that, notwithstanding any provisions to the contrary in any Restructuring Document (including any supplements, schedules, or exhibits thereto), the New Convertible Notes will not be listed on the Santiago Stock Exchange unless required by applicable law. The Plan Securities shall be freely transferrable in Chile to affiliates and non-affiliates, as of the Effective Date in respect of the New Plan Notes and ERO New Common Stock, and upon conversion with respect to the New Convertible Notes Back-Up Shares underlying the New Convertible Notes. Under Rule 144 of the Securities Act (as defined below), the New Plan Notes and the ERO New Common Stock held by non-affiliates will become freely tradeable in the United States six months after the Effective Date, provided that, in the event a New Convertible Note is converted into its underlying New Convertible Notes Back-Up Shares within the six-month restriction period, the New Convertible Notes Back-Up Shares will be subject to the same trading restriction for the remainder of such period (after which they will become freely tradeable in the United States). Notwithstanding the foregoing, the New Convertible Notes Back-Up Shares underlying the New Convertible Notes Class B, shall be subject to a lock-up on the terms and conditions set forth in the Restructuring Support Agreement.

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The offer, issuance, sale and/or distribution (as applicable) of Plan Securities will be made in reliance on exemptions from registration under the Securities Act of 1933 (the “Securities Act”), including Section 4(a)(2) and Regulation S under the Securities Act.

Securities issued in reliance on the exemptions provided by Section 4(a)(2) and Regulation S will become eligible for resale within the time periods set forth in Rule 144 and Regulation S, respectively or pursuant to other valid exemptions from the Securities Act.

In addition, the Registration Rights Agreement shall include, among other things, (i) customary registration rights that will include an agreement to re-sale shelf registration rights, demand registration rights and piggy back registration rights, (ii) an agreement regarding the American Depositary Share program in the U.S. and (iii) matters, including listing, related to the structure by which the ERO New Common Stock and New Convertible Notes Back-Up Shares may be held as American Depositary Shares through a sponsored American Depositary Shares program.

All documents, agreements and instruments entered into and delivered prior to, on or as of the Effective Date contemplated by or in furtherance of this Plan, and any other agreement or document related to or entered into in connection with the same, shall become, and shall remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person (other than as expressly required by such applicable agreement, the Restructuring Documents, the Debtors’ or Reorganized Debtors’ applicable corporate documents or applicable foreign non-bankruptcy law).

#### **5.16 Settlement of Qatar and Delta Fraudulent Conveyance Claims**

Pursuant to Bankruptcy Rule 9019, as of the Effective Date, for good and valuable consideration including that provided in connection with this Plan, the Restructuring Support Agreement, Backstop Shareholders Backstop Agreements, and other applicable Restructuring Documents, the adequacy of which is hereby confirmed, any purported avoidance, fraudulent conveyance claims and other claims referenced in (i) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors’ Estates Against Delta Air Lines, Inc. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2531) and (ii) the *Motion of the Official Committee of Unsecured Creditors for (I) Leave, Standing, and Authority to Commence and Prosecute Certain Claims and Causes of Action On Behalf of the Debtors’ Estates Against Qatar Airways Q.C.S.C. and Its Affiliates and (II) Non-Exclusive Settlement Authority Regarding Such Claims* (ECF No. 2532) held by the Debtors that may exist against Qatar Airways Q.C.S.C. (now known as Qatar Airways Group Q.C.S.C.) and Delta Air Lines, Inc. (and each of their respective Related Persons) under sections 544, 548 and 550 of the Bankruptcy Code and analogous laws shall be deemed forever released, waived and discharged conclusively, absolutely, unconditionally, and irrevocably by the Debtors, the Debtors’ Estates and the Reorganized Debtors to the maximum extent permitted by applicable law.

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#### **5.17 Intercompany Claims and Subsidiary Equity Interests**

Notwithstanding anything in this Plan to the contrary, on the Effective Date, the Intercompany Claims shall be Reinstated.

Notwithstanding anything in this Plan to the contrary, on the Effective Date, the Subsidiary Equity Interests shall be preserved and Reinstated.

#### **5.18 Intercompany Account Settlement**

The Debtors and the Reorganized Debtors, and their respective Affiliates, will be entitled to transfer funds between and among themselves consistent with the terms of the Cash Management Order; provided, that, on and after the Effective Date, the provisions of the Cash Management Order will not have any effect. Any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the ordinary course intercompany account settlement practices and will not violate the terms of this Plan.

#### **5.19 Modified Existing RCF**

On the Effective Date, the Reorganized Debtors shall enter into and perform, execute, and deliver the Revised RCF Documents to which such Reorganized Debtor is contemplated to be a party on the Effective Date. The Reorganized Debtors shall be authorized to borrow under the Modified Existing RCF and use the proceeds of such borrowings in accordance with the Revised RCF Documents and shall pay, as and when due, all fees, expenses, indemnities, and other payments provided for under the Revised RCF Documents.

Confirmation of this Plan shall be deemed approval of the Modified Existing RCF, the Revised RCF Documents, and all transactions contemplated thereby, including all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, expenses, indemnities, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Revised RCF Documents. On the Effective Date, and without the need for further corporate action or other action, all of the Liens and security interests to be granted in accordance with the Revised RCF Documents, (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Revised RCF Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Revised RCF Documents, (d) shall be deemed to have been the result of good faith, arm's-length negotiations between, without limitation, the Debtors and the arranger, administrative agent, collateral agent, lenders, and other secured parties under the Revised RCF Documents, and (e) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever, shall not be rendered unenforceable or invalid as a result of any hardening period under applicable laws, and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law (or any equivalent concept under other applicable laws). The Reorganized Debtors and the Persons and Entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to





obtain all governmental approvals and consents necessary, customary, or advisable to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law (whether domestic or foreign) that would be applicable in the absence of this Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary, customary, or advisable under applicable law to give notice of such Liens and security interests to third parties.

## ARTICLE VI ERO RIGHTS OFFERING AND NEW PLAN NOTES OFFERING

### 6.1 ERO New Common Stock

Reorganized LATAM Parent shall conduct the ERO Rights Offering in accordance with the ERO Rights Offering Procedures and the Restructuring Support Agreement. As more fully set forth in the ERO Rights Offering Procedures and the Restructuring Support Agreement, the ERO Rights Offering shall be open to all Eligible Equity Holders and shall comply with all Chilean law requirements, including the provision of preemptive rights.

LATAM Parent will issue \$800 million of ERO New Common Stock, (A) (x) \$390,488,015.75 of which shall be backstopped by the Commitment Creditors and (y) \$9,511,984.25 of which shall be backstopped by the Backstop Local Bondholders, each in their capacity as ERO New Common Stock Backstop Parties, in exchange for an aggregate 20% backstop payment payable in Cash on the Effective Date, and (B) the remaining \$400 million of which shall be backstopped by the Backstop Shareholders (up to the Backstop Shareholders Cap) without requiring the payment of a fee.

Backstop Shareholders shall use their preemptive rights during the ERO Preemptive Rights Offering Period to subscribe to the ERO New Common Stock up to the full amount of such preemptive rights; provided, that, the total number of shares of Reorganized LATAM Parent Stock issued to Backstop Shareholders shall not exceed the Backstop Shareholders Cap.

In the event not all ERO New Common Stock is subscribed and purchased during the ERO Preemptive Rights Offering Period, there shall be a second round of subscription and purchase in which Eligible Equity Holders (including the Backstop Shareholders and the Non-Backstop Shareholders) that subscribed for the ERO New Common Stock during the ERO Preemptive Rights Offering Period shall have the option of subscribing and purchasing any unsubscribed ERO New Common Stock on a pro rata basis (based on the amount subscribed by such subscribing holders); provided, that, the amount of Reorganized LATAM Parent Stock issued to the Backstop Shareholders (inclusive of the Backstop Shareholders' equity ownership in Reorganized LATAM Parent on an as converted basis with respect to the New Convertible Notes Class B but exclusive of the Existing Equity Interests) following the purchase of any such unsubscribed ERO New Common Stock is no greater than the Backstop Shareholders Cap. If any shares of ERO New Common Stock remain unsubscribed following the second round of subscription and purchase, the Commitment Creditors, in their capacity as ERO New Common

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Stock Backstop Parties, shall subscribe and purchase any remaining unsubscribed ERO New Common Stock.

## 6.2 New Plan Notes

a) *Authorization.* Subject to the following paragraph, Reorganized LATAM Parent shall be authorized to issue and distribute the New Plan Notes as set forth (as applicable) in Article III of this Plan, the Restructuring Support Agreement, and the New Plan Notes Offering Procedures.

b) *Compliance with Non-Bankruptcy Laws.* As more fully set forth in the Restructuring Support Agreement and as contemplated by the New Plan Notes Offering Procedures, LATAM Parent shall conduct the New Plan Notes Offering in compliance with all Chilean law requirements, including first offering the New Convertible Notes to Eligible Equity Holders pursuant to preemptive rights offerings in accordance with Chilean law. As provided for herein, New Convertible Notes Class A, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to Holders of General Unsecured Claims against LATAM Parent *except* (i) on account of Allowed General Unsecured Claims against LATAM Parent (other than Unused Allowed Claims) held by Participating Holders of General Unsecured Claims, (ii) on account of General Unsecured Claims against LATAM Parent held by Ineligible Holders, and (iii) on account of General Unsecured Claims against LATAM Parent to the extent the Holder of such Claims has elected to receive Class 5c Treatment. To the extent not all of the New Convertible Notes Class B are subscribed and purchased by the Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, the New Convertible Notes Class B Backstop Parties shall subscribe and purchase any remaining unsubscribed New Convertible Notes Class B. In addition, New Convertible Notes Class C, to the extent not subscribed and purchased by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, shall be distributed to New Convertible Notes Class C Backstop Parties and the other Participating Holders of General Unsecured Claims as provided under Class 5 with respect to Class 5b Treatment. For the avoidance of doubt, the New Local Notes shall not be offered in a preemptive rights offering.

c) *Class 5b Treatment Opt-in:* The Holders of Allowed General Unsecured Claims against LATAM Parent that agree to be Participating Holders of General Unsecured Claims (excluding any Ineligible Holders) will be eligible to subscribe to their Pro Rata share of \$6.902 billion<sup>18</sup> in New Convertible Notes Class C, subject to the preemptive rights of Eligible Equity Holders and provided that each Holder of an Allowed General Unsecured Claim against LATAM Parent will only be able to subscribe to the New Convertible Notes Class C in full satisfaction, settlement, discharge and release of their Claims by providing consideration of \$0.899774 of new money for each \$1 of Allowed General Unsecured Claims held against

<sup>18</sup> The total amount of distributions and new money contributions is subject to change based on Holders of General Unsecured Claims that opt into Class 5b Treatment in each case consistent with the Restructuring Support Agreement and Commitment Creditors Backstop Agreement.





LATAM Parent.<sup>19</sup> In addition, the Direct Allocation Amount shall be reserved for distribution to the New Convertible Notes Class C Backstop Parties. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5b Treatment does not receive a full allocation in settlement of its Allowed Class 5 Claim, the remaining amount of such Allowed Class 5 Claim shall receive (x) (A) its Pro Rata share of the New Convertible Notes Class A, subject to reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, (B) its Pro Rata share of the New Convertible Notes Class A Preemptive Rights Proceeds (if any) in an amount up to the Allowed Class 5a Treatment Cash Amount, (C) its Pro Rata share of the Total Allocation Amount and (D) such Holder's Pro Rata share of the Total Allocation Amount Unused Allowed Class 5b Claim Gross Up (if any), in each case to the extent of any of its Unused Allowed 5b Claims or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing as provided in Section 3.2(e)(ii) of this Plan. Further, subject to Section 7.3(b)(iv) hereof, any Holder of an Allowed Class 5 Claim who is a Non-Complying Holder shall be treated as having not elected into the Class 5b Treatment, and shall be eligible to subscribe to New Convertible Notes Class A in full satisfaction, settlement, discharge and release of their Allowed Claim and shall not have any right to subscribe to an allocation of New Convertible Notes Class C.

d) *Class 5c Treatment Opt-In:* The Holders of Allowed General Unsecured Claims against LATAM Parent (and, in the case of the Local Bonds, only Holders of Eligible Local Bonds) shall have the opportunity to elect and agree to be New Local Notes Unsecured Creditors pursuant to the following New Local Notes Offering Procedures:

The Debtors, through their claims and noticing agent, shall serve a copy of the New Local Notes election notice on all Holders of General Unsecured Claims against LATAM Parent no later than June 15, 2022 (the "Class 5c Election Launch Date"), which notice shall identify any applicable record date and establish procedures for making such an election. Holders of General Unsecured Claims against LATAM Parent will have two weeks following the Class 5c Election Launch Date to elect to opt-in for Class 5c Treatment of their Claims. For the avoidance of doubt, no Backstop Parties shall be eligible to make the election to become New Local Notes Unsecured Creditors in respect of their BCA Claims.

To affirmatively make the New Local Notes election, Holders of General Unsecured Claims against LATAM Parent (other than the Backstop Parties in respect of their BCA Claims) (i) must return a notice to the Debtors indicating their decision to elect to participate in Class 5c Treatment, (ii) must identify the amount of General Unsecured Claims against LATAM Parent that they elect to participate in Class 5c Treatment, (iii) must return an executed Joinder Agreement to the Restructuring Support Agreement, in each case prior to the deadline set forth above and (iv) if such Holders are Holders of Local Bonds, such Local Bonds must be Eligible Local Bonds. For the avoidance of doubt, in order to make the New Local Notes election, a Holder must timely execute and return the applicable Joinder Agreement to the Restructuring Support Agreement.

<sup>19</sup> Numbers subject to change based on the Debtors' ongoing claims reconciliation process. Final numbers are subject to mutual agreement between the Debtors and the Requisite Backstop Parties (as defined in the Commitment Creditors Backstop Agreement).





Any Holder of a General Unsecured Claims (other than the Backstop Parties in respect of their BCA Claims) against LATAM Parent that has submitted a New Local Notes election pursuant to the instructions so as to be actually received by the Debtors' claims and noticing agent before the end of the solicitation period shall be bound to receive Class 5c Treatment for any General Unsecured Claims against LATAM Parent (or portions thereof) so elected. Any Holder of a General Unsecured Claims against LATAM Parent that has not submitted a New Local Notes election pursuant to the instructions so as to be actually received by the Debtors' claims and noticing agent before the end of the solicitation period shall be forever barred from receiving Class 5c Treatment. To the extent any Participating Holder of General Unsecured Claims that elected to receive Class 5c Treatment does not receive a full allocation in settlement of its Allowed Class 5 Claims for which it has elected Class 5c Treatment, the remaining amount of such Allowed Class 5 Claim shall receive (x) (A) its Pro Rata share of New Convertible Notes Class A, subject to reduction by the subscription and purchase of New Convertible Notes Class A by Eligible Equity Holders during the New Convertible Notes Preemptive Rights Offering Period, (B) its Pro Rata share of the New Convertible Notes Class A Preemptive Rights Proceeds (if any) in an amount up to the Allowed Class 5a Treatment Cash Amount, (C) its Pro Rata share of the Total Allocation Amount, and (D) its Pro Rata share of the Total Allocation Amount Gross Up (if any); or (y) such other less favorable treatment as to which the Debtors and the Holder of such Allowed Class 5 Claim shall have agreed upon in writing as provided in Section 3.2(e)(ii) of this Plan) in each case, with respect to such amount (as an Unused Allowed 5c Claim).

## ARTICLE VII PROVISIONS GOVERNING DISTRIBUTIONS

### 7.1 Distributions for Claims Allowed as of the Effective Date

(a) Except as otherwise provided herein or as ordered by the Bankruptcy Court, distributions to be made on account of Claims that are Allowed Claims as of the Effective Date shall be made on the Initial Distribution Date or as soon thereafter as is practicable.

(b) Notwithstanding anything to the contrary herein, on the Initial Distribution Date, or as soon thereafter as is reasonably practicable, the Disbursing Agent will distribute to (i) the RCF Administrative Agent and Spare Engine Facility Agent, the treatment accorded to Holders of Allowed Class 1 and 2 Claims, respectively, in Article III hereof, (ii) each Holder of an Allowed Claim in Classes 3, 5, 6 and 11, the treatment accorded to such Holder in Article III hereof; and (iii) the LATAM 2024/2026 Bond Trustees, the treatment accorded to the Class 4 Claims in Article III hereof.

(c) Any distribution to be made pursuant to this Plan shall be deemed to have been made (i) on the Effective Date or (ii) solely with respect to the Allowed Class 1 and Class 2 Claims, upon the receipt of distributions by the RCF Administrative Agent and the Spare Engine Facility Agent, as applicable, in accordance with this Plan. Any payment or distribution required to be made under this Plan on a day other than a Business Day shall be made on the next succeeding Business Day. Distributions on account of Disputed Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Article IX of this Plan.



## 7.2 Disbursing Agent

Except as otherwise provided herein, all Cash distributions and other distributions to be made by the Debtors or the Reorganized Debtors, under this Plan or otherwise in connection with the Chapter 11 Cases (including professional compensation and statutory fees) shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. The Disbursing Agent may employ or contract with other entities to assist in or make the distributions required by this Plan.

## 7.3 Delivery of Distributions and Undeliverable or Unclaimed Distributions

### (a) *Delivery of Distributions to Holders of Allowed Claims in General.*

(i) Unless otherwise agreed to between the Debtors or the Reorganized Debtors, as applicable, and the Holder of an Allowed Claim, the Debtors shall cause distributions to be made to the Holders of Allowed Claims in the same manner and to the same addresses as such payments are made in the ordinary course of the Debtors' businesses, unless another address is listed on the Holder's Proof of Claim form, in which case such address will be used.

(ii) No distributions shall be made on a Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim.

(iii) In order to permit distributions under this Plan, Reorganized Debtors may, but will not be required to, establish reasonable reserves for Disputed Claims.

(iv) Physical certificates representing the New Plan Notes will not be issued pursuant to this Plan. Physical certificates representing the ERO New Common Stock will be issued pursuant to the requirements of applicable law. The ERO New Common Stock and the New Plan Notes will be registered with the CMF.

(v) Notwithstanding anything to the contrary herein, without limiting the exculpation and release provisions of this Plan, the RCF Agents and the Spare Engine Facility Agent shall not have any liability to any Person with respect to any distributions made or directed to be made by the RCF Agents or the Spare Engine Facility Agent.

### (b) *Undeliverable, Unnegotiated and Unclaimed Distributions.*

(i) *Holding of Undeliverable, Unnegotiated and Unclaimed Distributions.* If the distribution to any Holder of an Allowed Claim is returned to the Disbursing Agent or the Debtors as undeliverable or is otherwise unclaimed or not negotiated, no further distributions shall be made to such Holder unless and until the Disbursing Agent is notified in writing of such Holder's then-current address.

(ii) *After Distributions Become Deliverable.* The Disbursing Agent shall make all distributions that have become deliverable or have been claimed since the Initial



Distribution Date as soon as practicable after such distribution has become deliverable or has been claimed.

(iii) *Failure to Claim Undeliverable or Unnegotiated Distributions.*

Any Holder of an Allowed Claim (or any successor or assignee or other Person claiming by, through, or on behalf of, such Holder) that does not assert a claim pursuant to this Plan for an undeliverable or unclaimed distribution within six (6) months after the later of the Effective Date or the date such distribution was made shall be deemed to have forfeited its Claim for such undeliverable or unclaimed distribution and shall be forever barred and enjoined from asserting any such Claim for an undeliverable or unclaimed distribution against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such Claims for undeliverable or unclaimed distributions shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such Claim shall be converted into equity (if applicable) and sold by Reorganized LATAM Parent in a manner consistent with applicable law and the applicable Reorganized Debtor's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon. Nothing contained in this Plan shall require the Debtors, the Reorganized Debtors, or the Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

(iv) *Non-Complying Holders.* Any Non-Complying Holder that fails to

cure its non-compliance with the applicable New Plan Notes Offering Procedures within thirty (30) days after the Effective Date shall be deemed to have forfeited its Claim for distributions on account of its General Unsecured Claim against LATAM Parent and shall be forever barred and enjoined from asserting any such Claim for distributions against the Debtors or their Estates, the Reorganized Debtors or their property. In such cases, (a) any Cash for distribution on account of such General Unsecured Claim against LATAM Parent shall become the property of the Reorganized Debtors free of any restrictions thereon and notwithstanding any federal or state escheat laws or other applicable local laws to the contrary and (b) any New Securities and Documents held for distribution on account of such General Unsecured Claim against LATAM Parent shall be converted into equity (if applicable) and sold by Reorganized LATAM Parent in a manner consistent with Reorganized LATAM Parent's governing documents, and the proceeds of such sale shall become the property of the Reorganized Debtors free of any restrictions thereon.

(v) *No Effect on Cash Distributions.* Any Holder of an Allowed Claim

(or any successor or assignee or other Person claiming by, through, or on behalf of, such Holder) entitled to receive both a distribution of Cash and a distribution of Plan Securities may receive such Cash distribution even if its distribution of Plan Securities has not yet occurred, is returned to the Disbursing Agent as undeliverable, or is otherwise unclaimed.

**7.4 Distribution Record Date**

On the Distribution Record Date, the Claims Register shall be closed and the Disbursing Agent shall be authorized and entitled to recognize only those Holders listed on the Claims Register as of the close of business on the Distribution Record Date. For the avoidance

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of doubt, distributions on account of the LATAM 2024 Bond Claims and the LATAM 2026 Bond Claims shall be made to the LATAM 2024/2026 Bond Trustees and distributions on account of the Local Bonds shall be made to the Local Bond Trustee. Notwithstanding the foregoing, if a Claim is transferred less than five (5) days before the Distribution Record Date, the Disbursing Agent shall make distributions to the transferee only to the extent practical and in any event only if the relevant transfer form contains an unconditional and explicit certification and waiver of any objection to the transfer by the transferor.

#### **7.5 Cash Payments**

At the Debtors' discretion, payments made pursuant to this Plan shall be made by the Disbursing Agent in Cash and by (i) checks drawn on the Disbursing Agent, (ii) wire transfer from a bank selected by the Disbursing Agent or (iii) any other customary payment method. Any Cash distributions required under this Plan to foreign Creditors may be made, at the option of the Disbursing Agent, by such means as are necessary or customary in a particular foreign jurisdiction. Any check issued by the Disbursing Agent shall be null and void if not negotiated within ninety (90) days. Any Cash distributions required under this Plan in respect of Allowed RCF Claims, Allowed Spare Engine Facility Claims, and Allowed Local Bond Claims shall be paid by the Disbursing Agent to the RCF Administrative Agent, Spare Engine Facility Agent, or Local Bond Trustee (as applicable) by federal funds wire transfer on the Initial Distribution Date.

#### **7.6 Limitation on Recovery**

No Holder of an Allowed Claim shall receive in respect of such Claim any distribution in excess of the Allowed amount of such Claim including distributions from more than one Debtor due to guarantees, undertakings, or joint and several obligations. In the event that the sum of distributions from several Debtors' Estates with respect to an Allowed Claim would be in excess of one hundred percent (100%) of the applicable Holder's Allowed Claim, then the proceeds remaining to be distributed to such Holder in excess of such one hundred percent (100%) shall be redistributed to other Holders of Allowed Claims against such Debtor or Debtors, or shall revert in the Reorganized Debtors, in accordance with the provisions of this Plan and the Bankruptcy Code. Further, to the extent that an Allowed Claim arises in whole or in part out of a guarantee or other form of co-liability between multiple Debtors and any other Allowed Claim asserted in respect of such co-liability is Unimpaired, so long as the aggregate disbursement on account of such Allowed Claims results in the Holder(s) recovering the full value to which they are entitled on account of such Unimpaired Allowed Claim(s), the Debtors or Reorganized Debtors shall retain the discretion to determine how to allocate such aggregate recovery across such multiple Allowed Claims, including, for the avoidance of doubt, the extent of such Holder(s)' eligibility to participate in the New Plan Notes Offering.

#### **7.7 Withholding and Reporting Requirements**

In connection with this Plan and all distributions hereunder, subject to the provisions of this Section 7.7, the Reorganized Debtors shall comply with all withholding and reporting requirements imposed by any Chilean and/or other applicable taxing authority or statute with respect to any distributions hereunder. If it is determined by the Reorganized Debtors in their reasonable discretion that the Reorganized Debtors are required under applicable

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law to withhold or deduct any tax with respect to distributions hereunder, (A) the Reorganized Debtors shall provide a written notice to the Holders of Claims as soon as reasonably practicable after such determination was made (setting forth in reasonable detail the potential basis for such determination) and the parties shall explore in good faith commercially reasonable measures, including the provision of information reasonably requested that would eliminate or reduce such withholding or deduction of tax (provided that the failure to execute any instrument by, provide or disclose any information pertaining to or engage in other action or participation by or pertaining to, the beneficial owners of the Holders of Claims shall not be deemed to be a failure to explore in good faith such commercially reasonable measures) to eliminate or reduce such withholding or deduction of such tax, (B) to the extent that such commercially reasonable measures do not result in the elimination of such tax, the Reorganized Debtors shall withhold and/or deduct such tax, and shall timely pay the full amount of tax deducted or withheld to the relevant Governmental Unit in accordance with applicable law and deliver evidence in a reasonably satisfactory form for the payment thereof to the applicable Holders of Claims. Any amount of tax deducted or withheld in compliance with provisions of this Section 7.7 from any distribution to a Holder of Claim by the Reorganized Debtors and timely remitted to the appropriate Governmental Unit, shall be treated as if distributed to such Holder of Claim in connection with this Plan. At the reasonable discretion of the Reorganized Debtors, no distribution shall be made to or on behalf of such Holder of Claim pursuant to this Plan unless and until such Holder of Claim has made arrangements satisfactory to the Reorganized Debtors for the payment and satisfaction of such tax obligations, and any Cash, New Securities and Documents and/or other consideration or property to be distributed pursuant to this Plan shall, pending the implementation of arrangements pursuant to the previous clause, be treated as an unclaimed distribution pursuant to Section 7.3(b) of this Plan. For the avoidance of doubt, (x) each Holder of an Allowed Claim shall be liable for any tax obligations imposed on such Holder by any Governmental Unit on account of any distribution hereunder to such Holder, other than Transaction Taxes (as defined in the Backstop Agreements) which shall be borne by the Reorganized Debtors, (y) notwithstanding clause (x), the Reorganized Debtors shall indemnify Holders for Chilean taxes (other than Excluded Taxes (as defined in the Backstop Agreements)), if any, to the extent as described in the Backstop Agreements.

#### **7.8 Setoffs**

The Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code and applicable non-bankruptcy law, but shall not be required to, set off against any payments or other distributions to be made pursuant to this Plan in respect of an Allowed Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the Holder of such Claim, to the extent that such Claim against such Holder has not otherwise been compromised or settled on or prior to the Effective Date in a manner that limits setoff rights (whether pursuant to this Plan or otherwise); provided, however, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any claim that the Debtors or the Reorganized Debtors may have against such Holder.

#### **7.9 Allocation of Plan Distributions Between Principal and Interest**

To the extent that any Allowed Claim entitled to a distribution under this Plan is based upon any obligations or instrument that is treated for U.S. federal income tax purposes as





indebtedness of any Debtor and other amounts (such as accrued but unpaid interest or deemed interest thereon), such distribution shall be allocated first to the principal amount of the Claim (as determined for U.S. federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claim, to such other amounts; provided, however, that this Section 7.9 shall not apply to distributions made to the IRS.

#### **7.10 No Fractional Plan Securities**

There shall be no distribution of fractional Plan Securities. Where a fractional Plan Security would otherwise be called for, the actual allocation shall reflect a rounding down (to the nearest whole dollar) of such fraction.

#### **7.11 Compliance with Hart-Scott-Rodino and Similar Requirements**

Any Plan Securities of Reorganized LATAM Parent Stock to be distributed under this Plan to any Entity required to file a Premerger Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or to meet any similar requirements under applicable non-U.S. law, shall not be distributed until the notification and waiting periods applicable under such law to such Entity shall have expired or been terminated.

### **ARTICLE VIII**

#### **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

##### **8.1 Contracts and Leases Entered into after the Petition Date**

Contracts and leases entered into after the Petition Date by any Debtor will be performed by the applicable Debtor or Reorganized Debtor, as the case may be, liable thereunder in the ordinary course of its business or as authorized by the Bankruptcy Court. Accordingly, such contracts and leases (including any assumed executory contracts and unexpired leases) will survive and remain unaffected by entry of the Confirmation Order, and, on the Effective Date, shall revest in and be fully enforceable by the applicable Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

##### **8.2 Assumption, Rejection and Assignment of Executory Contracts and Unexpired Leases**

(a) Except as otherwise provided for herein, on the Effective Date, all executory contracts and unexpired leases of the Debtors will be deemed automatically rejected in accordance with and subject to the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code without the need for any further notice to or action, order or approval of the Bankruptcy Court, unless such executory contracts and unexpired leases are (i) identified on Exhibit D to this Plan as Assumed Contracts or Exhibit E to this Plan as Assigned Contracts and not removed from such exhibit prior to the Effective Date, (ii) previously assumed by order of the Bankruptcy Court, or (iii) the subject of a motion to assume filed with the Bankruptcy Court on or before the Effective Date; provided, that the Debtors reserve the right to seek, following entry of the Confirmation Order, assumption of an executory contract or unexpired lease that was deemed rejected. The amendment of an executory contract or unexpired lease after the Petition Date shall not, by itself, constitute the assumption of such executory contract or unexpired lease.



For the avoidance of doubt, an executory contract or unexpired lease may be deemed automatically rejected even if not specifically listed on Exhibit C to this Plan.

(b) With respect to Aircraft Leases that were not previously assumed, had not previously expired or terminated pursuant to their terms, or are not subject to a motion to assume or assume and assign filed on or before the date the Confirmation Order is entered, the Debtors shall assume only those Aircraft Leases and related executory contracts that are designated specifically as an unexpired lease or executory contract on Exhibit D to this Plan. For the avoidance of doubt, any executory contracts or unexpired leases that are ancillary to Aircraft Leases that have been previously assumed or are being assumed under this Plan shall be deemed assumed. Notwithstanding anything to the contrary herein, to the extent certain of the Aircraft Leases identified on Exhibit D include finance leases of the Debtors that were amended during the course of these Chapter 11 Cases, the debt associated with such lease shall be provided the treatment agreed between the applicable Debtor(s) and the lease counterparties and lenders in the applicable governing amendment documents.

(c) The assumption of Executory Contracts and Unexpired Leases hereunder may include the assignment of certain of such contracts to Affiliates. Each Assigned Contract shall be listed on Exhibit E to this Plan, along with the proposed counterparty to such Assigned Contract.

(d) Each Rejected Contract shall be rejected only to the extent that it constitutes an executory contract or unexpired lease.

(e) Without amending or altering any prior order of the Bankruptcy Court approving the assumption, assignment or rejection of any executory contracts and unexpired leases, entry of the Confirmation Order shall constitute approval of the assumptions, assignments and rejections as applicable, provided herein, pursuant to sections 365(a), 365(f) and 1123 of the Bankruptcy Code. To the extent any provision in any executory contracts and unexpired leases assumed or assigned pursuant to this Plan (including any "change of control" provision) conditions, restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the applicable assumption or assignment of such executory contract or unexpired lease, or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such assumption or assignment, then such provision shall be deemed void and of no force or effect such that the transactions contemplated by this Plan shall not entitle the non-debtor party thereto to terminate or modify such executory contract or unexpired lease or to exercise any other default-related rights with respect thereto. Confirmation of this Plan and consummation of the transactions contemplated thereby shall not constitute a change of control under any executory contract or unexpired lease assumed by the Debtors on or prior to the Effective Date.

### 8.3 Insurance Policies and Indemnification Obligations

Notwithstanding anything to the contrary herein or in the other Restructuring Documents, each of the Insurance Contracts of the Debtors, including all D&O Policies, are deemed to be and treated as executory contracts under this Plan. Unless listed on Exhibit C to this Plan, on the





Effective Date, the Debtors shall be deemed to have assumed all Insurance Contracts, including all D&O Policies, pursuant to sections 105 and 365 of the Bankruptcy Code such that the Reorganized Debtors shall become and remain liable in full for all of their and the Debtors' obligations thereunder, regardless of whether such obligations arise before or after the Effective Date and without the need for Insurers to file or serve a Proof of Claim or Administrative Expense Claim, provided, that the Reorganized Debtors shall not indemnify officers, directors, equity holders, agents, or employees, as applicable, of the Debtors for any claims or Causes of Action arising out of or relating to any act or omission that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct.

Notwithstanding anything to the contrary herein or in the other Restructuring Documents, (a) nothing in this Plan or the other Restructuring Documents alters, modifies or otherwise amends the terms and conditions of the Insurance Contracts, and any rights and obligations thereunder shall be determined under the Insurance Contracts and applicable non-bankruptcy law as if the Chapter 11 Cases had not occurred, (b) nothing (including Sections 8.2(c) and 8.11(b) of this Plan) shall permit or otherwise effect a sale, assignment or any other transfer of any Insurance Contracts and/or any rights, proceeds, benefits, claims, rights to payments, or recoveries under or relating thereto without the prior express written consent of the applicable Insurer, and (c) the injunctions set forth in Article XI hereof, if and to the extent applicable, shall be deemed lifted without further order of this Bankruptcy Court, solely to permit: (i) claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law to proceed with their claims; (ii) Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (A) workers' compensation claims, (B) claims where a claimant asserts a direct claim against Insurers under applicable non-bankruptcy law, or an order has been entered by this Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article XI hereof to proceed with its claim, and (C) all costs in relation to each of the foregoing; and (iii) subject to the terms of the Insurance Contracts and/or applicable non-bankruptcy law, Insurers to (A) cancel any Insurance Contracts, and (B) take other actions relating to the Insurance Contracts (including setting off amounts due by the Debtors or Reorganized Debtors against any amounts due to the Debtors or Reorganized Debtors or against (or otherwise applying) any collateral or security provided by the Debtors or Reorganized Debtors, regardless of when any such amounts arise, become due or when any such collateral or security is provided).

In addition, after the Effective Date, all current and former officers, directors, agents, or employees who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any D&O Policy (including any "tail" policy) for the full term of such policy regardless of whether such officers, directors, agents, and/or employees remain in such positions after the Effective Date, in each case, to the extent set forth in such D&O Policies. In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy (including any "tail" policy) in effect as of or subsequent to the Petition Date; provided, that, for the avoidance of doubt, any Insurance Contract, including tail insurance policies, for directors', members', trustees', and officers' liability to be purchased or maintained by the Reorganized Debtors after the Effective Date shall be subject to the ordinary-course corporate governance of the Reorganized Debtors.

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Notwithstanding anything in this Plan, any Indemnification Obligation to indemnify current and former officers, directors, members, managers, agents, sponsors, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, members, managers, agents, or employees based upon any act or omission for or on behalf of the Debtors shall (i) remain in full force and effect, (ii) not be discharged, impaired, or otherwise affected in any way, including by this Plan, the Plan Supplement, or the Confirmation Order, (iii) not be limited, reduced or terminated after the Effective Date, and (iv) survive unimpaired and unaffected irrespective of whether such Indemnification Obligation is owed for an act or event occurring before, on or after the Petition Date; provided, that the Reorganized Debtors shall not indemnify officers, directors, members, or managers, as applicable, of the Debtors for any claims or Causes of Action that are not indemnified by such Indemnification Obligation. All such obligations shall be deemed and treated as executory contracts to be assumed by the Debtors under this Plan and shall continue as obligations of the Reorganized Debtors, and, if necessary to effectuate such assumption under local law, Reorganized LATAM Parent shall contractually assume such obligations. Any claim based on the Debtors' obligations under this Plan 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.

#### **8.4 Intellectual Property Licenses and Agreements**

Notwithstanding anything to the contrary herein or in the Plan Supplement, all intellectual property contracts, licenses, royalties, or other similar agreements to which the Debtors have any rights or obligations in effect as of the date of the Confirmation Order shall be deemed and treated as executory contracts pursuant to this Plan and shall be assumed by the Debtors and Reorganized Debtors, as applicable, and shall continue in full force and effect unless any such intellectual property contract, license, royalty, or other similar agreement otherwise is listed on Exhibit C to this Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Unless otherwise noted hereunder, all other intellectual property contracts, licenses, royalties, or other similar agreements shall vest in the Reorganized Debtors and the Reorganized Debtors may take all actions as may be necessary or appropriate to ensure such vesting as contemplated herein.

#### **8.5 Compensation and Benefit Programs; Other Employee Obligations**

Notwithstanding anything to the contrary herein or in the Plan Supplement, all employment, confidentiality, and non-competition agreements (including, for the avoidance of doubt, any agreements with third-party personnel vendors or any agreements with independent contractors), collective bargaining agreements, offer letters (including any severance set forth therein), bonus, gainshare and incentive programs, vacation, holiday pay, paid-time off, leaves, severance, retirement, supplemental retirement, indemnity, executive retirement, pension, deferred compensation, medical, dental, vision, life and disability insurance, flexible spending account, and other health and welfare benefit plans, programs, agreements and arrangements, and all other wage, compensation, employee expense reimbursement, unemployment insurance, workers' compensation, and all other benefit obligations (including, for the avoidance of doubt, letter agreements with respect to certain employees' rights and obligations in the event of certain terminations of their employment in connection with and following the implementation of the Restructuring Transactions) (collectively, the "Compensation and Benefits Plans") are deemed to





be, and will be treated as, Executory Contracts under this Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such Compensation and Benefit Plan is listed on Exhibit C to this Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors; provided, that no employee equity or equity-based incentive plans, or any provisions set forth in any Compensation and Benefits Plans that provide for rights to acquire equity interests in any of the Debtors will be assumed, or deemed assumed, by the Reorganized Debtors.

#### **8.6 Intercompany Agreements**

Notwithstanding anything to the contrary herein or in the Plan Supplement, all contracts, unexpired leases and other agreements solely between a Debtor and (i) any other Debtor or (ii) any subsidiary or Affiliate of a Debtor (each, an “Intercompany Agreement” and collectively, the “Intercompany Agreements”) are deemed to be, and will be treated as, Executory Contracts under this Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1223 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such Intercompany Agreement is listed on Exhibit C to this Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

#### **8.7 Critical Airline Agreements**

Notwithstanding anything to the contrary herein or in the Plan Supplement, all agreements with or administered by the International Air Transport Association or its subsidiaries (excluding any bilateral agreements to which International Air Transport Association and/or its subsidiaries are not a signatory) and any bilateral interline agreements with other airlines (including interline agreements related to the Debtors’ cargo business) along with all related clearinghouse agreements are deemed to be, and will be treated as, Executory Contracts under this Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C to this Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors. Furthermore, all reciprocal and unilateral code share agreements, lounge access agreements, special prorate agreements and frequent flyer program agreements, as well as all related clearinghouse agreements, are deemed to be, and will be treated as, Executory Contracts under this Plan and, on the Effective Date, will be deemed assumed pursuant to sections 365 and 1123 of the Bankruptcy Code (in each case, as amended prior to or on the Effective Date) unless any such agreement or contract is listed on Exhibit C to this Plan, specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion filed by the Debtors.

#### **8.8 Preexisting Obligations to the Debtors Under Rejected Contracts**

Rejection of any Rejected Contract pursuant to this Plan shall not constitute a termination of pre-existing obligations owed to the applicable Debtor(s) under such Rejected Contract. In particular, notwithstanding any non-bankruptcy law to the contrary, the



Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the contracting Debtors or Reorganized Debtors, as applicable, from counterparties to any Rejected Contract.

#### **8.9 Subsequent Modifications, Amendments, Supplements or Restatements.**

Unless otherwise provided by this Plan or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed, whether or not such executory contract or unexpired lease relates to the use, acquisition or occupancy of real property, shall include (a) all modifications, amendments, supplements, restatements or other agreements made directly or indirectly by any agreement, instrument or other document that in any manner affects such executory contract or unexpired lease and (b) all executory contracts or unexpired leases appurtenant to the premises, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, powers, and uses, unless any of the foregoing agreements has been or is rejected pursuant to an order of the Bankruptcy Court or is otherwise rejected as part of this Plan. Except to the extent that this Plan or a Final Order of the Bankruptcy Court provides otherwise, modifications, amendments, supplements and restatements to prepetition executory contracts and unexpired leases that have been executed by the Debtors during the Chapter 11 Cases and actions taken in accordance therewith (i) do not alter in any way the prepetition nature of the executory contracts and unexpired leases, or the validity, priority or amount of any Claims against the Debtors that may arise under the same, (ii) are not and do not create postpetition contracts or leases, (iii) do not elevate to administrative expense priority any Claims of the counterparties to the executory contracts and unexpired leases against any of the Debtors, and (iv) do not entitle any Person to a Claim under any section of the Bankruptcy Code on account of the difference between the terms of any prepetition executory contracts or unexpired leases and subsequent modifications, amendments, supplements or restatements.

#### **8.10 Reservation of Rights**

(a) The Debtors reserve their right, on or before **4:00 p.m. (prevailing Eastern Time)** on the Business Day immediately before the Confirmation Hearing, as may be rescheduled or continued, to amend Exhibit C, Exhibit D and Exhibit E to this Plan to delete or add any unexpired lease or executory contract. The counterparty to any executory contracts or unexpired leases first listed on or removed from an amended Exhibit C, Exhibit D or Exhibit E to this Plan, as applicable, shall file any Treatment Objection no later than seven (7) days from the date such amended Exhibit is filed.

(b) If the Debtors, in their discretion, determine that the amount asserted to be the necessary "cure" amount would, if ordered by the Bankruptcy Court, make the assumption and/or assignment of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) reject the relevant executory contract or unexpired lease or (ii) request an expedited hearing on the resolution of the "cure" dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to reject the executory contract or unexpired lease pending the outcome of such dispute.





(c) If the Debtors, in their discretion, determine that the amount asserted to be the necessary rejection damages amount would, if ordered by the Bankruptcy Court, make the rejection of the executory contract or unexpired lease imprudent, then the Debtors may elect to (i) assume the relevant executory contract or unexpired lease, (ii) assume and assign the relevant executory contract or unexpired lease, or (iii) request an expedited hearing on the resolution of the rejection damages dispute, exclude assumption or rejection of the contract or lease from the scope of the Confirmation Order, and retain the right to assume or assume and assign the executory contract or unexpired lease pending the outcome of such dispute.

(d) Until a contract or lease has been assumed pursuant to this Plan or a Final Order of the Bankruptcy Court, neither the exclusion nor inclusion of any contract or lease in Exhibit C, Exhibit D or Exhibit E to this Plan, nor anything contained in this Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an executory contract or unexpired lease or that the Reorganized Debtors have any liability thereunder.

(e) The Debtors agree to consult with the Commitment Parties in taking any actions under this Section 8.10.

#### **8.11 Rejection Damages for Rejected Contracts; Cure of Defaults of Assumed Executory Contracts and Unexpired Leases**

(a) All executory contracts and unexpired leases that are not expressly assumed shall be deemed rejected as of the Effective Date. Unless otherwise provided for herein, in Exhibit C to this Plan (including by filing a Treatment Objection as set forth below), or in the Plan Supplement, or the Bankruptcy Court orders otherwise, the rejection damages for each Rejected Contract shall be zero. Except to the extent that a Final Order of the Bankruptcy Court provides otherwise, in the event that the rejection of an executory contract or unexpired lease hereunder results in damages to the other party or parties to such contract or lease, any Claim for such damages shall be classified and treated as a General Unsecured Claim against the applicable Debtor(s), and may be objected to in accordance with the provisions of Section 8.12 hereof and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules. Such Claim shall be forever barred and unenforceable against any Debtor or Reorganized Debtor, their respective Affiliates, successors or assigns or the property of any of them, unless a Proof of Claim is filed with the Bankruptcy Court and served upon counsel for the Debtors within thirty (30) days from the later of (i) the date of entry of an order of the Bankruptcy Court approving such rejection, (ii) entry of the Confirmation Order, and (iii) the effective date of the rejection of such executory contract or unexpired lease.

(b) With respect to any Assigned Contracts and Assumed Contracts, other than those assumed pursuant to Sections 8.1, 8.3, 8.4, 8.5, or 8.6 hereof, at least ten (10) days before the deadline to object to confirmation of this Plan, the Debtors shall serve a notice on parties to all Assigned Contracts and Assumed Contracts reflecting the Debtors' intention to potentially assume or assume and assign the Assumed Contract or Assigned Contract in connection with this Plan and, where applicable, setting forth the proposed cure amount (the "Cure Amount") (if any) (the "Assumption Notice"). Except as otherwise provided for herein or in the Assumption Notice or as may be otherwise agreed in writing by the applicable Debtor and counterparty or ordered by the Bankruptcy Court, the Cure Amount for each Assigned Contract



and Assumed Contract shall be zero. All Cure Amounts shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash in the amounts set forth in the Assumption Notice, or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree in writing, on or as soon as practicable following the Effective Date or on such other terms as the parties to each such executory contract or unexpired lease may otherwise agree. To the extent provided by section 365(b)(2)(D) of the Bankruptcy Code, no counterparty to an executory contract or unexpired lease shall be allowed a Claim, as part of its Cure Amount, for a default rate of interest or any other form of late payment penalty.

(c) In the event of a dispute pertaining to assumption, assignment, or the Cure Amount set forth in the Assumption Notice, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the resolution of the dispute in accordance with Section 8.12 of this Plan. Pending the resolution of such dispute, the executory contract or unexpired lease at issue shall be deemed conditionally assumed by the relevant Reorganized Debtor unless otherwise ordered by the Bankruptcy Court. To the extent that any Person fails to timely File an objection to the assumption, assignment, or the Cure Amount listed in the Assumption Notice or otherwise as set forth in Section 8.12 hereof, (i) such Person is deemed to have consented to such Cure Amounts and the assumption or assignment and assignment of such executory contracts or unexpired leases pursuant to this Plan and (ii) the Cure Amounts set forth in the Assumption Notice shall be final and binding on all non-debtor parties (including any successors and designees) to such executory contracts or unexpired leases set forth in the Assumption Notice, and shall not be subject to further dispute or audit based on performance prior to the time of assumption, irrespective of the terms and conditions of such executory contract or unexpired lease. Each counterparty to an assumed or assigned and assigned executory contract or unexpired lease shall be forever barred, estopped, and permanently enjoined from (i) asserting against any Reorganized Debtor, its Affiliates, successors or assigns or the property of any of them, any default existing as of the Effective Date under such contract or lease or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (ii) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or assignment pursuant to this Plan.

(d) Upon the assignment of any Assigned Contract, no default shall exist thereunder and no counterparty to any such Assigned Contract shall be permitted to declare a default by the Debtors or the Reorganized Debtors thereunder or otherwise take action against the Reorganized Debtors, their Affiliates, successors or assigns or the property of any of them as a result of any of the Restructuring Transactions, or any Debtor's financial condition, bankruptcy or failure to perform any of its obligations under such Assigned Contract prior to the Effective Date. Any provision in any Assigned Contract that is assigned under this Plan which prohibits or conditions the assignment or allows the counterparty thereto to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon such assignment, constitutes an unenforceable anti-assignment provision that is void and of no force and effect.

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### 8.12 Objections to Rejection, Assumption, Assignment or Cure

Except as provided by Section 8.10 of this Plan regarding amendments to Exhibit C, Exhibit D and Exhibit E to this Plan or Section 8.11(a), responses or objections, if any, to the (i) rejection, (ii) assumption, (iii) assumption and assignment, or (iv) any Cure Amount related to any contracts or leases to be assumed or assumed and assigned under this Plan (each a "Treatment Objection"), shall be Filed, together with proof of service, with the Clerk of the United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, NY 10004, and served such that the responses or objections are actually received no later than 4:00 p.m. (**prevailing Eastern Time**) on **April 29, 2022** (the "Confirmation Objection Deadline") by each of the following parties:

- (a) counsel to the Debtors, Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, New York 10006, Attention: Richard J. Cooper, Esq., Lisa M. Schweitzer, Esq., Luke A. Barefoot, Esq. and Thomas S. Kessler, Esq.;
- (b) the Office of the United States Trustee, U.S. Department of Justice, 201 Varick Street, Room 1006, New York, New York 10014, Attention: Brian Masumoto, Esq.;
- (c) counsel to the Committee, Dechert LLP, 1095 Avenue of the Americas, New York, New York 10036, Attention: Allan S. Brilliant, Esq., Craig P. Druehl, Esq. and David A. Herman, Esq.;
- (d) counsel to the Commitment Creditors, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York, 10036, Attn: Kenneth H. Eckstein, Esq., Rachael L. Ringer, Esq., Douglas Buckley, Esq. and Andrew Pollack, Esq.;
- (e) counsel to each of the Backstop Shareholders, CVL and the Eblen Group:
  - (i) Davis Polk & Wardwell LLP, 450 Lexington Ave., New York, New York 10017, Attn: Marshall Huebner, Esq., Lara Samet Buchwald, Esq., Adam L. Shpeen, Esq. and Gene Goldmintz, Esq.;
  - (ii) Alston & Bird LLP, 90 Park Avenue, New York, New York 10016, Attn: Gerard S. Catalanello, Esq. and James J. Vincequerra, Esq.;
  - and (iii) Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, Attn: Richard G. Mason, Esq. and Angela K. Herring, Esq.;
- (f) any non-Debtor parties to such executory contract or unexpired lease.

Any objection to the proposed Cure Amount shall state with specificity the cure amount the objecting party believes is required and provide appropriate documentation in support thereof. If any Treatment Objection is not timely Filed and served before the Confirmation Objection Deadline, each counterparty to an assumed, assumed and assigned, or rejected executory contract or unexpired lease, whether entered before or after the Petition Date, shall be forever barred from (i) objecting to the rejection, assumption, assignment, and/or Cure Amount provided hereunder, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (ii) asserting against any Reorganized Debtor, its Affiliates, successors or assigns or the property of any of them, any default existing as of the Effective Date under such contract or lease or any counterclaim, defense, setoff or any other interest asserted or assertable against the Debtors; and (iii) imposing or charging against any



Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any assumption or, assumption and assignment or rejection pursuant to this Plan.

On and after the Effective Date, the Reorganized Debtors may, in their sole discretion, settle Treatment Objections without any further notice to or action by the Bankruptcy Court or any other party (including by paying any agreed "cure" amounts).

For each executory contract or unexpired lease as to which a Treatment Objection is timely Filed and properly served and that is not otherwise resolved by the parties on or before the date of the Confirmation Hearing, the Debtors, subject to the availability of the Bankruptcy Court, may schedule a hearing on such Treatment Objection and provide at least twenty-one (21) days' notice of such hearing to the party filing such Treatment Objection.

Unless the Bankruptcy Court expressly orders or the parties agree otherwise, any assumption, rejection, or assignment approved by the Bankruptcy Court notwithstanding a Treatment Objection shall be effective as of the effective date originally proposed by the Debtors or specified in this Plan or the Confirmation Order. Any cure shall be paid as soon as reasonably practicable following the entry of a Final Order resolving a Cure Amount or assumption or assignment dispute unless the Debtors elect to reject the executory contract or unexpired lease as described above.

## ARTICLE IX PROCEDURES FOR RESOLVING DISPUTED CLAIMS

### 9.1 Resolution of Disputed Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Reorganized Debtors and the Disbursing Agent shall have the exclusive right to make and File objections to Claims (other than Administrative Expense Claims and Professional Fees Claims to which other parties may object as set forth in Section 3.1 and Section 13.5 of this Plan) and shall serve a copy of each objection upon the Holder of the Claim to which the objection is made as soon as practicable, but in no event later than sixty (60) days after the Effective Date (the "Claims Objection Deadline") or such later date as is established by the filing of a notice by the Reorganized Debtors prior to the expiration of the then current Claims Objection Deadline. Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the Holder thereof if service is effected in any of the following manners: (a) in accordance with Rule 4 of the Federal Rules of Civil Procedure, as modified and made applicable by Bankruptcy Rule 7004; (b) by email or first class mail, postage prepaid, on the signatory on the Proof of Claim or interest or other representative identified in the Proof of Claim or interest or any attachment thereto; (c) by email or first class mail, postage prepaid, on any counsel that has appeared on the Holder's behalf in the Chapter 11 Cases or (d) any other method that may be agreed by the Debtors and the Holder. Pursuant to Bankruptcy Rule 9019(a), the Debtors may compromise, settle and resolve all Disputed Claims up to the Effective Date. After the Effective Date, any such right shall pass to the Reorganized Debtors without the need for further approval of the Bankruptcy Court.

