

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AAC HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11648

(Jointly Administered)

Ref. Docket Nos. 516, 525, 647

**ORDER CONFIRMING SECOND AMENDED JOINT CHAPTER 11
PLAN OF AAC HOLDINGS, INC. AND ITS DEBTOR AFFILIATES**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”),
having:²

- a. commenced, on June 20, 2020 (the “Petition Date”), these chapter 11 cases (these “Chapter 11 Cases”) by filing voluntary petitions in the United States Bankruptcy Court for the District of Delaware (the “Court”) for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”);

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Recovery First of Florida, LLC (3005); Fitrx, LLC (5410); Oxford Treatment Center, LLC (7853); Oxford Outpatient Center, LLC (0237); Concorde Treatment Center, LLC (6483); New Jersey Addiction Treatment Center, LLC (7108); ABTTC, LLC (7601); Laguna Treatment Hospital, LLC (0830); AAC Las Vegas Outpatient Center, LLC (5381); Greenhouse Treatment Center, LLC (4402); AAC Dallas Outpatient Center, LLC (6827); Forterus Health Care Services, Inc. (4758); Solutions Treatment Center, LLC (8175); San Diego Addiction Treatment Center, Inc. (1719); River Oaks Treatment Center, LLC (0640); Singer Island Recovery Center LLC (3015); B&B Holdings Intl LLC (8549); The Academy Real Estate, LLC (9789); BHR Oxford Real Estate, LLC (0023); Concorde Real Estate, LLC (7890); BHR Greenhouse Real Estate, LLC (4295); BHR Ringwood Real Estate, LLC (0565); BHR Aliso Viejo Real Estate, LLC (2910); Behavioral Healthcare Realty, LLC (2055); Clinical Revenue Management Services, LLC (8103); Recovery Brands, LLC (8920); Referral Solutions Group, LLC (7817); Taj Media LLC (7047); Sober Media Group, LLC (4655); American Addiction Centers, Inc. (3320); Tower Hill Realty, Inc. (0039); Lincoln Catharine Realty Corporation (5998); AdCare Rhode Island, Inc. (2188); Green Hill Realty Corporation (4951); AdCare Hospital of Worcester, Inc. (3042); Diversified Healthcare Strategies, Inc. (3809); AdCare Criminal Justice Services, Inc. (1653); AdCare, Inc. (7005); Sagenex Diagnostics Laboratory, LLC (7900); RI - Clinical Services, LLC (6291); Addiction Labs of America, LLC (1133); AAC Healthcare Network, Inc. (0677); AAC Holdings, Inc. (6142); San Diego Professional Group, P.C. (9334). Grand Prairie Professional Group, P.A. (2102); Palm Beach Professional Group, Professional Corporation (7608); Pontchartrain Medical Group, A Professional Corporation (1271); Oxford Professional Group, P.C. (8234); and Las Vegas Professional Group - Calarco, P.C. (5901). The location of the Debtors’ corporate headquarters is 200 Powell Place, Brentwood, TN 37027.

² Capitalized terms used but not otherwise defined in this order (the “Confirmation Order”) shall have the meanings given to them in the *Second Amended Joint Plan of Reorganization of AAC Holdings, LLC and its Debtor Affiliates*, attached hereto as **Exhibit A**. The rules of interpretation set forth in Article I.B of the Plan shall apply to this Confirmation Order.

- b. continued to operate their businesses and manage their properties as debtors in possession in accordance with sections 1107(a) and 1108 of the Bankruptcy Code;
- c. filed on July 25, 2020, (i) the *Joint Chapter 11 Plan of AAC Holdings, Inc and its Debtor Affiliates* [Docket No. 191] and (ii) the *Disclosure Statement for Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 192];
- d. filed on July 25, 2020, the *Debtors' Motion for Entry of an Order (I) Approving Adequacy of the Disclosure Statement, (II) Approving Solicitation and Notice Procedures for Confirmation of the Debtors' Plan of Reorganization, (III) Approving Ballot and Notice Forms in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Docket No. 193];
- e. obtained, on September 1, 2020, entry of the *Order (I) Approving Adequacy of the Disclosure Statement, (II) Approving Solicitation and Notice Procedures for Confirmation of the Debtors' Plan of Reorganization, (III) Approving Ballot and Notice Forms in Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief* [Docket No. 516] (the "Disclosure Statement Order"), which Disclosure Statement Order approves the Disclosure Statement, solicitation procedures (the "Solicitation Procedures"), and related notices, forms, and ballots (collectively, the "Solicitation Packages");
- f. filed, on September 1, 2020, the (i) the *Amended Disclosure Statement for the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 524] (the "Disclosure Statement") and (ii) the *Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* (the "Amended Plan") [Docket No. 525];
- g. caused the Solicitation Packages, notice of the Confirmation Hearing and deadline for objecting to confirmation of the Plan, notice of the Third Party Release and process for opting out, and non-voting notices to be distributed before, on, or about September 3, 2020 (the "Solicitation Date"), in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Disclosure Statement Order, and the Solicitation Procedures, as evidenced by, among other things, the *Affidavit of Donlin, Recano and Company, Inc. Regarding Service of Solicitation Packages with Respect to the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 541], dated September 9, 2020 (the "Solicitation Affidavit");
- h. caused notice of the Confirmation Hearing (the "Confirmation Hearing Notice") to be published on September 11, 2020, in the national edition of *The New York Times*, as evidenced by *The New York Times Affidavit of Publication Notice of Hearing to Consider Confirmation of the Chapter 11 Plan Filed by the Debtors*

and Related Voting and Objection Deadlines [Docket No. 547] (the “Publication Affidavit”);

- i. filed on September 17, 2020, the *Notice of Debtors’ Election to Proceed with the Reorganization Transaction Pursuant to the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 567];
- j. filed on September 24, 2020, the *Notice of Filing Plan Supplement to the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 582] (the “Initial Plan Supplement”), and caused it to be distributed on that same day as evidenced by the *Affidavit of Service* [Docket No. 603] (the “Initial Plan Supplement Affidavit”);
- k. caused a *Notice of (A) Executory Contracts and Unexpired Leases to be Assumed by the Debtors Pursuant to the Plan, (B) Cure Amounts, if any, and (C) Related Procedures in Connection Therewith* to be served on September 17, 2020, as evidenced by the *Affidavit of Service* [Docket No. 591] (the “Cure Notice Affidavit”);
- l. filed on October 9, 2020, the *Debtors’ Memorandum of Law in Support of Confirmation of the Second Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 639] (the “Confirmation Brief”);
- m. filed on October 9, 2020, the *Declaration of John Burlacu on Behalf of Donlin, Recano & Company, Inc. Regarding Voting and Tabulation of Ballots Accepting and Rejecting the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 640] (the “Voting Report”);
- n. filed on October 9, 2020, the *Declaration of Jimmy Peterson in Connection With Confirmation of the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 642] (the “Peterson Declaration”);
- o. filed on October 9, 2020 the *Declaration of Charles Edelman in Support of Confirmation of the Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 643] (the “Edelman Declaration”);
- p. filed on October 11, 2020 the *Second Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 647] (the “Second Amended Plan” and as may be amended, supplemented, or otherwise modified from time to time, and including all exhibits and supplements thereto, the “Plan”);
- q. filed on October 11, 2020, the *Declaration of J. Jette Campbell in Support of Confirmation of the Second Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 649] (the “Campbell Declaration”);

- r. filed on October 12, 2020, the *Notice of Filing of Amended Plan Supplement to the Second Amended Joint Chapter 11 Plan of AAC Holdings, Inc. and its Debtor Affiliates* [Docket No. 651] (the “Amended Plan Supplement”);
- s. caused, among other pleadings, the Plan, the Amended Plan Supplement, and the Campbell Declaration to be served to the parties listed on in those certain affidavit of service [Docket No. 687] (the “Confirmation Materials Affidavit”) filed with the Court; and
- t. filed on October 14, 2020, the *Notice of Filing of Second Amended Plan Supplement* [Docket No. 667] (the “Second Amended Plan Supplement” and with the Initial Plan Supplement and the Amended Plan Supplement, as they may be modified, supplemented, or otherwise amended from time to time, the “Plan Supplement”)) and caused it to be distributed as evidenced by the *Affidavit of Service* [Docket No. 688] (the “Second Amended Plan Supplement Affidavit”).

This Court having:

- a. entered the Disclosure Statement Order on September 1, 2020;
- b. set October 1, 2020, at 4:00 p.m. (prevailing Eastern Time) (the “Voting and Plan Objection Deadline”) as the deadline for voting on the Plan and deadline for filing objections in opposition to the Plan;
- c. set October 14, 2020, at 10:00 a.m. (prevailing Eastern Time) as the date and time for the commencement of the Confirmation Hearing in accordance with Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code;
- d. reviewed the Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Brief, the Voting Report, the Campbell Declaration, the Peterson Declaration, the Edelman Declaration, and all pleadings, exhibits, statements, responses, and comments regarding confirmation of the Plan (“Confirmation”), including all objections, statements, and reservations of rights Filed by parties in interest on the docket of these Chapter 11 Cases;
- e. held the Confirmation Hearing;
- f. heard the statements and arguments made by counsel in respect of Confirmation;
- g. considered all oral representations, live testimony, written direct testimony, designated deposition testimony, exhibits, documents, filings, and other evidence presented at the Confirmation Hearing;
- h. entered rulings on the record at the Confirmation Hearing;

- i. overruled any and all objections to the Plan and to Confirmation, except as otherwise stated or indicated on the record, and all statements and reservations of rights not consensually resolved or withdrawn unless otherwise indicated; and
- j. taken judicial notice of all papers and pleadings Filed in these Chapter 11 Cases.

NOW, THEREFORE, after due deliberation thereon and good cause appearing therefor, the Court hereby makes and issues the following findings of fact and conclusions of law and orders:

I. FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS HEREBY DETERMINED, FOUND, ADJUDGED, DECREED, AND ORDERED THAT:

A. Jurisdiction and Venue.

1. Confirmation of the Plan is a core proceeding under 28 U.S.C. § 157(b)(2). The Court has subject matter jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012. The Debtors have confirmed their consent, pursuant to Rule 7008 and Rule 9013-1(f) of the *Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware* (the “Local Rules”), to the entry of a final order by the Court in accordance with the terms set forth herein to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution. The Debtors are proper plan proponents under section 1121(a) of the Bankruptcy Code.

B. Eligibility for Relief.

2. The Debtors were and continue to be entities eligible for relief under section 109 of the Bankruptcy Code.

C. Commencement and Joint Administration of these Chapter 11 Cases.

3. On the Petition Date, the Debtors commenced these Chapter 11 Cases. On June 23, 2020, the Court entered an order [Docket No. 49] authorizing the joint administration of these Chapter 11 Cases in accordance with Bankruptcy Rule 1015(b). The Debtors have operated their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases.

D. Appointment of Creditors' Committee.

4. On July 2, 2020, the U.S. Trustee appointed the Official Committee of Unsecured Creditors (the "Creditors' Committee") to represent the interests of the unsecured creditors of the Debtors in these Chapter 11 Cases [Docket No. 97].

E. Plan Supplement.

5. The Plan Supplement complies with the terms of the Plan, and the Debtors provided good and proper notice of the filing in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Disclosure Statement Order, and the facts and circumstances of these Chapter 11 Cases. No other or further notice is or will be required with respect to the Plan Supplement.

F. Modifications to the Plan.

6. Pursuant to section 1127 of the Bankruptcy Code, the modifications to the Plan that are included in the Second Amended Plan (the "Plan Modifications") constitute technical or clarifying changes, changes with respect to particular Claims by agreement with Holders of such Claims, or modifications that do not otherwise materially and adversely affect or change the treatment of any other Claim or Interest. Among other modifications, the Plan Modifications incorporate the Committee/Lender Settlement by establishing the Litigation Trust and modifying

certain release provisions. The Plan Modifications that incorporate the Committee/Lender Settlement enhance the possibility of recovery for Holders of Allowed General Unsecured Claims, including Junior Lender Deficiency Claims, and do not materially and adversely affect or change the treatment of any other Claim or Interest. Adequate and sufficient notice of the Plan Modifications has been provided.

7. In accordance with Bankruptcy Rule 3019, the Plan Modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of votes under section 1126 of the Bankruptcy Code, and they do not require that holders of Claims or Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan. Accordingly, the Plan, as modified to the Plan Modifications, is properly before this Court and all votes cast with respect to the Plan prior to such modifications shall be binding and shall apply with respect to the Plan.

G. Objections Overruled.

8. Any resolution or disposition of objections to Confirmation explained or otherwise ruled upon by the Court on the record at the Confirmation Hearing is hereby incorporated by reference. All unresolved objections, statements, and reservations of rights are hereby overruled on the merits.

H. Disclosure Statement Order.

9. On September 1, 2020, the Court entered the Disclosure Statement Order, which, among other things, set the Voting and Plan Objection Deadline.

I. Transmittal and Mailing of Materials; Notice.

10. As evidenced by the Solicitation Affidavit, the Publication Affidavit, the Initial Plan Supplement Affidavit, the Amended Plan Supplement Affidavit, the Second Amended Plan Supplement Affidavit, the Confirmation Materials Affidavit, the Cure Notice Affidavit, and the

Voting Report, the Debtors provided due, adequate, and sufficient notice of the Plan, the Disclosure Statement, the Disclosure Statement Order, the Solicitation Packages, the Plan Supplement, and all the other materials distributed by the Debtors in connection with the Confirmation of the Plan in compliance with the Bankruptcy Rules, including Bankruptcy Rules 2002(b), 3017, 3019, and 3020(b), the Local Rules, and the procedures set forth in the Disclosure Statement Order. The Debtors provided due, adequate, and sufficient notice of the Voting and Plan Objection Deadline, the Confirmation Hearing, and any applicable bar dates and hearings described in the Disclosure Statement Order in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order. No other or further notice is or shall be required.

J. Solicitation.

11. The Debtors solicited votes for acceptance and rejection of the Plan in good faith, and such solicitation complied with sections 1125 and 1126, and all other applicable sections, of the Bankruptcy Code, Bankruptcy Rules 3017, 3018, and 3019, the Disclosure Statement Order, the Local Rules, and all other applicable rules, laws, and regulations.

K. Voting Report.

12. Before the Confirmation Hearing, the Debtors Filed the Voting Report. The procedures used to tabulate ballots were fair and conducted in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all other applicable rules, laws, and regulations.

13. Holders of Claims in Classes 3, 4, and 5 (collectively, the “Voting Classes”) were eligible to vote to accept or reject the Plan in accordance with the Solicitation Procedures. Holders of Claims in Classes 1 and 2 (collectively, the “Deemed Accepting Classes”) are Unimpaired and conclusively presumed to accept the Plan and, therefore, did not vote to accept

or reject the Plan. Holders of Claims and Interests in Classes 6 and 8 will either be treated as Unimpaired or Impaired for administrative convenience and are conclusively presumed to have accepted the Plan (to the extent reinstated) or conclusively presumed to have rejected the Plan (to the extent extinguished). Classes 7 and 9 or are Impaired and conclusively presumed to reject the Plan and, therefore, did not vote to accept or reject the Plan.

L. Bankruptcy Rule 3016.

14. The Plan was dated and identified the entities submitting it, thereby satisfying Bankruptcy Rule 3016(a). The Debtors appropriately Filed the Disclosure Statement and Plan with the Court, thereby satisfying Bankruptcy Rule 3016(b). The injunction, release, and exculpation provisions of the Plan are in bold font and with specific and conspicuous language, and the Plan and Disclosure Statement describe all acts to be enjoined and identify the entities that will be subject to the injunction, thereby satisfying Bankruptcy Rule 3016(c).

M. Burden of Proof.

15. The Debtors have met their burden of proving the elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, the applicable evidentiary standard for confirmation. Each witness who testified on behalf of the Debtors in connection with the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

N. Compliance with the Requirements of Section 1129 of the Bankruptcy Code.

16. The Plan complies with all applicable provisions of section 1129 of the Bankruptcy Code as follows:

a. Section 1129(a)(1)—Compliance of the Plan with Applicable Provisions of the Bankruptcy Code.

17. The Plan complies with all applicable provisions of the Bankruptcy Code, including sections 1122 and 1123, as required by section 1129(a)(1) of the Bankruptcy Code.

i. Sections 1122 and 1123(a)(1)—Proper Classification.

18. The classification of Claims and Interests under the Plan is proper under the Bankruptcy Code. In accordance with sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, Article III of the Plan provides for the separate classification of Claims and Interests into nine different Classes, based on differences in the legal nature or priority of such Claims and Interests (other than Administrative Claims, DIP Lender Claims, Professional Fee Claims, and Priority Tax Claims, which are addressed in Article II of the Plan and are required not to be designated as separate Classes by section 1123(a)(1) of the Bankruptcy Code). Valid business, factual, and legal reasons exist for the separate classification of the various Classes of Claims and Interests created under the Plan, the classifications were not implemented for any improper purpose, and the creation of such Classes does not unfairly discriminate between or among holders of Claims or Interests.

19. In accordance with section 1122(a) of the Bankruptcy Code, each Class of Claims or Interests contains only Claims or Interests substantially similar to the other Claims or Interests within that Class. Accordingly, the Plan satisfies the requirements of sections 1122(a), 1122(b), and 1123(a)(1) of the Bankruptcy Code.

ii. Section 1123(a)(2)—Specification of Unimpaired Classes.

20. Article III of the Plan specifies that Claims in the Deemed Accepting Classes are Unimpaired under the Plan. Accordingly, the Plan satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code.

iii. Section 1123(a)(3)—Specification of Treatment of Voting Classes.

21. Article III of the Plan specifies the treatment of each Voting Class under the Plan. Accordingly, the Plan satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code.

iv. Section 1123(a)(4)—No Discrimination.

22. Article III of the Plan provides the same treatment to each Claim or Interest in any particular Class, as the case may be, unless the holder of a particular Claim or Interest has agreed to a less favorable treatment with respect to such Claim or Interest. Accordingly, the Plan satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code.

v. Section 1123(a)(5)—Adequate Means for Plan Implementation.

23. The Plan and the various documents included in the Plan Supplement provide adequate and proper means for the Plan's execution and implementation, including: (a) the restructuring of the Debtors' balance sheet and other financial transactions provided for by the Plan; (b) the adoption, authorization, and entry of the New Organizational Documents; (c) the authorization, approval, and consummation of the Exit Facility Documents; (d) the cancellation of certain existing agreements, obligations, instruments, and Interests; (e) the continuance of certain agreements, obligations, instruments, and Interests; (f) the vesting of the assets of the Debtors' Estates (excluding the Litigation Trust Assets) in the Reorganized Debtors; (g) the execution, delivery, filing, or recording of all contracts, instruments, releases, and other agreements or documents in furtherance of the Plan; (h) the appointment of the New Board; (i) the authorization to establish of the Management Incentive Plan; (j) the establishment of the Litigation Trust pursuant to the Litigation Trust Agreement and the transfer of the Litigation Trust Assets to the Litigation Trust free and clear of all Liens, Claims, charges, or other encumbrances, subject only to the Litigation Trust Interests; and (k) the funding of the Litigation Trust with the Initial Litigation Trust Cash Amount and, promptly after the payment of all

Allowed Professional Fee Claims of Professionals retained by the Creditors' Committee, the Committee Professional Excess Amount; (l) the authorization, approval, and entry of corporate actions under the Plan; and (m) the authorization for the Debtors and/or Reorganized Debtors (with applicable consent rights) to take all actions necessary to effectuate the Reorganization Transaction. Accordingly, the Plan satisfies the requirements of section 1123(a)(5) of the Bankruptcy Code.

vi. Section 1123(a)(6)—Non-Voting Equity Securities.

24. Article IV.C.7 of the Plan provides that the New Organizational Documents shall prohibit the issuance of non-voting securities. Accordingly, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

vii. Section 1123(a)(7)—Directors, Officers, and Trustees.

25. The Plan provides for the selection of the Reorganized Debtors' New Board and officers, in accordance with the New Organizational Documents, which is consistent with the interests of creditors and equity holders and public policy. Moreover, the Debtors disclosed in the Amended Plan Supplement the identities of the Reorganized Debtors' New Board members and officers and the Litigation Trustee, and the Debtors will disclose the identity of the members of the Litigation Trust Advisory Board, to the extent known, prior to the Effective Date. Accordingly, the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

b. Section 1123(b)—Discretionary Contents of the Plan.

The Plan contains various provisions that may be construed as discretionary and not necessary for confirmation under the Bankruptcy Code. Any such discretionary provision complies with section 1123(b) of the Bankruptcy Code and is not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, the Plan satisfies section 1123(b).

i. Impairment/Unimpairment of Any Class of Claims or Interests.

26. Pursuant to the Plan, Article III of the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims or Interests, as contemplated by section 1123(b)(1) of the Bankruptcy Code.

ii. Assumption and Rejection of Executory Contracts and Unexpired Leases.

27. Article V of the Plan addresses the assumption and rejection of executory contracts and unexpired leases and meets the requirements of section 365(b) of the Bankruptcy Code. Consistent with section 1123(b)(2) of the Bankruptcy Code, Article V.A of the Plan provides that on the Effective Date, except as otherwise provided in the Plan, each Debtor will be deemed to have assumed each Executory Contract or Unexpired Lease to which such Debtor is a party, unless such Executory Contract or Unexpired Lease (i) was previously assumed or rejected; (ii) was previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion or notice to reject Filed on or before the Confirmation Date; or (iv) is designated as an Executory Contract or Unexpired Lease to be rejected as set forth in the Schedule of Rejected Executory Contracts and Unexpired Leases. In accordance with the Disclosure Statement Order and Article V.C of the Plan, counterparties to the Debtors' executory contracts and unexpired leases were each served with an individualized assumption and assignment notice (the "Cure Notices"), in the form attached to the Disclosure Statement Order, which included the proposed Cure Amounts for each contract thereon.³ In accordance with Article V.A of the Plan, the Debtors have filed and served, as an exhibit in the Plan Supplement, the Schedule of Rejected Executory Contracts and Unexpired Leases.⁴ The time given to parties in interest to object to the assumption, assumption and assignment, and rejection of their

³ See *Cure Notice Affidavit*.

⁴ See *Plan Supplement*.

executory contracts or expired leases was good and sufficient and no other or further notice is required.

iii. Compromise and Settlement.

28. As permitted by section 1123(b)(3)(A) of the Bankruptcy Code, Article IV.A.3 of the Plan provides for the Committee/Lender Settlement and Article X of the Plan provides for releases of certain Claims and Causes of Action owned by the Debtors or the Debtors' Estates. Accordingly, the Plan is consistent with section 1123(b) of the Bankruptcy Code.

A. Committee/Lender Settlement

29. The Committee/Lender Settlement entered into by the Debtors, as incorporated into the Plan, is in accordance with section 1123(b)(3)(A) of the Bankruptcy Code and represents a valid exercise of the Debtors' business judgment. The Committee/Lender Settlement was entered into in good faith and is: (a) the product of extensive arms'-length negotiations by and between the Debtors (with the participation of the Special Restructuring Committee), the Creditors' Committee, and the Ad Hoc Group; (b) in the best interests of the Debtors, the Reorganized Debtors, their Estates, and the Holders of Claims and Interests; (c) fair, equitable, and reasonable; (d) an integral element of the transactions incorporated into the Plan; and (e) consistent with sections 105, 1123, and 1129 of the Bankruptcy Code, other provisions of the Bankruptcy Code, Bankruptcy Rule 9019, and other applicable law.

B. Debtor Release

30. The release of Claims and Causes of Action by the Debtors set forth in Article X.E of the Plan (the "Debtor Release") is in accordance with section 1123(b) of the Bankruptcy Code and represents a valid exercise of the Debtors' business judgment under Bankruptcy Rule 9019. The Debtor Release is fair and equitable, is a key component of the Plan,

and otherwise constitutes a settlement of Claims and Causes of Action under section 1123(b) of the Bankruptcy Code and Bankruptcy Rule 9019.

31. Releases of the Released Parties by the Debtors and the Releasing Parties are critically important to the success of the Plan, which embodies the settlement of certain claims with the Debtors' primary stakeholders, including the Ad Hoc Group and DIP Lenders and implements the concessions and compromises made by the parties to the restructuring transactions contemplated by the Plan. Each of the Released Parties afforded value to the Debtors and aided in the reorganization process. The Released Parties played an integral role in the formulation and implementation of the Plan. The Plan reflects the settlement and resolution of several complex issues, and the Debtor Release is an integral part of the consideration to be provided in exchange for the compromises and resolutions embodied in the Plan.

32. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to section 1123(b) of the Bankruptcy Code and Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (a) in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the restructuring and implementing the Plan, including with respect to a Restructuring Transaction, the sale and the marketing process, as applicable; (b) a good faith settlement and compromise of the Claims released by the Debtor Release; (c) in the best interests of the Debtors, the Debtors' Estates and all Holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' respective Estates asserting any Claim or Cause of Action released

pursuant to the Debtor Release. For the avoidance of doubt, the Debtor Release shall not and shall not be interpreted or deemed to release any Litigation Trust Claim.

C. Mutual Release

33. The mutual release between the Debtors and Consenting Lenders set forth in Article X.H of the Plan (the “Mutual Release”) is in accordance with section 1123(b) of the Bankruptcy Code, represents a valid exercise of the Debtors’ business judgment under Bankruptcy Rule 9019.

34. The Mutual Release is: (a) the product of extensive arms’-length negotiations that occurred in good faith by and between the Debtors and the Consenting Lenders; (b) in the best interests of the Debtors, the Reorganized Debtors, their Estates, and the Holders of Claims and Interests; (c) fair, equitable, and reasonable; (d) an integral element of the transactions incorporated into the Plan; and (e) consistent with sections 105, 1123, and 1129 of the Bankruptcy Code, other provisions of the Bankruptcy Code, Bankruptcy Rule 9019, and other applicable law.

D. Third Party Release

35. The release by the Releasing Parties set forth in Article X.F of the Plan (the “Third Party Release”), is an essential provision of the Plan. The Third Party Release provides for releases for the Released Parties by the Releasing Parties.

36. The Ballots (in the form approved by the Disclosure Statement Order and distributed by the Debtors) explicitly stated that a vote to accept the Plan constitutes an acceptance and consent to the releases set forth in the Plan and included the language of the Third Party Release. In addition, the Third Party Release was conspicuously disclosed in boldface type in the Plan, the Disclosure Statement and other notices in the Solicitation Packages, each of which provided parties in interest with sufficient notice of the Third Party

Release. Thus, each Releasing Party was given due and adequate notice that they would be granting the Third Party Release by voting to accept the Plan, failing to opt out of the Third Party Release if voting against the Plan or abstaining from voting on the Plan, failing to object to the Third Party Release prior to the deadline to object to Confirmation of the Plan or as otherwise described in the Plan. Accordingly, the Third Party Release is consensual.

37. The Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) consensual; (b) essential to the Confirmation of the Plan, important to the overall objectives of the Plan and an essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code; (c) given in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the restructuring and implementing the Plan, including with respect to a Restructuring Transaction and the sale and marketing process, as applicable; (d) a good faith settlement and compromise of the Claims released by the Third-Party Release; (e) materially beneficial to, and in the best interests of the Debtors and their respective Estates and stakeholders; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; (h) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release; (i) within the jurisdiction of this Court under 28 U.S.C. §§ 1334(a), 1334(b), and 1334(d); and (j) consistent with sections 105, 1123, 1129, and 1141 and other applicable provisions of the Bankruptcy Code.

E. Exculpation

38. The exculpation provisions set forth in Article X.G of the Plan are essential to the Plan. The record in these Chapter 11 Cases fully supports the exculpation provisions set forth in Article X.G of the Plan.

F. Injunction

39. The injunction provisions set forth in Article X.I of the Plan are essential to the Plan and are necessary to implement the Plan and to preserve and enforce the discharge, Debtor Release, the Third Party Release, the exculpation provisions in Article X.G of the Plan, and the Mutual Release. Such injunction provisions are appropriately tailored to achieve those purposes.

c. Section 1123(d)—Cure of Defaults.

40. Article V.C of the Plan provides for the satisfaction of Cure Claims associated with each Executory Contract and Unexpired Lease to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. Any monetary defaults under each Assumed Executory Contract or Unexpired Lease shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the applicable Cure Claim in Cash on the Effective Date, subject to the limitations described in Article V.C of the Plan, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. Any disputed cure amounts will be determined in accordance with the procedures set forth in Article V.C of the Plan, and applicable bankruptcy and nonbankruptcy law. As such, the Plan provides that the Debtors will cure, or provide adequate assurance that the Debtors will promptly cure, defaults with respect to assumed Executory Contracts and Unexpired Leases in accordance with section 365(b)(1) of the Bankruptcy Code. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

d. Section 1129(a)(2)—Compliance of the Debtors and Others with the Applicable Provisions of the Bankruptcy Code.

41. The Debtors, as proponents of the Plan, have complied with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(2) of the Bankruptcy Code, including sections 1122, 1123, 1124, 1125, 1126, and 1128, and Bankruptcy Rules 3017, 3018, and 3019.

42. The Debtors and their agents solicited votes to accept or reject the Plan after the Court approved the adequacy of the Disclosure Statement pursuant to section 1125(a) of the Bankruptcy Code and the Disclosure Statement Order.

43. The Debtors and their agents have solicited and tabulated votes on the Plan and have participated in the activities described in section 1125 of the Bankruptcy Code fairly, in good faith within the meaning of section 1125(e), and in a manner consistent with the applicable provisions of the Disclosure Statement Order, the Disclosure Statement, the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all other applicable rules, laws, and regulations and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article X.G of the Plan. The Debtors, the Ad Hoc Group, the DIP Agent, the Senior Lien Agent, the Junior Lien Agent and their respective agents and Affiliates have participated in good faith and in compliance with applicable provisions of the Bankruptcy Code, in the offer, issuance, sale, or purchase of the Reorganized AAC Equity Interests, New Warrants, and Litigation Trust Interests, and the Debtors, the Ad Hoc Group and their respective agents and Affiliates shall not be held liable on account of such participation for violation of any applicable law, rule, or regulation governing the offer, issuance, sale, or purchase of such securities.

44. The Debtors, the Ad Hoc Group, the DIP Agent, the Senior Lien Agent, the Junior Lien Agent and their agents have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the offering, issuance, and distribution of recoveries under the Plan and therefore are not, and on account of such distributions will not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or distributions made pursuant to the Plan, so long as such distributions are made consistent with and pursuant to the Plan.

e. Section 1129(a)(3)—Proposal of Plan in Good Faith.

45. The Debtors have proposed the Plan in good faith and not by any means forbidden by law. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of these Chapter 11 Cases, the Plan itself, and the process leading to its formulation. The Debtors' good faith is evident from the facts and record in these Chapter 11 Cases, the Disclosure Statement, the hearing on the Disclosure Statement and the record of the Confirmation Hearing and other proceedings in these Chapter 11 Cases.

46. The Plan is the product of good faith, arms'-length negotiations by and among the Debtors and their key constituents. The Plan itself and the process leading to its formulation provide independent evidence of the Debtors' and such other parties' good faith and assure the fair treatment of holders of Claims or Interests. Consistent with the overriding purpose of chapter 11, the Debtors filed these Chapter 11 Cases with the belief that the Debtors were in need of reorganization and the Plan was negotiated and proposed with the intention of accomplishing a successful reorganization and maximizing stakeholder value and for no ulterior purpose. Accordingly, the requirements of section 1129(a)(3) of the Bankruptcy Code are satisfied.

f. Section 1129(a)(4)—Court Approval of Certain Payments as Reasonable.

47. Except for fees and expenses of professionals representing the DIP Lenders and the DIP Agent paid pursuant to the DIP Orders, any payment made or to be made by the Debtors, the Litigation Trust, or by a person issuing securities or acquiring property under the Plan, for services or costs and expenses in connection with these Chapter 11 Cases or in connection with the Plan and incident to these Chapter 11 Cases has been approved by, or is subject to the approval of, the Court as reasonable. Accordingly, the Plan satisfies the requirements of section 1129(a)(4).

g. Section 1129(a)(5)—Disclosure of Directors and Officers and Consistency with the Interests of Creditors and Public Policy.

48. The identities of the Reorganized Debtors' directors and officers and the Litigation Trustee were disclosed in the Plan Supplement, and the Debtors will disclose the identity of the members of the Litigation Trust Advisory Board, to the extent known, prior to the Effective Date. Accordingly, the Debtors have satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

h. Section 1129(a)(6)—Rate Changes.

49. The Plan does not contain any rate changes subject to the jurisdiction of any governmental regulatory commission and therefore will not require governmental regulatory approval. Therefore, section 1129(a)(6) of the Bankruptcy Code does not apply to the Plan.

i. Section 1129(a)(7)—Best Interests of Holders of Claims and Interests.

50. The evidence in support of the Plan that was proffered or adduced at the Confirmation Hearing, and the facts and circumstances of these Chapter 11 Cases, establish that each holder of Allowed Claims or Interests in each Class will recover as much or more value under the Plan on account of such Claim or Interest, as of the Effective Date, than the amount

such holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. As a result, the Debtors have demonstrated that the Plan is in the best interest of their creditors and equity holders and the requirements of section 1129(a)(7) of the Bankruptcy Code are satisfied.

j. Section 1129(a)(8)—Conclusive Presumption of Acceptance by Unimpaired Classes; Acceptance of the Plan by Certain Voting Classes.

51. The Classes that are Unimpaired under the Plan are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. With respect to Classes entitled to vote on the Plan, Class 3 (Senior Lender Claims), Class 4 (Junior Lender Secured Claims), and Class 5 (General Unsecured Claims) are impaired and have voted to accept the Plan. Finally, with respect to any Class that voted, or is deemed, to reject the Plan, the Plan is confirmable because the Plan does not discriminate unfairly and is fair and equitable with respect to each such Class and thus satisfies section 1129(b) of the Bankruptcy Code with respect to such Classes as described further below. As a result, the requirements of section 1129(a)(8) of the Bankruptcy Code are satisfied.

k. Section 1129(a)(9)—Treatment of Claims Entitled to Priority Pursuant to Section 507(a) of the Bankruptcy Code.

52. The treatment of Administrative Claims, Professional Fee Claims, DIP Facility Claims, and Priority Tax Claims under Article II of the Plan satisfies the requirements of, and complies in all respects with, section 1129(a)(9) of the Bankruptcy Code.

l. Section 1129(a)(10)—Acceptance by at Least One Voting Class.

53. As set forth in the Voting Report, Classes 3 and 4 voted to accept the Plan, and at least one Voting Class that has accepted the Plan for each Debtor, determined without including any acceptance of the Plan by any insider (as defined by the Bankruptcy Code). Accordingly, the requirements of section 1129(a)(10) of the Bankruptcy Code are satisfied.

m. Section 1129(a)(11)—Feasibility of the Plan.

54. As evidenced by the Campbell Declaration, the financial projections attached to the Disclosure Statement, and the Peterson Declaration, the Plan satisfies section 1129(a)(11) of the Bankruptcy Code. The evidence supporting the Plan proffered or adduced by the Debtors at or before the Confirmation Hearing: (a) is reasonable, persuasive, credible, and accurate as of the dates such evidence was prepared, presented, or proffered; (b) has not been controverted by other persuasive evidence; (c) establishes that the Plan is feasible and Confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization; (d) establishes that the Debtors will have sufficient funds available to meet their obligations under the Plan—including sufficient amounts of Cash to reasonably ensure payment of Allowed Claims that will receive Cash distributions pursuant to the terms of the Plan; and (e) establishes that the Debtors or the Reorganized Debtors, as applicable, will have the financial wherewithal to pay any Claims that accrue, become payable, or are allowed by Final Order following the Effective Date. Accordingly, the Plan satisfies the requirements of section 1129(a)(11) of the Bankruptcy Code.

n. Section 1129(a)(12)—Payment of Statutory Fees.

55. Notwithstanding anything to the contrary in the Plan, all fees due and payable to the U.S. Trustee pursuant to section 1930 of Title 28 of the United States Code (“Quarterly Fees”) before the Effective Date shall be paid by the Debtors on the Effective Date. After the Effective Date, (i) the Debtors, the Reorganized Debtors, and the Litigation Trustee shall be jointly and severally liable to pay all Quarterly Fees accruing from and after the Effective Date until the earliest to occur of the particular Debtor’s case being converted to a case under chapter 7 of the Bankruptcy Code, dismissed, or closed; and (ii) the Reorganized Debtors shall file quarterly reports when they become due, in a form reasonably acceptable to the U.S. Trustee,

which reports shall include a separate schedule of disbursements made by the Litigation Trust during the applicable period. Any Quarterly Fees that are paid by the Reorganized Debtors on account of disbursements made by the Litigation Trust shall be reimbursed by the Litigation Trust to the Reorganized Debtors. The U.S. Trustee shall not be required to file a request for payment of its Quarterly Fees, which shall be deemed an Administrative Claim against the Debtors and their Estates.

o. Section 1129(a)(13), (14), (15), and (16)—Retiree Benefits, Domestic Support Obligations, Individuals, and Nonprofit Corporations.

56. The Debtors do not provide any retiree benefits or owe any domestic support obligations, are not individuals, and are not nonprofit corporations. Therefore, sections 1129(a)(13), (14), 1129(a)(15), and 1129(a)(16) of the Bankruptcy Code do not apply to these Chapter 11 Cases.

p. Section 1129(b)—Confirmation of Plan Over Nonacceptance of Classes.

57. With respect to the Classes that have not accepted the Plan (the “Non-Accepting Classes”), the Plan may be confirmed pursuant to section 1129(b)(1) of the Bankruptcy Code because: (a) at least one Voting Class at each Debtor voted to accept the Plan; and (b) the Plan does not discriminate unfairly and is fair and equitable with respect to the Non-Accepting Classes. Specifically, the Plan is fair and equitable with respect to each Non-Accepting Class because no Holder of a Claim or Interest that is junior to the Claims and Interests in the Non-Accepting Classes will receive or retain any property on account of such junior Claim or Interest. As a result, the Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code. Thus, the Plan may be confirmed even though section 1129(a)(8) of the Bankruptcy Code is not satisfied. After entry of this Confirmation Order and upon the

occurrence of the Effective Date, the Plan shall be binding upon the members of the Voting Classes that voted to reject the Plan.

q. Section 1129(c)—Only One Plan.

58. Other than the Plan (including previous versions thereof), no other plan has been Filed in these Chapter 11 Cases. Accordingly, the requirements of section 1129(c) of the Bankruptcy Code are satisfied.

r. Section 1129(d)—Principal Purpose of the Plan Is Not Avoidance of Taxes or Section 5 of the Securities Act.

59. No Governmental Unit has requested that the Court refuse to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act. As evidenced by its terms, the principal purpose of the Plan is not such avoidance. Accordingly, the requirements of section 1129(d) of the Bankruptcy Code have been satisfied.

s. Section 1129(e)—Not Small Business Cases.

60. These Chapter 11 Cases are not small business cases, and accordingly, section 1129(e) of the Bankruptcy Code does not apply to these Chapter 11 Cases.

t. Satisfaction of Confirmation Requirements.

61. Based upon the foregoing and all other pleadings and evidence proffered or adduced at or prior to the Confirmation Hearing, the Plan and the Debtors, as applicable, satisfy all the requirements for plan confirmation set forth in section 1129 of the Bankruptcy Code.

O. Good Faith.

62. The Debtors have proposed the Plan in good faith, with the legitimate and honest purpose of maximizing the value of the Debtors' Estates for the benefit of their stakeholders. The Plan accomplishes this goal. Accordingly, the Debtors have been, are, and will continue

acting in good faith if they proceed to: (a) consummate the Plan, the Reorganization Transaction, and the agreements, settlements, transactions, and transfers contemplated thereby; and (b) take the actions authorized and directed or contemplated by this Confirmation Order or the Plan. Therefore, the Plan has been proposed in good faith to achieve a result consistent with the objectives and purposes of the Bankruptcy Code.

P. Implementation.

63. All documents and agreements necessary to implement transactions contemplated by the Plan, including those contained or summarized in the Plan Supplement, have been negotiated in good faith and at arms'-length, are in the best interests of the Debtors and their Estates, and shall, upon completion of documentation and execution, be valid, binding, and enforceable documents and agreements not in conflict with any federal, state, or local law. The Debtors are authorized to take any action reasonably necessary or appropriate to consummate such agreements and the transactions contemplated thereby.

64. Except as otherwise provided in the Plan, Exit Facility Documents, the Litigation Trust Agreement, or any agreement, instrument, or other document incorporated in or entered into in connection with or pursuant to the Plan, and, for the avoidance of doubt, except for the Litigation Trust Claims and other Litigation Trust Assets, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

Q. Treatment of Executory Contracts and Unexpired Leases.

65. Pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, upon the occurrence of the Effective Date, the Plan provides for the assumption or rejection of certain Executory Contracts and Unexpired Leases. The Debtors' determinations regarding the assumption or rejection of Executory Contracts and Unexpired Leases are based on, and within the sound business judgment of, the Debtors, are necessary to the implementation of the Plan, and are in the best interests of the Debtors, their Estates, holders of Claims or Interests, and other parties in interest in these Chapter 11 Cases.

II. ORDER

BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

66. The Plan, attached hereto as Exhibit A, is approved and confirmed under section 1129 of the Bankruptcy Code.

67. The Plan Supplement, including the documents contained therein that may be amended through and including the Effective Date in accordance with and as permitted by the Plan, is approved. The terms of the Plan, the Plan Supplement, and the exhibits thereto are incorporated herein by reference and are an integral part of this Confirmation Order. In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. If there is a conflict between the terms of the Plan (including any documents in the Plan Supplement) or the Disclosure Statement and the terms of this Confirmation Order, the terms of this Confirmation Order shall control. The Debtors, in accordance with the Plan and subject to the consent of the Requisite Consenting Lenders, may amend the Plan Supplement prior to the Effective Date.

68. The terms of the Plan, the Plan Supplement, all exhibits thereto, and this Confirmation Order shall be effective and binding as of the Effective Date on all parties in interest, including, but not limited to: (a) the Debtors; (b) the Creditors' Committee; (c) the Litigation Trust; and (d) all other Holders of Claims or Interests.

69. The failure to include or refer to any particular article, section, or provision of the Plan, the Plan Supplement or any related document, agreement, or exhibit does not impair the effectiveness of that article, section, or provision; it being the intent of the Court that the Plan, the Plan Supplement, and any related document, agreement, or exhibit are approved in their entirety.

A. Objections.

70. To the extent that any objections (including any reservations of rights contained therein) to Confirmation have not been withdrawn, waived, or settled before entry of this Confirmation Order, are not cured by the relief granted in this Confirmation Order, or have not been otherwise resolved as stated on the record of the Confirmation Hearing, all such objections (including any reservation of rights contained therein) are hereby overruled in their entirety and on their merits.

B. Findings of Fact and Conclusions of Law.

71. The findings of fact and the conclusions of law set forth in this Confirmation Order constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052, made applicable to this proceeding by Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Confirmation Hearing in relation to Confirmation are hereby incorporated into this Confirmation Order. To the extent that any of the following constitutes findings of fact or conclusions of law, they are adopted as such. To the extent any finding of fact or conclusion of law set forth in this Confirmation Order (including

any findings of fact or conclusions of law announced by the Court at the Confirmation Hearing and incorporated herein) constitutes an order of this Court, it is adopted as such.

C. Confirmation Hearing Notice & Solicitation

72. The Confirmation Hearing Notice complied with the terms of the Disclosure Statement Order, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and was in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable non-bankruptcy law. No further notice of the Confirmation Hearing was required or need be given.

73. The solicitation of votes on the Plan complied with the Solicitation Procedures, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Disclosure Statement Order, and applicable non-bankruptcy law.

D. Settlement of Claims and Controversies.

74. In accordance with the provisions of the Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors, as applicable, may compromise and settle any Claims and Causes of Action against other Entities, except, for the avoidance of doubt, any Litigation Trust Claims.

E. The Committee/Lender Settlement.

75. The Committee/Lender Settlement is approved in all respects as fair and equitable and in the best interests of the Debtors, the Reorganized Debtors, their Estates, and the Holders of Claims and Interests.

F. Incorporation by Reference.

76. The terms and provisions of the Plan and the exhibits thereto are incorporated by reference and are an integral part of this Order. The terms of the Plan, the Plan Supplement, all exhibits thereto, and all other relevant and necessary documents shall, on and after the Effective Date, be binding in all respects upon, and shall inure to the benefit of, the Debtors, their Estates and their creditors, and their respective successors and assigns, non-debtor affiliates, any affected third parties, all holders of equity interests in the Debtors, all holders of any Claims, whether known or unknown, against the Debtors, including, but not limited to all contract counterparties, borrowers, leaseholders, governmental units, and any trustees, examiners, administrators, responsible officers, estate representatives, or similar entities for the Debtors, if any, subsequently appointed in any of the Chapter 11 Cases or upon a conversion to chapter 7 under the Bankruptcy Code of any of the Chapter 11 Cases, and each of their respective affiliates, successors, and assigns.

G. The Releases, Injunction, Exculpation, and Related Provisions Under the Plan.

77. For the avoidance of doubt, pursuant to Bankruptcy Rule 3020(c)(1), the following provisions in the Plan are hereby approved and will be effective immediately on the Effective Date without further order or action by the Court, any of the parties to such release, or any other Entity: (a) Debtor Release; (b) Third Party Release; (c) Exculpation; (d) Mutual Release; and (e) Injunction.

H. Discharge

78. To the maximum extent provided by section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan (including the Exit Facility Documents and the New Organizational Documents, as applicable): (a) the distributions, rights, and treatment

that are provided in the Plan shall be in complete discharge effective as of the Effective Date, of any and all Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests (including any Intercompany Interests reinstated or cancelled and released after the Effective Date by the Reorganized Debtors), and Causes of Action against the Debtors of any nature whatsoever including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such liability relates to services performed by employees of the Debtors prior to the Effective Date and that arises from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, any interest accrued on Claims or Interests from and after the Petition Date, and all other liabilities against, liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, (b) the Plan shall bind all Holders of Claims and Interests, (c) all Claims, Interests, and Causes of Action against the Debtors, their respective Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties shall be discharged in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code, and (d) all Entities shall be precluded from asserting against the Debtors, their respective Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims, Interests, or Causes of Action based upon any documents, instruments, or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, in each case regardless of whether or not: (i) a Proof of Claim based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim or Interest based upon such debt,

right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; (iii) the Holder of such a Claim or Interest has accepted, rejected or failed to vote to accept or reject the Plan; or (iv) any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date.

79. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

I. Preservation of Causes of Action.

80. Except for any Cause of Action against a Person that is expressly waived, relinquished, exculpated, released, compromised under the Plan or Final Order, transferred to the Litigation Trust, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date and such rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in the Reorganized Debtors' sole discretion. No Person may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Reorganized Debtors will not pursue any and all available Causes of Action against it. Unless any Causes of Action against a Person is expressly waived, relinquished, exculpated, released, compromised, transferred to the Litigation Trust, or settled under the Plan, the Debtors or Reorganized Debtors, as applicable, expressly reserve all Causes of Action for later adjudication, and, therefore, no

preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of, entry of the Confirmation Order or Consummation. In accordance with section 1123(b)(3) of the Bankruptcy Code, except as otherwise provided herein, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action, and to decline to do any of the foregoing without the consent or approval of any third party or further notice to, or action, order, or approval of, the Bankruptcy Court.

81. In accordance with section 1123(b)(3) of the Bankruptcy Code, the Litigation Trust shall have the exclusive right, authority, and standing to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any Litigation Trust Claims, and to decline to do any of the foregoing without the consent or approval of any third party or further notice to, or action, order, or approval of, the Bankruptcy Court. The Litigation Trust shall be entitled to enjoy the benefits of section 108(a) of the Bankruptcy Code, and shall be deemed to be a trustee (as that term is used in section 108(a)) for purposes of prosecuting the Litigation Trust Claims.

J. Retention of Jurisdiction.

82. This Court retains jurisdiction over these Chapter 11 Cases, all matters arising out of or related to these Chapter 11 Cases and the Plan, the matters set forth in Article XIII of the Plan, and any other applicable provisions of the Plan.

K. Effectiveness of All Actions.

83. Except as set forth in the Plan, all actions authorized to be taken pursuant to the Plan shall be effective on, before, or after the Effective Date pursuant to this Confirmation Order, without further application to or order of the Court, or any further action by the Debtors and/or the Reorganized Debtors and their respective directors, officers, members, or stockholders, and with the effect that such actions had been taken by unanimous action of such officers, directors, managers, members, or stockholders.

L. Approval of Consents and Authorization to Take Acts Necessary to Implement Plan.

84. This Confirmation Order shall constitute all authority, approvals, and consents required, if any, by the laws, rules, and regulations of all states and any other governmental authority with respect to the implementation or consummation of the Plan and any documents, instruments, or agreements, and any amendments or modifications thereto, including the Plan Modifications, and any other acts and transactions referred to in or contemplated by the Plan, the Plan Supplement, the Disclosure Statement, and any documents, instruments, securities, or agreements, and any amendments or modifications thereto.

M. Plan Implementation Authorization.

85. The Debtors or the Reorganized Debtors, as the case may be, and their respective directors, officers, members, agents, and attorneys, financial advisors, and investment bankers are authorized and empowered from and after the date hereof to negotiate, execute, issue, deliver, implement, file, or record any contract, instrument, release, or other agreement or document related to the Plan, including the Exit Facility Documents and the New Organizational Documents, as the same may be modified, amended and supplemented, and to take any action necessary or appropriate to implement, effectuate, consummate, or further evidence the Plan in accordance with its terms, or take any or all corporate actions authorized to be taken pursuant to

the Plan, whether or not specifically referred to in the Plan or any exhibit thereto, without further order of the Court. To the extent applicable, any or all such documents shall be accepted upon presentment by each of the respective state filing offices and recorded in accordance with applicable state law and shall become effective in accordance with their terms and the provisions of state law. Pursuant to section 78.622 of the Nevada Revised Statutes and section 303 of the General Corporation Law of the State of Delaware, and any comparable provision of the business corporation laws of any other state, as applicable, no action of the Debtors' boards of directors or the Reorganized Debtors' boards of directors will be required to authorize the Debtors or Reorganized Debtors, as applicable, to enter into, execute and deliver, adopt or amend, as the case may be, any such contract, instrument, release, or other agreement or document related to the Plan, and following the Effective Date, each of the Plan documents will be a legal, valid, and binding obligation of the Debtors or Reorganized Debtors, as applicable, enforceable against the Debtors and the Reorganized Debtors in accordance with the respective terms thereof. The Debtors and the Reorganized Debtors are also authorized from and after the date hereof to take additional steps to consolidate and streamline their organization, including, among other things, the merger, liquidation, or consolidation of one or more of the Debtors or Reorganized Debtors.

N. Restructuring Transactions

a. Generally

86. The Debtors or Reorganized Debtors, as applicable, are hereby authorized, immediately upon entry of this Confirmation Order, or as soon as reasonably practicable thereafter, to take all actions, not inconsistent with the express terms of the Plan, this Confirmation Order, the Plan Supplement or the Restructuring Support Agreement, as may be necessary or appropriate to effect any of the restructuring transactions contemplated by the Plan,

including: (1) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; (4) the execution of the Litigation Trust Agreement; (5) such other transactions that are required to effectuate the Plan and the Reorganization Transaction; (6) all transactions necessary to provide for the purchase of some or all of the assets of, or Interests in, any of the Debtors which purchase may be structured as a taxable transaction for United States federal income tax purposes; (7) all actions that the applicable Entities determine to be necessary to obtain the requisite regulatory approvals for the Reorganization Transaction; and (8) all other actions that the applicable Entities determine to be necessary, including making filings or recordings that may be required by applicable law in connection with the Plan. Any transfers of assets, Claims, or Interests effected or any obligations incurred through the Reorganization Transactions are hereby approved and shall not constitute fraudulent conveyances or fraudulent transfers or otherwise be subject to avoidance.

b. Reorganized AAC Equity Interests

87. Each Holder of a Claim that is entitled to receive Reorganized AAC Equity Interests in exchange for such Claim pursuant to the Plan (or any such holder's designee to

receive New Interests) shall be deemed to be stockholders of Reorganized AAC as of the Effective Date; provided, however, that it shall be an express condition to the right of a Holder of an Allowed Junior Lender Secured Claim (or any such designee) to receive any dividends or other distributions on account of Reorganized AAC Equity Interests that such Holder (or any such designee) execute and deliver to Reorganized AAC a counterpart of the New Stockholders Agreement, and, unless waived by the New Board in its sole and absolute discretion, any Holder (or any such designee) that fails to execute and deliver a signature page to the New Stockholders Agreement shall not be entitled to receive any dividends or other distributions on account of such Holder's (or any such designee's) Reorganized AAC Equity Interests until such documents are executed and delivered to Reorganized AAC. Anything in the Plan or this Confirmation Order to the contrary notwithstanding, effective as of the Effective Date, any claimant entitled to receive Reorganized AAC Equity Interests under the Plan (or any such claimant's designee to receive Reorganized AAC Equity Interests) shall be deemed to be a party to, bound by and subject to the New Stockholders Agreement and all of the terms and provisions contained therein, including any consents, approvals, waivers, agreements, powers of attorney and proxies provided by the stockholders pursuant to the New Stockholders Agreement, and shall be deemed to have executed and delivered the New Stockholders Agreement, all without any further action on the part of, or notice to, any Person. The New Stockholders Agreement shall be effective as of the Effective Date and, as of such date, shall be deemed to be valid, binding, and enforceable in accordance with its terms, and each holder of New Interests shall be bound thereby (including any obligation set forth therein to waive or refrain from exercising any appraisal, dissenters' or similar rights) even if such holder has not actually executed and delivered a counterpart thereof.

c. Distributions on Account of Lender Claims

88. Notwithstanding anything to the contrary set forth in the Plan, all Distributions on account of Allowed DIP Lender Claims, Allowed Senior Lender Claims, and Allowed Junior Lender Claims shall be made by the Distribution Agent to or at the direction of the DIP Agent, Senior Lien Agent, and Junior Lien Agent, as applicable, for further distribution to the DIP Lenders, Senior Lenders, and Junior Lenders, as applicable, in accordance with the Plan and the DIP Credit Agreement, Senior Lien Credit Agreement, and Junior Lien Credit Agreement, as applicable, and shall be deemed completed when made by the Distribution Agent to or at the direction of the DIP Agent, Senior Lien Agent, and Junior Lien Agent, as applicable. For the avoidance of doubt: (i) the Reorganized AAC Equity Interests and New Warrants will be in book entry form only; (ii) the DIP Agent, Senior Lien Agent, and Junior Lien Agent shall have no liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan; (iii) the Reorganized Debtors shall reimburse the DIP Agent, Senior Lien Agent, and Junior Lien Agent for any reasonable and documented fees and expenses (including reasonable and documented fees and expenses of its counsel and agents) incurred on or after the Effective Date in connection with the implementation of the Plan, including but not limited to, making distributions pursuant to and in accordance with the Plan; (iv) any Reorganized AAC Equity Interests and New Warrants shall be distributed directly by the Distribution Agent to the persons entitled to the same pursuant to the Plan; and (v) the giving of any direction given by the DIP Agent, the Senior Lien Agent and the Junior Lien Agent referenced in the immediately preceding sentence may, in the sole discretion of the DIP Agent, the Senior Lien Agent or the Junior Lien Agent, be conditioned upon, in the case of such DIP Agent direction, the DIP Agent having received appropriate direction from the Required DIP Lenders, and, in the case of the Junior Lien

Agent or the Senior Lien Agent, the Junior Lien Agent or Senior Lien Agent, as applicable, having received appropriate direction from the Requisite Consenting Lenders; and the DIP Agent, the Junior Lien Agent and the Senior Lien Agent shall be fully protected, and shall have no liability, in either acting upon any such direction or in making any Distribution that it in good faith believes is in accordance with the Plan or is upon information provided to it in accordance with the Plan.

O. Approval of the Exit Facility

89. On the Effective Date, the Reorganized Debtors shall enter into the Exit Facility, the terms of which will be set forth in the Exit Facility Documents. This Confirmation Order constitutes approval of the Exit Facility and the Exit Facility Documents, and all transactions contemplated thereby, including any supplemental or additional syndication of the Exit Facility, and 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, indemnities, and expenses provided for therein, and the Reorganized Debtors are authorized to enter into and execute the Exit Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit Facility, without further notice to or order of the Court, act, or action under applicable law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Reorganized Debtors may deem to be necessary to consummate the Exit Facility.

90. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Facility 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 Exit Facility Documents; (c) shall be deemed perfected on the Effective Date, subject only to such Liens and security interests as may be

permitted under the Exit Facility Documents; and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of this 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 under applicable law to give notice of such Liens and security interests to third parties.

91. Notwithstanding anything to the contrary in the Plan or this Confirmation Order, the Debtors are authorized to cash collateralize indebtedness permitted to be incurred (or already incurred) under letters of credit pursuant to Section 6.01(p) of the Exit Facility Credit Agreement (any such cash collateral, "LC Cash Collateral"), and all rights, remedies, and Liens of Credit Suisse AG (or any of its affiliates or branches), as issuer of any cash collateralized letter of credit permitted to be incurred (or already incurred) under the DIP Orders and/or the Exit Financing Credit Agreement, in any and all LC Cash Collateral are preserved, and Credit Suisse AG (or any of its affiliates or branches) is authorized to exercise any such rights and remedies pursuant to the terms of any agreement among any of the Debtors and Credit Suisse without further notice or order of the Court; provided, however, that the Debtors may cash collateralize indebtedness

permitted to be incurred (or already incurred) under letters of credit only to the extent required under, and in accordance with the terms of, a Letter of Credit Reimbursement and Security Agreement by and among AAC Holdings and American Addiction Centers, Inc., as applicants, and Credit Suisse AG, Cayman Islands Branch, as issuer.

92. The Exit Facility and the Exit Facility Documents are an essential element of the Plan, and entry into the Exit Facility and the Exit Facility Documents is in the best interests of the Debtors, their Estates, and their stakeholders, and is necessary for Confirmation and Consummation of the Plan. The Debtors have exercised reasonable business judgment in determining to enter into the Exit Facility and the Exit Facility Documents, and have provided sufficient and adequate notice of material terms of the Exit Facility. The terms and conditions of the Exit Facility are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, are supported by reasonably equivalent value and fair consideration and the Exit Facility has been negotiated in good faith and at arm's length.

P. New Organizational Documents.

93. On the Effective Date, without any further action by the Court or the directors, officers, or equity holders of any of the Reorganized Debtors, each Reorganized Debtor, as applicable, will be and is authorized to enter into the New Organizational Documents and all related documents, to which such Reorganized Debtor is contemplated to be a party on the Effective Date. In addition, on the Effective Date, without any further action by the Court or the directors, officers or equity holders of any of the Reorganized Debtors, each applicable Reorganized Debtor will be and is authorized to: (a) execute, deliver, file, and record any other contracts, assignments, certificates, instruments, agreements, guaranties, or other documents executed or delivered in connection with the New Organizational Documents; (b) issue the Reorganized AAC Equity Interests; (c) perform all of its obligations under the New

Organizational Documents; and (d) take all such other actions as any of the responsible officers of such Reorganized Debtor may determine are necessary, appropriate or desirable in connection with the consummation of the transactions contemplated by the New Organizational Documents. Notwithstanding anything to the contrary in this Confirmation Order or the Plan, after the Effective Date, any disputes arising under the New Organizational Documents will be governed by the jurisdictional provisions therein.

Q. Litigation Trust

94. The form of the Litigation Trust Agreement attached as Exhibit J to the Second Amended Plan Supplement is hereby approved in its entirety, and the Debtors are authorized and directed to execute and to take any action necessary or appropriate to implement, effectuate, or consummate the Litigation Trust Agreement.

95. On the Effective Date, the Debtors and Reorganized Debtors shall transfer and/or assign and shall be deemed to transfer and/or assign to the Litigation Trust all of the Debtors' rights, title and interest in and to all of the Litigation Trust Assets, and in accordance with section 1141 of the Bankruptcy Code, the Litigation Trust Assets shall automatically vest in the Litigation Trust free and clear of all Liens, Claims, charges, encumbrances, and other interests, subject only to the Litigation Trust Interests. The transfer of the Litigation Trust Assets to the Litigation Trust shall not diminish, and fully preserves, the defenses, if any, that the Reorganized Debtors and/or the Litigation Trust have with respect to the Litigation Trust Assets. Notwithstanding anything to the contrary set forth herein or in the Plan or in the Litigation Trust Agreement, the transfer of the Litigation Trust Assets to the Litigation Trust is not free and clear of any rights, claims, defenses, counterclaims, setoff rights under section 553 of the Bankruptcy Code or recoupment rights of the Non-Released D&Os. Notwithstanding anything to the contrary in the Litigation Trust Agreement, except for acts of reckless or willful misconduct,

fraud or gross negligence, willful disregard of the Litigation Trustee's duties or material breach of the Litigation Trust Agreement, Persons dealing with the Litigation Trustee, or seeking to assert claims against the Litigation Trust, shall only look to the Litigation Trust Assets to satisfy any liability incurred by the Litigation Trustee to such Person in carrying out the terms of the Litigation Trust Agreement, and the Litigation Trustee and any of his/her designees, partners, affiliates, agents, employees, representatives and Professionals shall have no personal, individual obligation or recourse of any nature or kind whatsoever to satisfy any such liability.

96. Upon the Effective Date of the Amended Plan, the Litigation Trust Claims shall be deemed automatically transferred to and vest in the Litigation Trust. In connection with the transfer of such assets, any attorney-client privilege, work-product privilege, or other privilege of immunity of any Debtor (but no other person) attaching to any documents or communications (whether written or oral) transferred to the Litigation Trust shall vest in the Litigation Trust and its representatives, and the Reorganized Debtors and the Litigation Trustee are directed to take all necessary actions to effectuate the transfer of such privileges. To the extent there is overlap of supporting documents, claims, defenses, legal theories or analyses between the Litigation Trust Claims, on the one hand, and any Causes of Action, defenses, claims or counterclaims retained by, or asserted against, the Reorganized Debtors, on the other hand, the Reorganized Debtors and the Litigation Trustee shall cooperate with each other pursuant to principles of common interest with respect to privileges. Notwithstanding the foregoing, or anything in the Plan, this Confirmation Order, the Litigation Trust Agreement or any other document, nothing herein shall be deemed to constitute a waiver of any privilege or any shared, joint, or common interest privilege or immunity held by the Debtors or any other person.

97. Prior to disclosing or transferring to the Litigation Trust any information or materials, the Reorganized Debtors shall notify Morris Nichols Arsht and Tunnell LLP and Potter Anderson & Corroon LLP on behalf of their collective clients (collectively, the “Represented D&Os”) of the nature of such information or materials. Thereafter, counsel for the Reorganized Debtors, provided that such counsel is not simultaneously representing the Litigation Trustee or the Litigation Trust, and the Represented D&Os shall confer for the purpose of identifying any such information or materials that may potentially be subject to any individual, shared, joint or common interest privilege (the “Shared Privileged Information”). Following such discussions, the Reorganized Debtors will provide counsel for the Represented D&Os written notice (each, a “Transfer Notice”) identifying the categories of information or materials that the Reorganized Debtors intend to transfer to the Litigation Trustee, together with (1) copies of such documents to the extent that the Reorganized Debtors reasonably believe sharing such documents with the Represented D&Os will not prejudice any governing privilege and (2) as to all other such documents, a privilege log identifying such documents with sufficient detail to allow the Represented D&Os to assess issues of privilege (the “Proposed Transferred Information”). The Represented D&Os shall have fourteen (14) days from receipt of a Transfer Notice to file a motion (a “Transfer Prevention Motion”) seek a ruling from the Bankruptcy Court on an expedited basis that the corresponding Proposed Transferred Information should not be provided to the Litigation Trust. To the extent the Represented D&Os do not timely file a Transfer Prevention Motion with respect to any Proposed Transferred Information, such Proposed Transferred Information may be transferred by the Reorganized Debtors to the Litigation Trust. Pending entry of a final nonappealable order adjudicating any Transfer Prevention Motion, the relevant Proposed Transferred information shall not be disclosed by the

Reorganized Debtors, transferred to the Litigation Trust or filed in the public record. The burden shall be on the Represented D&Os to establish a basis to prevent transfer of the relevant Proposed Transferred Information to the Litigation Trust. If, notwithstanding the foregoing, the Represented D&Os reasonably believe that any Shared Privileged Information has been inadvertently, mistakenly, or otherwise produced by the Reorganized Debtors to the Litigation Trust or any third-party (a) during the pendency of and prior to the resolution by Final Order of the Transfer Prevention Motion, (b) following a determination by Final Order that the information produced to the Litigation Trust constitutes the Represented D&Os' individual, shared, joint or common interest privilege, (c) that the Reorganized Debtors and Represented D&Os agreed constitutes the Represented D&Os' individual, shared, joint or common interest privilege, or (d) was not contained in any documents reflected in any Transfer Notice, then, in addition to any other remedies as may exist, the Represented D&Os will so notify counsel for the Reorganized Debtors (the "Privileged Material Notice"). After receipt of a Privileged Material Notice, the Reorganized Debtors will confer with counsel for the Represented D&Os concerning same and, if no resolution is reached, the Represented D&Os may seek relief from the Bankruptcy Court and, during the pendency of such proceeding, the Reorganized Debtors will not use or further disclose such information and will take reasonable steps to retrieve the information disclosed to anyone else before being notified. This paragraph shall not be deemed to alter, modify or waive any arguments, claims or defenses of the Reorganized Debtors, the Litigation Trust or the Represented D&Os with respect to any assertions of privilege.

98. For the avoidance of doubt, neither the DIP Agent, the Senior Lien Agent, nor the Junior Lien Agent shall have any responsibility to fund the Litigation Trust.

R. Binding Effect.

99. On the date of and after entry of this Confirmation Order and subject to the occurrence of the Effective Date, the terms of the Plan, the final versions of the documents contained in the Plan Supplement (including the New Organizational Documents, the Exit Facility Documents, and the Litigation Trust Agreement) and this Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors or the Reorganized Debtors, as applicable, any and all holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan, this Confirmation Order, or the Litigation Trust, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any holder of a Claim has voted on the Plan.

100. Pursuant to section 1141 of the Bankruptcy Code, subject to the occurrence of the Effective Date and subject to the terms of the Plan and this Confirmation Order, all prior orders entered in these Chapter 11 Cases, all documents and agreements executed by the Debtors as authorized and directed thereunder and all motions or requests for relief by the Debtors pending before this Court as of the Effective Date shall be binding upon and shall inure to the benefit of the Debtors, the Reorganized Debtors and their respective successors and assigns.

S. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors.

101. Except as otherwise provided in the Plan, the New Organizational Documents, the New Stockholders' Agreement, the Litigation Trust Agreement, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, each Debtor shall continue to exist after the Effective Date as a separate corporation, limited liability

company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, 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 analogous formation documents) in effect before the Effective Date, except to the extent such certificate of incorporation and bylaws (or other analogous formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval. Notwithstanding the foregoing, Reorganized AAC Holdings may be redomiciled as a Delaware corporation, pursuant to a statutory conversion or otherwise, on the Effective Date prior to the issuance of the Reorganized AAC Equity Interests and New Warrants.

T. Directors and Officers of Reorganized Debtors.

102. On the Effective Date, the terms of the current members of the board of directors of the Debtors shall expire and such board members will be deemed to have resigned, and the New Board and new officers of each of the Reorganized Debtors shall be appointed in accordance with the New Organizational Documents and other constituent documents of each Reorganized Debtor. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors have disclosed in advance of the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the New Board, as well as those known Persons that will serve as an officer of the Reorganized Debtors. To the extent any such director or officer is an “insider” under the Bankruptcy Code, the nature of any compensation to be paid to such director or officer has also been disclosed to the extent required.

103. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors.

U. Release of Liens.

104. Except as otherwise specifically provided in the Plan (including, without limitation the satisfaction of the DIP Lender Claims in accordance with Article II.C of the Plan), the Exit Facility Documents, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors or Reorganized Debtors. The DIP Agent, Senior Lien Agent, and Junior Lien Agent shall execute and deliver all documents reasonably requested by the Reorganized Debtors or the agent(s) under the Exit Facility to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto.

V. Injunctions and Automatic Stay.

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

until the Effective Date. All injunctions or stays contained in the Plan or this Confirmation Order shall remain in full force and effect in accordance with their terms.

W. Cancellation of Existing Securities and Agreements.

106. Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date: (a) any certificate, share, note, bond, indenture, purchase right, or other instrument or document, directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest, equity, or portfolio interest in the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving rise to any Claim or Interest shall be cancelled and deemed surrendered as to the Debtors and shall not have any continuing obligations; and (b) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indenture, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be deemed satisfied in full, released, and discharged; provided, that notwithstanding entry of the Confirmation Order or Consummation, any such instrument or document that governs the rights of a Holder of a Claim or Interest shall continue in effect solely for purposes of: (1) allowing Holders to receive distributions under the Plan; (2) allowing the Senior Lien Agent and Junior Lien Agent to enforce their respective rights, claims, and interests vis-à-vis any parties other than the Released Parties; and (3) preserving any rights of the Senior Lien Agent and Junior Lien Agent to payment of fees, expenses, and indemnification obligations as against any money or

property distributable to the Holders of Senior Lender Claims and Junior Lender Claims, respectively, including any rights to priority of payment.

X. Securities Law Exemption.

107. Pursuant to section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of the Reorganized AAC Equity Interests and New Warrants (collectively, the “1145 Securities”), as contemplated by Articles III.B of the Plan, shall be exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable state or federal law requiring registration and/or prospectus delivery or qualification prior to the offering, issuance, distribution, or sale of 1145 Securities. In addition, under section 1145 of the Bankruptcy Code, such 1145 Securities will be freely tradable in the U.S. by the recipients thereof, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, and compliance with applicable securities laws and any rules and regulations of the SEC, if any, applicable at the time of any future transfer of such Securities or instruments and subject to any restrictions in the Reorganized Debtors’ New Organizational Documents or the Plan.

Y. Compliance with Tax Requirements.

108. Each Holder of an Allowed Claim or Interest that is to receive a distribution under the Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any Governmental Unit, including income, withholding, and other tax obligations, on account of such distribution. In connection with the Plan, to the extent applicable, the Debtors, Reorganized Debtors, and any applicable withholding agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions made pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the

contrary, the Debtors, Reorganized Debtors, and any applicable withholding agent, as applicable, are authorized to take all actions necessary or appropriate to comply with applicable withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and similar spousal awards, Liens, and encumbrances. Except as otherwise provided in the Plan, the aggregate consideration paid to holders with respect to their Allowed Claims shall be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of such Allowed Claims, to the unpaid interest, if any, accrued through the Effective Date with respect to such Allowed Claims.

Z. Section 1146 Exemption.

109. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto, including the transfer of the Litigation Trust Assets to the Litigation Trust, or the issuance, transfer or exchange of any security under the Plan or pursuant to the Reorganization Transaction, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, sale or use tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of this Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and

recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, recordation fee, or governmental assessment.

AA. Professional Compensation and Reimbursement Claims.

110. Except as otherwise specifically provided in the Plan, and prior orders of the Court, from and after the Effective Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Court, pay in Cash the reasonable legal, professional, or other fees and expenses incurred by the Debtors. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Court. In addition, the Debtors and Reorganized Debtors (as applicable) are authorized to pay any and all professional fees as contemplated by and in accordance with the Plan.

111. All final requests for payment of Professional Fee Claims incurred during the period from the Petition Date through the Effective Date shall be Filed no later than 45 days after the Effective Date, provided, however, that nothing herein alters the ability of an Ordinary Course Professional to be paid, or the authority of the Debtors or the Reorganized Debtors to pay Ordinary Course Professionals, pursuant to the terms of the OCP Order, and such Ordinary Course Professionals shall not be required to file requests for payment of Professional Fee Claims unless such requests are required under the OCP Order.

BB. Administrative Claims Bar Date

112. Except as otherwise provided in Article II.A of the Plan and except with respect to Administrative Claims that are Professional Fee Claims, Holders of Administrative Claims are

required to file requests for payment of Administrative Claims and serve such requests on the Reorganized Debtors no later than the Administrative Claims Bar Date, which is thirty (30) days after the Effective Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date, unless the Bankruptcy Court orders otherwise. Objections to any such requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors and requesting party by the Claims Objection Bar Date.

CC. Nonseverability of Plan Provisions upon Confirmation.

113. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Confirmation Order shall be effective and enforceable immediately upon its entry. Each term and provision of the Plan, and the transactions related thereto is: (a) valid and enforceable pursuant to its terms; (b) integral to the Plan and may not be deleted or modified except as provided by the Plan or this Confirmation Order; and (c) nonseverable and mutually dependent.

DD. Waiver or Estoppel.

114. Each holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel (or any other Entity), if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Court before the Confirmation Date.

EE. Authorization to Consummate.

115. The Debtors are authorized to consummate the Plan at any time after the entry of this Confirmation Order subject to satisfaction or waiver (by the required parties) of the conditions precedent to Consummation set forth in Article XI of the Plan. The substantial consummation of the Plan, within the meaning of sections 1101(2) and 1127 of the Bankruptcy Code, is deemed to occur on the first date, on or after the Effective Date, on which distributions are made in accordance with the terms of the Plan to holders of any Allowed Claims or Interests (as applicable).

FF. Treatment of Executory Contracts.

116. The provisions governing the treatment of Executory Contracts and Unexpired Leases set forth in Article V of the Plan (including the procedures regarding the resolution of any and all disputes concerning the assumption or rejection, as applicable, of such Executory Contracts and Unexpired Leases) shall be, and hereby are, approved in their entirety.

117. Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, each Debtor will be deemed to have assumed each Executory Contract or Unexpired Lease to which such Debtor is a party, unless such Executory Contract or Unexpired Lease (i) was previously assumed or rejected; (ii) was previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion or notice to reject Filed on or before the Confirmation Date; or (iv) is designated specifically, or by category, as an Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases.

118. The Confirmation Order shall constitute an order of the Bankruptcy Court under sections 365 and 1123(b) of the Bankruptcy Code approving the assumptions (or assumptions

and assignments, as applicable) or rejections described above as of the Effective Date. Unless otherwise indicated, all assumptions, assumptions and assignments, and rejections of Executory Contracts and Unexpired Leases in the Plan will be effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed or assumed and assigned pursuant to the Plan, or by Bankruptcy Court order, will vest in and be fully enforceable by the applicable Reorganized Debtor or assignee in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

119. Notwithstanding the foregoing paragraph or anything contrary herein, the Debtors reserve the right, with the consent of the Requisite Consenting Lenders, to alter, amend, modify, or supplement the Executory Contracts and Unexpired Leases identified for assumption, assumption and assignment, or rejection in the Plan Supplement prior to the Effective Date.

a. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

120. Any Proofs of Claim based on the rejection of the Debtors' Executory Contracts or Unexpired Leases pursuant to the Plan or otherwise, must be Filed with the Noticing and Claims Agent no later than the later of (i) thirty (30) days after the Effective Date and (ii) the Bar Date established in the Chapter 11 Cases.

121. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are not Filed within such time, unless otherwise ordered by the Bankruptcy Court, will be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Reorganized Debtors, the Estates, the Liquidation Trust, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding

anything in the Schedules or a Proof of Claim to the contrary. Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III.

b. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

122. Any monetary defaults under an Executory Contract or Unexpired Lease to be assumed or assumed and assigned pursuant to the Plan, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Claim, as reflected on the Cure Notice or as otherwise agreed or determined by a Final Order of the Bankruptcy Court, in Cash on the Effective Date or as soon as reasonably practicable thereafter, subject to the limitations described below, or on such other terms as the parties to such Executory Contract or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any Cure Claim (2) the ability of the Reorganized Debtors to provide "adequate assurance of future performance" (with the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Cure Claims shall be paid following the entry of a Final Order resolving the dispute and approving the assumption. To the extent the Bankruptcy Court determines that the amount of a Cure Claim for an Executory Contract or Unexpired Lease is greater than the amount reflected on the Cure Notice related to such Cure Claim, the Debtors or Reorganized Debtors shall have the right to reject such Executory Contract or Unexpired Lease and, in such an instance, shall not be required to pay the Cure Claim; provided that the Debtors or Reorganized Debtors shall serve a notice of rejection on the non-debtor counterparty and such non-debtor counterparty shall have thirty (30) days from service of such notice to file a proof of claim for rejection damages.

123. Any counterparty to an Executory Contract or Unexpired Lease that failed to object timely to the proposed assumption, assumption and assignment, or Cure Notice shall be deemed to have assented to such assumption or assumption and assignment, and Cure amount.

124. Assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, and the payment of the Cure Claim, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors assume or assume and assign such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed or assumed and assigned shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

c. Insurance Policies.

125. All of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan. On the Effective Date, the Reorganized Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments related thereto.

d. Reservation of Rights.

126. Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the 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 any Debtor or Reorganized Debtor has any liability thereunder.

e. Nonoccurrence of Effective Date.

127. If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting any Executory Contract or Unexpired Lease pursuant to section 365(d)(4) of the Bankruptcy Code.

f. Contracts and Leases Entered Into After the Petition Date.

128. Contracts and leases entered into in the ordinary course of business after the Petition Date by any Debtor will be performed by the applicable Reorganized Debtor in the ordinary course of its business, and will survive and remain unaffected by entry of the Confirmation Order, except as provided herein.

GG. Provisions Regarding Formal and Informal Objections.

129. **Lead Plaintiff.** Notwithstanding anything to the contrary set forth in the Disclosure Statement Order, the Solicitation Package (including but not limited to the Disclosure Statement, Non-Voting Status Notice, and Opt-Out Form), the Plan, or the Confirmation Order, Indiana Public Retirement Systems (“Lead Plaintiff”), the court-appointed lead plaintiff in the securities fraud class action captioned as *Caudle v. AAC Holdings, Inc., et al.*, Case No. 3:19-cv-00407 (the “Caudle Litigation”), pending in the United States District Court for the Middle District of Tennessee (the “District Court”), together with each member of the putative class Lead Plaintiff seeks to represent (including as may be redefined or certified) in the Caudle Litigation (the “Proposed Class”), shall be deemed to have opted out of the Third Party Release with respect to claims asserted or to be asserted in the Caudle Litigation (the “Opt-Out Claims”), and shall not be required to execute, complete, or deliver Opt-Out Forms by the Voting/Opt-Out Deadline.

130. For the avoidance of doubt, Lead Plaintiff and the Proposed Class are not Releasing Parties and the Opt-Out Claims are not impacted by the Third-Party Release.

131. Notwithstanding the treatment of Class 7 under the Plan, the Class 7 Claims of the Lead Plaintiff and the proposed class (including as may hereafter be amended or certified) against the Debtors in the Caudle Litigation (the “Caudle Class 7 Claims”) shall not be cancelled, released, and extinguished under the Plan and shall survive confirmation of the Plan and the occurrence of the Effective Date; *provided that* (a) any recovery on account of the Caudle Class 7 Claims shall be limited to funds paid by the carriers under the Side C coverage of any applicable D&O Liability Insurance Policies and shall only be paid, if covered under the D&O Liability Insurance Policies, after all Claims and Causes of Action, if any, entitled to Side A and B coverage under the D&O Policies (“Side A and B Claims”) and all Claims and Causes of Action of the SEC, if any, entitled to coverage under the D&O Policies (“Insured SEC Claims”) have been paid by the carriers and/or are no longer pending against the applicable D&O Liability Insurance Policies; (b) the Lead Plaintiff shall not pursue the Caudle Class 7 Claims against the Debtors or the Reorganized Debtors unless and until the Side A and B Claims and the Insured SEC Claims have been paid by the carriers and/or are no longer pending against the D&O Policies; (c) on or as soon as reasonably practicable after the Effective Date, the Lead Plaintiffs shall dismiss, without prejudice, all Caudle Class 7 Claims against the Debtors, which Caudle Class 7 Claims shall not be reinstated against the Debtors or the Reorganized Debtors unless and until the Side A and B Claims and Insured SEC Claims have been paid by the carriers and/or are no longer pending against the D&O Policies; and (d) the Debtors and the Reorganized Debtors reserve all rights, defenses and objections to such Caudle Class 7 Claims. For the avoidance of doubt, any statutes of limitations applicable to the Caudle Class 7 Claims are hereby tolled to the extent necessary to permit the reinstatement thereof pursuant to this paragraph.

132. **U.S. Securities Exchange Commission.** Notwithstanding anything to the contrary set forth in this Confirmation Order, the Solicitation Package (including but not limited to the Disclosure Statement, Non-Voting Status Notice, and Opt-Out Form), the Plan, or the Disclosure Statement Order, the Securities and Exchange Commission (“**SEC**”) shall be deemed to have opted out of the Third Party Release. In addition, notwithstanding any provision set forth in this Confirmation Order or the Plan to the contrary or an abstention from voting on the Plan, no provision of the Plan, or any order confirming the Plan (i) releases or discharges any non-debtor person or non-debtor entity from any Claim or Cause of Action of the SEC; or (ii) enjoins, limits, impairs or delays the SEC from commencing or continuing any Claims, causes of action, proceedings or investigations against any non-debtor person or non-debtor entity in any forum.

133. **United States.** Notwithstanding any provision to the contrary in the Plan, the Plan Supplement, or this Confirmation Order (collectively, the “**Documents**”), as to the United States, nothing in the Documents shall: (a) affect the rights of the United States to assert setoff and recoupment and such rights are expressly preserved; (b) release, exculpate, enjoin, impair, or discharge any non-Debtor from any claim, liability, suit, right, or cause of action of the United States against such non-Debtor; (c) require the United States to file an administrative claim in order to receive payment for any liability described in Section 503(b)(1)(B) and (C) pursuant to Section 503(b)(1)(D) of the Bankruptcy Code; (d) affect or impair the exercise of the United States’ police and regulatory powers against the Debtors, Reorganized AAC Holdings, or any non-Debtor; (e) modify the scope of Section 502 of the Bankruptcy Code with respect to the claims of the United States, or automatically disallow or expunge any claim, including, but not limited to claims amended in accordance with applicable law, by the United States on or after the Effective Date (provided, however, that nothing herein affects the right of the Debtors or

Reorganized Debtors to object to any such claims on any and all bases); (f) be construed as a settlement or compromise of any claim, liability, suit, cause of action, or interest of the United States; or (g) confer exclusive jurisdiction to the Bankruptcy Court with respect to the United States' claims, liabilities, and/or causes of action, except to the extent set forth in 28 U.S.C. § 1334 (as limited by any other provisions of the United States Code).

134. Administrative expense claims of the United States allowed pursuant to the Plan or the Bankruptcy Code shall be paid in full and shall accrue interest and penalties as provided by non-bankruptcy law until paid in full. To the extent the Priority Tax Claims of the United States (including any Priority Tax Claims for penalties, interest, or additions to tax) allowed pursuant to the Plan or the Bankruptcy Code are not paid in full in cash on the Effective Date (to the extent Allowed as of the Effective Date), then such Priority Tax Claims shall accrue interest commencing on the Effective Date and shall be paid in accordance with Section 1129(a)(9)(C) and Section 511 of the Bankruptcy Code. Penalty claims of the United States that are allowed and paid according to the provisions of the Plan or the Bankruptcy Code shall be assessable by the United States and accrue interest commencing in accordance with applicable law. Moreover, nothing in the Plan or this Confirmation Order shall effect a release, injunction, or otherwise preclude any claim whatsoever against any Debtor or any of the Debtors' Estates by or on behalf of the United States for any liability arising: (a) out of pre-petition or post-petition tax periods for which a return has not been filed; or (b) as a result of a pending audit or audit that may be performed with respect to any pre-petition or post-petition tax period for which a claim is or will be allowed. Further, nothing shall enjoin the United States from amending any claim to the extent permitted by applicable law against any Debtor or any of the Debtors' Estates with respect to any tax liability: (a) arising out of pre-petition or post-petition tax periods for which a tax

return has not been filed; or (b) from a pending audit or audit that may be performed with respect to any pre-petition or post-petition tax period for which a claim is or will be allowed. Any liability arising: (a) out of pre-petition or post-petition tax periods for which a return has not been filed; or (b) as a result of a pending audit or audit which may be performed with respect to any pre-petition or post-petition tax period shall, if allowed, be paid in accordance with Section 1129(a)(9)(A) and (C) of the Bankruptcy Code. Without limiting the foregoing, but for the avoidance of doubt, nothing contained in the Documents shall be deemed to bind the United States to any characterization of any transaction for tax purposes or to determine the tax liability of any person or entity, including, but not limited to, the Debtors and the Debtors' Estates, nor shall the Documents be deemed to have determined the federal tax treatment of any item, distribution, or entity, including the federal tax consequences of this Plan, nor shall anything in the Documents be deemed to have conferred jurisdiction upon the Bankruptcy Court to make determinations as to federal tax liability and federal tax treatment except as provided under Section 505 of the Bankruptcy Code.

135. **Meritain.** The Administrative Services Agreement, and related schedules, exhibits, appendices and documents (the "Meritain ASA"), under which Meritain Health, Inc. ("Meritain") provides claims administration and related services with respect to the Debtors' self-funded employee benefits plan (the "Health Plan"), is hereby assumed. Notwithstanding any other provision of this Confirmation Order or any other order entered in these Chapter 11 Cases, the Debtors and Reorganized Debtors shall pay to Meritain all amounts due to Meritain under the Meritain ASA, including, without limitation, all service fees and all Health Plan benefits paid by Meritain for which Meritain has not otherwise been reimbursed, without regard to the dates of service for such benefits.

136. **Texas Comptroller.** Notwithstanding anything to the contrary in the Plan or this Confirmation Order, (i) the administrative and priority claims (the “Texas Comptroller Claims”) of the Texas Comptroller of Public Accounts (the “Texas Comptroller”) shall be determined and resolved in accordance with the laws of the State of Texas and treated and paid in accordance with Article II of the Plan and sections 1129(a)(9)(A) and (C) of the Bankruptcy Code; (ii) the Texas Comptroller Claims will accrue interest in accordance with, and to the extent permitted by and set forth in, sections 511 and 1129(a)(9)(A) and (C) of the Bankruptcy Code and the Texas Tax Code, (iii) the Texas Comptroller is not enjoined from pursuing any non-debtor party for any liabilities in any way related to the Debtors’ tax obligations, without regard to the release or exculpation provisions in the Plan and Confirmation Order; (iv) the Texas Comptroller is not a “Releasing Party” as that term is used in the plan, and no non-debtor entity or person is released or otherwise deemed a “Released Party” with respect to the Texas Comptroller; and (iv) the Texas Comptroller’s setoff rights under section 553 of the Bankruptcy Code and recoupment rights are preserved.

137. **Texas Counties.** In resolution of the informal objection raised by Dallas County and Tarrant County, Texas (the “Texas Counties”), and in satisfaction of any Allowed Claims held by the Texas Counties for unpaid 2019 and 2020 ad valorem taxes (the “Texas County Claims”):

- i. the Texas County Claims shall be treated as Other Secured Claims;
- ii. the Texas Counties shall retain their liens as and to the extent provided under applicable law (the “Texas County Liens”) on the collateral securing the Texas County Claims, if any, with the same validity, extent and priority as existed on the Petition Date;

- iii. the Texas County Tax Liens shall not be primed or subordinated by the Exit Financing;
- iv. the allowed amount of the Texas County Claims shall, to the extent due under applicable Texas law, include with interest from the Petition Date until paid in full, pursuant to sections 506(b) and 511 of the Bankruptcy Code, at the applicable statutory rate; provided, however, that the Texas County Claims related to 2020 taxes may be paid without the accrual of interest on or before the later of (i) January 31, 2021 and (ii) the last date by which the Debtors are permitted to pay the taxes under applicable Texas law without the accrual of interest; and
- v. if the Texas County Claims are not paid in full or an objection thereto filed on or before May 1, 2021, the Texas Counties may proceed to collect all amounts due pursuant to applicable non-bankruptcy law without further order of this Court.

138. **Insurers.** National Union Fire Insurance Company of Pittsburgh, Pa., RSUI Indemnity Company, XL Specialty Insurance Company, Travelers Casualty and Surety Company of America, Endurance Risk Solutions Assurance Co., Allied World Specialty Insurance Company, and Axis Insurance Company (collectively, the “Insurers”) are authorized to advance covered “Defense Costs,” as that term is defined in the various directors and officers liability insurance policies of the Debtors (collectively, the “D&O Policies”)⁵ on behalf of

⁵ The policies for the D&O Policies and the insurers thereunder are as follows: National Union Fire Insurance Company of Pittsburgh, Pa., Policy No. 01-940-12-09 (the “National Union Primary Policy”); RSUI Indemnity Company, Policy No. NHS669565 (the “RSUI Policy”); XL Specialty Insurance Company, Policy No. ELU146665-16 (the “XL Policy”); Travelers Casualty and Surety Company of America, Policy No. 106175827 (the “Travelers Policy”); National Union Fire Insurance Company of Pittsburgh, Pa., Policy No. 01-932-99-49 (the “National Union Side A Policy”); Endurance Risk Solutions Assurance Co., Policy No. DOX10011864100 (the “Endurance Policy”);

Michael Cartwright, Kirk Manz, and Andrew McWilliams (the “Individual Insureds”), “Insured Persons” or “Insureds,” as those terms are defined in the D&O Policies, in accordance with the D&O Policies. The automatic stay under 11 U.S.C. §362 and the discharge injunction under 11 U.S.C. § 524(a) and Article X.I of the Plan, to the extent applicable, are hereby modified to permit the Insurers to pay and/or advance costs consistent with their obligations under the D&O Policies and for the Individual Insureds to exercise such other contractual rights they may have to the proceeds under the D&O Policies.

139. **Humana**. To the extent that the agreement listed below (the “Humana Agreement”) between the Debtors and Humana Behavioral Health, Inc. or its affiliates (“Humana”) is assumed, then, notwithstanding any other provision of the Plan, the Plan Supplement, this Confirmation Order or any other order entered in these Chapter 11 Cases, or section 365 of the Bankruptcy Code, after the Effective Date, pursuant to, and to the extent permitted by, and arising under, the terms of the Humana Agreement, then Humana shall be authorized, in the ordinary course of business, to offset, recover or recoup any amounts due by Human to the applicable Debtor or Reorganized Debtor to Humana arising or relating to any period prior to the Effective Date. For the avoidance of doubt, these amounts cannot arise cross-contract. The rights, claims, and defenses of Humana, the Debtors, the Debtors’ Estates and the Reorganized Debtors under the Humana Agreement, to the extent that they exist, are hereby reserved. The Humana Agreement is:

- Facility Participation Agreement with Recovery First of Florida, LLC.

140. In the event that the Debtors assume the Humana Agreement, then the Debtors shall provide to Humana (with a copy to counsel) a notice of assumption for the Humana

Allied World Specialty Insurance Company, Policy No. 0310-9647 (the “Allied World Policy”); Axis Insurance Company, Policy No. MAN626196/01/2017 (the “Axis Policy”).

Agreement being assumed and such assumption shall be subject to the terms of this section of the Confirmation Order.

141. **Aetna.** To the extent any of the agreements listed below (the “Aetna Agreements”) between the Debtors and Aetna, Inc. and its affiliates (“Aetna”) are assumed, then, notwithstanding any other provision of the Plan, the Plan Supplement, this Confirmation Order or any other order entered in these Chapter 11 Cases, or section 365 of the Bankruptcy Code, after the Effective Date, pursuant to, and to the extent permitted by, and arising under, the terms of the applicable Aetna Agreement, Aetna shall be authorized, in the ordinary course of business, to offset, recover or recoup any amounts due by Aetna to the applicable Debtor or Reorganized Debtor that is party to the Aetna Agreement against any amounts due by the applicable Debtor or Reorganized Debtor to Aetna, including any overpayments due to Aetna arising or relating to any period prior to the Effective Date. For the avoidance of doubt, these amounts cannot arise cross-contract. The rights, claims, and defenses of Aetna, the Debtors, the Debtors’ Estates and the Reorganized Debtors under the Aetna Agreements, to the extent that they exist, are hereby reserved. The Aetna Agreements are:

- Facility Service Agreement with AdCare Rhode Island, Inc.
- Facility Agreement, as amended, with AdCare Hospital of Worcester, Inc.
- Facility Services Agreement, as amended, with Recovery First of Florida LLC
- Facility Services Agreement, as amended, with New Jersey Addiction Treatment Center, LLC dba Sunrise House

142. In the event that the Debtors assume one or more of the Aetna Agreements, then the Debtors shall provide to Aetna (with a copy to counsel) a separate notice of assumption for each of the Aetna Agreements being assumed and such assumption shall be subject to the terms of this section of the Confirmation Order.

143. **UnitedHealthcare.** To the extent any of the agreements listed below (the “United Agreements”) between the Debtors and UnitedHealthcare Insurance Company and/or its affiliates or subsidiaries (collectively, “United”) are assumed, then, notwithstanding any other provision of the Plan, the Plan Supplement, this Confirmation Order or any other order entered in these Chapter 11 Cases, or section 365 of the Bankruptcy Code, after the Effective Date, pursuant to, and to the extent permitted by, and arising under, the terms of the applicable United Agreement, United shall be authorized, in the ordinary course of business, to offset, recover or recoup any amounts due by United to the applicable Debtor or Reorganized Debtor that is party to the United Agreement against any amounts due by the applicable Debtor or Reorganized Debtor to United, including any overpayments due to United arising or relating to any period prior to the Effective Date. For the avoidance of doubt, these amounts cannot arise cross-contract. The rights, claims, and defenses of United, the Debtors, the Debtors’ Estates and the Reorganized Debtors under the United Agreements, to the extent that they exist, are hereby reserved. The United Agreements are:

- United Behavioral Health Facility Participation Agreement, as amended, with AdCare Rhode Island, Inc.;
- United Behavioral Systems, Inc. Behavioral Health Network Facility Agreement with AdCare Hospital of Worcester, Inc.;
- United Behavioral Health, Inc. Facility Participation Agreement, as amended, with Recovery First of Florida LLC; and
- United Behavioral Health, Inc. Facility Participation Agreement, as amended, with New Jersey Addiction Treatment Center, LLC doing business as Sunrise House.

144. In the event that the Debtors assume one or more of the United Agreements, then the Debtors shall provide to United (with a copy to counsel) a separate notice of assumption for each of the United Agreements being assumed and such assumption shall be subject to the terms of this section of the Confirmation Order.

145. **BCBSTX**. To the extent that the agreement listed below (the “BCBSTX Agreement”) between the Debtors and Blue Cross and Blue Shield of Texas and/or its affiliates or subsidiaries (collectively, “BCBSTX”) is assumed, then, notwithstanding any other provision of the Plan, the Plan Supplement, this Confirmation Order or any other order entered in these Chapter 11 Cases, or section 365 of the Bankruptcy Code, after the Effective Date, pursuant to, and to the extent permitted by, and arising under, the terms of the applicable BCBSTX Agreement, BCBSTX shall be authorized, in the ordinary course of business, to offset, recover or recoup any amounts due by BCBSTX to the applicable Debtor or Reorganized Debtor that is party to the BCBSTX Agreement against any amounts due by the applicable Debtor or Reorganized Debtor to BCBSTX, including any overpayments due to BCBSTX arising or relating to any period prior to the Effective Date. For the avoidance of doubt, these amounts cannot arise cross-contract. The rights, claims, and defenses of BCBSTX, the Debtors, the Debtors’ Estates and the Reorganized Debtors under the BCBSTX Agreement, to the extent that they exist, are hereby reserved. The BCBSTX Agreement is:

- Facility Agreement, dated May 1, 2020, with Greenhouse Treatment Center, LLC.

146. In the event that the Debtors assume the BCBSTX Agreement, then the Debtors shall provide to BCBSTX (with a copy to counsel) a notice of assumption for the BCBSTX Agreement being assumed and such assumption shall be subject to the terms of this section of the Confirmation Order.

147. **BCBSIL**. To the extent any of the agreements listed below (the “BCBSIL Agreements”) between the Debtors and Blue Cross and Blue Shield of Illinois and/or its affiliates or subsidiaries (collectively, “BCBSIL”) are assumed, then, notwithstanding any other provision of the Plan, the Plan Supplement, this Confirmation Order or any other order entered in these

Chapter 11 Cases, or section 365 of the Bankruptcy Code, after the Effective Date, pursuant to, and to the extent permitted by, and arising under, the terms of the applicable BCBSIL Agreement, BCBSIL shall be authorized, in the ordinary course of business, to offset, recover or recoup any amounts due by BCBSIL to the applicable Debtor or Reorganized Debtor that is party to the BCBSIL Agreement against any amounts due by the applicable Debtor or Reorganized Debtor to BCBSIL, including any overpayments due to BCBSIL arising or relating to any period prior to the Effective Date. For the avoidance of doubt, these amounts cannot arise cross-contract. The rights, claims, and defenses of BCBSIL, the Debtors, the Debtors' Estates and the Reorganized Debtors under the BCBSIL Agreements, to the extent that they exist, are hereby reserved. The BCBSIL Agreements are:

- Medicaid HMO Multispecialty Practice Medical Service Agreement with Addiction Labs of America, LLC; and
- BCBSIL Participating Independent Laboratory Agreement with American Addiction Labs of America, LLC.

148. In the event that the Debtors assume one or more of the BCBSIL Agreements, then the Debtors shall provide to BCBSIL (with a copy to counsel) a separate notice of assumption for each of the BCBSIL Agreements being assumed and such assumption shall be subject to the terms of this section of the Confirmation Order.

149. **Estate of LaCombe.** Notwithstanding anything in the Plan or herein, the automatic stay, and the injunction provisions set forth in Article X.I of the Plan, are hereby modified solely to permit the pending action of the estate of Carl LaCombe and Janie T. LaCombe, in her capacity as personal representative (collectively, "LaCombe") against AdCare Hospital of Worcester, Inc. ("Adcare") and Sarah Amato, N.P. in Case No. 18-1295A in the Superior Court for the Commonwealth of Massachusetts (as may be amended to include any other claims or defendants, which may include any current or former employees, agents, servants

or third party contractors of Adcare) (the “LaCombe Action”) to proceed and to permit LaCombe to continue to pursue coverage and recovery under the insurance policies applicable to the LaCombe Action; provided, however, that, with respect to any settlement or judgment against the Debtors or Reorganized Debtors, including AdCare, in connection with the LaCombe Action, LaCombe shall first pursue their Claims against and exhaust any potential recovery from the applicable insurance policies prior to pursuing their Claims as General Unsecured Claims under the Plan.

150. **Certain Officer and Director Objecting Parties.** The first sentence of Article IV.C.11 of the Plan shall be stricken and replaced with the Following: (A) with respect to any Indemnification Obligation for a Non-Released Debtor D&O that is contained in an Executory Contract, the entirety of such Executory Contract, including, but not limited to, the Indemnification Obligation set forth therein, shall be deemed rejected as of the Effective Date, which shall give rise to a Claim that shall be classified and treated in accordance with the Plan, and (B) with respect to any Indemnification Obligation for a Non-Released Debtor D&O that is not contained in an Executory Contract, such Indemnification Obligation shall not be assumed by the Reorganized Debtors and shall give rise to a Claim that shall be classified and treated in accordance with the Plan. Neither the Plan nor this Order shall act as a determination of the allowance or priority of any Claim for Indemnification Obligations or advancement. For the avoidance of doubt, nothing in the previous sentence alters the treatment set forth in Article IV.C.11 of the Plan with respect to Indemnification Obligations for Released Debtor D&Os.

HH. Dissolution of the Creditors’ Committee.

151. Except to the extent provided in the Plan, on the Effective Date, the Creditors’ Committee shall dissolve, and the members of the Creditors’ Committee and their respective officers, employees, counsel, advisors and agents shall be released and discharged from further

authority, duties, responsibilities and obligations related to and arising from and in connection with these Chapter 11 Cases; *provided, however*, that following the Effective Date the Creditors' Committee shall continue in existence and have standing and a right to be heard solely to pursue Professional Fee Claims in accordance with Article II.B of the Plan. Following the completion of the remaining duties of the Creditors' Committee set forth above, the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents shall terminate. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date other than fees and expenses related to services rendered prior to the Effective Date that are approved by the Court.

II. Termination and Discharge of the PCO.

152. On the Effective Date, the PCO shall be discharged and relieved from his duties as patient care ombudsman in the Chapter 11 Cases. The PCO and the PCO's professionals and advisors are authorized to dispose of or destroy any documents provided by the Debtors or any third parties to the PCO, if any, in the course of their evaluation, in accordance with their respective document retention policies or applicable law.

JJ. Effect of Non-Occurrence of Conditions to the Effective Date.

153. Notwithstanding the entry of this Confirmation Order, if the Effective Date does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (a) constitute a waiver or release of any Claims by or Claims against or Interests in the Debtors; (b) prejudice in any manner the rights of the Debtors, any holders of a Claim or Interest, or any other Entity; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any holders, or any other Entity in any respect.

KK. Waiver of 14-Day Stay.

154. Notwithstanding Bankruptcy Rules 7062 and 3020(e), this Confirmation Order is effective immediately and not subject to any stay.

LL. Good Faith

155. The Debtors, the Ad Hoc Group, the DIP Lenders, the DIP Agent, the Creditors' Committee and all of their respective managers, members, officers, directors, agents, financial advisers, attorneys, employees, equity holders, partners, affiliates, and representatives will be acting in good faith if they proceed to (i) consummate the Plan and the agreements, transactions, and transfers contemplated thereby and (ii) take the actions authorized and directed by this Confirmation Order.

MM. Separate Orders

156. This Confirmation Order is and shall be deemed a separate Confirmation Order with respect to each of the Debtors in each Debtor's separate Chapter 11 Case for all purposes.

NN. Post-Confirmation Modification of the Plan.

157. The Debtors, with the consent of the Requisite Consenting Lenders, are hereby authorized to amend or modify the Plan at any time prior to the substantial consummation of the Plan, but only in accordance with section 1127 of the Bankruptcy Code, without further order of this Court.

OO. Notice of Entry of the Confirmation Order and the Effective Date.

158. Within 10 days after the occurrence of the Effective Date, the Reorganized Debtors shall file notice of the entry of the Confirmation Order and the Effective Date with this Court and shall serve or cause to be served a notice substantially in the form annexed hereto as **Exhibit B** (the "Effective Date Notice") upon all parties that received notice of the Confirmation Hearing. The form of Effective Date Notice is hereby approved. Service of the

Effective Date Notice as provided herein shall be good and sufficient notice of the entry of the Confirmation Order and the occurrence of the Effective Date under the Bankruptcy Rules, including Bankruptcy Rule 3020(c)(2).

PP. Final Order.

159. This Confirmation Order is a Final Order and the period in which an appeal must be filed will commence upon entry of this Confirmation Order.

Dated: October 20th, 2020
Wilmington, Delaware

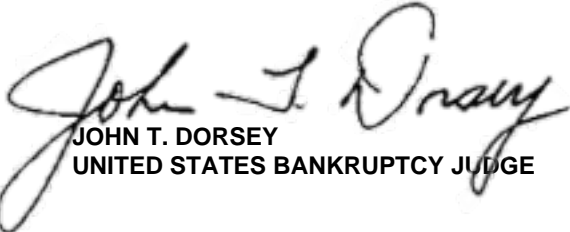

JOHN T. DORSEY
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Plan

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AAC HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11648 (JTD)

(Jointly Administered)

**SECOND AMENDED JOINT CHAPTER 11 PLAN OF
AAC HOLDINGS, INC. AND ITS DEBTOR AFFILIATES**

NOTHING CONTAINED HEREIN SHALL CONSTITUTE AN OFFER, ACCEPTANCE, COMMITMENT, OR LEGALLY BINDING OBLIGATION OF THE DEBTORS OR ANY OTHER PARTY IN INTEREST.

YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY COURT.

THIS PLAN IS SUBJECT TO APPROVAL BY THE BANKRUPTCY COURT AND OTHER CUSTOMARY CONDITIONS. THIS PLAN IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES.

GREENBERG TRAURIG, LLP

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Dated: October 11, 2020

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Recovery First of Florida, LLC (3005); Fitrx, LLC (5410); Oxford Treatment Center, LLC (7853); Oxford Outpatient Center, LLC (0237); Concorde Treatment Center, LLC (6483); New Jersey Addiction Treatment Center, LLC (7108); ABTTC, LLC (7601); Laguna Treatment Hospital, LLC (0830); AAC Las Vegas Outpatient Center, LLC (5381); Greenhouse Treatment Center, LLC (4402); AAC Dallas Outpatient Center, LLC (6827); Forterus Health Care Services, Inc. (4758); Solutions Treatment Center, LLC (8175); San Diego Addiction Treatment Center, Inc. (1719); River Oaks Treatment Center, LLC (0640); Singer Island Recovery Center LLC (3015); B&B Holdings Intl LLC (8549); The Academy Real Estate, LLC (9789); BHR Oxford Real Estate, LLC (0023); Concorde Real Estate, LLC (7890); BHR Greenhouse Real Estate, LLC (4295); BHR Ringwood Real Estate, LLC (0565); BHR Aliso Viejo Real Estate, LLC (2910); Behavioral Healthcare Realty, LLC (2055); Clinical Revenue Management Services, LLC (8103); Recovery Brands, LLC (8920); Referral Solutions Group, LLC (7817); Taj Media LLC (7047); Sober Media Group, LLC (4655); American Addiction Centers, Inc. (3320); Tower Hill Realty, Inc. (0039); Lincoln Catharine Realty Corporation (5998); AdCare Rhode Island, Inc. (2188); Green Hill Realty Corporation (4951); AdCare Hospital of Worcester, Inc. (3042); Diversified Healthcare Strategies, Inc. (3809); AdCare Criminal Justice Services, Inc. (1653); AdCare, Inc. (7005); Sagenex Diagnostics Laboratory, LLC (7900); RI - Clinical Services, LLC (6291); Addiction Labs of America, LLC (1133); AAC Healthcare Network, Inc. (0677); AAC Holdings, Inc. (6142); San Diego Professional Group, P.C. (9334); Grand Prairie Professional Group, P.A. (2102); Palm Beach Professional Group, Professional Corporation (7608); Pontchartrain Medical Group, A Professional Corporation (1271); Oxford Professional Group, P.C. (8234); and Las Vegas Professional Group - Calarco, P.C. (5901). The location of the Debtors' corporate headquarters is 200 Powell Place, Brentwood, TN 37027.

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INTRODUCTION

AAC Holdings, Inc. and its debtor affiliates, as debtors and debtors in possession, propose this joint plan of reorganization, as amended and supplemented from time to time, for the resolution of outstanding Claims against, and Interests in, the Debtors. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A hereof.

Holders of Claims and Interests may refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, historical financial information, and projections of future operations, as well as a summary and description of the Plan and related sale process. ALL HOLDERS OF CLAIMS AND INTERESTS, TO THE EXTENT APPLICABLE, ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code, and the Plan constitutes a separate plan of reorganization for each of the Debtors. Prior to the Petition Date, the Debtors and Consenting Lenders constituting in excess of 80% of the aggregate principal amount of the outstanding Senior Lender Claims and in excess of 60% of the aggregate principal amount of the outstanding Junior Lender Claims entered in the Restructuring Support Agreement, which forms the basis of this Plan and is further described in the Disclosure Statement. This Plan also implements a settlement between the Debtors, the Creditors' Committee, and the Ad Hoc Group.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms

As used in this Plan, capitalized terms have the meanings set forth below.

1. "*AAC Holdings*" means AAC Holdings, Inc., one of the debtors and debtors in possession in the Chapter 11 Cases and the direct or indirect parent company of all of the other Debtors.

2. "*Ad Hoc Group*" means the ad hoc group of Prepetition Lenders represented by Stroock & Stroock & Lavan LLP.

3. "*Administrative Claim*" means a Claim for costs and expenses of administration of the Debtors' Estates pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates; (b) Allowed Professional Fee Claims; (c) all Allowed requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code; (d) all Allowed Claims arising under section 503(b)(9) of the Bankruptcy Code; and (e) all DIP Lender Claims.

4. “*Administrative Claims Bar Date*” means the deadline for Filing requests for payment of Administrative Claims, which: (a) with respect to Administrative Claims other than Professional Fee Claims, shall be 30 days after the Effective Date; and (b) with respect to Professional Fee Claims, shall be 45 days after the Effective Date.

5. “*Affiliate*” shall have the meaning set forth in section 101(2) of the Bankruptcy Code.

6. “*Allowed*” means with respect to any Claim, except as otherwise provided herein: (a) a Claim that is evidenced by a Proof of Claim timely Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or a Final Order of the Bankruptcy Court, a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely filed; or (c) a Claim Allowed pursuant to the Plan, any stipulation approved by the Bankruptcy Court, any contract, instrument, indenture, or other agreement entered into or assumed in connection with the Plan, or a Final Order; provided, that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that with respect to such Claim no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or if such an objection is so interposed, such Claim shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim or Interest is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court unless otherwise ordered by the Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes. For the avoidance of doubt, a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim. “*Allow*” and “*Allowing*” shall have correlative meanings.

7. “*Ankura*” means Ankura Trust Company, LLC.

8. “*Avoidance Actions*” means any and all actual or potential avoidance, recovery, subordination, or other claims, actions, or remedies which any of the Debtors, the debtors in possession, the Estates, or other appropriate parties in interest have asserted or may assert under sections 502, 510, 542, 544, 545, or 547 through 553 of the Bankruptcy Code or under similar or related state or federal statutes and common law.

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

10. “*Bankruptcy Court*” means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases.

11. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court, each as amended from time to time.

12. “*Bar Date*” means the dates established by the Bankruptcy Court, if any, by which Proofs of Claim must be Filed.

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

14. “*Cash*” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

15. “*Causes of Action*” means any Claims, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, in tort, law, equity, or otherwise, including (a) all rights of setoff, counterclaim, or recoupment and claims on contracts or for breaches of duties imposed by law; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) such claims and defenses as fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code.

16. “*Chapter 11 Cases*” means, when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court, and when used with reference to all of the Debtors, the procedurally consolidated and jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

17. “*Claim*” means any claim, as defined in section 101(5) of the Bankruptcy Code.

18. “*Claims Objection Bar Date*” means the deadline for objecting to a Claim, which shall be on the date that is the later of (a) 180 days after the Effective Date and (b) such other period of limitation as may be specifically fixed by order of the Bankruptcy Court for objecting to Claims.

19. “*Claims Register*” means the official register of Claims maintained by the Notice and Claims Agent.

20. “*Class*” means a category of Claims or Interests under section 1122(a) of the Bankruptcy Code.

21. “*Class 1 Litigation Trust Interests*” means Litigation Trust Interests entitled to receive distributions of Litigation Trust Assets in the amount and priority as set forth in clause (b) of the Litigation Trust Proceeds Waterfall.

22. “*Class 2 Litigation Trust Interests*” means collectively the Class 2A Litigation Trust Interests and the Class 2B Litigation Trust Interests.

23. “*Class 2A Litigation Trust Interests*” means Litigation Trust Interests entitled to receive distributions of Litigation Trust Assets in the amount and priority as set forth clause (c)(1) of the Litigation Trust Proceeds Waterfall.

24. “*Class 2B Litigation Trust Interests*” means Litigation Trust Interests entitled to receive distributions of Litigation Trust Assets in the amount and priority as set forth clause (c)(2) of the Litigation Trust Proceeds Waterfall.

25. “*Committee DIP Budget*” means \$2,167,000, the aggregate amount budgeted in the Approved Budget (as defined in the DIP Orders) for the Professionals retained by the Creditors’ Committee.

26. “*Committee/Lender Settlement*” means the settlement among the Creditors’ Committee, the Ad Hoc Group, and the Debtors, implemented pursuant to the terms of this Plan, pursuant to which, among other things, (i) the Creditors’ Committee shall support the Plan, (ii) the Debtors and Reorganized Debtors shall transfer the Litigation Trust Assets to the Litigation Trust for the benefit of Holders of Allowed General Unsecured Claims, including Allowed Junior Lender Deficiency Claims, (iii) the Creditors’ Committee and the Ad Hoc Group shall select the Litigation Trustee and the Litigation Trust Advisory Board, and (iv) the Litigation Trust Interests shall be allocated according to the GUC/Junior Lender Allocation.

27. “*Committee Professional Excess Amount*” means the difference between (i) the Committee DIP Budget and (ii) the aggregate amount of Allowed Professional Fee Claims of such Professionals.

28. “*Confirmation Date*” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

29. “*Confirmation Hearing*” means the hearing to be held by the Bankruptcy Court to consider confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code as scheduled pursuant to the Disclosure Statement Order, and as may be continued from time to time by the Bankruptcy Court. [Docket No. 516].

30. “*Confirmation Order*” means an order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

31. “*Consenting Lender Advisors*” means, collectively, (i) Stroock & Stroock & Lavan LLP, (ii) Young Conaway Stargatt & Taylor, LLP, (iii) McDermott Will & Emery LLP, (iv) FTI Consulting, Inc., and (v) Moelis & Company.

32. “*Consenting Lenders*” means the Prepetition Lenders that are party to the Restructuring Support Agreement.

33. “*Consummation*” means the occurrence of the Effective Date.
34. “*Converted DIP Facility Amount*” means the amount of DIP Lender Claims converted into the Exit Facility, which amount shall be equal to (i) the outstanding principal balance under the DIP Facility as of the Effective Date, plus (ii) the amount of the DIP Termination Payment.
35. “*Converted Senior Facility Amount*” means the amount of Senior Lender Claims converted into the Exit Facility, which amount shall be equal to (a) the amount of the Senior Lien Obligations (including any makewhole amounts, other premiums and exit payments under the Senior Lien Facility) as of the Effective Date minus (b) the Senior Lender Postpetition Interest Amount.
36. “*Creditors’ Committee*” means the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102(a) of the Bankruptcy Code [Docket No. 97].
37. “*Cure/Assumption Objection Deadline*” means, with respect to an Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, pursuant to the Plan, the earlier of (i) fourteen (14) days after service of the Cure Notice with respect to such Executory Contract or Unexpired Lease and (ii) the date of the Confirmation Hearing.
38. “*Cure Claim*” means a monetary Claim required to cure any monetary defaults under any Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor pursuant to section 365 of the Bankruptcy Code.
39. “*Cure Notice*” means a notice, of a proposed amount to be paid on account of a Cure Claim in connection with an Executory Contract or Unexpired Lease to be assumed under the Plan pursuant to section 365 of the Bankruptcy Code, the form and substance of which was approved by the Disclosure Statement Order, and which notice included: (a) procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases; (b) Cure Claims to be paid in connection therewith; and (c) procedures for resolution by the Bankruptcy Court of any related disputes, all in accordance with the procedures set forth in the Disclosure Statement Order.
40. “*D&O Liability Insurance Policies*” means all insurance policies (including any renewal or “tail policy”) of any of the Debtors for current or former directors’, managers’, and officers’ liability.
41. “*Debtors*” means, collectively, the debtors and debtors in possession in the Chapter 11 Cases.
42. “*Designated Causes of Action*” means the following Causes of Action: (i) breach of fiduciary duty, (ii) aiding and abetting breach of fiduciary duty, (iii) breach of contract, (iv) corporate waste, (v) abuse of control, (vi) gross mismanagement, (vii) willful misconduct, (viii) fraud, (ix) aiding and abetting fraud, (x) actual fraudulent transfer, (xi) constructive fraudulent transfer, (xii) preferential transfer, (xiii) negligent misrepresentation, (xiv) conversion, (xv)

unlawful stock redemption and dividends, (xvi) unjust enrichment, (xvii) conspiracy, (xviii) equitable subordination, and (xix) recharacterization.

43. “*DIP Agent*” means Ankura, in its capacity as administrative and collateral agent under the DIP Facility.

44. “*DIP Credit Agreement*” means that certain Senior Secured Super-Priority Debtor-in-Possession Credit Agreement, dated as of June 25, 2020, by and among AAC Holdings, the DIP Lenders, and the DIP Agent, as it may be amended, restated, supplemented, or otherwise modified from time to time.

45. “*DIP Facility*” means the multi-draw superpriority senior secured priming debtor-in-possession term loan credit facility provided by the DIP Lenders to AAC Holdings under the terms of the DIP Loan Documents and DIP Orders [Docket Nos. 65 & 159].

46. “*DIP Lender Claims*” means any and all Claims derived from, based upon, or secured by, the DIP Facility, the DIP Loan Documents, or the DIP Orders held by any DIP Lender or the DIP Agent.

47. “*DIP Lenders*” means, collectively, the lenders from time to time that are party to the DIP Credit Agreement.

48. “*DIP Loan Documents*” means the DIP Credit Agreement and any other agreements and documents executed in connection with or related thereto.

49. “*DIP Orders*” means, collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Loan Documents and incur postpetition obligations thereunder [Docket Nos. 65 & 159].

50. “*DIP Termination Payment*” means the “Termination Payment” as defined in the DIP Credit Agreement.

51. “*Disallowed*” means, with respect to any Claim, a Claim or any portion thereof that: (a) has been disallowed by a Final Order; (b) is listed on the Schedules as zero or as contingent, disputed, or unliquidated and as to which no Proof of Claim or request for payment of an Administrative Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order or otherwise deemed timely Filed under applicable law or the Plan; (c) is not listed on the Schedules and as to which no Proof of Claim or request for payment of an Administrative Claim has been timely Filed or deemed timely Filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order or otherwise deemed timely Filed under applicable law or the Plan; (d) has been withdrawn by agreement of the applicable Debtor and the Holder thereof; or (e) has been withdrawn by the Holder thereof.

52. “*Disclosure Statement*” means the *Disclosure Statement for the Joint Chapter 11 Plan of AAC Holdings, Inc., and its Debtor Affiliates*, including all exhibits and schedules thereto, as approved by the Disclosure Statement Order.

53. “*Disclosure Statement Order*” means the order entered by the Bankruptcy Court approving the Disclosure Statement, entered on September 1, 2020 [Docket No. 516].

54. “*Disputed*” means a Claim that is not yet Allowed or Disallowed.

55. “*Distribution Agent*” means, as applicable, the Reorganized Debtors, the Litigation Trustee, or any Entity the Reorganized Debtors or Litigation Trustee select to make or facilitate distributions that are to be made pursuant to the Plan.

56. “*Distribution Record Date*” means the date for determining which Holders of Claims are eligible to receive distributions hereunder and shall be the Effective Date or such other date as designated in the Confirmation Order.

57. “*Distribution Reserve Accounts*” means the Undeliverable Distribution Reserve, the Litigation Trust Expense Fund, and the GUC Disputed Claims Reserve established pursuant to this Plan.

58. “*Effective Date*” means, with respect to the Plan, the date that is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; (b) all conditions precedent specified in Article XI.B have been satisfied or waived (in accordance with Article XI.C); and (c) the Plan is declared effective.

59. “*Entity*” shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

60. “*Estate*” means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

61. “*Exchange Act*” means the Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

62. “*Exculpated Parties*” means, collectively, and in each case in its capacity as such: (a) the Debtors and Reorganized Debtors, (b) the directors and officers of the Debtors who served during any portion of these Chapter 11 Cases, (c) the Debtors’ Professionals retained in these Chapter 11 Cases, (d) the Committee, the members of the Committee in their capacity as such, the individuals who sat on the Committee, in their capacity as such, (e) the Committee’s Professionals retained in these Chapter 11 Cases, (f) the PCO and its Professionals retained in these Chapter 11 Cases, (g) the Litigation Trustee, and (h) with respect to the foregoing clauses (a) through (g), each such Entity’s successors and assigns.

63. “*Executory Contract*” means a contract to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

64. “*Exit Facility*” means an exit term loan credit facility (i) in an aggregate principal amount equal to (a) the Converted DIP Facility Amount plus (b) the Converted Senior Facility Amount, (ii) with interest accruing at a non-default rate per annum equal to 18% (10% of which is payable in Cash monthly and 8% of which is payable in kind monthly), (iii) with a 5-year

term, (iv) secured by Liens on all or substantially all the assets of the Reorganized Debtors, and (v) on such other terms and conditions as set forth in the Exit Facility Documents.

65. “*Exit Facility Credit Agreement(s)*” means the credit agreement(s) governing the Exit Facility, the form of which shall be included in the Plan Supplement and shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

66. “*Exit Facility Documents*” means the Exit Facility Credit Agreement(s) and related documents governing the Exit Facility, and any exhibits, attachments, annexes, or schedules to any of the foregoing, the form of which material documents shall be included in the Plan Supplement and shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

67. “*Federal Judgment Rate*” means the interest rate provided under 28 U.S.C. § 1961(a), calculated as of the Petition Date, compounded annually.

68. “*File*,” “*Filed*,” or “*Filing*” means file, filed, or filing in the Chapter 11 Cases with the Bankruptcy Court or, with respect to the filing of a Proof of Claim or proof of Interest, the Notice and Claims Agent.

69. “*Final Order*” means (i) an order or judgment of the Bankruptcy Court, as entered on the docket in any Chapter 11 Case (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction, or (ii) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Bankruptcy Court (or any other court of competent jurisdiction, including in an appeal taken) in any Chapter 11 Case (or in any related adversary proceeding or contested matter), in each case that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired according to applicable law and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; provided, that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules of the Bankruptcy Court, may be Filed relating to such order shall not prevent such order from being a Final Order.

70. “*Former Debtor D&O*” means any individual who was a director or officer of the Debtors prior to the Petition Date but not a director or officer of the Debtors on or after the Petition Date.

71. “*General Unsecured Claim*” means any Claim other than (a) an Administrative Claim, (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) a

Senior Lender Claim, (f) an Intercompany Claim, (g) a DIP Lender Claim, (h) a Junior Lender Secured Claim, or (i) a Subordinated Claim. For the avoidance of doubt, the Junior Lender Deficiency Claims shall be included as General Unsecured Claims and Allowed in the Junior Lender Deficiency Claim Allowed Amount.

72. “*Governmental Unit*” shall have the meaning set forth in section 101(27) of the Bankruptcy Code.

73. “*GUC Disputed Claims Reserve*” means a reserve account with respect to Disputed General Unsecured Claims to be established and funded by the Litigation Trustee pursuant to Article VIII.H and the Litigation Trust Agreement.

74. “*GUC/Junior Lender Allocation*” means the allocation of (a) the Class 2A Litigation Trust Interests Pro Rata to the Holders of Allowed Junior Lender Deficiency Claims and (b) the Class 2B Litigation Trust Interests Pro Rata to Holders of Allowed General Unsecured Claims (other than Holders of Allowed Junior Lender Deficiency Claims).

75. “*Holder*” means any Person holding a Claim, Interest, or Litigation Trust Interest, as applicable.

76. “*Impaired*” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

77. “*Indemnification Obligations*” means each of the Debtors’ indemnification obligations in effect immediately prior to the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, indemnification agreements, or employment or other contracts, for their current and former directors and officers.

78. “*Initial Litigation Trust Cash Amount*” means \$500,000.

79. “*Intercompany Claim*” means any Claim held by a Debtor against another Debtor.

80. “*Intercompany Interest*” means, other than an Interest in AAC Holdings, an Interest in one Debtor held by another Debtor or a Debtor’s Affiliate.

81. “*Intercreditor Agreement*” means that certain Intercreditor Agreement, dated as of March 8, 2019, by and among the Debtors, the Senior Lien Agent, and the Junior Lien Agent.

82. “*Interest*” means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor, including any rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor.

83. “*Interim Compensation Order*” means the order of the Bankruptcy Court establishing procedures for interim compensation and reimbursement of expenses for professionals [Docket No. 156].

84. “*Judicial Code*” means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as amended from time to time, as applicable to the Chapter 11 Cases.

85. “*Junior Lenders*” means the lenders party to the Junior Lien Credit Agreement.

86. “*Junior Lender Claims*” means any and all Claims arising from, under, or in connection with the Junior Lien Facility.

87. “*Junior Lender Claims Allowed Amount*” means the aggregate Allowed amount of the Junior Lender Claims (including the Junior Lender Secured Claims and the Junior Lender Deficiency Claims), which equals the sum of (i) \$450,593,283.62, which includes outstanding principal under the Junior Lien Facility, interest at the default rate under the Junior Lien Facility that accrued as of the Petition Date and remains unpaid, makewhole amounts and other premiums, (ii) fees, expenses and all other Junior Lien Obligations incurred under the Junior Lien Facility, and (iii) the portion, if any, of the Junior Lender Postpetition Interest Amount that is allowable under section 506(b) of the Bankruptcy Code.

88. “*Junior Lender Deficiency Claim*” means the portion of a Junior Lender Claim that exceeds the amount of the corresponding Junior Lender Secured Claim.

89. “*Junior Lender Deficiency Claim Allowed Amount*” means the aggregate Allowed amount of the Junior Lender Deficiency Claims, which equals the difference between (i) the Junior Lender Claims Allowed Amount and (ii) the Junior Lender Secured Claims Allowed Amount, which difference is \$369,278,283.62.

90. “*Junior Lender Postpetition Interest Amount*” means the amount of interest accruing under the Junior Lien Facility between the Petition Date and the Effective Date.

91. “*Junior Lender Secured Claim*” means the portion of a Junior Lender Claim that is Secured.

92. “*Junior Lender Secured Claims Allowed Amount*” means the aggregate Allowed amount of the Junior Lender Secured Claims, which shall not be greater than the Junior Lender Claims Allowed Amount and shall be included in the Plan Supplement.

93. “*Junior Lien Agent*” means Ankura (as successor by assignment to Credit Suisse AG), in its capacity as administrative agent and collateral agent under the Junior Lien Facility.

94. “*Junior Lien Credit Agreement*” that certain Credit Agreement, dated as of June 30, 2017 (as amended, supplemented, restated or otherwise modified from time to time prior to, and as in effect on, the Petition Date) by and among AAC Holdings, as borrower, each of the Junior Lien Guarantors, the Junior Lenders, and the Junior Lien Agent.

95. “*Junior Lien Facility*” means the credit facility provided by the Junior Lenders to AAC Holdings under the terms of the Junior Lien Loan Documents.

96. “*Junior Lien Guarantors*” shall have the meaning set forth in the DIP Orders.

97. “*Junior Lien Loan Documents*” means, collectively, (i) the Junior Lien Credit Agreement, (ii) all other agreements, documents, instruments, and certificates executed or delivered in connection with the Junior Lien Credit Agreement, (iii) the Intercreditor Agreement, and (iv) that certain Forbearance Agreement dated as of October 30, 2019 among the Junior Lien Loan Parties, the lenders constituting Required Lenders under the Junior Lien Credit Agreement party thereto and the Junior Lien Agent.

98. “*Junior Lien Loan Parties*” means AAC Holdings and the Junior Lien Guarantors.

99. “*Lien*” shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

100. “*Litigation Trust*” means a litigation trust to be established on the Effective Date for the benefit of Holders of Allowed General Unsecured Claims, including Allowed Junior Lender Deficiency Claims, pursuant to the terms of the Litigation Trust Agreement and the Plan.

101. “*Litigation Trust Advisory Board*” means the advisory board that shall oversee the Litigation Trust in accordance with the Litigation Trust Agreement and the Plan, the initial composition of which shall consist of three members, one of whom shall be designated by the Creditors’ Committee (the identity of whom, to the extent known, shall be disclosed prior to the Effective Date), one of whom shall be designated by the Ad Hoc Group (the identity of whom, to the extent known, shall be disclosed prior to the Effective Date), and one of whom shall be jointly designated by the Creditors’ Committee and the Ad Hoc Group. To the extent that the Creditors’ Committee and the Ad Hoc Group cannot agree to a joint designee to the Trust Advisory Board within thirty (30) days after the Effective Date, the third member of the Trust Advisory Board shall be designated by the Bankruptcy Court.

102. “*Litigation Trust Agreement*” means the trust or similar agreement that establishes the Litigation Trust and governs the powers, duties, and responsibilities of the Litigation Trustee, on terms materially consistent with the Plan, filed as part of the Plan Supplement, as may be amended, modified, or supplemented from time to time, which shall be on terms acceptable to the Debtors, the Creditors’ Committee, and the Ad Hoc Group.

103. “*Litigation Trust Assets*” means the Litigation Trust Funding Amount and the Litigation Trust Claims and the proceeds thereof.

104. “*Litigation Trust Beneficiaries*” means the Holders of Litigation Trust Interests.

105. “*Litigation Trust Claims*” means the Designated Causes of Action that the Debtors or their Estates may have against (i) the Non-Released Debtor D&Os and (ii) solely as to aiding and abetting breach of fiduciary duty claims or aiding and abetting fraud claims, any other Person that is not a Released Party.

106. “*Litigation Trust Funding Amount*” means Cash in the total amount of the Initial Litigation Trust Cash Amount *plus* the Committee Professional Excess Amount, each of which shall be contributed to the Litigation Trust in accordance with Article VII.

107. “*Litigation Trustee*” means the Person jointly designated by the Creditors’ Committee and the Ad Hoc Group to serve as the trustee of the Litigation Trust, identified and disclosed in the Plan Supplement, and any successor thereto appointed pursuant to the Litigation Trust Agreement.

108. “*Litigation Trust Expense Fund*” shall have the meaning set forth in Article VIII.G.

109. “*Litigation Trust Expenses*” shall have the meaning set forth in Article VIII.G.

110. “*Litigation Trust Interests*” means the beneficial interests in the Litigation Trust, which shall be allocated in accordance with the GUC/Junior Lender Allocation.

111. “*Litigation Trust Proceeds Waterfall*” means the following priority of distributions with respect to the Litigation Trust Assets: (a) first, to the extent the Litigation Trust Funding Amount is insufficient to pay in full all accrued and unpaid Litigation Trust Expenses, to pay such Litigation Trust Expenses; (b) second, after the amounts in clause (a) are fully satisfied, to pay to the Holders of Class 1 Litigation Trust Interests, the Litigation Trust Funding Amount; and (c) third, after the amounts in clauses (a) and (b) are fully satisfied, to fund distributions to the Litigation Trust Beneficiaries to be shared as follows: (1) the Holders of Class 2A Litigation Trust Interests shall receive their Pro Rata share of 65% of any distributions under this clause (c) up to the amount of the Junior Lender Deficiency Claim Allowed Amount; and (2) Holders of Class 2B Litigation Trust Interests shall receive their Pro Rata share of 35% of any distributions under this clause (c) until the Allowed Junior Lender Deficiency Claims are fully satisfied, at which point Class 2B Litigation Trust Interests shall receive their Pro Rata share of 100% of such distribution.

112. “*Management Incentive Plan*” shall have the meaning set forth in Article IV.C.9.

113. “*Minimum Liquidity Condition*” means that certain condition precedent to the Effective Date requiring the Reorganized Debtors to have minimum liquidity of no less than \$13 million (consisting of unrestricted Cash) as of the Effective Date, on a pro forma basis, after taking into account the Professional Fee Escrow Account.

114. “*New Board*” means the initial board of directors, members, or managers, as applicable, of each Reorganized Debtor, the composition of which shall be consistent with the New Board Composition.

115. “*New Board Composition*” means the initial composition of the New Board consisting of seven (7) directors, with six (6) of the initial directors selected by the Ad Hoc Group (in proportion to their respective pro forma ownership of Reorganized AAC Equity Interests and New Warrants) and identified in the Plan Supplement and one (1) of the initial directors being the Chief Executive Officer of the Reorganized Debtors.

116. “*New Organizational Documents*” means the amended forms of the certificates or articles of incorporation, bylaws, or such other applicable formation documents of each of the Reorganized Debtors and the New Stockholders Agreement and the New Warrant Agreement, which forms shall be included in the Plan Supplement and shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

117. “*New Stockholders’ Agreement*” means that certain stockholders agreement effective as of the Effective Date, upon Reorganized AAC Holdings’ redomiciliation as a Delaware corporation, between Reorganized AAC Holdings and the Holders of the Reorganized AAC Equity Interests and the Holders of New Warrants, the form of which shall be included in the Plan Supplement and shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

118. “*New Warrant Agreement*” means the agreement governing the New Warrants, the form of which shall be included in the Plan Supplement and shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

119. “*New Warrants*” means warrants issued by Reorganized AAC Holdings, upon its redomiciliation as a Delaware corporation, to Holders of DIP Lender Claims and Senior Lender Claims, Pro Rata in accordance with the New Warrants DIP Lender Allocation and New Warrants Senior Lender Allocation, respectively, (i) with an exercise price of \$0.01 per share to purchase an aggregate number of shares equal to 35% of the Reorganized AAC Equity Interests on a fully diluted basis (calculated as of the Effective Date and including any Reorganized AAC Equity Interests issuable upon exercise of the New Warrants, and not including, and subject to dilution on account of, Reorganized Equity Interests issued under the Management Incentive Plan and, for the avoidance of doubt, any other Reorganized AAC Equity Interests issued after the Effective Date) and (ii) on such other terms and conditions as set forth in the New Warrant Agreement.

120. “*New Warrants DIP Lender Allocation*” means the portion of the New Warrants allocated to the Holders of Allowed DIP Lender Claims, which shall be the total New Warrants multiplied by the percentage determined by dividing (i) the Converted DIP Facility Amount by (ii) the sum of (a) the Converted DIP Facility Amount and (b) the Converted Senior Facility Amount.

121. “*New Warrants Senior Lender Allocation*” means the portion of the New Warrants allocated to the Holders of Allowed Senior Lender Claims, which shall be the total New Warrants multiplied by the percentage determined by dividing (i) the Converted Senior Facility Amount by (ii) the sum of (a) the Converted Senior Facility Amount and (b) the Converted DIP Facility Amount.

122. “*Non-Released Debtor D&Os*” means any and all current and former directors and officers of the Debtors, other than the Released Debtor D&Os. For the avoidance of doubt,

the Non-Released Debtor D&Os shall include, without limitation (i) the Former Debtor D&Os, (ii) Jerry D. Bostelman, (iii) Lucius E. Burch III, and (iv) Michael C. Cartwright.

123. “*Notice and Claims Agent*” means Donlin, Recano & Company, Inc.

124. “*OCP Order*” means the *Order Authorizing the Retention and Payment of Professionals Utilized by the Debtors in the Ordinary Course of Business* entered by the Bankruptcy Court on July 15, 2020 [Docket No. 158].

125. “*Ordinary Course Professional*” shall have the meaning ascribed to such term in the OCP Order.

126. “*Other Priority Claim*” means any Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code, other than: (a) an Administrative Claim; or (b) a Priority Tax Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases.

127. “*Other Secured Claim*” means any Secured Claim, other than (a) a DIP Lender Claim, (b) a Senior Lender Claim, or (c) a Junior Lender Secured Claim.

128. “*Paid in Full*” means the indefeasible repayment in full in Cash of all obligations (including principal, interest, fees, expenses, and indemnities, other than contingent indemnification obligations for which no claim has been asserted, in each case, whether arising before or after the Petition Date) under the DIP Credit Facility, the Senior Lien Facility, or the Junior Lien Facility, the cash collateralization of all treasury and cash management obligations, hedging obligations, and bank product obligations, and the cancellation, replacement, backing, or cash collateralization of letters of credit, in each case, in accordance with the terms of the DIP Credit Facility, the Senior Lien Facility, or the Junior Lien Facility.

129. “*PCO*” means the person appointed to serve as the patient care ombudsman in these Chapter 11 Cases [Docket No. 123].

130. “*Person*” shall have the meaning set forth in section 101(41) of the Bankruptcy Code.

131. “*Petition Date*” means June 20, 2020, the date on which the Debtors commenced the Chapter 11 Cases.

132. “*Plan*” means this plan, as it may be amended, modified or supplemented from time to time, including all exhibits, schedules, supplements, appendices, annexes and attachments thereto, which shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

133. “*Plan Supplement*” means the compilation of documents and forms of documents, schedules, and exhibits to the Plan (as amended, supplemented, or modified from time to time in accordance with the terms thereof, the Bankruptcy Code, the Bankruptcy Rules, and the

Restructuring Support Agreement) to be Filed by the Debtors no later than seven (7) days before the Voting Deadline, and supplemented no later than one (1) day before the Confirmation Hearing. The Plan Supplement shall comprise, among other documents, the following, as applicable: (a) [intentionally omitted]; (b) the Exit Facility Credit Agreement; (c) material New Organizational Documents; (d) New Board Composition; (e) New Stockholders' Agreement; (f) New Warrant Agreement; (g) Schedule of Rejected Executory Contracts and Unexpired Leases; (h) identity and compensation of the Litigation Trustee; (i) Litigation Trust Agreement; and (j) any and all other documentation, which shall be consistent in all material respects with the Restructuring Support Agreement and/or otherwise in form and substance acceptable to the Debtors and the Requisite Consenting Lenders necessary to effectuate the Reorganization Transaction or that is contemplated by the Plan. The Debtors shall have the right to amend the documents contained in, and exhibits to, the Plan Supplement through the Effective Date in accordance with Article XII provided that the identity and compensation of the Litigation Trustee and the form of the Litigation Trust Agreement shall not be amended without the consent of the Debtors, the Creditors' Committee, and the Ad Hoc Group.

134. "*Prepetition Lenders*" means, collectively, the Junior Lenders and the Senior Lenders.

135. "*Priority Claims*" means, collectively, Priority Tax Claims and Other Priority Claims.

136. "*Priority Tax Claim*" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

137. "*Pro Rata*" means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class, or the proportion that Allowed Claims in a particular Class bear to the aggregate amount of Allowed Claims in a particular Class and other Classes entitled to share in the same recovery as such Allowed Claim under the Plan.

138. "*Professional*" means an Entity employed pursuant to a Bankruptcy Court order in accordance with sections 327, 328 or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, or 331 of the Bankruptcy Code.

139. "*Professional Fee Claims*" means all Administrative Claims for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Effective Date to the extent such fees and expenses have not been previously paid.

140. "*Professional Fee Escrow Account*" means an interest-bearing account in an amount equal to the total Professional Fee Reserve Amount funded by the Debtors or Reorganized Debtors on the Effective Date.

141. "*Professional Fee Reserve Amount*" means the aggregate amount of Professional Fee Claims that the Professionals estimate they have incurred or will incur in rendering services

to the Debtors prior to and as of the Effective Date, which estimates Professionals shall deliver to the Debtors and the DIP Agent as set forth in Article II.B.3.

142. “*Proof of Claim*” means a proof of Claim Filed in the Chapter 11 Cases.

143. “*Quarterly Fees*” shall have the meaning set forth in Article II.E.

144. “*Reinstated*” or “*Reinstatement*” means, with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code.

145. “*Released Debtor D&Os*” means (i) T. Michael Logan, (ii) Bob Nash, (iii) Scott Vogel, (iv) Karen Abbott, (v) Andrew McWilliams, and (vi) any other person who, as of the Petition Date, was an officer of any Debtor, but was not a director of AAC Holdings, Inc.

146. “*Released Party*” means each of the following, solely in its capacity as such: (a) the Debtors and Reorganized Debtors; (b) the DIP Agent; (c) the DIP Lenders; (d) the Junior Lien Agent; (e) the Junior Lenders; (f) the Senior Lien Agent; (g) the Senior Lenders; (h) the Committee, (i) the PCO, (j) the Litigation Trustee, and (k) with respect to the foregoing clauses (a) through (j), each such Entity’s current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former directors, managers, officers, control persons, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, participants, managed accounts or funds, fund advisors, predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, investment managers, and other professionals, including, but not limited to, the Released Debtor D&Os, each in their capacity as such, but in each case set forth in this clause (k) other than the Non-Released Debtor D&Os; provided that any Holder of a Claim that opts out of the releases contained in the Plan and any Holder of a Claim or Interest that is not a Releasing Party shall not be a “Released Party.”

147. “*Releasing Party*” means each of the following, solely in its capacity as such: (a) the DIP Agent; (b) the DIP Lenders; (c) the Junior Lien Agent; (d) the Junior Lenders; (e) the Senior Lien Agent; (f) the Senior Lenders; (g) the Committee; (h) the PCO; (i) with respect to each of the foregoing entities in clauses (a) through (h), such entity’s respective current and former Affiliates, and each of such entity’s, and such entity’s current and former affiliates’, current and former equity holders (regardless of whether such interests are held directly or indirectly), subsidiaries, officers, directors, managers, principals, members, employees, agents, advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; (j) each of the Debtors’ respective current and former Affiliates, and each of such entity’s, and such entity’s current and former affiliates’, current and former equity holders (other than current and former Holders of Interests of AAC Holdings) (regardless of whether such interests are held directly or indirectly), subsidiaries, officers, directors, managers, principals, members, agents, advisors, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, including,

but not limited to, the Released Debtor D&Os, each in their capacity as such, (k) all Holders of Claims that vote, or are deemed, to accept the Plan; (l) all Holders of Claims in voting classes that abstain from voting on the Plan and do not opt out of the releases provided by the Plan and (m) all Holders of Claims that vote to reject the Plan and do not opt out of the releases provided by the Plan; provided, however, that, notwithstanding anything to the contrary above, (i) a Non-Released Debtor D&O shall not be a “Releasing Party” and (ii) with respect to (A) Class 5 and (B) any Class that is deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code, any Holder of a Claim or Interest in any such Class specified in the preceding subclause (A) or (B), other than Holders of Junior Lender Deficiency Claims, shall not be a “Releasing Party” on account of such Claim or Interest (but, for the avoidance of doubt, such Holder could still be a “Releasing Party” with respect to a different Claim or Interest if it is also the Holder of such different Claim or Interest and otherwise meets the definition of “Releasing Party” on account of that different Claim or Interest, but any release given by such Holder will be limited to such Claims or Interests as to which it is a Releasing Party).

148. “*Remaining DIP Facility Amount*” means an amount equal to (i) the Allowed DIP Lender Claims on the Effective Date minus (ii) the Converted DIP Facility Amount.

149. “*Reorganization Transaction*” means the stand-alone reorganization around the Debtors’ assets not transferred to the Litigation Trust and the transactions described in, approved by, contemplated by, or necessary to implement the Plan.

150. “*Reorganized AAC Equity Interests*” means the common shares of Reorganized AAC Holdings.

151. “*Reorganized AAC Holdings*” means either (a) AAC Holdings, or any successor thereto (by merger, amalgamation, consolidation or otherwise), as reorganized pursuant to and under the Plan or (b) a newly formed corporation or limited liability company that may be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of the Debtors and issue the Reorganized AAC Equity Interests to be distributed or otherwise implement the Reorganization Transaction.

152. “*Reorganized Debtors*” means Reorganized AAC Holdings and each of the other Debtors, or any successor thereto, as reorganized pursuant to and under the Plan.

153. “*Required DIP Lenders*” has the meaning set forth in the DIP Credit Agreement.

154. “*Requisite Consenting Lenders*” means, as of any date of determination, the Consenting Lenders who collectively own or control as of such date at least (i) a majority of the aggregate principal amount of the Senior Lender Claims owned or controlled by all of the Consenting Lenders as of such date and (ii) a majority of the aggregate principal amount of the Junior Lender Claims owned or controlled by all of the Consenting Lenders as of such date.

155. “*Restructuring Documents*” means the Plan, the Disclosure Statement, the Plan Supplement, and the various agreements and other documents formalizing or implementing the Plan and the transactions contemplated thereunder, each of which shall contain terms and

conditions consistent in all material respects with the Restructuring Support Agreement and shall otherwise be in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

156. “*Restructuring Support Agreement*” means that certain Restructuring Support Agreement, dated as of June 19, 2020, by and among the Debtors and the Consenting Lenders, including all exhibits and schedules attached thereto, as may be amended from time to time in accordance with the terms thereof.

157. “*Schedule of Rejected Executory Contracts and Unexpired Leases*” means the schedule (including any amendments or modifications thereto) of the Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as set forth in the Plan Supplement, as amended by the Debtors from time to time in accordance with the Plan, which shall be consistent in all material respects with the Restructuring Support Agreement and shall otherwise be in form and substance acceptable to the Debtors and the Requisite Consenting Lenders.

158. “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified, or supplemented from time to time.

159. “*SEC*” means the U.S. Securities and Exchange Commission.

160. “*Secured*” means when referring to a Claim: (a) secured by a Lien on property in which any of the Debtors has an interest, which Lien is valid, perfected, enforceable and unavoidable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the applicable Holder’s interest in the applicable Debtor’s interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) Allowed pursuant to the Plan, or separate order of the Bankruptcy Court, as a secured claim.

161. “*Securities Act*” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, together with the rules and regulations promulgated thereunder, as amended from time to time.

162. “*Senior Lenders*” means the lenders party to the Senior Lien Credit Agreement.

163. “*Senior Lender Claims*” means any and all Claims arising from, under or in connection with the Senior Lien Facility.

164. “*Senior Lender Claims Allowed Amount*” means the aggregate Allowed amount of the Senior Lender Claims, which equals the sum of (i) \$55,698,866.82, which includes outstanding principal under the Senior Lien Facility, interest at the default rate under the Senior Lien Facility that accrued and was unpaid as of the Petition Date, makewhole amounts, other premiums, and exit payments under the Senior Lien Facility (other than the Senior Lender

Postpetition Interest Amount), (ii) fees, expenses and all other Senior Lien Obligations incurred under the Senior Lien Facility, and (iii) the Senior Lender Postpetition Interest Amount.

165. “*Senior Lender Postpetition Interest Amount*” means the amount of interest, at the default rate, accruing under the Senior Lien Facility between the Petition Date and the Effective Date.

166. “*Senior Lender Unpaid Postpetition Interest Amount*” means the amount of the Senior Lender Postpetition Interest Amount that remains unpaid immediately prior to the occurrence of the Effective Date.

167. “*Senior Lien Agent*” means Ankura (as successor by assignment to Credit Suisse AG), in its capacity as administrative agent and collateral agent under the Senior Lien Facility.

168. “*Senior Lien Credit Agreement*” that certain Credit Agreement, dated as of March 8, 2019 (as amended, supplemented, restated or otherwise modified from time to time prior to, and as in effect on, the Petition Date) by and among AAC Holdings, as borrower, each of the Senior Lien Guarantors, the Senior Lenders, and the Senior Lien Agent.

169. “*Senior Lien Facility*” means the credit facility provided by the Senior Lenders to AAC Holdings under the terms of the Senior Lien Loan Documents.

170. “*Senior Lien Guarantors*” shall have the meaning set forth in the DIP Orders.

171. “*Senior Lien Loan Documents*” means, collectively, (i) the Senior Lien Credit Agreement, (ii) all other agreements, documents, instruments, and certificates executed or delivered in connection with the Senior Lien Credit Agreement, (iii) the Intercreditor Agreement, and (iv) that certain Forbearance Agreement dated as of October 30, 2019 among the Senior Lien Loan Parties, the lenders constituting Required Lenders under the Senior Lien Credit Agreement party thereto and the Senior Lien Agent.

172. “*Senior Lien Loan Parties*” means AAC Holdings and the Senior Lien Guarantors.

173. “*Senior Lien Obligations*” means “Prepetition Senior Lien Obligations” as defined in the DIP Orders.

174. “*Shareholder Litigation*” means the litigation proceedings described under the sub-heading “Shareholder Litigation” in Art. VI(M)(1) of the Disclosure Statement.

175. “*Sub-Class*” means, for each Class, the separate sub-Class for each Debtor, as described in Article III.A

176. “*Subordinated Claim*” means a Claim of the type described in and subject to subordination pursuant to section 510(b) of the Bankruptcy Code.

177. “*Transaction Expenses*” means the reasonable fees, costs and expenses of (i) the Consenting Lenders, including the fees, costs and expenses of the Consenting Lender Advisors, and (ii) the DIP Agent, the Junior Lien Agent, and the Senior Lien Agent, including the fees, costs and expenses of their respective professionals.

178. “*U.S. Trustee*” means the Office of the United States Trustee for the District of Delaware and the U.S. Trustee for Region 3.

179. “*Unexpired Lease*” means a lease of nonresidential real property to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

180. “*Unimpaired*” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that are unimpaired within the meaning of section 1124 of the Bankruptcy Code, including through payment in full in Cash.

181. “*Voting Deadline*” means October 1, 2020, at 4:00 p.m. (prevailing Eastern Time).

B. Rules of Interpretation

For purposes herein: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; (4) any reference to a Person as a Holder of a Claim or Interest includes that Person’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (9) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (10) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (11) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court’s CM/ECF system; (12) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (13) any immaterial effectuating provisions may be interpreted by the Debtors, Reorganized Debtors, or the Litigation Trustee in such a manner that is consistent

with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Person; (14) all reference to “corporate action” shall mean with respect to any Entity, corporate, limited liability, partnership or other organizational action, as applicable to such Entity; and (15) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or to the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

C. Computation of Time

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

D. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); provided, that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, shall be governed by the laws of the state of incorporation or formation of the relevant Debtor or Reorganized Debtor, as applicable.

E. Reference to Monetary Figures

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided herein.

F. Controlling Document

In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and any document included in the Plan Supplement, the terms of the document in the Plan Supplement shall control (unless stated otherwise in such document or in the Confirmation Order). In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

G. Nonconsolidated Plan

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan for each of the Debtors and presents together Classes of Claims against,

and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors.

H. Consent Rights

Notwithstanding anything herein to the contrary, any and all consent rights of the parties to the Restructuring Support Agreement set forth in the Restructuring Support Agreement with respect to the form and substance of the Plan, all exhibits to the Plan, and the Plan Supplement, including any amendments, restatements, supplements, or other modifications to such agreements and documents, and any consents, waivers, or other deviations under or from any such documents, shall be incorporated herein by this reference (including to the applicable definitions in Article I.A) and be fully enforceable as if stated in full herein.

ARTICLE II.

ADMINISTRATIVE CLAIMS, DIP LENDER CLAIMS AND PRIORITY TAX CLAIMS

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

A. Administrative Claims

Except with respect to Administrative Claims that are Professional Fee Claims or DIP Lender Claims, and except to the extent that an Administrative Claim has already been paid during the Chapter 11 Cases or a Holder of an Allowed Administrative Claim and the applicable Debtor(s) agree to less favorable treatment, each Holder of an Allowed Administrative Claim shall be paid in full in Cash the unpaid portion of its Allowed Administrative Claim on the latest of: (a) the Effective Date if such Administrative Claim is Allowed as of the Effective Date; (b) the date such Administrative Claim is Allowed or as soon as reasonably practicable thereafter; and (c) the date such Allowed Administrative Claim becomes due and payable, or as soon thereafter as is reasonably practicable; provided that Allowed Administrative Claims that arise in the ordinary course of the Debtors' businesses shall be paid in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements and/or arrangements governing, instruments evidencing, or other documents relating to such transactions (and no requests for payment of such Administrative Claims must be Filed or served).

Except as otherwise provided in this Article II.A and except with respect to Administrative Claims that are Professional Fee Claims, requests for payment of Allowed Administrative Claims must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date, unless the Bankruptcy Court orders otherwise. Objections to such requests, if

any, must be Filed and served on the Reorganized Debtors and the requesting party by the Claims Objection Bar Date.

In accordance with section 503(b)(1)(D) of the Bankruptcy Code, taxing authorities are not required to file a request for payment of their Administrative Claims as a condition of such Administrative Claims being Allowed. The Debtors will pay any such taxes, to the extent Allowed, that arose after the Petition Date in the ordinary course of business.

B. Professional Compensation

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims incurred during the period from the Petition Date through the Effective Date shall be Filed no later than 45 days after the Effective Date, provided, however, that nothing herein alters the ability of an Ordinary Course Professional to be paid, or the authority of the Debtors or Reorganized Debtors to pay Ordinary Course Professionals, pursuant to the terms of the OCP Order, and such Ordinary Course Professionals shall not be required to file requests for payment of Professional Fee Claims unless such requests are required under the OCP Order. All such final requests will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior orders of the Bankruptcy Court, including the Interim Compensation Order, and once approved by the Bankruptcy Court, shall be promptly paid from the Professional Fee Escrow Account up to the full Allowed amount. To the extent that funds held in the Professional Fee Escrow Account are insufficient to satisfy the amount of Professional Fee Claims owing to the Professionals, such Professionals shall have an Allowed Administrative Claim for any such deficiency, and the Reorganized Debtors shall pay the full unpaid amount of such Allowed Administrative Claim in Cash.

2. Professional Fee Escrow Account

On the Effective Date, the Debtors or Reorganized Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Allowed Professional Fee Claims. Such funds shall not be considered property of the Estates. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Reorganized Debtors as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all Allowed amounts owing to the Professionals have been paid in full, any amount remaining in the Professional Fee Escrow Account shall promptly be returned to the Reorganized Debtors without any further action or order of the Bankruptcy Court. If the Professional Fee Escrow Account is insufficient to fund the full Allowed amounts of Professional Fee Claims, the remaining unpaid Allowed Professional Fee Claims will be paid by the Reorganized Debtors.

3. Professional Fee Reserve Amount

Professionals shall estimate their unpaid Professional Fee Claims, and shall deliver their reasonable best estimate to the Debtors and the DIP Agent no later than five (5) days before the Effective Date; provided, that such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors may estimate the unpaid and unbilled fees and expenses of such Professional.

4. Post-Effective Date Fees and Expenses

Upon the Effective Date, the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court, and any requirement of such professionals to comply with section 327 through 331 of the Bankruptcy Code in seeking retention or compensation for services rendered on or after such date shall terminate.

C. DIP Lender Claims

As of the Effective Date, the DIP Lender Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding on the Effective Date under the DIP Credit Agreement, the DIP Orders, and the other DIP Documents, including principal, interest, fees, prepayment premiums and expenses and other amounts constituting obligations under the DIP Credit Agreement. Except to the extent that a Holder of an Allowed DIP Lender Claim agrees, in its sole and absolute discretion, to a less favorable treatment, the DIP Lender Claims and all Liens securing such DIP Lender Claims shall be satisfied in full as follows:

- (i) each Holder of an Allowed DIP Lender Claim shall receive on the Effective Date their respective Pro Rata share of (A) the Exit Facility in the aggregate amount of the Converted DIP Facility Amount, (B) Cash equal to the Remaining DIP Facility Amount, and (C) the New Warrants DIP Lender Allocation.

Subject to the Allowed DIP Lender Claims being Paid in Full or otherwise satisfied as contemplated by this Article II.C, and all obligations under the DIP Credit Agreement being satisfied, on the Effective Date, all Liens and security interests granted to secure such obligations (other than those granted in connection with the payoff arrangements and cash collateralization of such obligations) shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

D. Priority Tax Claims

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of an Allowed Priority Tax Claim and the applicable Debtor or Reorganized Debtor, each Holder of an Allowed Priority Tax Claim will receive, at the option of the applicable Debtor or Reorganized Debtor, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, either (i) Cash equal to the amount of such Allowed

Priority Tax Claim on the later of the Effective Date, the date such Priority Tax Claim is Allowed, or as soon as reasonably practicable thereafter or (ii) otherwise treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code. For the avoidance of doubt, Holders of Allowed Priority Tax Claims will receive interest on such Allowed Priority Tax Claims after the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code.

E. Statutory Fees

All fees due and payable to the U.S. Trustee pursuant to section 1930 of Title 28 of the United States Code ("Quarterly Fees") before the Effective Date shall be paid by the Debtors on the Effective Date. Notwithstanding anything else to the contrary in the Plan, each of the Debtors, and the Reorganized Debtors shall be jointly and severally liable to pay all Quarterly Fees accruing from and after the Effective Date until the earliest to occur of the particular Debtor's case being converted to a case under chapter 7 of the Bankruptcy Code, dismissed, or closed. The Debtors and the Reorganized Debtors, as applicable, shall File with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee. The U.S. Trustee shall not be required to file a request for payment of its Quarterly Fees, which shall be deemed an Administrative Claim against the Debtors and their Estates.

ARTICLE III. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Summary of Classification

This Plan constitutes a separate Plan proposed by each Debtor and the classifications set forth in Classes 1 through 9 shall be deemed to apply to each Debtor. Each Class shall be deemed to constitute separate Sub-Classes of Claims against and Interests in each of the Debtors, as applicable, and each such Sub-Class shall vote as a single separate Class for, and the confirmation requirements of section 1129 of the Bankruptcy Code must be satisfied separately with respect to, each of the Debtors. All Claims and Interests are classified in the Classes set forth below in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

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

Class	Claims and Interests	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Deemed to Accept
2	Other Secured Claims	Unimpaired	Deemed to Accept

Class	Claims and Interests	Status	Voting Rights
3	Senior Lender Claims	Impaired	Entitled to Vote
4	Junior Lender Secured Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Unimpaired/ Impaired ²	Not Entitled to Vote
7	Subordinated Claims	Impaired	Deemed to Reject
8	Intercompany Interests	Unimpaired/ Impaired ³	Not Entitled to Vote
9	Interests in AAC Holdings	Impaired	Deemed to Reject

B. Treatment of Claims and Interests

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

1. Class 1 – Other Priority Claims

- a. *Classification:* Class 1 consists of Other Priority Claims.
- b. *Treatment:* In full and final satisfaction of each Allowed Other Priority Claim, except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, each Holder thereof will receive payment in full in Cash or other treatment rendering such Claim Unimpaired.
- c. *Voting:* Class 1 is Unimpaired. Holders of Class 1 Claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code, and are not entitled to vote to accept or reject the Plan.

² See Article III.B.6 for scenarios in which Holders of Intercompany Claims may be Unimpaired and those in which they may be Impaired.

³ See Article III.B.8 for scenarios in which Holders of Intercompany Interests may be Unimpaired and those in which they may be Impaired.

2. Class 2 – Other Secured Claims

- a. *Classification:* Class 2 consists of Other Secured Claims.
- b. *Treatment:* In full and final satisfaction of each Allowed Other Secured Claim, except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, each Holder thereof will receive at the option of the Debtors (with the consent of the Requisite Consenting Lenders): (a) payment in full in Cash, payable on the later of the Effective Date and the date that is ten (10) Business Days after the date on which such Other Secured Claim becomes an allowed Other Secured Claim, in each case, or as soon as reasonably practicable thereafter; (b) delivery of the collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; (c) Reinstatement of such Claim; or (d) such other treatment rendering such Claim Unimpaired.
- c. *Voting:* Class 2 is Unimpaired. Holders of Class 2 Claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code, and are not entitled to vote to accept or reject the Plan.

3. Class 3 – Senior Lender Claims

- a. *Classification:* Class 3 consists of all Senior Lender Claims.
- b. *Allowance:* The Senior Lender Claims shall be Allowed, in the aggregate, in the Senior Lender Claims Allowed Amount.
- c. *Treatment:* In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), each Holder of an Allowed Senior Lender Claim shall receive on the Effective Date: (i) Cash in the amount of the Senior Lender Unpaid Postpetition Interest Amount; and (ii) such Holder's Pro Rata share of (A) the Exit Facility in the aggregate amount of the Converted Senior Facility Amount and (B) the New Warrants Senior Lender Allocation.
- d. *Voting:* Class 3 is Impaired. Holders of Allowed Class 3 Claims are entitled to vote to accept or reject the Plan.

4. Class 4 – Junior Lender Secured Claims

- a. *Classification:* Class 4 consists of all Junior Lender Secured Claims.
- b. *Allowance:* The Junior Lender Secured Claims shall be Allowed, in the aggregate, in the Junior Lender Secured Claim Allowed Amount.

- c. *Treatment:* In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), and in consideration for the Junior Lenders' consent to the funding of the Litigation Trust Funding Amount from Cash that constitutes collateral securing the Junior Lender Secured Claims, each Holder of an Allowed Junior Lender Secured Claim shall receive its Pro Rata share of (i) 100% of the Reorganized AAC Equity Interests, subject to dilution by the New Warrants and the Management Incentive Plan and (ii) the Class 1 Litigation Trust Interests.
- d. *Voting:* Class 4 is Impaired. Holders of Allowed Class 4 Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- a. *Classification:* Class 5 consists of all General Unsecured Claims.
- b. *Treatment:* In full and final satisfaction of each General Unsecured Claim, each Holder of an Allowed General Unsecured Claim, including each Holder of an Allowed Junior Lender Deficiency Claim, shall receive its share of the Class 2 Litigation Trust Interests in accordance with the GUC/Junior Lender Allocation.
- c. *Voting:* Class 5 is Impaired. Holders of Allowed Class 5 General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

- a. *Classification:* Class 6 consists of all Intercompany Claims.
- b. *Treatment:* In full and final satisfaction of each Allowed Intercompany Claim, each Allowed Intercompany Claim will either be (A) Reinstated as of the Effective Date for tax purposes or (B) cancelled, in which case no distribution shall be made on account of such Allowed Intercompany Claim, in each case as determined by the Debtors with the consent of the Requisite Consenting Lenders.
- c. *Voting:* Holders of Class 6 Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) or deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Holders of Class 6 Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Subordinated Claims

- a. *Classification:* Class 7 consists of all Subordinated Claims.

- b. *Treatment:* Subordinated Claims will be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and each Holder of a Subordinated Claim will not receive any distribution on account of such Subordinated Claim.
 - c. *Voting:* Class 7 is Impaired. Holders of Class 7 Claims are deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan
- 8. Class 8 – Intercompany Interests
 - a. *Classification:* Class 8 consists of all Intercompany Interests.
 - b. *Treatment:* In full and final satisfaction of each Allowed Intercompany Interest, each Intercompany Interest shall either be, as determined by the Debtors, with the consent of the Requisite Consenting Lenders, as of the Effective Date, (A) Reinstated or (B) cancelled, in which case no distribution shall be made on account of such Intercompany Interests.
 - c. *Voting:* Holders of Class 8 Interests are conclusively presumed to have accepted the Plan pursuant to section 1126(f) or deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Holders of Class 8 Interests are not entitled to vote to accept or reject the Plan.
- 9. Class 9 – Interests in AAC Holdings
 - a. *Classification:* Class 9 consists of all Interests in AAC Holdings.
 - b. *Treatment:* Each Allowed Interest in AAC Holdings shall be cancelled, released, and extinguished, and will be of no further force or effect and no Holder of Interests in AAC Holdings shall be entitled to any recovery or distribution under the Plan on account of such Interests.
 - c. *Voting:* Class 9 is Impaired. Holders of Class 9 Interests are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and are not entitled to vote to accept or reject the Plan.

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

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of the Confirmation Hearing by acceptance of the Plan by at least one Impaired Class of Claims, determined without including any acceptances of the Plan by any insider. The Debtors shall seek confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class(es) of Claims and Interests. The Debtors reserve the right to modify the Plan in accordance with Article XII hereof to the extent, if any, that confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the

treatment applicable to a Class of Claims to render such Class of Claims Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

D. Elimination of Vacant Classes

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Voting Classes; Presumed Acceptance by Non-Voting Classes

If a Class of Claims or Interests is eligible to vote and no Holder of Claims or Interests, as applicable, in such Class votes to accept or reject the Plan, the Plan shall be presumed accepted by such Class.

F. Intercompany Interests and Intercompany Claims

Holders of Intercompany Interests or Intercompany Claims may retain their respective Interests or Claims not on account of such Interests or Claims, as applicable, but rather for the purposes of administrative convenience, for the ultimate benefit of the Holders of Reorganized AAC Equity Interests, and in exchange for the Debtors' and Reorganized Debtors' agreement under the Plan to make certain distributions to the Holders of Allowed Claims.

G. Subordinated Claims and Interests

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and their respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors or Reorganized Debtors, as applicable, reserve the right to re-classify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE
PLAN**

A. Means for Implementation Generally

1. Implementation of Plan Transactions Generally

On the Effective Date, or as soon as reasonably practicable thereafter, the Reorganized Debtors shall take all actions, not inconsistent with the Plan or the Restructuring Support Agreement, as may be necessary or appropriate to effectuate the Reorganization Transaction,

including, without limitation: (a) the execution and delivery of any appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution, or liquidation containing terms that satisfy the requirements of applicable law and any other terms to which the applicable Persons may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation having other terms for which the applicable parties agree; (c) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state law; (d) the execution of the Litigation Trust Agreement; (e) such other transactions that are required to effectuate the Plan; (f) all transactions necessary to provide for the purchase of some or all of the assets of, or Interests in, any of the Debtors which purchase may be structured as a taxable transaction for United States federal income tax purposes; and (g) all other actions that the applicable Persons determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law.

2. Cancellation of Notes, Instruments, Certificates, and Other Documents

On the Effective Date, except as otherwise specifically provided for in the Plan (including, without limitation, the satisfaction of the DIP Lender Claims in accordance with Article II.C of the Plan): (1) any certificate, share, note, bond, indenture, purchase right, or other instrument or document, directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest, equity, or portfolio interest in the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving rise to any Claim or Interest shall be cancelled and deemed surrendered as to the Debtors and shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificates or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indenture, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors shall be fully released, settled, and compromised; provided, that notwithstanding entry of the Confirmation Order or Consummation, any such instrument or document that governs the rights of a Holder of a Claim or Interest shall continue in effect solely for purposes of: (1) allowing Holders to receive distributions under the Plan; (2) allowing the Senior Lien Agent and Junior Lien Agent to enforce their respective rights, claims, and interests vis-à-vis any parties other than the Released Parties; and (3) preserving any rights of the Senior Lien Agent and Junior Lien Agent to payment of fees, expenses, and indemnification obligations as against any money or property distributable to the Holders of Senior Lender Claims and Junior Lender Claims, respectively, including any rights to priority of payment.

3. Committee/Lender Settlement

Pursuant to section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan effectuates the Committee/Lender Settlement. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the Committee/Lender Settlement and the Bankruptcy Court's finding that the Committee/Lender Settlement is in the

best interests of the Debtors, the Reorganized Debtors, their Estates, and the Holders of Claims and Interests, and is fair, equitable, and reasonable.

4. [Intentionally Omitted]

5. Preservation of Causes of Action

Except for any Cause of Action against a Person that is expressly waived, relinquished, exculpated, released, compromised under the Plan or Final Order, transferred to the Litigation Trust pursuant to the Plan, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date and such rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors may pursue such Causes of Action, as appropriate, in the Reorganized Debtors' sole discretion. No Person may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Reorganized Debtors will not pursue any and all available Causes of Action against it. Unless any Causes of Action against a Person is expressly waived, relinquished, exculpated, released, compromised, transferred to the Litigation Trust pursuant to the Plan, or settled under the Plan, the Debtors or Reorganized Debtors, as applicable, expressly reserve all Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of, entry of the Confirmation Order or Consummation. In accordance with section 1123(b)(3) of the Bankruptcy Code, except as otherwise provided herein, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action, and to decline to do any of the foregoing without the consent or approval of any third party or further notice to, or action, order, or approval of, the Bankruptcy Court.

6. Release of Liens

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Debtors' Estates shall be fully released, settled, and compromised, and the holder of such mortgages, deeds of trust, Liens, pledges, or other security interest against any property of the Debtors' Estates shall be authorized to take such actions as may be reasonably requested by the Debtors to evidence such releases.

7. Director and Officer Liability Insurance

The Debtors shall be deemed to have assumed all of the Debtors' D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date, and coverage for defense and indemnity under any of the D&O Liability Insurance Policies shall remain available to all individuals within the definition of "Insured" in any of the D&O Liability Insurance Policies. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations of the insurance carriers with respect to the Debtors' D&O Liability Insurance Policies assumed pursuant to the foregoing assumption.

In addition, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies in effect on or after the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity on or at any time prior to the Effective Date shall be entitled to the full benefits of any such policy (including any "tail" policy) for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date, in each case to the extent set forth in such policies.

8. Exemption from Certain Transfer Taxes and Fees

To the maximum extent provided by section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto, including the transfer of the Litigation Trust Assets to the Litigation Trust, or the issuance, transfer or exchange of any security under the Plan or pursuant to the Reorganization Transaction shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers of property without the payment of any such tax, recordation fee, or governmental assessment.

9. Tax Structure

To the extent practicable, the transactions contemplated by the Plan, and the consideration received in connection therewith, shall be structured in a manner that (i) minimizes any current taxes payable as a result of the consummation of such transactions and (ii) optimizes the tax efficiency (including, but not limited to, by way of the preservation or enhancement of favorable tax attributes) of such transactions to the Debtors, the Reorganized Debtors, and the holders of equity or debt in the Reorganized Debtors going forward, in each case as determined by the Requisite Consenting Lenders and the Debtors.

B. [Intentionally Omitted]

C. Means for Implementation

The terms of the Plan will be implemented through a Reorganization Transaction.

1. Sources of Consideration for Plan Distributions

The Reorganized Debtors shall fund distributions under the Plan from the following sources: (a) Cash on hand, (b) the proceeds of any Exit Facility, and (c) the Litigation Trust Assets. Cash payments to be made pursuant to the Plan will be made by the Debtors or Reorganized Debtors, as applicable.

2. Vesting of Assets

Except as otherwise provided in the Plan, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors, including interests held by the Debtors in their respective non-Debtor subsidiaries, but excluding the Litigation Trust Assets, shall vest in each applicable Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

3. Reorganized AAC Equity Interests and New Warrants; Reporting Upon Emergence

On the Effective Date, the Reorganized Debtors shall issue the Reorganized AAC Equity Interests and New Warrants as set forth in the Plan. The Reorganized AAC Equity Interests shall be distributed to Holders of Allowed Junior Lender Secured Claims (or any such Holder's designee to receive Reorganized AAC Equity Interests) in accordance with Article III of the Plan and this Article IV.C.3 and the New Warrants shall be distributed to Holders of Allowed DIP Lender Claims and Allowed Senior Lender Claims (or any such Holder's designee to receive New Warrants). The issuance of Reorganized AAC Equity Interests and the New Warrants, as well as options, or other equity awards, if any, reserved under the Management Incentive Plan, is duly authorized without the need for any further corporate action and without any further action by the Debtors or Reorganized Debtors or the Holders of Claims.

All Reorganized AAC Equity Interests and New Warrants issued and distributed under the Plan shall be (including the securities issuable upon exercise of the New Warrants, when issued upon such exercise in accordance with the terms of the New Warrants) duly authorized, validly issued, fully paid, and non-assessable. On the Effective Date, Reorganized AAC Holdings shall enter into the New Stockholders' Agreement with each Entity that receives a distribution of Reorganized AAC Equity Interests or New Warrants pursuant to the Plan, and each such Entity shall be deemed as a result of having received distributions of Reorganized

AAC Equity Interests pursuant to the Plan to have accepted terms of the New Stockholders Agreement and the New Organizational Documents, in each case without the need for execution by any party thereto other than Reorganized AAC Holdings. As of the Effective Date, the New Stockholders Agreement shall be valid, binding, and enforceable in accordance with its terms by and against each of the parties thereto, and each holder of Reorganized AAC Equity Interests and each holder of New Warrants shall be bound thereby. Without limiting the foregoing, it shall be a condition to the receipt of any Reorganized AAC Equity Interests or any New Warrants that, prior to such receipt, each such recipient duly executes and delivers to the Debtors a duly executed counterpart signature page to the New Stockholders Agreement.

Upon the Effective Date, (i) the Reorganized AAC Equity Interests shall not be registered under the Securities Act and shall not be listed for trading on any national securities exchange, (ii) the Reorganized Debtors will take necessary steps to ensure that none of the Reorganized Debtors will be a reporting company under the Exchange Act, and (iii) the Reorganized Debtors will take necessary steps to ensure that Reorganized AAC Holdings shall not be required to and will not file Exchange Act reports with the SEC or any other entity or party (except that Reorganized AAC Holdings may continue to be an Exchange Act reporting company with respect to the fiscal year ending December 31, 2020). The Reorganized AAC Equity Interests and the New Warrants will be issued pursuant to section 1145 of the Bankruptcy Code and be freely transferrable under applicable securities laws without further registration, subject to certain restrictions on transfers by affiliates and underwriters under applicable securities laws. Notwithstanding the foregoing, the Reorganized AAC Equity Interests and the New Warrants shall be subject to transfer restrictions that prohibit any transfer thereof that Reorganized AAC Holdings determines will or could reasonably be expected to result in (i) the number of “holders of record” (as such concept is understood for purposes of Section 12(g) of the Exchange Act) of the Reorganized AAC Equity Interests exceeding the applicable thresholds for registration under Section 12(g) of the Exchange Act or (ii) Reorganized AAC Holdings otherwise being required to register the Reorganized AAC Equity Interests under the Exchange Act, assuming for purposes of (i) and (ii) that all outstanding New Warrants are exercised at the time of such transfer, and any such purported or attempted transfer of New Warrants or Reorganized AAC Equity Interests, as applicable, shall not be recognized by Reorganized AAC Holdings or its stock transfer agent or warrant agent, as applicable.

Any Holder of Allowed Junior Lender Secured Claims may designate that all or a portion of such Holder’s Pro Rata share of the Reorganized AAC Equity Interests to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee and any Holder of Allowed DIP Lender Claims and Allowed Senior Lender Claims may designate that all or a portion of such Holder’s Pro Rata share of the New Warrants to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee, in each case, by delivering notice thereof to counsel to the Debtors and to the Notice and Claims Agent, along with such designee’s executed counterpart to the Stockholders Agreement, prior to the Effective Date. Any such designee shall be an “accredited investor” as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act and may be required to provide a representation to such effect to the Debtors.

4. Exit Facility

On the Effective Date, the Reorganized Debtors shall enter into the Exit Facility. Confirmation of the Plan shall be deemed approval of the Exit Facility and the Exit Facility Documents, and all transactions contemplated thereby, and 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, indemnities, and expenses provided for therein, and authorization of the Reorganized Debtors to enter into and execute the Exit Facility Documents and such other documents as may be required to effectuate the Exit Facility.

On the Effective Date all of the Liens and security interests to be granted in accordance with the Exit Facility Documents (i) shall be deemed to be granted, (ii) shall be legal, binding, and enforceable Liens on, and security interests in, the applicable collateral in accordance with the respective terms of the Exit Facility Documents, (iii) shall be deemed perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Facility Documents, and (iv) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable nonbankruptcy law. The Reorganized Debtors and the Entities that grant such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order (subject solely to the occurrence of the Effective Date) 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 under applicable law to give notice of such Liens and security interests to third parties.

Any Holder of Allowed DIP Lender Claims and Allowed Senior Lender Claims may designate that all or a portion of such Holder's Pro Rata share of the Exit Facility to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee, by delivering notice thereof to counsel to the Debtors and to the Notice and Claims Agent, prior to the Effective Date.

5. Corporate Existence

Except as otherwise provided in the Plan, the New Organizational Documents, the New Stockholders' Agreement, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, each Debtor shall continue to exist after the Effective Date as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, 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 analogous formation documents) in effect before the Effective Date, except to the extent such certificate of incorporation and bylaws (or other analogous formation documents) are amended by the Plan or otherwise, and to the extent

such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval. Notwithstanding the foregoing, Reorganized AAC Holdings shall be redomiciled as a Delaware corporation, pursuant to a statutory conversion or otherwise, on the Effective Date prior to the issuance of the Reorganized AAC Equity Interests and New Warrants.

6. Corporate Action

Upon the Effective Date, or as soon thereafter as is reasonably practicable, all actions contemplated by the Plan shall be deemed authorized and approved by the Bankruptcy Court in all respects, including, as applicable: (a) the implementation of the Reorganization Transaction; (b) the selection of the directors and officers for the Reorganized Debtors; (c) the entry into the Exit Facility and the incurrence of credit thereunder; (d) the adoption of the Management Incentive Plan, if any, by the New Board; (e) the issuance and distribution of the Reorganized AAC Equity Interests and, if applicable, the New Warrants; and (f) all other actions contemplated by the Plan (whether to occur before, on, or after the Effective Date). Upon the Effective Date, all matters provided for in the Plan involving the corporate structure of the Reorganized Debtors, and any corporate action required by the Debtors, or the other Reorganized Debtors in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the security holders, directors, or officers of the Debtors, or the Reorganized Debtors. On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated by the Plan (or necessary or desirable to effect the Reorganization Transaction) in the name of and on behalf of the Reorganized Debtors, including the Exit Facility, the Reorganized AAC Equity Interests, the New Warrants (if applicable) and any and all other agreements, documents, securities, and instruments relating to the foregoing, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.C.6 shall be effective notwithstanding any requirements under non-bankruptcy law.

7. New Organizational Documents

On or after the Effective Date, each of the Reorganized Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state of incorporation or formation in accordance with the applicable laws of the respective state of incorporation or formation. The New Organizational Documents shall be consistent with section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, the Reorganized Debtors may amend and restate their respective New Organizational Documents and other constituent documents as permitted by the laws of their respective states of incorporation and their respective New Organizational Documents, without further order of the Bankruptcy Court.

8. New Board

As of the Effective Date, the terms of the current members of the board of directors of the Debtors shall expire and such board members will be deemed to have resigned, and the New Board and new officers of each of the Reorganized Debtors shall be appointed in accordance with the New Organizational Documents and other constituent documents of each Reorganized Debtor. The initial composition of the New Board shall be the New Board Composition.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in advance of the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the New Board, as well as those Persons that will serve as officers of the Reorganized Debtors. To the extent any such director or officer is an “insider” under the Bankruptcy Code, the nature of any compensation to be paid to such director or officer will also be disclosed. Provisions regarding the removal, appointment, and replacement of members of the New Board will be disclosed in the New Organizational Documents.

9. Management Incentive Plan

Within a reasonable time after the Effective Date, the New Board shall adopt a management incentive plan (the “Management Incentive Plan”) that provides for the issuance of restricted stock units, options, stock appreciation rights and/or other similar appreciation awards of up to 10% of the Reorganized AAC Equity Interests (on a fully diluted basis) to management, key employees and directors of the Reorganized Debtors. The participants in the Management Incentive Plan, the timing and allocations of the awards to participants, and the other terms and conditions of such awards (including, but not limited to, vesting, exercise prices, base values, hurdles, forfeiture, repurchase rights and transferability) shall be determined by the New Board in its discretion.

10. Employee Obligations

Upon the consent of the Requisite Consenting Lenders, on the Effective Date, the Debtors shall be deemed to have assumed each of the written contracts, agreements, policies, programs and plans for compensation, bonuses, reimbursement, health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits, savings, severance benefits, retirement benefits, welfare benefits, relocation programs, life insurance and accidental death and dismemberment insurance, including written contracts, agreements, policies, programs and plans for bonuses and other incentives or compensation for the Debtors’ current and former employees, officers, and managers, including executive compensation programs and existing compensation arrangements for the employees of the Debtors (but excluding any severance agreements with any of Debtors’ former employees) other than any of the foregoing that are included on the Schedule of Rejected Executory Contracts and Unexpired Leases, as the same may be amended in accordance with the Plan. For the avoidance of doubt, nothing in this Article IV.C.10 is intended to circumvent the requirements of section 503(c) of the Bankruptcy Code.

11. Indemnification Obligations

Each Indemnification Obligation for the Non-Released Debtor D&Os shall be rejected by the applicable Debtor, effective as of the Effective Date, pursuant to sections 365 and 1123 of the Bankruptcy Code or otherwise. With respect to the Released Debtor D&Os, (i) each Indemnification Obligation for such Released Debtor D&O shall be assumed, effective as of the Effective Date, and shall remain in full force and effect, shall not be modified, reduced, discharged, impaired, or otherwise affected in any way, and shall survive confirmation of the Plan, irrespective of when such obligation arose or whether such person has exhausted all remedies under applicable D&O Liability Insurance Policies (subject in each case to the terms of the applicable Indemnification Obligation as in effect on the date of the act or omission for which indemnification is sought) or, to the extent necessary, (ii) the Reorganized Debtors shall enter into new indemnification agreements, effective as of the Effective Date, with the Released Debtor D&Os on the same terms as the Indemnification Obligations. To the extent assumed by the Debtors in accordance with this Article IV.11, any Claim based on the Debtors' obligations in this Article IV.11 shall not be a Disputed Claim or subject to any objection, in either case, by reason of section 502(e)(1)(B) of the Bankruptcy Code or otherwise. Notwithstanding the foregoing, nothing shall impair the ability of the Reorganized Debtors to modify indemnification obligations (whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, indemnification agreements, employment contracts, or otherwise) arising after the Effective Date; provided, however, that the assumption of the obligations under certain Indemnification Obligations shall not be deemed an assumption by the Debtors of any contract, agreement, resolution, instrument or document in which such Indemnification Obligations are contained, memorialized, agreed to, embodied or created (or any of the terms or provisions thereof) if such contract, agreement, resolution, instrument or document requires the Debtors or the Reorganized Debtors to make any payments or provide any arrangements (including any severance payments) to any current or former director or officer of any of the Debtors other than indemnification payments, reimbursement, and advancement expenses and other similar payments, in each case only pursuant to the Indemnification Obligations.

12. Preservation of Records

In connection with the litigation captioned as *Caudle v. AAC Holdings, Inc., et al.*, Case No. 3:19-cv-00407, pending in the United States District Court for the Middle District of Tennessee, the Debtors and the Reorganized Debtors shall preserve their books, records, and other documents consistent with the obligations set forth in 15 USC § 78u-4 and any other applicable law.

13. The Litigation Trust

On the Effective Date, the Litigation Trust shall be established in accordance with Article VII and the Litigation Trust Agreement.

ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided in the Plan, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, each Debtor will be deemed to have assumed each Executory Contract or Unexpired Lease to which such Debtor is a party, unless such Executory Contract or Unexpired Lease (i) was previously assumed or rejected; (ii) was previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion or notice to reject Filed on or before the Confirmation Date; or (iv) is designated specifically, or by category, as an Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases.

The Confirmation Order shall constitute an order of the Bankruptcy Court under sections 365 and 1123(b) of the Bankruptcy Code approving the assumptions (or assumptions and assignments, as applicable) or rejections described above as of the Effective Date. Unless otherwise indicated, all assumptions, assumptions and assignments, and rejections of Executory Contracts and Unexpired Leases in the Plan will be effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed or assumed and assigned pursuant to the Plan, or by Bankruptcy Court order, will vest in and be fully enforceable by the applicable Reorganized Debtor or assignee in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court.

Notwithstanding the foregoing paragraph or anything contrary herein, the Debtors reserve the right, with the consent of the Requisite Consenting Lenders to alter, amend, modify, or supplement the Executory Contracts and Unexpired Leases identified for assumption, assumption and assignment, or rejection in the Plan Supplement prior to the Effective Date.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Unless otherwise provided by an order of the Bankruptcy Court, any Proofs of Claim based on the rejection of the Debtors' Executory Contracts or Unexpired Leases pursuant to the Plan or otherwise, must be Filed with the Noticing and Claims Agent no later than the later of (i) thirty (30) days after the Effective Date and (ii) the Bar Date established in the Chapter 11 Cases.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are not Filed within such time, unless otherwise ordered by the Bankruptcy Court, will be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Reorganized Debtors, the Estates, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. Claims

arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under an Executory Contract or Unexpired Lease to be assumed or assumed and assigned pursuant to the Plan, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Claim, as reflected on the Cure Notice or as otherwise agreed or determined by a Final Order of the Bankruptcy Court, in Cash on the Effective Date or as soon as reasonably practicable thereafter, subject to the limitations described below, or on such other terms as the parties to such Executory Contract or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any Cure Claim (2) the ability of the Reorganized Debtors or any assignee, as applicable, to provide "adequate assurance of future performance" (with the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Cure Claims shall be paid following the entry of a Final Order resolving the dispute and approving the assumption. To the extent the Bankruptcy Court determines that the amount of a Cure Claim for an Executory Contract or Unexpired Lease is greater than the amount reflected on the Cure Notice related to such Cure Claim, the Debtors or Reorganized Debtors shall have the right to reject such Executory Contract or Unexpired Lease and, in such an instance, shall not be required to pay the Cure Claim; provided that the Debtors or Reorganized Debtors shall serve a notice of rejection on the non-debtor counterparty and such non-debtor counterparty shall have thirty (30) days from service of such notice to file a proof of claim for rejection damages.

At least fourteen (14) days before the Voting Deadline, the Debtors shall distribute, or cause to be distributed, Cure Notices to the applicable third parties. **Any objection by a counterparty to an Executory Contract or Unexpired Lease to the proposed assumption, assumption and assignment, or related Cure amount must be Filed by the Cure/Assumption Objection Deadline.** Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption, assumption and assignment, or Cure Notice will be deemed to have assented to such assumption or assumption and assignment, and Cure amount, unless the Bankruptcy Court orders otherwise. To the extent that the Debtors seek to assume and assign an Unexpired Lease pursuant to the Plan, the Debtors will identify the assignee in the applicable Cure Notice and/or Schedule and provide "adequate assurance of future performance" for such assignee (within the meaning of section 365 of the Bankruptcy Code) under the applicable Executory Contract or Unexpired Lease to be assumed and assigned.

Assumption or assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, and the payment of the Cure Claim, shall result in the full satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors assume or assume and assign such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or

Unexpired Lease that has been assumed or assumed and assigned shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

D. Insurance Policies

All of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan. On the Effective Date, the Reorganized Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments related thereto.

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

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

F. Reservation of Rights

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the 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 any Debtor or Reorganized Debtor has any liability thereunder.

G. Nonoccurrence of Effective Date

If the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting any Executory Contract or Unexpired Lease pursuant to section 365(d)(4) of the Bankruptcy Code.

H. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into in the ordinary course of business after the Petition Date by any Debtor will be performed by the applicable Reorganized Debtor in the ordinary course of its business, and will survive and remain unaffected by entry of the Confirmation Order, except as provided therein.

ARTICLE VI. PROVISIONS GOVERNING DISTRIBUTIONS

A. Timing and Calculation of Amounts to Be Distributed

Unless otherwise provided in the Plan, on the Effective Date (or, if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes Allowed or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Interest shall receive the full amount of the distributions that the Plan provides for Allowed Claims and Interests in each applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VII. Except as otherwise provided in the Plan, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Delivery of Distributions in General

Except as otherwise provided in the Plan (including the subsequent paragraph of this Article VI.B.1), distributions to Holders of Allowed Claims or Interests shall be made to Holders of record as of the Distribution Record Date by the Reorganized Debtors or the Litigation Trustee: (1) to the signatory set forth on any Proof of Claim Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim is Filed or if the Debtors have been notified in writing of a change of address); (2) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors after the date of any related Proof of Claim; (3) at the addresses reflected in the Schedules if no Proof of Claim has been Filed and the Reorganized Debtors have not received a written notice of a change of address; or (4) on any counsel that has appeared in the Chapter 11 Cases on such Holder's behalf. Pursuant to and in accordance with Article IV.C, any Holder of an Allowed Junior Lender Secured Claims may designate that all or a portion of such Holder's Pro Rata share of the Reorganized AAC Equity Interests to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee and any Holder of Allowed DIP Lender Claims and Allowed Senior Lender Claims may designate that all or a portion of such Holder's Pro Rata share of the New Warrants to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee, by delivering notice thereof to counsel to the Debtors and to the Notice and Claims Agent, along with such designee's executed counterpart to the Stockholders Agreement, prior to the Effective Date. Pursuant to and in accordance with Article IV.D., any Holder of Allowed DIP Lender Claims and Allowed Senior Lender Claims may designate that all or a portion of such Holder's Pro Rata share of the Exit Facility to be distributed in accordance with Article III of the Plan be issued in the name of, and delivered to, its designee, by delivering notice thereof to counsel to the Debtors

and to the Notice and Claims Agent, prior to the Effective Date. Subject to this Article VI, distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. The Debtors, the Reorganized Debtors, and the Litigation Trustee shall not incur any liability whatsoever on account of any distributions under the Plan except for actual fraud, gross negligence, knowing violation of law, or willful misconduct.

All Distributions on account of Allowed DIP Lender Claims, Allowed Senior Lender Claims, and Allowed Junior Lender Claims shall be made to or at the direction of the DIP Agent, Senior Lien Agent, and Junior Lien Agent, as applicable, for further distribution to the DIP Lenders, Senior Lenders, and Junior Lenders, as applicable, in accordance with the Plan and the DIP Credit Agreement, Senior Lien Credit Agreement, and Junior Lien Credit Agreement, as applicable, and shall be deemed completed when made to or at the direction of the DIP Agent, Senior Lien Agent, and Junior Lien Agent, as applicable. For the avoidance of doubt: (i) the Reorganized AAC Equity Interests and New Warrants will be in book entry form only; (ii) the DIP Agent, Senior Lien Agent, and Junior Lien Agent shall have no liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan; and (iii) the Reorganized Debtors shall reimburse the DIP Agent, Senior Lien Agent, and Junior Lien Agent for any reasonable and documented fees and expenses (including reasonable and documented fees and expenses of its counsel and agents) incurred on or after the Effective Date in connection with the implementation of the Plan, including but not limited to, making distributions pursuant to and in accordance with the Plan.

2. No Fractional Distributions

No fractional shares of Reorganized AAC Equity Interests shall be distributed, and no Cash shall be distributed in lieu of such fractional shares. When any distribution pursuant to the Plan on account of an Allowed Claim would otherwise result in the issuance of a number of shares of Reorganized AAC Equity Interests that is not a whole number, the actual distribution of shares of Reorganized AAC Equity Interests shall be rounded as follows: (a) fractions of one half or greater shall be rounded to the next higher whole number and (b) fractions of less than one half shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares of Reorganized AAC Equity Interests to be distributed pursuant to the Plan shall be adjusted as necessary to account for the foregoing rounding.

3. Minimum Distributions

Holders of Allowed Claims entitled to distributions of \$100 or less shall not receive distributions, and each such Claim shall be discharged pursuant to Article X and its Holder is forever barred pursuant to Article X from asserting that Claim against the Reorganized Debtors or their property.

4. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Reorganized Debtors or the Litigation Trustee, as applicable, have determined the then current address of such Holder, at which time such distribution shall be made to such Holder without interest; provided, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code on the date that is six (6) months after the Effective Date. After such date, all unclaimed property or interests in property shall revert to the applicable Reorganized Debtor or the Litigation Trust, as applicable, without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred.

C. Registration or Registration Exemption

The Reorganized AAC Equity Interests and the New Warrants will be “securities,” as defined in Section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state securities laws.

The offering, distribution, issuance and sale of the Reorganized AAC Equity Interests and the New Warrants as contemplated by the Plan will be exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration of the Reorganized AAC Equity Interests and the New Warrants prior to the offering, issuance, distribution, or sale thereof, to the fullest extent permitted by Section 1145 of the Bankruptcy Code. The Reorganized AAC Equity Interests and the New Warrants issued pursuant to Section 1145 of the Bankruptcy Code (i) will not be “restricted securities” as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be freely transferable by any initial recipient thereof that (a) is not an “affiliate” of the issuer of the Reorganized AAC Equity Interests as defined in Rule 144(a)(1) under the Securities Act, (b) has not been such an “affiliate” within 90 days of such transfer, and (c) is not an “underwriter” as defined in Section 1145(b) of the Bankruptcy Code, subject to the applicable restrictions on transfer set forth in the New Organizational Documents and any applicable regulatory approval.

The Reorganized AAC Equity Interests or New Warrants issued otherwise than pursuant to Section 1145 under the Bankruptcy Code, if any (e.g., those issued to a person who is an “underwriter” as defined in Section 1145(b) of the Bankruptcy Code), will be issued in reliance upon the exemption from registration set forth in Section 4(a)(2) of the Securities Act or any other available exemption from registration under the Securities Act, as applicable, and will be “restricted securities” as defined under Rule 144 under the Securities Act. These securities will be subject to resale restrictions and may be resold, exchanged, assigned or otherwise transferred only pursuant to registration under the Securities Act or pursuant to an applicable exemption from registration under the Securities Act and other applicable law, subject to the applicable restrictions on transfer set forth in the New Organizational Documents and any applicable regulatory approval. All persons who receive restricted securities pursuant to the Plan will be required to agree that they will not offer, sell or otherwise transfer any such shares except in accordance with an applicable exemption from registration under the Securities Act, and each

such person will also be required to represent that such person is an “accredited investor”, as defined under Rule 501(a) promulgated under the Securities Act.

D. Tax Issues and Compliance with Tax Requirements

In connection with the Plan, to the extent applicable, the Debtors, the Reorganized Debtors and the Litigation Trustee shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Litigation Trustee shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate.

Property deposited into the various Claim distribution accounts described elsewhere in the Plan (including the Professional Fee Escrow Account) will be subject to disputed ownership fund treatment under section 1.468B-9 of the United States Treasury Regulations. All corresponding elections with respect to such accounts shall be made, and such treatment shall be applied to the extent possible for state, local, and non-U.S. tax purposes. Under such treatment, a separate federal income tax return shall be filed with the IRS with respect to such accounts, any taxes (including with respect to interest, if any, or appreciation in property between the Effective Date and date of distribution) imposed on such accounts shall be paid out of the assets of such accounts (and reductions shall be made to amounts disbursed from such accounts to account for the need to pay such taxes).

E. Allocations

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest as Allowed herein.

F. No Postpetition Interest on Claims

Unless otherwise specifically provided for in an order of the Bankruptcy Court, the Plan, or the Confirmation Order, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claims and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim.

G. Setoffs and Recoupment

The Debtors or the Reorganized Debtors, as applicable, may, but shall not be required to, set off against or recoup any payments or distributions to be made pursuant to the Plan in respect of any Claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the claimant, but neither the failure to do so nor the allowance of any Claim hereunder

shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such Claim it may have against the Holder of such Claim.

H. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

To the extent that the Holder of an Allowed Claim receives payment in full on account of such Claim from a party that is not a Debtor, Reorganized Debtor or Litigation Trustee, as applicable, such Claim shall be Disallowed without an objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. The Debtors, Reorganized Debtors and Litigation Trustee, as applicable, shall file a notice of satisfaction or other pleading evidencing such satisfactions, and serve the same on the affected Holder. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor, Reorganized Debtor or Litigation Trustee on account of such Claim, such Holder shall, within 14 days of receipt thereof, repay or return the distribution to the applicable Debtor or Reorganized Debtor or the Litigation Trustee, as applicable, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or Reorganized Debtor or the Litigation Trustee, as applicable, annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. The Debtors, Reorganized Debtors, or Litigation Trustee shall file a notice of satisfaction or other pleading evidencing such satisfactions, and serve the same on the affected Holder.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Notwithstanding anything herein to the contrary (including, without limitation, Article X), nothing shall constitute or be deemed a release, settlement, satisfaction, compromise, or waiver of any Cause of Action that the Debtors or any other Entity may hold against any other Entity, including insurers under any policies of insurance or applicable indemnity, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

ARTICLE VII. THE LITIGATION TRUST

A. Creation of the Litigation Trust

On the Effective Date, the Reorganized Debtors (solely in their capacity as successors to Debtors) and the Litigation Trustee shall execute the Litigation Trust Agreement and shall take all steps necessary to establish the Litigation Trust in accordance with the Plan, which shall be for the benefit of the Litigation Trust Beneficiaries. The Litigation Trust shall be governed by the terms of the Litigation Trust Agreement and the Plan and administered by the Litigation Trustee and the Litigation Trust Advisory Board. The powers, rights, responsibilities, and compensation of the Litigation Trustee and Litigation Trust Advisory Board shall be specified in the Litigation Trust Agreement. The Litigation Trustee shall hold and distribute the Litigation Trust Assets in accordance with the Plan and the Litigation Trust Agreement.

B. Transfer of Litigation Trust Assets to the Litigation Trust

1. Transfer Free and Clear

On the Effective Date the Debtors and Reorganized Debtors shall transfer and/or assign and shall be deemed to transfer and/or assign to the Litigation Trust all of their rights, title and interest in and to all of the Litigation Trust Assets, and in accordance with section 1141 of the Bankruptcy Code, the Litigation Trust Assets shall automatically vest in the Litigation Trust free and clear of all Claims and Liens, subject only to the Litigation Trust Interests. Notwithstanding anything herein to the contrary, the transfer of the Litigation Trust Assets to the Litigation Trust shall not diminish, and fully preserves, any defenses a Debtor would have if such Litigation Trust Assets had been retained by the Reorganized Debtors.

2. Litigation Trust Funding Amount

The Initial Litigation Trust Cash Amount shall be funded by the Debtors or the Reorganized Debtors on or before the Effective Date. The Committee Professional Excess Amount shall be funded by the Reorganized Debtors promptly after the payment of all Allowed Professional Fee Claims of Professionals retained by the Creditors' Committee.

The Litigation Trust Funding Amount shall be used solely to fund the administration of the Litigation Trust and to fund distributions to the Litigation Trust Beneficiaries consistent with the Litigation Trust Proceeds Waterfall. Other than with respect to the Litigation Trust Funding Amount, no party, including without limitation the Debtors, the Reorganized Debtors, the DIP Lenders, the Lenders under the Exit Facility, and the Prepetition Lenders, shall have any responsibility to fund the Litigation Trust.

3. Certain Tax Consequences

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, the Litigation Trust is intended to be treated as a "liquidating trust" for U.S. federal income tax purposes pursuant to Treasury Regulation section 301.7701-4(d), and the Litigation

Trustee will take this position on the Litigation Trust's tax return accordingly. The Litigation Trust Beneficiaries shall be treated as the grantors of the Litigation Trust and as the deemed owners of the Litigation Trust Assets. For U.S. federal income tax purposes, the transfer of assets to the Litigation Trust will be deemed to occur as (a) a first-step transfer of the Litigation Trust Assets to the Litigation Trust Beneficiaries and, to the extent the Litigation Trust Assets are allocable to Disputed General Unsecured Claims, to the GUC Disputed Claims Reserve described in the subsequent paragraph, and (b) a second-step transfer by such Litigation Trust Beneficiaries and, to the extent relevant with respect to the GUC Disputed Claims Reserve, to the Litigation Trust. As a result, the transfer of the Litigation Trust Assets to the Litigation Trust should be a taxable transaction, and the Debtors should recognize gain or loss equal to the difference between the tax basis and fair value of such assets. As soon as possible after the transfer of the Litigation Trust Assets to the Litigation Trust, the Litigation Trustee shall make a good faith valuation of the Litigation Trust Assets. This valuation will be made available from time to time, as relevant for tax reporting purposes. Each of the Debtors, Litigation Trustee, and the Litigation Trust Beneficiaries shall take consistent positions with respect to the valuation of the Litigation Trust Assets, and such valuations shall be utilized for all U.S. federal income tax purposes. The Litigation Trust shall in no event be dissolved later than 5 years from the creation of such Litigation Trust unless the Bankruptcy Court, upon motion within the 6-month period prior to the 5th anniversary (or within the 6-month period prior to the end of an extension period), determines that a fixed period extension (not to exceed 5 years with a private letter ruling from the IRS or an opinion of counsel satisfactory to the Litigation Trustee that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Litigation Trust Assets.

With respect to amounts, if any, in a reserve for Disputed General Unsecured Claims, it is expected that such account will be treated as a "disputed ownership fund" governed by Treasury Regulation Section 1.468B-9, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate federal income tax return shall be filed with the IRS for such disputed claims reserve and will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the disputed claims reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes). Litigation Trust Beneficiaries will be bound by such election, if made by the Litigation Trustee, and, as such, will, for U.S. federal income tax purposes (and, to the extent permitted by law, for state and local income tax purposes), report consistently therewith.

C. Administration of the Litigation Trust

1. In General

The Litigation Trust shall be administered by the Litigation Trustee with oversight by the Litigation Trust Advisory Board pursuant to the Litigation Trust Agreement. In the event of any inconsistency solely between this Article VII.C of the Plan and the Litigation Trust Agreement,

the Litigation Trust Agreement shall control, with the Plan controlling in all other cases. All compensation for the Litigation Trustee and other costs of administration for the Litigation Trust shall be paid by the Litigation Trust in accordance with this Plan and the Litigation Trust Agreement. The Litigation Trust Agreement generally will provide for, among other things: (a) the payment of the expenses of the Litigation Trust, including the cost of pursuing the Litigation Trust Claims; (b) the retention of counsel, accountants, financial advisors, or other professionals and the payment of their reasonable compensation; (c) the investment of Cash by the Litigation Trustee within certain limitations, including those specified in the Plan; (d) the orderly liquidation of the Litigation Trust Assets; (e) litigation of any Litigation Trust Claims, which may include the prosecution, settlement, abandonment, or dismissal of any such Litigation Trust Claims; and (f) a covenant not to sue any of the Released Debtor D&Os.

2. Powers and Duties of Litigation Trustee

In furtherance of and consistent with the purpose of the Litigation Trust and the Plan, and subject to the terms of the Litigation Trust Agreement, the Litigation Trustee, for the benefit of the Litigation Trust, shall (a) hold the Litigation Trust Assets for the benefit of the Litigation Trust Beneficiaries, (b) make distributions of the Litigation Trust Assets as provided in the Litigation Trust Agreement, and (c) have the power and authority to commence, prosecute, and resolve any Litigation Trust Claims. The Litigation Trustee shall be responsible for all decisions and duties with respect to the Litigation Trust and the Litigation Trust Assets, except as otherwise provided in the Litigation Trust Agreement. In all circumstances, the Litigation Trustee shall act in the best interests of the Litigation Trust Beneficiaries.

Subject to the provisions of the Litigation Trust Agreement, the Litigation Trustee may settle, compromise, abandon, or withdraw any Litigation Trust Claim on any grounds or terms it deems reasonable, without further order of the Bankruptcy Court. The Litigation Trustee may also settle or compromise any Disputed General Unsecured Claim, or withdraw any objection thereto, on any grounds or terms he or she deems reasonable, without further order of the Bankruptcy Court, but subject to the terms of the Litigation Trust Agreement.

The Litigation Trustee, on behalf of the Litigation Trust, may employ, without further order of the Bankruptcy Court, professionals to assist in carrying out its duties hereunder and may compensate and reimburse the reasonable expenses of those professionals without further order of the Bankruptcy Court from the Litigation Trust Assets in accordance with the Plan and the Litigation Trust Agreement.

3. Litigation Trust Advisory Board

The Litigation Trust Advisory Board shall have the authority to: (a) oversee, review, and guide the activities and performance of the Litigation Trustee; (b) retain and employ attorneys and other professionals on behalf of the Litigation Trust to facilitate the Litigation Trustee's performance of his or her duties under the Litigation Trust Agreement; and (c) remove and appoint the Litigation Trustee for any reason. The members of the Litigation Trust Advisory Board shall not be entitled to compensation for their services but will be entitled to reimbursement from the Litigation Trust for reasonable and documented out-of-pocket expenses.

4. Litigation Trust Proceeds Waterfall

Any Litigation Trust Assets, including proceeds recovered from the successful prosecution or settlement of any Litigation Trust Claims, shall be distributed in accordance with the Litigation Trust Proceeds Waterfall and the Litigation Trust Agreement.

**ARTICLE VIII.
RESERVES**

If the Debtors or Reorganized Debtors, with the consent of the Requisite Consenting Lenders, determine that they are required, or that it is necessary, to establish any of the reserves set forth in this Article VIII, the Reorganized Debtors shall administer such reserves in the manner established by this Article VIII; provided, however, that the Litigation Trustee (and not the Reorganized Debtors) shall in all events establish and maintain the Litigation Trust Expense Fund and GUC Disputed Claims Reserve in accordance with Articles VIII.G and VIII.H, respectively, and the Litigation Trust Agreement.

A. Establishment of Reserve Accounts

The Reorganized Debtors and Litigation Trustee, as applicable, shall establish each of the Distribution Reserve Accounts by either establishing a segregated account or establishing book entry accounts, in the sole discretion of the Reorganized Debtors and Litigation Trustee, as applicable.

B. Undeliverable Distribution Reserve

1. Deposits

If a distribution to any Holder of an Allowed Claim is returned to the Reorganized Debtors or Litigation Trustee, as applicable, as undeliverable or is otherwise unclaimed, such distribution shall be deposited in a segregated, interest-bearing account, designated as an “Undeliverable Distribution Reserve,” for the benefit of such Holder until such time as such distribution becomes deliverable, is claimed or is deemed to have been forfeited in accordance with Article VIII.B.2 of the Plan.

2. Forfeiture

Any Holder of an Allowed Claim that does not assert a Claim pursuant to this Plan for an undeliverable or unclaimed distribution within three months after the first distribution is made to such Holder 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 the undeliverable or unclaimed distribution against any Debtor, any Estate, the Litigation Trustee, the Reorganized Debtors, or their respective properties or assets unless the Bankruptcy Court orders otherwise. In such cases, any Cash or other property held by the Reorganized Debtors or Litigation Trustee in the Undeliverable Distribution Reserve for distribution on account of such claims for undeliverable or unclaimed distributions, including the interest that has accrued on such undeliverable or unclaimed distribution while in the Undeliverable Distribution Reserve,

without any further action or order of the Court shall promptly be transferred to the Reorganized Debtors or Litigation Trust, as applicable, notwithstanding any federal or state escheat laws to the contrary.

3. Disclaimer

Neither the Reorganized Debtors, the Litigation Trustee, nor their respective agents and attorneys are under no duty to take any action to attempt to locate any Claim Holder; provided that in their sole discretion, the Reorganized Debtors or Litigation Trustee may periodically publish notice of unclaimed distributions.

4. Distribution from Reserve

Within fifteen (15) Business Days after the Holder of an Allowed Claim satisfies the requirements of this Plan, such that the distribution(s) attributable to its Claim is no longer an undeliverable or unclaimed distribution (provided that satisfaction occurs within the time limits set forth in Article VIII.B), the Reorganized Debtors or Litigation Trustee shall distribute out of the Undeliverable Distribution Reserve the amount of the undeliverable or unclaimed distribution attributable to such Claim, including the interest that has accrued on such undeliverable or unclaimed distribution while in the Undeliverable Distribution Reserve.

C. [Intentionally Omitted]

D. [Intentionally Omitted]

E. [Intentionally Omitted]

F. [Intentionally Omitted]

G. Litigation Trust Expense Fund

The Litigation Trustee shall maintain a reserve (the “Litigation Trust Expense Fund”) in an amount as is reasonably necessary to pay the costs and expenses incurred or expected to be incurred by the Litigation Trust and Litigation Trustee in connection with administering the Litigation Trust Assets and performing the duties set forth in the Plan and the Litigation Trust Agreement, including, without limitation, paying the fees and expenses of the Litigation Trustee, and attorneys, advisors, and professionals retained by the Litigation Trust and/or Litigation Trustee (the “Litigation Trust Expenses”).

With the prior majority approval of the Litigation Trust Advisory Board, the Litigation Trust may borrow money or raise capital on such terms as determined by the Litigation Trustee to fund the Litigation Trust Expense Fund. Except for purposes of funding the Litigation Trust Expense Fund, the Litigation Trust shall not incur any debt.

H. GUC Disputed Claims Reserve

The Litigation Trustee may establish, for the benefit of each holder of a Disputed General Unsecured Claim, the GUC Disputed Claims Reserve consisting of Litigation Trust Interests in an amount equal to the Pro Rata share of distributions that would have been made to the holder of such Disputed General Unsecured Claim if it were an Allowed General Unsecured Claim in an amount equal to the lesser of (i) the liquidated amount set forth in the filed Proof of Claim relating to such Disputed General Unsecured Claim or if no Proof of Claim has been filed the liquidated amount set forth in the Schedules, (ii) the amount in which the Disputed General Unsecured Claim has been estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code as constituting and representing the maximum amount in which such Claim may ultimately become an Allowed General Unsecured Claim or (iii) such other amount as may be agreed upon by the holder of such Disputed General Unsecured Claim and the Litigation Trustee. Amounts held in the GUC Disputed Claims Reserve shall be retained by the Litigation Trustee for the benefit of holders of Disputed General Unsecured Claims pending determination of their entitlement thereto under the terms of the Plan. No payments or distributions shall be made with respect to all or any portion of any Disputed General Unsecured Claim pending the entire resolution thereof by Final Order or agreement between the Litigation Trustee and the Holder of the applicable Disputed General Unsecured Claim.

At such time as a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, the Litigation Trustee shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under the Plan or Litigation Trust Agreement. Such distribution, if any, shall be made as soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court Allowing such Disputed General Unsecured Claim becomes a Final Order or the effective date of the relevant agreement between the Litigation Trustee and the Holder of the applicable Disputed General Unsecured Claim.

If a Disputed General Unsecured Claim is Disallowed, in whole or in part, the Litigation Trustee shall distribute amounts held in the GUC Disputed Claims Reserve with respect to such Claim (or, if Disallowed in part, the amounts held in the GUC Disputed Claims Reserve with respect to the Disallowed portion of such Claim) in accordance with the Litigation Trust Proceeds Waterfall.

ARTICLE IX. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. Allowance of Claims

After the Effective Date, the Litigation Trustee or each of the Reorganized Debtors, as applicable, shall have and retain any and all rights and defenses the applicable Debtor had with respect to any Claim immediately before the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is

deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such Claim.

B. Claims Administration Responsibilities

Except as otherwise specifically provided in the Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Reorganized Debtors shall have the sole authority to File and prosecute objections to Claims, other than General Unsecured Claims, and shall have the sole authority, without any further notice to or action, order, or approval by the Bankruptcy Court, to (1) settle, compromise, withdraw, litigate to judgment, or otherwise resolve objections to any and all such Claims, regardless of whether such Claims are in a Class or otherwise; (2) settle, compromise, or resolve any such Disputed Claim; and (3) administer and direct the adjustment of the Claims Register to reflect any such settlements or compromises. Except as otherwise specifically provided in the Plan and notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, after the Effective Date, the Litigation Trustee shall have the sole authority to File and prosecute objections to General Unsecured Claims, other than Junior Lender Deficiency Claims, and shall have the sole authority, without any further notice to or action, order, or approval by the Bankruptcy Court, to (1) settle, compromise, withdraw, litigate to judgment, or otherwise resolve objections to any and all such General Unsecured Claims; (2) settle, compromise, or resolve any Disputed General Unsecured Claim; and (3) administer and direct the adjustment of the Claims Register to reflect any such settlements or compromises.

C. Estimation of Claims

Before, on, or after the Effective Date, the Debtors or Reorganized Debtors (and, after the Effective Date, as to General Unsecured Claims, other than Junior Lender Deficiency Claims, only, the Litigation Trustee) may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim pursuant to applicable law, including, without limitation, pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the pendency of any appeal relating to such objection. Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Claim, such estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and discharge) and may be used as evidence in any supplemental proceedings, and the Debtors, Reorganized Debtors, or Litigation Trustee, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register as directed by the Reorganized Debtors or Litigation Trustee, as applicable, without an objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. Time to File Objections to Claims

Any objections to Claims shall be Filed on or before the Claims Objection Bar Date.

F. Disallowance of Claims

Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed Disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors, Reorganized Debtors, or Litigation Trust, as applicable. All Proofs of Claim Filed on account of an Indemnification Obligation shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such Indemnification Obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as otherwise provided herein or as agreed to by the Litigation Trustee or the Reorganized Debtors, as applicable, any and all Proofs of Claim Filed after the Claims Bar Date shall be deemed Disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. Amendments to Claims

On or after the Effective Date, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court, or by agreement with the Litigation Trustee or the Reorganized Debtors, as applicable, and any such new or amended Claim Filed shall be deemed Disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law, unless otherwise ordered by the Bankruptcy Court.

H. No Distributions Pending Allowance

If an objection to a Claim or portion thereof is Filed, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such

Disputed Claim becomes an Allowed Claim or unless otherwise determined by the Litigation Trustee or Reorganized Debtors, as applicable.

I. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Reorganized Debtors or Litigation Trustee, as applicable, shall provide to the Holder of such Claim the distribution to which such Holder is entitled under the Plan as of the Effective Date, less any previous distribution (if any) that was made on account of the undisputed portion of such Claim, without any interest, dividends, or accruals to be paid on account of such Claim unless required under applicable bankruptcy law or as otherwise provided herein.

ARTICLE X.

SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. [Intentionally Omitted]

B. Discharge of Claims and Termination of Interests

To the maximum extent provided by section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan (including the Exit Facility Documents and the New Organizational Documents, as applicable): (a) the distributions, rights, and treatment that are provided in the Plan shall be in complete discharge effective as of the Effective Date, of any and all Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests (including any Intercompany Interests reinstated or cancelled and released after the Effective Date by the Reorganized Debtors), and Causes of Action against the Debtors of any nature whatsoever including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such liability relates to services performed by employees of the Debtors prior to the Effective Date and that arises from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, any interest accrued on Claims or Interests from and after the Petition Date, and all other liabilities against, liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, (b) the Plan shall bind all Holders of Claims and Interests, (c) all Claims, Interests, and Causes of Action against the Debtors, their respective Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties shall be discharged in full, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code, and (d) all Entities shall be precluded from asserting against the Debtors, their respective Estates, the Reorganized Debtors, their successors and assigns, and their assets and properties any other Claims, Interests, or Causes of Action based upon any documents, instruments, or any act or omission, transaction, or other

activity of any kind or nature that occurred prior to the Effective Date, in each case regardless of whether or not: (i) a Proof of Claim based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (ii) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; (iii) the Holder of such a Claim or Interest has accepted, rejected or failed to vote to accept or reject the Plan; or (iv) any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

C. Term of Injunctions or Stays

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

D. Release of Liens

Except as otherwise specifically provided in the Plan (including, without limitation the satisfaction of the DIP Lender Claims in accordance with Article II.C of the Plan), the Exit Facility Documents, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors or Reorganized Debtors. The DIP Agent, Senior Lien Agent, and Junior Lien Agent shall execute and deliver all documents reasonably requested by the Reorganized Debtors or the agent(s) under the Exit Facility to evidence the release of such mortgages, deeds of trust, Liens, pledges, and other security interests and shall authorize the Reorganized Debtors to file UCC-3 termination statements (to the extent applicable) with respect thereto.

E. Debtor Release

Notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed forever released by the Debtors, Reorganized Debtors, and their respective Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other entities who

may purport to assert any cause of action, by, through, for, or because of the foregoing entities, from any and all claims and Causes of Action, whether known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims asserted or assertable on behalf of the Debtors or their respective Estates, that the Debtors, Reorganized Debtors, or their respective Estates would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in the Debtors based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof), any securities issued by the Debtors and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, any Avoidance Actions (but excluding Avoidance Actions brought as counterclaims or defenses to Claims asserted against the Debtors), any intercompany transaction, the DIP Loan Documents, the Senior Lien Loan Documents, the Junior Lien Loan Documents, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, the Plan Supplement, solicitation of votes on the Plan, the prepetition negotiation and settlement of Claims, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of debt and/or securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date except, as to only Released Parties who are not Released Debtor D&Os, for Claims related to any act or omission that is determined in a final order by a court of competent jurisdiction to have constituted criminal conduct, actual fraud, willful misconduct, knowing violation of law, gross negligence or bad faith, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan (collectively, the "Debtor Release"). Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including the Restructuring Documents, and other documents, instruments and agreements set forth in the Plan Supplement) executed to implement the Plan and shall not result in a release, waiver, or discharge of any of the Debtors' or Reorganized Debtors' assumed indemnification provisions as set forth in the Plan.

F. Release by Holders of Claims or Interests

Notwithstanding anything contained in the Plan to the contrary, as of the Effective Date, and to the fullest extent allowed by applicable law, each Releasing Party is deemed to have forever released each of the Debtors, Reorganized Debtors, Released Party, and Non-Released Debtor D&Os from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtors or their respective Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof), any securities issued by the Debtors and the ownership thereof, the Debtors' in- or out-of-

court restructuring efforts, any Avoidance Actions (but excluding Avoidance Actions brought as counterclaims or defenses to Claims asserted against the Debtors), any intercompany transaction, the DIP Loan Documents, Senior Lien Loan Documents, the Junior Lien Loan Documents, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, the Plan Supplement, solicitation of votes on the Plan, the prepetition negotiation and settlement of Claims, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of debt and/or securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, except for Claims related to any act or omission that is determined in a final order by a court of competent jurisdiction to have constituted criminal conduct, actual fraud, willful misconduct, knowing violation of law, gross negligence or, as to only Released Parties who are not Released Debtor D&Os, bad faith, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan (the “Third Party Release”). Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (1) any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including the Restructuring Documents, and other documents, instruments, and agreements set forth in the Plan Supplement) executed to implement the Plan and (2) any indemnification obligations of the Term Loan Lenders owed to the Term Loan Agent pursuant to the Term Loan Credit Agreement and shall not result in a release, waiver, or discharge of any of the Debtors’ or Reorganized Debtors’ assumed indemnification provisions as set forth in the Plan.

G. Exculpation

Notwithstanding anything contained in the Plan to the contrary, no Exculpated Party shall have or incur liability for, and each Exculpated Party is released and exculpated from, any Cause of Action or any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, the Plan Supplement, solicitation of votes on the Plan, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of debt and/or securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place from the Petition Date through the Effective Date, except for Claims related to any act or omission that is determined in a final order by a court of competent jurisdiction to have constituted criminal conduct, actual fraud, willful misconduct, knowing violation of law or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan.

Notwithstanding anything to the contrary in the foregoing, the exculpation set forth above does not release or exculpate any Claim relating to any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including the Restructuring Documents, and other documents, instruments and agreements set forth in the Plan Supplement) executed to implement the Plan.

H. Mutual Release Between Debtors and Consenting Lenders

Notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, (i) each of (a) the Debtors, (b) the Reorganized Debtors, (c) their respective Estates, and (d) with respect to the foregoing clauses (a) through (c), each such Entity's current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, control persons, affiliated investment funds or investment vehicles, participants, managed accounts or funds, fund advisors, predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, investment managers, and other professionals, each in their capacity as such (with respect to the foregoing clauses (a) through (d), the "Debtor Parties") is deemed released and discharged by each of (x) the Consenting Lenders and (y) each Consenting Lender's current and former Affiliates, and such Consenting Lender's and their current and former Affiliates' current and former directors, managers, officers, control persons, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, participants, managed accounts or funds, fund advisors, predecessors, successors, assigns, subsidiaries, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, investment managers, and other professionals, each in their capacity as such (with respect to the foregoing clauses (x) and (y), the "Consenting Lender Parties") and (ii) each of the Consenting Lender Parties is deemed released and discharged by each of the Debtor Parties, in each case in the foregoing clauses (i) and (ii) on behalf of themselves and their respective successors, assigns, and representatives, and any and all other entities who may purport to assert any cause of action, by, through, for, or because of the foregoing entities, from any and all claims and Causes of Action, whether known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof), any securities issued by the Debtors and the ownership thereof, the Debtors' in- or out-of-court restructuring efforts, any intercompany transaction, the Senior Lien Loan Documents, the Junior Lien Loan Documents, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, the Plan Supplement, solicitation of votes on the Plan, the prepetition negotiation and settlement of Claims, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of debt and/or securities pursuant to the Plan, or the distribution of property under the Plan

or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, except, as to only the Debtor Parties and the Consenting Lender Parties who are not Released Debtor D&Os, for claims related to any act or omission that is determined in a final order by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, knowing violation of law, gross negligence or bad faith, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan (collectively, the “Mutual Release”). Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan or any document, instrument, or agreement (including the Restructuring Documents, and other documents, instruments and agreements set forth in the Plan Supplement) executed to implement the Plan and shall not result in a release, waiver, or discharge of any of the Debtors’ or Reorganized Debtors’ assumed indemnification provisions as set forth in the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court’s approval, pursuant to Bankruptcy Rule 9019, of the Mutual Release.

I. Injunction

Except as otherwise provided in the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims, Interests, Causes of Action, or liabilities that: (a) are subject to compromise and settlement pursuant to the terms of the Plan; (b) have been released by the Debtors pursuant to the Plan; (c) have been released by third parties pursuant to the Plan, (d) are subject to exculpation pursuant to the Plan; or (e) are otherwise discharged, satisfied, stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, Reorganized Debtors, the Released Parties, or the Exculpated Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action (including, for the avoidance of doubt, any such Claims, Interests, or Causes of Action asserted in the Shareholder Litigation); (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or Estates of such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (4) asserting any right of setoff (other than setoffs exercised prior to the Petition Date), or subrogation of any kind against any debt, liability, or obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any Claims, Causes of Action, or Interests; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action discharged, released, exculpated or settled pursuant to the Plan.

J. Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because the Debtors have been debtors under chapter 11 of the Bankruptcy Code, may have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases), or have not paid a debt that is dischargeable in the Chapter 11 Cases.

K. [Intentionally Omitted].

L. Subordination Rights.

Any distributions under the Plan shall be received and retained free from any obligations to hold or transfer the same to any other Holder and shall not be subject to levy, garnishment, attachment, or other legal process by any Holder by reason of claimed contractual subordination rights. Any such subordination rights shall be waived, and the Confirmation Order shall constitute an injunction enjoining any Entity from enforcing or attempting to enforce any contractual, legal, or equitable subordination rights to property distributed under the Plan, in each case other than as provided in the Plan.

M. SEC's Claims and Causes of Action.

Notwithstanding any provision herein to the contrary or an abstention from voting on the Plan, no provision of the Plan, or any order confirming the Plan (i) releases or discharges any non-debtor person or non-debtor entity from any Claim or Cause of Action of the SEC; or, (ii) enjoins, limits, impairs or delays the SEC from commencing or continuing any Claims, causes of action, proceedings or investigations against any non-debtor person or non-debtor entity in any forum.

ARTICLE XI.

CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE

A. Conditions Precedent to Confirmation

It shall be a condition to Confirmation of the Plan that the following conditions shall have been satisfied (or waived pursuant to the provisions of Article XI.C hereof):

1. The Restructuring Support Agreement shall remain in full force and effect and shall not have been terminated by the Debtors or the Requisite Consenting Lenders;
2. The final version of the schedules, documents, and exhibits contained in the Plan Supplement, and all other schedules, documents, supplements and exhibits to the Plan, shall be consistent with the Restructuring Support Agreement in all material respects and otherwise

approved by the Requisite Consenting Lenders and the Debtors consistent with their respective consent and approval rights in the Restructuring Support Agreement; and

3. The Disclosure Statement Order, in form and substance acceptable to the Debtors and the Requisite Consenting Lenders, (a) shall have been duly entered and in full force and effect, (b) shall not have been reversed, stayed, modified or vacated on appeal, and (c) shall have become a Final Order.

B. Conditions Precedent to the Effective Date

It shall be a condition to the Effective Date that the following conditions shall have been satisfied (or waived pursuant to the provisions of Article XI.C hereof):

1. The Restructuring Support Agreement shall remain in full force and effect and shall not have been terminated by the Debtors or the Requisite Consenting Lenders;

2. All Transaction Expenses shall have been Paid in Full in Cash;

3. The Debtors shall not be in default under the DIP Credit Agreement or the DIP Orders (or, to the extent that the Debtors have been or are in default on the proposed Effective Date, such default shall have been waived by the DIP Lenders or cured in a manner consistent with the DIP Credit Agreement and the DIP Order, as applicable);

4. The DIP Lender Claims shall have been Paid in Full or otherwise satisfied in accordance with Article II.C of the Plan;

5. (a) All conditions precedent to the effectiveness of the Exit Facility shall have been satisfied or duly waived; and (b) the Minimum Liquidity Condition shall have been satisfied;

6. The New Organizational Documents shall have been filed with the appropriate governmental authority, as applicable;

7. The Confirmation Order, in form and substance acceptable to the Debtors and the Requisite Consenting Lenders, (a) shall have been duly entered and in full force and effect, (b) shall not have been reversed, stayed, modified or vacated on appeal, and (c) shall have become a Final Order;

8. All governmental and third-party approvals and consents necessary in connection with the transactions contemplated by the Plan shall have been obtained, not be subject to unfulfilled conditions and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose materially adverse conditions on such transactions;

9. The final version of the schedules, documents, and exhibits contained in the Plan Supplement, and all other schedules, documents, supplements and exhibits to the Plan, shall be consistent with the Restructuring Support Agreement in all material respects and otherwise

approved by the Requisite Consenting Lenders and the Debtors consistent with their respective consent and approval rights in the Restructuring Support Agreement;

10. All fees, expenses, and other amounts payable pursuant to the Restructuring Support Agreement and the DIP Orders shall have been paid in full;

11. All Allowed Professional Fee Claims approved by the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such Allowed Professional Fee Claims after the Effective Date shall have been placed in the Professional Fee Escrow Account pending approval of the Professional Fee Claims by the Bankruptcy Court;

12. All actions, documents, and agreements necessary to implement and consummate the Plan shall have been effected or executed and binding on all parties thereto and, to the extent required, filed with the applicable Governmental Units in accordance with applicable laws;

13. All conditions precedent to the issuance of the Reorganized AAC Equity Interests, other than any conditions related to the occurrence of the Effective Date, shall have occurred and the Reorganized AAC Equity Interests shall have been issued;

14. There shall be no ruling, judgment or order issued by any Governmental Unit making illegal, enjoining, or otherwise preventing or prohibiting the consummation of the Reorganization Transaction, unless such ruling, judgment or order has been stayed, reversed or vacated within three (3) Business Days after such issuance;

15. The Debtors shall have implemented the Reorganization Transaction in a manner consistent in all material respects with the Plan, the Confirmation Order, and the Restructuring Support Agreement;

16. All conditions precedent to the effectiveness of the Litigation Trust Agreement shall have been satisfied or duly waived; and

17. The Litigation Trust shall have been funded with the Initial Litigation Trust Cash Amount.

C. Waiver of Conditions

The conditions to confirmation of the Plan and to the Effective Date of the Plan set forth in this Article XI may be waived only by consent of the Debtors and the Requisite Consenting Lenders without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan.

D. Substantial Consummation

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

ARTICLE XII.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN

A. Modification and Amendments

Subject to the limitations contained in the Plan and the Restructuring Support Agreement, the Debtors reserve the right to modify the Plan, with the consent of the Requisite Consenting Lenders, and seek confirmation of the Plan consistent with the Bankruptcy Code and, as appropriate and to the extent allowed under the Bankruptcy Code, not resolicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan and the Restructuring Support Agreement, the Debtors expressly reserve their rights to alter, amend, or modify materially the Plan, one or more times, with the consent of the Requisite Consenting Lenders, after confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan.

B. Effect of Confirmation on Modifications

Entry of the Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of the Plan

Subject to the provisions of the Restructuring Support Agreement, the Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if confirmation of the Plan and Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (i) constitute a waiver or release of any Claims or Interests; prejudice in any manner the rights of the Debtors or any other Entity, including the Holders of Claims; or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

ARTICLE XIII.
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases and all matters arising out of or related to the Chapter 11 Cases and the Plan, including jurisdiction to:

1. Allow, Disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims;
2. Decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals;
3. Resolve any matters related to: (a) the assumption or rejection of any Executory Contract or Unexpired Lease and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims related to the rejection of an Executory Contract or Unexpired Lease, cure amounts pursuant to section 365 of the Bankruptcy Code, or any other matter related to such Executory Contract or Unexpired Lease; (b) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V hereof, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed and assigned or rejected or otherwise; and (c) any dispute regarding whether a contract or lease is or was executory or expired;
4. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
5. Adjudicate, decide, or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. Adjudicate, decide, or resolve any and all Causes of Action (including, without limitation, the Designated Causes of Action) and any matters related thereto;
7. Adjudicate, decide, or resolve any and all matters related to sections 1141 and 1145 of the Bankruptcy Code;
8. Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
9. Enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;
10. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
11. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

12. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, discharges, releases, injunctions, exculpations, and other provisions contained in Article VIII hereof and enter such orders as may be necessary or appropriate to implement or enforce such releases, injunctions, and other provisions;

13. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid pursuant to Article VI.H.1 hereof;

14. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement;

16. Adjudicate any and all disputes arising from or relating to distributions under the Plan or any transactions contemplated therein;

17. Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. Determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. Hear and determine all disputes involving the Restructuring Support Agreement;

20. Hear and determine all disputes involving the Exit Facility;

21. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

22. Hear and determine all disputes involving the existence, nature, or scope of the release provisions set forth in the Plan, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;

23. Enforce all orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

24. Hear any other matter not inconsistent with the Bankruptcy Code;

25. Enter an order closing the Chapter 11 Cases;

26. Enforce the injunction, release, and exculpation provisions provided in Article X hereof; and

27. Hear and determine all disputes involving the Litigation Trust Agreement.

**ARTICLE XIV.
MISCELLANEOUS PROVISIONS**

A. Immediate Binding Effect

Subject to Article XI.A hereof and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the final versions of the documents contained in the Plan Supplement, and the Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors or the Reorganized Debtors, as applicable, and any and all Holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan or the Confirmation Order, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan.

B. Additional Documents

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or advisable to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims and Interests receiving distributions pursuant to the Plan, and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Dissolution of the Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, and responsibilities arising from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Creditors' Committee and its Professionals. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

D. Termination and Discharge of the PCO

On the Effective Date, the PCO shall be discharged from his or her duties as patient care ombudsman in the Chapter 11 Cases. Neither the PCO, nor his or her professionals or advisors, shall have any liability with respect to any act or omission, statement or representation arising out of, related to, or involving in any way, the PCO's evaluations, his or her reports, or any pleadings or other writings filed by the PCO in connection with the Chapter 11 Cases other than acts or omissions involving or arising out of gross negligence or willful misconduct. Prior to

issuing or serving upon the PCO or the PCO's professionals or advisors any formal or informal discovery request, including, but not limited to, any subpoena, request for production of documents, requests for admissions, interrogatories, subpoenas *duces tecum*, requests for testimony, interrogatories, or any other discovery of any kind whatsoever in any way related to the Debtors, the Chapter 11 Cases, or the PCO's evaluations and reports (the "Discovery"), any creditor or party in interest in the Chapter 11 Cases must first file an appropriate pleading with the Bankruptcy Court to request permission to initiate the Discovery. The PCO and the PCO's professionals and advisors are authorized to retain, dispose of, or destroy any documents provided by the Debtors or any third parties to the PCO, if any, in the course of his or her evaluation, in accordance with their respective document retention policies or applicable law, if any.

E. Reservation of Rights

Before the Effective Date, neither the Plan, any statement or provision contained in the Plan, nor any action taken or not taken by any Debtor with respect to the Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to any Claims or Interests.

F. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Service of Documents

All notices, requests, and demands to or upon the Debtors to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

the Debtors: AAC Holdings, Inc.
 200 Powell Place
 Brentwood, Tennessee 37027
 E-mail: amcwilliams@contactaac.com
 Attention: Andrew McWilliams, Chief Executive Officer
with copies to:

Greenberg Traurig, LLP
 3333 Piedmont Road NE
 Terminus 200, Suite 2500
 Atlanta, GA 30305

E-mail: kurzweild@gtlaw.com
franklinae@gtlaw.com
Attention: David Kurzweil
Alison Franklin

After the Effective Date, the Reorganized Debtors shall have the authority to send a notice to parties in interest providing that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such party must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. Entire Agreement

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

I. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at <https://www.donlinrecano.com/Clients/aac/Index> or the Bankruptcy Court's website at <https://www.deb.uscourts.gov/>.

J. Nonseverability of Plan Provisions

If, before confirmation of the Plan, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' or Reorganized Debtors' consent, as applicable; and (3) nonseverable and mutually dependent.

K. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and, pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, managers, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable law (including the Securities Act), rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan and any previous plan.

L. Waiver and Estoppel.

Each Holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, Secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed before the Confirmation Date.

[Remainder of page intentionally left blank]

Respectfully submitted, as of the date set forth above,

AAC HOLDINGS, INC.
on behalf of itself and all other Debtors

By: 
Name: J. Jette Campbell
Titles: Chief Restructuring Officer and Authorized Person

Exhibit B

Effective Date Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AAC HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11648 (JTD)

(Jointly Administered)

**NOTICE OF: (I) ENTRY OF ORDER CONFIRMING THE SECOND
AMENDED JOINT CHAPTER 11 PLAN OF AAC HOLDINGS, INC.
AND ITS DEBTOR AFFILIATES; (II) OCCURRENCE OF EFFECTIVE
DATE; AND (III) BAR DATE NOTICE FOR REJECTION DAMAGES,
ADMINISTRATIVE CLAIMS, AND PROFESSIONAL FEE CLAIMS**

PLEASE TAKE NOTICE THAT on October [●], 2020, the Honorable John T. Dorsey of the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order [Docket No. [●]] (the “Confirmation Order”) confirming the *Second Amended Joint Chapter 11 Plan of AAC Holdings Inc. and its Debtor Affiliates* [Docket No. 647] (as modified, amended, or supplemented from time to time, the “Plan”).²

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Recovery First of Florida, LLC (3005); Fitrx, LLC (5410); Oxford Treatment Center, LLC (7853); Oxford Outpatient Center, LLC (0237); Concorde Treatment Center, LLC (6483); New Jersey Addiction Treatment Center, LLC (7108); ABTTC, LLC (7601); Laguna Treatment Hospital, LLC (0830); AAC Las Vegas Outpatient Center, LLC (5381); Greenhouse Treatment Center, LLC (4402); AAC Dallas Outpatient Center, LLC (6827); Forterus Health Care Services, Inc. (4758); Solutions Treatment Center, LLC (8175); San Diego Addiction Treatment Center, Inc. (1719); River Oaks Treatment Center, LLC (0640); Singer Island Recovery Center LLC (3015); B&B Holdings Intl LLC (8549); The Academy Real Estate, LLC (9789); BHR Oxford Real Estate, LLC (0023); Concorde Real Estate, LLC (7890); BHR Greenhouse Real Estate, LLC (4295); BHR Ringwood Real Estate, LLC (0565); BHR Aliso Viejo Real Estate, LLC (2910); Behavioral Healthcare Realty, LLC (2055); Clinical Revenue Management Services, LLC (8103); Recovery Brands, LLC (8920); Referral Solutions Group, LLC (7817); Taj Media LLC (7047); Sober Media Group, LLC (4655); American Addiction Centers, Inc. (3320); Tower Hill Realty, Inc. (0039); Lincoln Catharine Realty Corporation (5998); AdCare Rhode Island, Inc. (2188); Green Hill Realty Corporation (4951); AdCare Hospital of Worcester, Inc. (3042); Diversified Healthcare Strategies, Inc. (3809); AdCare Criminal Justice Services, Inc. (1653); AdCare, Inc. (7005); Sagenex Diagnostics Laboratory, LLC (7900); RI - Clinical Services, LLC (6291); Addiction Labs of America, LLC (1133); AAC Healthcare Network, Inc. (0677); AAC Holdings, Inc. (6142); San Diego Professional Group, P.C. (9334). Grand Prairie Professional Group, P.A. (2102); Palm Beach Professional Group, Professional Corporation (7608); Pontchartrain Medical Group, A Professional Corporation (1271); Oxford Professional Group, P.C. (8234); and Las Vegas Professional Group - Calarco, P.C. (5901). The location of the Debtors’ corporate headquarters is 200 Powell Place, Brentwood, TN 37027.

² Capitalized terms not otherwise defined herein have the same meanings as set forth in the Plan.

A. Occurrence of Effective Date.

PLEASE TAKE FURTHER NOTICE THAT the Plan became effective on [●], 2020 (the “Effective Date”). Each of the conditions precedent to consummation of the Plan expressed in Article XI of the Plan have been satisfied or waived in accordance with the Plan and the Confirmation Order.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Confirmation Order, the discharge, release, injunction, and exculpation provisions in Article X of the Plan are now in full force and effect.

B. Rejection Damages Claims Bar Date.

PLEASE TAKE FURTHER NOTICE THAT any and all Executory Contracts or Unexpired Leases to which such Debtor is a party and that are set forth on the Schedule of rejected Executory Contracts and Unexpired Leases are deemed rejected as of the Effective Date, *see* [Docket Nos. 582, 651, & [●]], which identify all rejected Executory Contracts and Unexpired Leases.

PLEASE TAKE FURTHER NOTICE THAT if you Hold any Claims arising from the rejection of an Executory Contract or Unexpired Lease, you must file and serve a proof of claim (a “Proof of Claim”) by no later than [●], 2020 (the “Rejection Damages Claims Bar Date”). Proofs of Claim must be filed with the Debtors’ Notice and Claims Agent at Donlin, Recano & Company, Inc., Re: AAC Holdings, Inc., *et al.*, P.O. Box 199043 Blythebourne Station, Brooklyn, New York 11219.

PLEASE TAKE FURTHER NOTICE THAT any Claims arising from the rejection of an Executory Contract or Unexpired Lease that are not Filed by the Rejection Damages Claims Bar Date, unless otherwise ordered by the Bankruptcy Court, will be automatically Disallowed, forever barred from assertion, and shall not be enforceable against, as applicable, the Debtors, the Reorganized Debtors, the Estates, the Litigation Trust, or property of the foregoing parties, without the need for any objection by the Debtors or the Reorganized Debtors, as applicable, or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. Claims arising from the rejection of the Debtors’ Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III of the Plan.

C. Administrative Claims Bar Date.

PLEASE TAKE FURTHER NOTICE THAT except as otherwise provided in the Plan, Confirmation Order, or with respect to DIP Lender Claims and Administrative Claims that are Professional Fee Claims, Holders of Administrative Claims must File and serve requests for payment of Administrative Claims (“Administrative Claim Requests”) no later than [●], 2020, (the “Administrative Claims Bar Date”) to the following parties: (i) counsel to the Debtors, (a) Greenberg Traurig, LLP, The Nemours Building, 1007 North Orange Street, Suite 1200,

Wilmington, Delaware 19801, Attn: Dennis A. Meloro, Esq. (melorod@gtlaw.com) and (b) Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, Attn: David B. Kurzweil, Esq. (kurzweild@gtlaw.com) and Alison Elko Franklin, Esq. (franklinae@gtlaw.com); (ii) counsel to the DIP Lenders, (a) Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn. Sayan; Bhattacharyya, Esq. (sbhattacharyya@stroock.com) and Daniel A. Fliman, Esq. (dfliman@stroock.com) and (b) Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801, Attn. Matthew Lunn, Esq. (mlunn@ycst.com) and Robert Poppiti, Esq. (rpoppiti@ycst.com); (iii) counsel to the DIP Agent and Prepetition Agents, (a) Kilpatrick Townsend & Stockton LLP, 1114 Avenue of the Americas, New York, New York 10036-7703, Attn: Todd Meyers, Esq. (tmeyers@kilpatricktownsend.com) and Gianfranco Finizio (gfinizio@kilpatricktownsend.com) and (b) Richards, Layton & Finger, PA, One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins, Esq. (collins@rlf.com); and (iv) counsel to the Official Committee of Unsecured Creditors, (a) Cole Schotz P.C., 1325 Avenue of the Americas, 19th Floor, New York, New York 10019, Attn: Seth Van Aalten, Esq. (svanaalten@coleschotz.com), Michael Trentin, Esq. (mtrentin@coleschotz.com), and Anthony De Leo, Esq. (adeleo@coleschotz.com) and (b) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, Delaware 19801, Attn: Justin R. Alberto, Esq. (jalberto@coleschotz.com) and Andrew Roth-Moore, Esq. (arothmoore@coleschotz.com).

PLEASE TAKE FURTHER NOTICE THAT Allowed Administrative Claims that arise in the ordinary course of the Debtors' businesses shall be paid in the ordinary course of business in accordance with the terms and subject to the conditions of any agreements and/or arrangements governing, instruments evidencing, or other documents relating to such transactions and no Administrative Claim Request for payment of such Administrative Claims must be Filed or served.

PLEASE TAKE FURTHER NOTICE THAT an Administrative Claim Request must include, at a minimum: (a) the name of the Holder of the Administrative Claim, (b) the amount of the Administrative Claim, and (c) the basis of the Administrative Claim (including any documentation or evidence supporting such claim).

PLEASE TAKE FURTHER NOTICE THAT Holders of Administrative Claims that are required to, but do not, File and serve an Administrative Claim Request by the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date, unless the Bankruptcy Court orders otherwise.

D. Professional Fee Claims Bar Date.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Plan and Confirmation Order, all final requests for Professional Fee Claims incurred during the period from the Petition Date through the Effective Date must be filed with the Court ("Final Fee Applications") by no later than [●], 2020 (the "Professional Fee Claims Bar Date").

PLEASE TAKE FURTHER NOTICE THAT all Final Fee Applications will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior orders of the Bankruptcy Court,

including the Interim Compensation Order, and once approved by the Bankruptcy Court, shall be promptly paid from the Professional Fee Escrow Account up to the full Allowed amount.

PLEASE TAKE FURTHER NOTICE THAT all Final Fee Applications must (a) be in writing; (b) comply with the Bankruptcy Rules, the Local Rules of the Court and any orders of the Court entered in these Chapter 11 Cases; and (c) be filed with the Bankruptcy Court and served upon the following parties: (i)counsel to the Debtors, (a) Greenberg Traurig, LLP, The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801, Attn: Dennis A. Meloro, Esq. (melorod@gtlaw.com) and (b) Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, NE, Suite 2500, Atlanta, Georgia 30305, Attn: David B. Kurzweil, Esq. (kurzweild@gtlaw.com) and Alison Elko Franklin, Esq. (franklinae@gtlaw.com); (ii)counsel to the DIP Lenders, (a) Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn. Sayan; Bhattacharyya, Esq. (sbhattacharyya@stroock.com) and Daniel A. Fliman, Esq. (dfliman@stroock.com) and (b) Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801, Attn. Matthew Lunn, Esq. (mlunn@ycst.com) and Robert Poppiti, Esq. (rpoppiti@ycst.com); (iii) counsel to the DIP Agent and Prepetition Agents, (a) Kilpatrick Townsend & Stockton LLP, 1114 Avenue of the Americas, New York, New York 10036-7703, Attn: Todd Meyers, Esq. (tmeyers@kilpatricktownsend.com) and Gianfranco Finizio (gfinizio@kilpatricktownsend.com) and (b) Richards, Layton & Finger, PA, One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins, Esq. (collins@rlf.com); and (iv) counsel to the Official Committee of Unsecured Creditors, (a) Cole Schotz P.C., 1325 Avenue of the Americas, 19th Floor, New York, New York 10019, Attn: Seth Van Aalten, Esq. (svanaalten@coleschotz.com), Michael Trentin, Esq. (mtrentin@coleschotz.com), and Anthony De Leo, Esq. (adeleo@coleschotz.com) and (b) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, Delaware 19801, Attn: Justin R. Alberto, Esq. (jalberto@coleschotz.com) and Andrew Roth-Moore, Esq. (arothmoore@coleschotz.com).

PLEASE TAKE FURTHER NOTICE the Plan and Confirmation Order contain other provisions which may affect your rights. You are encouraged to review the Plan and Confirmation Order in their entirety.

PLEASE TAKE FURTHER NOTICE THAT if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, the Confirmation Order, or related documents, you should contact the Notice and Claims Agent Donlin, Recano & Company, Inc., the notice and claims agent retained by the Debtors in the Chapter 11 Cases, by: (i) calling the Notice and Claims Agent at 877-476-4387 (toll free); (ii) visiting the Debtors' restructuring website at: <https://www.donlinrecano.com/Clients/aac/Index> which provides a specific tab labeled "Confirmation Documents;" or (iii) writing to the Notice and Claims Agent at Donlin, Recano & Company, Inc., Re: AAC Holdings, Inc., *et al.*, P.O. Box 199043 Blythebourne Station, Brooklyn, New York 11219. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: <http://www.deb.uscourts.gov>.

GREENBERG TRAURIG, LLP

Draft

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Dated: [●], 2020

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