

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

)	
)	Chapter 11
In re:)	
)	Case No. 18-12608 (MFW)
STARION ENERGY, INC., <i>et al.</i> , ¹)	
)	Jointly Administered
)	
Debtors.)	
)	

DEBTORS' AMENDED PLAN OF REORGANIZATION

GELLERT SCALI BUSENKELL & BROWN, LLC
Ronald S. Gellert (No. 4295)
Holly M. Smith (No. 6497)
1201 North Orange Street, 3rd Floor
Wilmington, Delaware 19801
Tel: (302) 426-5800

Counsel to the Debtors and Debtors in Possession

Dated: April 3, 2020

¹ The Debtors and the last four digits of their respective tax identification numbers are: Starion Energy, Inc. (0943); Starion Energy NY, Inc. (4319); Starion Energy PA, Inc. (1201). The Debtors' corporate headquarters is located at, and the mailing address for each of the Debtors is: 751 Straits Turnpike, Suite 2000, Middlebury CT 06762, Attn: Alexandra Isaac, Esq.

TABLE OF CONTENTS

INTRODUCTION1

ARTICLE I. DEFINITIONS1

ARTICLE II. CLASSIFICATION OF CLAIMS AND INTERESTS.....7

ARTICLE III. TREATMENT OF UNCLASSIFIED CLAIMS.....9

ARTICLE IV. TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS.....10

ARTICLE V. ACCEPTANCE OR REJECTION OF THE PLAN11

ARTICLE VI. MEANS FOR IMPLEMENTATION OF THE PLAN12

ARTICLE VII. PROVISIONS GOVERNING DISTRIBUTIONS GENERALLY.....12

ARTICLE VIII. TREATMENT OF EXECUTORY CONTRACTS AND
UNEXPIRED LEASES15

ARTICLE IX. CONDITIONS PRECEDENT16

ARTICLE X. EFFECTS OF CONFIRMATION17

ARTICLE XI. RETENTION OF JURISDICTION.....19

ARTICLE XII. MISCELLANEOUS PROVISIONS20

ARTICLE XIII. MODIFICATION OF THE PLAN22

INTRODUCTION

Starion Energy, Inc., Starion Energy NY, Inc. and Starion Energy PA, Inc. (together “**Starion**”), as debtors and debtors-in-possession (“**Debtors**”), pursuant to the provisions of chapter 11 of the Bankruptcy Code, submit this Plan of Reorganization for the resolution of its outstanding Claims and Interests (as those terms are defined herein). For a discussion of the Debtors’ history, business, historic operations, risk factors associated with this Plan and for a summary and analysis of this Plan and related matters, reference is made to the Disclosure Statement that is being distributed herewith. All Holders of Allowed Claims and Interests who are impaired and entitled to vote are encouraged to read this Plan and the Disclosure Statement before voting to accept or reject this Plan. All Holders of other Claims and Interests are encouraged to read this Plan and Disclosure Statement, as well. In the event of any inconsistencies between this Plan and Disclosure Statement, the terms of this Plan shall control.

The Plan is a culmination of events, including efforts to streamline the Debtors’ businesses and address the Debtors’ outstanding and future obligations. The Plan effectuates the resolution of significant litigation and subordination of certain claims in order to ensure that most obligations are paid in full. Upon the Effective Date and substantial consummation of the Plan, the Debtors’ equity shall revert in the current ownership structure and the Debtors will continue business as usual. The Debtors believe this Plan represents the best possible return for Holders of Claims.

Subject to the restrictions on modification set forth in section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019 and the provisions of this Plan, the Debtors expressly reserve their rights to alter, amend or modify this Plan as needed, before its substantial consummation.

ARTICLE I. DEFINITIONS

Unless otherwise provided in this Plan, all terms used herein shall have the meanings assigned to such terms in the Bankruptcy Code or the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”). For the purposes of this Plan, the following terms (which appear in the Plan in capitalized forms) shall have the meanings set forth below, and such meanings shall be equally applicable to the singular and to the plural form of the terms defined, unless the context otherwise requires.

1.1 “Administrative Claim” shall mean, and be the collective reference to, all costs and expenses of administration of the case with priority under section 507(a)(1) of the Bankruptcy Code, including, without limitation, costs and expenses allowed under section 503(b) of the Bankruptcy Code, the actual and necessary costs and expenses of preserving the Estate of the Debtors, any Professional Fee Claim and any fees or charges assessed against the Estates of the Debtors under 28 U.S.C. § 1930.

1.2 “Administrative Claim Bar Date” shall mean the deadline, established by the Bankruptcy Court in the Confirmation Order, for the Holders of Administrative Claims (except for Professional Fee Claims) to File requests for payment of Administrative Claims, which date shall be thirty (30) days from entry of the Confirmation Order.

1.3 “Allowed” shall mean (a) when used with respect to an Administrative Expense Claim, all or any portion of such a Claim that was incurred by any of the Debtors in the ordinary course of business during the Bankruptcy Case, and as to which there is no dispute as to the Debtor’s liability, or that has been allowed or adjudicated in favor of the Holder by estimation or liquidation by a Final Order; or (b) when used with respect to a Claim other than an Administrative Expense Claim, such Claim or any portion thereof (i) that has been allowed or adjudicated in favor of the Holder by estimation or liquidation in a Final Order; or (ii) as to which (x) (i) no Proof of Claim has been Filed or (ii) a Proof of Claim has been Filed in an unliquidated amount and (y) the liquidated and non-contingent amount of which is included in the Schedules, other than a Claim that is included in the Schedules at zero, in an unknown amount, or as Disputed; or (iii) for which a Proof of Claim in a liquidated amount has been timely Filed; or (iv) that is expressly allowed in a liquidated amount in the Plan. A Claim shall be Allowed only if (a) no objection to the allowance thereof has been Filed within the applicable period of time fixed by the Plan or the Bankruptcy Court or (b) if an objection is so Filed, such objection has been settled or withdrawn or the Claim or Interest has been Allowed by a Final Order (but only if such allowance was not solely for the purpose of voting to accept or reject the Plan). No Claim or Interest shall be Allowed to the extent that the Holder thereof either possesses property recoverable by the Estate under sections 542, 543, 550, or 553 of the Bankruptcy Code or is the transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code until such time as such Holder has paid the amount or turned over any such property for which the Holder is liable. Except as otherwise specified in the Plan or a Final Order, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. Nothing in this Plan shall prejudice the ability of the Debtors or the Reorganized Debtors to object to any Claim.

1.4 “Allowed [Class Designation] Claim” shall mean an Allowed Claim in the specified Class.

1.5 “Allowed Priority Claim” shall mean that portion of an Allowed Claim which is entitled to priority under section 507 of the Bankruptcy Code.

1.6 “Assets” shall mean all of the rights, title, and interests of the Debtors in and to property of any type or nature (real, personal, intangible, and mixed), known and unknown, including property of the Estates as such property is defined in section 541 of the Bankruptcy Code, as well as all property and Cash in the Debtors’ possession, custody, or control on the Effective Date, including without limitation Claims, any Causes of Action, and the proceeds thereof, and Insurance Policies and the proceeds thereof.

1.7 “Assumed Obligations” shall mean Debtors’ obligations to fund the payment of the Allowed Claims.

1.8 “Avoidance Action(s)” shall mean all claims and causes of action arising under Chapter 5 of the Bankruptcy Code and any fraudulent conveyance or transfer actions to be brought under state or federal law.

1.9 “Bankruptcy Case” shall mean the case commenced by the filing of the Debtors’ voluntary petitions under Chapter 11 of the Bankruptcy Code on November 14, 2018.

1.10 “Bankruptcy Code” shall mean title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as now in effect or hereafter amended.

1.11 “Bankruptcy Court” shall mean the United States District Court for the District of Delaware with jurisdiction over the Debtors’ Bankruptcy Cases and, to the extent of any reference made pursuant to 28 U.S.C. § 157, the United States Bankruptcy Court for the District of Delaware, or any court having competent jurisdiction to enter the Confirmation Order.

1.12 “Bankruptcy Rules” shall mean the Federal Rules of Bankruptcy Procedure, the Official Bankruptcy Forms, the Federal Rules of Civil Procedure, the Local Rules of the United States Bankruptcy Court for the District of Delaware, as applicable to the Case or proceedings therein, as the case may be.

1.13 “Bar Date” shall mean February 28, 2019, the date fixed for filing general proofs of claim.

1.14 “Budget” shall mean the current operating budget for the Debtors’ business operations.

1.15 “Business Day” shall mean any day, excluding Saturdays, Sundays, or “legal holidays” (as referenced in Bankruptcy Rule 9006(a)), on which commercial banks are open for business in Wilmington, Delaware.

1.16 “Cash” shall mean legal tender of the United States of America and equivalents thereof.

1.17 “Cause of Action” or “Causes of Action” shall mean all claims, causes of action, third-party claims, counterclaims and cross-claims of any kind or nature (including but not limited to any Causes of Action described in the Disclosure Statement) against any entity based in law or equity, including, without limitation, under the Bankruptcy Code, whether direct, indirect, derivative or otherwise, and whether asserted or unasserted as of the date of entry of the Confirmation Order, inclusive of Avoidance Actions.

1.18 “Claim Objection Deadline” means the date that is the later of ninety (90) days after the entry of the Confirmation Order unless the objection deadline is extended by order of the Bankruptcy Court upon the filing of a motion.

1.19 “Claims” shall mean a claim against the Debtors as defined by section 101(5) of the Bankruptcy Code.

1.20 “Class” shall mean any category of Holders of Claims as specified in Article II of the Plan.

1.21 “Confirmation Date” shall mean the date on which the Confirmation Order is entered by the Bankruptcy Court.

1.22 “Confirmation Hearing” shall mean the hearing, and any subsequent hearing, at which the Bankruptcy Court considers confirmation of the Plan.

1.23 “Confirmation Order” shall mean the order of the Bankruptcy Court confirming the Plan, pursuant to section 1129 of the Bankruptcy Code, and approving the transactions contemplated herein.

1.24 “Consumer Claim” shall mean those claims filed by Starion customers.

1.25 “Consumer Claim Bar Date” shall mean May 19, 2019.

1.24 “Creditor” shall mean a Holder of a Claim against the Debtors.

1.25 “Debtors” shall mean Starion Energy, Inc., Starion Energy, NY, Inc., and Starion Energy PA, Inc.

1.26 “Disclosure Statement” shall mean the written Disclosure Statement for this Plan of Reorganization approved in accordance with section 1125 of the Bankruptcy Code and Rule 3018 of the Bankruptcy Rules.

1.27 “Disclosure Statement Order” shall mean the Order Approving the Disclosure Statement entered by the Bankruptcy Court.

1.28 “Disputed” shall mean, with respect to any Claim that has not been Allowed by a Final Order, as to which the Debtors or Reorganized Debtors have timely Filed a Claim Objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules, or any Claim otherwise challenged by the Debtors or Reorganized Debtors in the Bankruptcy Court in accordance with applicable law.

1.29 “Effective Date” shall mean the first Business Day on which all conditions precedent to the effectiveness of the Plan have been satisfied or waived as provided in this Plan, unless extended by the Debtors upon notice.

1.30 “Escrow” shall mean the escrow account to be funded by the Debtor upon the Effective Date to fund the professional fees to be paid to Debtors’ counsel.

1.31 “Estate” shall mean the Estates of the Debtors created by section 541 of the Bankruptcy Code upon the commencement of the Bankruptcy Case.

1.32 “Executory Contract/Unexpired Lease” shall mean any executory contract or unexpired lease between the Debtors and any other Person.

1.33 “Filed” shall mean filed with the clerk of the Bankruptcy Court in the Bankruptcy Case.

1.34 “Final Decree” shall mean the decree contemplated under Bankruptcy Rule 3022.

1.35 “Final Order” shall mean an order entered by the Bankruptcy Court or other court of competent jurisdiction on its docket as to which (i) the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for

certiorari, or other proceedings for reargument or rehearing are then pending or (ii) in the event that an appeal, *writ of certiorari*, reargument, or rehearing thereof has been sought, such order of the Bankruptcy Court or any other court or adjudicative body has been affirmed by the highest court to which such order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing has expired; provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure, Rule 9024 of the Bankruptcy Rules, or any similar rule under the Bankruptcy Rules or the Federal Rules of Civil Procedure may be filed with respect to such order.

1.36 “General Unsecured Non-Priority Claim” means any Claim against the Debtors, other than a Secured Claim, an Administrative Expense Claim, a Professional Fee Claim, a Priority Tax Claim, or a Priority Claim.

1.37 “GF Star” shall mean GF Star, IV, LLC the provider of debtor in possession financing to the Debtors.

1.38 “Governmental Bar Date” shall mean May 19, 2019.

1.38 “Holder” shall mean the owner or holder of any Claim or Interest.

1.39 “Impaired” shall have the meaning set forth in section 1124 of the Bankruptcy Code.

1.40 “Insider” shall have the meaning assigned to such term in section 101(31) of the Bankruptcy Code.

1.41 “Insurance Policy” shall mean any contract of or other rights to insurance under which the Debtors have, may have or assert any direct rights as an insured party, additional named insured party, loss payee, or otherwise.

1.42 “Interest” shall mean the legal, equitable, contractual, or other rights of a Holder of any existing or prospective equity interest in the Debtors (solely in its capacity as Holders thereof), including the rights of any Person to purchase or demand the issuance of any Interest, including (i) conversion, exchange, voting, participation, and dividend rights; (ii) liquidation preferences; (iii) stock options, warrants, and put rights; and (iv) share-appreciation rights; or (v) any other stock, membership, or other equity right pertaining or in any way relating to the Debtors.

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

1.44 “Massachusetts Settlement” shall mean the settlement reached between the Debtors and the Attorney General for the Commonwealth of Massachusetts, as evidenced by the memorandum of understanding (“MOU”) approved by the Bankruptcy Court on December 17, 2019 and memorialized and finalized in a Consent Judgment to be filed with the Suffolk Superior Court in Massachusetts.

1.44 “Objection Deadline” shall mean the date established by the Bankruptcy Court in the Disclosure Statement Order for parties in interest to file objections to confirmation of the Plan.

1.45 “Person” shall mean any individual, corporation, limited liability company, professional corporation, general partnership, limited partnership, limited liability partnership, association, Joint Stock Company, joint venture, Estates, trust, unincorporated organization, government or any political subdivision thereof or other entity.

1.46 “Petition Date” shall mean, November 14, 2018, the date on which the Debtors filed the Bankruptcy Cases.

1.47 “Plan” shall mean this *Plan of Reorganization* and any exhibits hereto and any documents incorporated herein by reference as such Plan or such exhibits may be amended, modified, or supplemented from time to time.

1.48 “Priority Claim” shall mean all Claims that are entitled to priority pursuant to section 507 of the Bankruptcy Code and that are not Administrative Claims or Priority Tax Claims.

1.49 “Priority Tax Claim” shall mean a Claim of the kind specified in section 507(a)(8) of the Bankruptcy Code.

1.50 “Professional” shall mean a Person (a) employed by the Debtors, and/or any official committee formed pursuant to a Final Order in accordance with sections 327, 328 and/or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330, and 331 of the Bankruptcy Code, or (b) for which compensation and reimbursement has been Allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code by a Final Order.

1.51 “Professional Fee Claim” shall mean all Claims for fees and expenses asserted by Professionals retained by the Debtors and/or any official committee formed pursuant to an order of the Bankruptcy Court under sections 330 and 331 of the Bankruptcy Code and which remains unpaid as of the Effective Date.

1.52 “Proof of Claim” shall mean a written statement that (i) sets forth a Claim and (ii) conforms substantially to the Bankruptcy Rules and the Confirmation Order.

1.53 “Pro Rata” shall mean at any time, a proportion calculated as a ratio of the amount of an Allowed Claim in a Class to (i) the amount of all Allowed Claims in such Class of Claims or (ii) prior to allowance or disallowance of Claims in a Class, the sum of all Allowed Claims and Disputed Claims in such Class. For purposes of this calculation, the amount of a Disputed Claim will equal the lesser of (x) its face amount and (y) the amount estimated as Allowed.

1.54 “Record Date” shall mean the date the Disclosure Statement Order was entered by the Bankruptcy Court.

1.55 “Releasees” shall mean the Debtors and their affiliates, officers, directors, managers, shareholders, Subordinating Parties, attorneys and advisors.

1.56 “Reorganized . . .” shall mean, when used in reference to the Debtors, such Debtor on and after the Effective Date.

1.57 “Schedules” shall mean the Statement of Financial Affairs and Schedules of Assets and Liabilities, as same may be amended from time to time, filed by the Debtors with the Bankruptcy Court pursuant to Bankruptcy Rule 1007.

1.58 “Secured Claim” shall mean, a Claim that is (i) secured by a Lien on Assets, which Lien is valid, perfected and enforceable under applicable law by reason of a Final Order, limited to the extent of the Lien on such Assets; or (ii) subject to setoff, under section 553 of the Bankruptcy Code, against any Assets, to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (iii) Allowed under the Plan as a Secured Claim.

1.59 “Shareholder Revesting” shall mean that equity interests in the Debtors shall not be cancelled, rather such interests will revert in the equity holders that existed prior to the Petition Date, at the same level of interest, but only unless and until the Debtors substantially consummate the terms of the Plan.

1.60 “Solicitation Procedure Order” shall mean that certain order approving the procedures by which the Debtors shall distribute the Disclosure Statement and other solicitation voting materials.

1.61 “Subordinating Parties” shall mean those parties providing unsecured loans to the Debtors, including LoanStars, Fisnik Bizati, Petrit Bizati, Nevzat Bizati and Destan Kupa who have agreed to subordinate recovery on their claims pursuant to 11 U.S.C. § 510 until all allowed Class 4 General Unsecured Non-Priority Claims are paid in full.

1.59 “U.S. Trustee” shall mean the United States Trustee for Region 3.

ARTICLE II.

CLASSIFICATION OF CLAIMS AND INTERESTS

2.1 Classification. All Claims and all Interests, as defined herein and in section 101(5) of the Bankruptcy Code, except Administrative Expense Claims and Priority Claims, are placed into the Classes set forth below. Pursuant to section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Claims, as described below, are not classified in the Plan. A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest falls within the description of such other Classes. A Claim or Interest is also placed in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and such Claim or Interest has not been paid, discharged, released or otherwise settled prior to the Effective Date.

2.2 Administrative Claims. Administrative Claims are not impaired by the Plan. Each Holder of an allowed Administrative Claim is conclusively presumed to have accepted the Plan and, therefore, is not entitled to vote to accept or reject the Plan.

2.3 GF Star Claim. GF Star will be paid over the period of 2 years following the Effective Date of the Plan, according to existing payment terms. Since both pre- and post-petition maturity dates are extended, GF Star is considered to be impaired and therefore is entitled to vote on the Plan.

2.4 Other Secured Claims. For those properly perfected holders of secured claims, the Debtors intend to continue to make regular payments as set forth in relevant loan documents. As a result, this class shall be considered unimpaired, deemed to accept the Plan and therefore ineligible to vote to accept or reject the Plan.

2.5 Priority Claims. Unless otherwise agreed, the Debtors intend to pay all allowed priority claims in full upon the Effective Date. Accordingly, Class 3 is not impaired and deemed to have accepted the Plan.

2.6 General Unsecured Non-Priority Claims. Except as set forth in Classes 6 and 7 herein, Class 4 consists of all General Unsecured Non-Priority Claims asserted against each Debtor. The Holders of Claims in Class 4 will receive 75% of their Allowed Claim under the Plan on or before the Effective Date and will receive the remaining 25% on the Effective Date or within the first quarter following the Effective Date. Therefore Class 4 creditors are impaired and entitled to vote on the Plan.

2.7 Massachusetts Settlement Claims. Class 5 shall consist of the claim asserted by the Commonwealth of Massachusetts.² The Holders of Allowed Class 5 Claims shall be paid in accordance with the settlement between the Debtors and the Commonwealth of Massachusetts Attorney General which was approved by the Bankruptcy Court on December 17, 2019. Class 5 Holders are impaired and therefore entitled to vote on the Plan.

2.8 Unsecured Consumer Claims. Class 6 shall consist of those Consumer Claims filed in this case. Any Allowed Consumer Claims shall be paid in full upon the Effective Date. As the Class 6 Claims remain unimpaired, Class 6 is deemed to have accepted the Plan.

² On December 10, 2019, the Commonwealth of Massachusetts, by and through its Attorney General Maura Healey, reached a MOU with Debtors and certain related parties to, among other things, resolve the Commonwealth's claims set forth in the civil action *The Commonwealth of Massachusetts v. Starion Energy, Inc., et. al.*, CA No. 2018-3199-H, currently pending in Suffolk Superior Court in Massachusetts ("Massachusetts Action"). Specifically, the MOU was intended to "provide the foundation and structure for a binding agreement related to the settlement" of the Massachusetts Action. Critically, the MOU provides and contemplates, among other things, that the parties will memorialize and finalize the Massachusetts Settlement through a proposed judgment by consent in the Superior Court of the Commonwealth of Massachusetts (the "Consent Judgment"). The MOU was approved by the Bankruptcy Court on December 17, 2019 [D.I. 248]. Pursuant to the MOU, Debtors agreed, among other things, to pay \$10 million in customer restitution and payments to the Commonwealth, with \$2 million thereof potentially forgivable. Debtors also agreed to certain relief concerning their future operations in Massachusetts. Debtors will continue to perform any and all obligations imposed by the MOU, including the preparation, execution, and submission of the Consent Judgment, as well as any obligation(s) imposed by the Consent Judgment.

2.9 Subordinating Creditors Unsecured Claims. Class 7 shall consist of claims filed by the Subordinated Parties, as a result of unsecured loans that the Subordinating Parties provided to the Debtors. The Subordinating Parties' claims shall be subordinated to all unsecured claims such that they will receive no distribution unless and until allowed Class 4 claims are paid in full. Accordingly, Class 7 is impaired and entitled to vote to accept or reject the Plan.

2.10 Equity Interests. Class 8 consists of all Equity Interests in the Debtors. The Claims held by Holders of Class 8 Interests are impaired under the Plan. Upon satisfaction of all obligations set forth in the Plan, Equity Interests shall revert in the current ownership structure.³ Accordingly, Class 8 is not entitled to vote to accept or reject the Plan.

ARTICLE III. **TREATMENT OF UNCLASSIFIED CLAIMS**

3.1 Administrative Claims (Other Than Professional Fee Claims). Except to the extent that a holder of an Allowed Administrative Expense Claim agrees to a different treatment, the Debtors shall pay to each holder of an Allowed Administrative Expense Claim Cash in an amount equal to such Claim on the Effective Date. Parties holding Administrative Claims shall be required to file proof of said claim no less than thirty (30) days following entry of the Order confirming this Plan.

3.2 U.S. Trustee Fees. All outstanding fees payable to the Office of the United States Trustee under 28 U.S.C. § 1930, including any interest due under 31 U.S.C. § 3717, that have not been paid shall be paid no later than thirty (30) days after the Effective Date or when such U.S. Trustee Fees come due in the ordinary course.

3.3 Professional Fee Claims. All Professionals requesting compensation or reimbursement of expenses pursuant to Bankruptcy Code §§ 327, 328, 330, 331 or 503(b) for services rendered prior to the Effective Date must file and serve pursuant to the Bankruptcy Code and applicable rules, an application for final allowance of compensation and reimbursement of expenses no later than forty-five (45) days after the Effective Date or be forever barred from asserting such claims against the Bankruptcy Estate or the Debtors and its respective successors and/or assigns. Professional Fees with respect to which a fee application is properly filed shall be Allowed Professional Fees only to the extent allowed by Final Order of the Bankruptcy Court. Only allowed Professional Fees shall be paid pursuant to the Plan. Any objection to Professional Fees shall be filed on or before the date specified in the application for Final Compensation. The Debtors shall pay holders of Allowed Professional Fee Claims, in Cash from the Escrow, in the amount awarded to such Professionals by Final Order of the Bankruptcy Court, as soon as practicable after the Effective Date or the date upon which any order awarding such fees and expenses becomes a Final Order, in accordance with the terms of any Order entered by the Bankruptcy Court governing the payment of fees and expenses during the course of the Bankruptcy Case, and after application of any retainer received by the Professionals.

³ GF Star shall retain all equity options it had or may have had as of the Petition Date.

ARTICLE IV.
TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS

4.1 Summary. The classifications of Claims and Equity Interests in this Article IV shall apply for all purposes, including voting, confirmation, and distribution pursuant to the Plan, pursuant to Bankruptcy Code §§ 1122 and 1123(a)(1). A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that: (i) the Claim or Equity Interest qualifies within the description of that Class (and shall be deemed classified in a different Class to the extent that any portion of such Claim or Equity Interest qualifies within the description of such different Class), (ii) the Claim or Equity Interest is Allowed as of the Effective Date, and (iii) the Claim or Equity Interest has not been paid or otherwise satisfied prior to the Effective Date.

4.2 Classification. The Claims and Equity Interests against the Debtors are classified as follows:

- (a) Class 1: GF Star Claims
- (b) Class 2: Secured Claims
- (c) Class 3: Priority Claims
- (d) Class 4: General Unsecured Non-Priority Claims
- (e) Class 5: Massachusetts Settlement Claims
- (f) Class 6: Unsecured Consumer Claims
- (g) Class 7: Subordinating Creditors Unsecured Claims
- (h) Class 8: Equity Interests

4.3 Identification of Impaired Classes and Voting Rights. Classes 1, 4, 5 & 7 are impaired and entitled to vote on the Plan.

4.4 Class 1 (GF Star Claim). GF Star will be paid over the period of 2 years following the Effective Date of the Plan, according to existing payment terms. Since both pre- and post-petition maturity dates are extended, GF Star is considered to be impaired and therefore is entitled to vote on the Plan.

4.5 Class 2 (Secured Claims). Known and allowed secured claims will be paid as and when due in accordance with existing loan documents. There are no outstanding past due amounts owed on such loans. As a result, Class 2 creditors are deemed to accept the Plan and are not entitled to vote.

4.6 Class 3 (Priority Claims). Class 3 consists of the Priority Claims against each Debtors. Unless otherwise agreed, the Debtors shall pay any Allowed Priority Claims, in full, in Cash, without interest on the Effective Date. Accordingly, the Class 3 Claims are unimpaired and therefore not entitled to vote on the Plan.

4.7 Class 4 (General Unsecured Non-Priority Claims). Except as set forth in Classes 6 and 7 herein, Class 4 consists of all General Unsecured Non-Priority Claims asserted against each Debtor. The Holders of Claims in Class 4 will receive 75% of their Allowed Claim under the Plan on or before the Effective Date and will receive the remaining 25% on the Effective Date or within the first quarter following the Effective Date. Therefore Class 4 creditors are impaired and entitled to vote on the Plan.

4.8 Class 5 (Massachusetts Settlement Claims). Class 5 claims include claims asserted by the Attorney General of the Commonwealth of Massachusetts.⁴ Holders of Class 5 claims shall be paid in accordance with the terms of the Massachusetts Settlement. Class 5 is considered impaired, so Holders of Class 5 claims are entitled to vote on the Plan.

4.9 Class 6 (General Unsecured Consumer Claims). Class 6 claims include any Allowed Consumer Claims. Holders of Allowed General Unsecured Consumer Claims shall be paid in full on the Effective Date. Class 6 is considered unimpaired and is therefore deemed to accept the Plan.

4.10 Class 7 (Subordinating Creditors Unsecured Claims). Class 7 consists of the claims asserted by the Subordinating Creditors in connection with pre-petition unsecured loans provided to the Debtors. The Subordinating Creditors' claims shall be subordinated pursuant to 11 U.S.C. § 510 and shall only receive a distribution when and if Class 4 claims are paid in full. Class 6 is considered impaired and is entitled to vote to accept or reject the Plan.

4.11 Class 8 (Interests). Class 8 consists of all Equity Interests in each Debtor. Holders of Class 8 Interests will receive no distribution on account of such Interests in the Debtors, however upon satisfying all Plan obligations due as of the Effective Date, all Interests in the Debtors shall revert in the current ownership.⁵ The Holders of Interests in Class 8 are not entitled to vote to accept or reject the Plan.

ARTICLE V.

ACCEPTANCE OR REJECTION OF THE PLAN

5.1 Classes Entitled to Vote. Each Holder of an Allowed Claim in Class 1, 4, 5 & 7 is entitled to vote separately to accept or reject the Plan. Only those votes cast by Holders of Allowed Claims shall be counted in determining whether acceptances have been received in sufficient number and amount to obtain confirmation. Classes 2, 3 & 6 are unimpaired and are conclusively deemed to have accepted the Plan and are not entitled to vote. Class 8 is conclusively deemed to have rejected the Plan and is not entitled to vote.

5.2 Vote Solicitation. The solicitation of the Plan in accordance with the Solicitation Procedure Order shall be deemed a solicitation of the holders of Claims for the terms set forth herein.

⁴ To be clear, claim numbers 223 and 229 belonging to the Massachusetts Department of Environmental Protection and the Massachusetts Department of Energy Resources, respectively, are not included as a part of Class 5 and shall be treated in accordance with Class 3.

⁵ GF Star shall retain all equity options it had or may have had as of the Petition Date.

5.3 Acceptance by Impaired Classes of Claims. An Impaired Class of Claims shall have accepted the Plan if (a) the Holders (other than any Holder designated under section 1126(e)) of the Bankruptcy Code of at least two-thirds in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (ii) the Holders (other than any Holder designated under 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

5.4 Cramdown. If each Impaired Class of Claims does not accept the Plan, the Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to modify the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification or for any other reason in their discretion.

ARTICLE VI.
MEANS FOR IMPLEMENTATION OF THE PLAN

6.1 Continuing Duties of the Reorganized Debtors. The Reorganized Debtors shall take all action necessary and appropriate to effectuate the terms of the Plan.

6.2 Continued Corporate Existence. Except as otherwise provided in the Plan, the Debtors shall continue to exist after the Effective Date as the same corporate entities as prior to the Petition Date, with all the powers of a corporation, pursuant to the applicable law in the jurisdiction in which such Debtors are incorporated or formed and pursuant to the certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, without prejudice to any right to terminate such existence (whether by merger or otherwise) or to modify such documents under applicable law on or after the Effective Date.

6.3 Effectuating Documents; Further Transactions. Each of the Debtors and Reorganized Debtors, and their officers and designees, are authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan, or to otherwise comply with applicable law.

6.4 Revesting of Instruments and Stock. On the Effective Date all Interests in the Debtors, including any and all stock options (including, but not limited to, all stock options granted to the Debtors' employees) shall not be cancelled, but shall revert with the current Holders of such interests at the same level of interest in the form and manner of their existence prior to the Petition Date.

6.5 Post-Effective Date Board of Advisors and Management. From and after the Effective Date, the Reorganized Debtors' boards of directors shall remain the same.

ARTICLE VII.
PROVISIONS GOVERNING DISTRIBUTIONS GENERALLY

7.1 Reorganized Debtors As Disbursing Agent. The Reorganized Debtors shall be the disbursing agent and shall make all distributions under the Plan.

7.2 Manner of Payment. Any payment of Cash under the Plan may be made either by check drawn or by wire transfer from a domestic bank, at the option of the Reorganized Debtors.

7.3 Transmittal Of Distributions To Parties Entitled Thereto. All distributions by check shall be deemed made at the time such check is deposited in the United States mail, postage prepaid. Any distributions by wire transfer shall be deemed made as of the date of the wire transfer is made. Except as otherwise agreed with the Holder of an Allowed Claim in respect thereof or provided in the Plan, any distribution required under the Plan on account of an Allowed Claim, shall be mailed to (i) the latest mailing address filed for the Holder of an Allowed Claim entitled to a distribution, (ii) the latest mailing address filed for a Holder of a filed power of attorney designated by the Holder of such Claim to receive distributions, (iii) the latest mailing address filed for the Holder's transferee as identified in a filed notice served on the Debtors pursuant to Bankruptcy Rule 3001(e), or (iv) if no such mailing address has been filed, the mailing address reflected on the Schedules or in the Debtors' books and records. The Holder of a Claim shall be required to promptly notify the Debtors and the Court of any change in their mailing address.

7.4 Distribution of Unclaimed Property. Except as otherwise provided in the Plan, any distribution under the Plan which is unclaimed after three (3) months following any distribution date shall be forfeited, and such distribution, together with any interest earned thereon, and shall return to and revest in the Reorganized Debtors.

7.5 Saturday, Sunday or Legal Holiday. If 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 following Business Day, but shall be deemed to have been completed as of the required date.

7.6 Setoffs and Recoupment. Subject to the terms of the Plan and pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, the Debtors or Reorganized Debtors, as appropriate, may but shall not be required to, setoff against or recoup from any Claim on which payments are to be made pursuant to the Plan, any Claims of any nature whatsoever the Debtors may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim shall constitute a waiver or release by the Debtors or Reorganized Debtors, as appropriate, of any such claims the Debtors or Reorganized Debtors, as appropriate, may have against such Claim, whether before or after the entry of the Confirmation Order.

7.7 Withholding or Other Taxes. The Reorganized Debtors shall be entitled, but are not directed, to deduct any current federal, state or local withholding or other taxes from any distributions under this Plan. As a condition to making any distribution under this Plan, all Holders of Allowed Claims shall provide the Reorganized Debtors with such Holder's taxpayer identification number and such other information or certification as the Reorganized Debtors may deem reasonably necessary to comply with applicable tax reporting and/or withholding laws or regulations. If a Creditor fails to provide the Reorganized Debtors with their taxpayer identification number after a request, the Creditor shall be deemed to have forfeited their right to a distribution under this Plan without further Order of the Bankruptcy Court.

7.8 Fractional Cents. Notwithstanding any other provisions of the Plan to the contrary, no payment of fractional cents will be made under the Plan. Cash will be issued to Holders entitled to receive a distribution of Cash in whole cents (rounded to the nearest whole cent when and as necessary).

7.9 Bar Date, Allowance and Disallowance Of Claims.

(a) Administrative Claim Bar Date. Except as otherwise set forth herein, creditors asserting administrative claims against the Debtors' estates shall have until thirty (30) days following the entry of an order confirming the Plan to file its claim with the Court. Claims filed thereafter will be deemed late and therefore will not be allowed.

(b) Allowance of Claims. Except as expressly provided in the Plan, no Claims shall be deemed Allowed by virtue of the Plan or the Confirmation Order unless and until such Claim is deemed Allowed under the Bankruptcy Code, or the Bankruptcy Court enters a Final Order in the Bankruptcy Case allowing such Claim. Notwithstanding the foregoing, any Claim included in the Debtors' Schedules that is not listed as contingent, unliquidated, and/or disputed shall be an Allowed Claim. Any Proof of Claim Filed in an unliquidated amount shall be deemed Allowed in the amount listed in the Debtors' Schedules as liquidated, not contingent and not disputed. The allowance and disallowance of Claims shall be in all respects subject to the provisions of section 502 of the Bankruptcy Code.

(c) Disallowance of Claims. To the extent provided in Section 502(d), all Claims held by Persons against whom the Debtors or Reorganized Debtors, as appropriate, have filed or commenced (a currently pending), or may in the future file or commence a Claim or Cause of Action under sections 522(f), 522(h), 542, 543, 544, 547, 548, 549, 550, 551, 553 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 vote to accept or reject the Plan until such time as such filed or commenced Claims or Causes of Action against the Person have either been: (i) settled and all sums due the Debtors by that Person turned over to the Debtors; or (ii) an order permitting a vote to accept or reject the Plan is entered by the Bankruptcy Court. The Holders of any and all Claims Filed with the Bankruptcy Court after the deadline for the filing of or request for payment on such Claim shall be deemed disallowed without further action by the Debtors and without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not vote to accept or reject the Plan or be entitled to any distribution, unless otherwise allowed by Final Order of the Bankruptcy Court.

7.10 Resolution of Disputed Administrative Claims and Disputed Claims.

(a) Prosecution of Objections to Claims. The Debtors shall have standing and the right to commence and pursue objections to Claims, and the Reorganized Debtors shall have such standing after the Effective Date. All objections to Claims shall be filed with the Bankruptcy Court by the Claim Objection Deadline and served upon the Holders of each of the Claims to which objections are made. The Debtors shall have the right, after notice and a hearing, to seek an extension of the Claim Objection Deadline and such an extension shall not be deemed a material modification of the Plan.

(b) **Objections to Claims.** An objection to the allowance of a Claim shall be in writing and shall be filed with the Bankruptcy Court by the Debtors or Reorganized Debtors. Except as set forth herein, nothing herein, in the Confirmation Order or in any Order in aid of Confirmation, shall constitute, or be deemed to constitute, a waiver or release of any Claim, Cause of Action, Avoidance Action, right of setoff or recoupment or other legal or equitable defense which the Debtors had immediately prior to the commencement of the Bankruptcy Case against or with respect to any Claim. Except as set forth herein, upon Confirmation, the Debtors and Reorganized Debtors shall have, retain, reserve and be entitled to assert all such Claims, Causes of Action, rights of setoff and recoupment and other legal or equitable defenses which the Debtors had immediately prior to the commencement of the Bankruptcy Case against or with respect to any Claim.

(c) **Late Claims.** Any Claim filed after the Bar Date shall be unenforceable unless the Claimant has been granted an extension of time to file a Claim by the Bankruptcy Court and such entity shall not be treated as a creditor or Claimant for the purposes of voting or distributions with respect to the Plan. Unless otherwise expressly ordered by the Bankruptcy Court, any such late-filed Claim shall not be entered on the official claims register, shall be deemed disallowed and expunged and the Claimant shall receive no distribution under the Plan.

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

ARTICLE VIII.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

8.1 Assumption and Rejection of Executory Contracts/Unexpired Leases; Cure Amount. Except for any Executory Contract/Unexpired Lease that was previously assumed or rejected by an Order of the Bankruptcy Court pursuant to section 365 of the Bankruptcy Code or which is, as of the date of the Confirmation Hearing, the subject of a pending motion by the Debtors to assume or reject pursuant to section 365 of the Bankruptcy Code, each Executory Contract/Unexpired Lease shall be deemed assumed pursuant to section 365 of the Bankruptcy Code, effective as of the Effective Date.

8.2 The Debtors believe that they are current on all Executory Contracts/Unexpired Leases and therefore no cure payments are due. Nonetheless, cure amounts, if any, shall be paid within the later of thirty (30) days after (i) the Effective Date and (ii) the date the Bankruptcy Court enters a Final Order determining the cure amount with respect to any Executory Contract/Unexpired Lease the counterparty to which objects to the cure amount.

(a) Objections, if any, to the Debtors' position of no cure amounts due shall be filed and served on the Debtors in accordance with section The cure amounts, if any, due to the non-Debtor parties to Executory Contracts/Unexpired Leases to be assumed are also set forth on **Exhibit A** 12.6 hereof, on or before the Objection Deadline. The Bankruptcy Court shall adjudicate any such objections at the Confirmation Hearing. The Confirmation Order or other Final Order determining the cure amount with respect to any Executory Contract/Unexpired Lease

shall govern the amount of the Debtors' obligations under such Executory Contract/Unexpired Lease for all purposes and for all time periods up to and including the effective date of the assumption of such Executory Contract/Unexpired Lease, and any counterparty to an Executory Contract/Unexpired Lease shall be forever barred and enjoined from seeking or claiming any other or further amounts from the Debtors or Reorganized Debtors under such Executory Contract/Unexpired Lease.

(b) All Executory Contract/Unexpired Lease shall be deemed accepted effective as of the Confirmation Date, unless otherwise rejected.

(c) The Confirmation Order shall constitute an Order of the Bankruptcy Court, pursuant to section 365 of the Bankruptcy Code, approving the assumption or rejection of each Executory Contract/Unexpired Lease, effective as of the Confirmation Date.

8.3 The Debtors may modify, revise or amend the Executory Contracts/Unexpired Leases by filing a Plan exhibit at any time prior to the Objection Deadline. The counterparty to any Executory Contract/Unexpired Lease added to such exhibit by such date shall have until the Confirmation Hearing to File and serve any objections to the proposed cure amount or to the assumption of such Executory Contract/Unexpired Lease. If any such objection is timely Filed and is not resolved by the consent of the Debtors and the counterparty within ten (10) days of the Confirmation Hearing, the Debtors shall request that the Bankruptcy Court schedule a hearing to consider and adjudicate the objection. The cure amount shall be paid in accordance with section 8.2 hereof.

8.4 Bar Date For Rejection Damages. Except to the extent that another bar date (or last date by which a Creditor must file a Proof of Claim) applies pursuant to an Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts/Unexpired Leases under the Plan must be filed with Donlin, Recano & Company, Inc., Re: Starion Energy Inc., *et al.*, P.O. Box 199043, Blythebourne Station, Brooklyn, NY 11219, and a copy served on counsel for the Debtors, within thirty (30) days from the entry of the Confirmation Order, or such Claim shall be forever barred and shall not be entitled to a distribution or enforceable against the Debtors and its successors, assigns or their assets. Claims arising from the rejection of Executory Contracts/Unexpired Leases shall be treated in Class 4 under the Plan.

ARTICLE IX.

CONDITIONS PRECEDENT

9.1 Conditions Precedent to Confirmation of the Plan. The following are conditions precedent to confirmation that must be satisfied, or waived in accordance with section 9.3 of this Plan:

(a) The final version of the Plan and all of the schedules, documents and exhibits thereto shall have been filed in form and substance acceptable to the Debtors in their sole discretion;

(b) the Confirmation Order shall approve in all respects the provisions, terms

and conditions of the Plan and shall be in a form and substance acceptable to the Debtors in their sole discretion; and

(c) the Debtors shall be in compliance with the Budget.

9.2 Conditions Precedent to Effective Date. The following are conditions precedent to the Effective Date that must be satisfied or waived in accordance with section 9.3 hereof:

(a) The Confirmation Date shall have occurred;

(b) The Confirmation Order shall have become a Final Order in form and substance acceptable to the Debtors in their sole discretion;

(c) The Debtors shall be in compliance with the Budget; and

(d) The Administrative Claim Bar Date and the Rejection Damages Bar Date shall have passed.

9.3 Waiver of Conditions Precedent. The Debtors may waive any of the conditions precedent to confirmation or the Effective Date at any time, without notice and without further action, order, or approval of the Bankruptcy Court except those conditions listed in section 9.2(a) and (b) above.

9.4 Effect of Non-Occurrence Of Conditions To The Effective Date. Each of the conditions to the Effective Date must be satisfied or waived by the Debtors and the Effective Date must occur within ninety (90) days of Confirmation, or by such later date established by Final Order. If the Effective Date has not occurred within ninety (90) days of Confirmation, then upon motion by a party in interest (including the Debtors) made before the Effective Date and a hearing, the Confirmation Order may be vacated by the Bankruptcy Court; provided, however, that notwithstanding the filing of such motion to vacate, the Confirmation Order may not be vacated if the Effective Date occurs before the Bankruptcy Court enters a Final Order granting such motion. If the Confirmation Order is vacated, then except as provided in any Final Order vacating the Confirmation Order, the Plan will be null and void in all respects, and nothing contained in the Plan or Disclosure Statement shall: (1) constitute a waiver or release of any Claims, Interests, or Causes of Action; (2) prejudice in any manner the rights of the Debtors or any other Person; or (3) constitute an admission, acknowledgment, offer, or undertaking of any sort by the Debtors or any other Person.

ARTICLE X.

EFFECTS OF CONFIRMATION

10.1 Authority to Effectuate Plan. Upon the Effective Date, those matters provided to be done under the Plan shall be deemed to be authorized and approved without the requirement of further approval from the Bankruptcy Court or the Debtors. The Debtors shall be authorized, without further application to or order of the Bankruptcy Court, to take whatever action necessary to achieve consummation and carry out the Plan and to effectuate the issuance of new shared and other transactions provided for thereunder.

10.2 Transfer Taxes Not Applicable. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangible or similar tax, mortgage tax, transfer tax, 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 documents related to the Sale of the Assets without the payment of such tax, recordation fee, or governmental assessment.

10.3 Discharge of Debtors. Upon the completion of all payments provided for under this Plan, the Debtors shall be discharged pursuant to Code §1141(d) of all debts provided for in the Plan, whether evidenced by a Proof of Claim filed or scheduled by the Debtors in these Cases. The Debtors or Reorganized Debtors reserve the right to request, upon such notice as may be necessary under the circumstances, and after a hearing, that the Court grant the Debtors an earlier discharge for cause.

10.4 Binding Effect. Except as otherwise expressly provided in the Plan, on and after the Effective Date, the Plan shall bind all Holders of Claims and Interests, whether or not such Holders voted to accept or reject the Plan.

10.5 Releases. ON THE EFFECTIVE DATE, SUBJECT TO THE LAST CLAUSE OF THIS PARAGRAPH, THE RELEASEES SHALL BE DEEMED TO HAVE RELEASED AND DISCHARGED, AND SHALL HAVE RELEASED AND DISCHARGED, EACH OTHER OF AND FROM ANY CLAIM OR CAUSE OF ACTION, WHETHER KNOWN OR UNKNOWN, ASSERTED OR NOT ASSERTED, SCHEDULED OR NOT SCHEDULED, WHETHER ARISING UNDER THE BANKRUPTCY CODE OR OTHER APPLICABLE LAW, AND WHETHER ARISING FROM OR RELATED TO ACTS OR OMISSIONS OCCURRING ON OR BEFORE THE EFFECTIVE DATE, AND EACH RELEASEE COVENANTS NOT TO SUE ANY OTHER RELEASEE WITH RESPECT TO THE CLAIMS RELEASED HEREIN IN ANY WAY RELATING TO THE DEBTORS, THE ESTATES, THESE CHAPTER 11 CASE THIS PLAN, THE DISCLOSURE STATEMENT OR RELATED AGREEMENTS OR OTHER DOCUMENTS;⁶ PROVIDED, HOWEVER, NO RELEASEE SHALL BE RELEASED AND DISCHARGED FROM OBLIGATIONS UNDER THE PLAN; PROVIDED, FURTHER, HOWEVER, THAT NOTHING CONTAINED HEREIN SHALL BE DEEMED A RELEASE OF ANY VIOLATIONS OF STATE AND/OR FEDERAL CRIMINAL STATUTES AND NOTHING HEREIN SHALL RELEASE CLAIMS FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE DEBTORS, THEIR OFFICERS AND DIRECTORS, THEIR SHAREHOLDERS, AND THEIR ATTORNEYS.

⁶ Nothing contained herein shall impair or alter in any way the terms, conditions, rights, and obligations of (a) the Debtors, their affiliates, successors, and/or assigns, and (b) Platte River under the Court's October 29, 2019 Order [D.I. 219] authorizing and approving, *inter alia*, the continuation of surety bond program, pursuant to Bankruptcy Code Sections 363, 364, and 365, which Order shall survive confirmation of this Plan, the emergence from bankruptcy of the Debtors, their successors, and/or assigns, dismissal of the bankruptcy, or conversion to a proceeding under Chapter 7 of the Bankruptcy Code.

ARTICLE XI.
RETENTION OF JURISDICTION

11.1 Retention of Jurisdiction. Under Bankruptcy Code sections 105(a) and 1142, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, except for the interpretation, enforcement, and execution of the terms of the Massachusetts Settlement, as memorialized and finalized in the Consent Judgment, which shall lie and be vested in exclusively the Suffolk Superior Court in Massachusetts, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Bankruptcy Case and the Plan to the fullest extent permitted by law, including, among other things, jurisdiction to:

(a) allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any application or request for payment of any Administrative Expense Claim, and the resolution of any objections to the allowance or priority of Claims;

(b) hear and determine all Professionals' applications for compensation and reimbursement of expenses incurred in the Bankruptcy Case;

(c) determine any and all adversary proceedings, motions, applications, and contested or litigated matters and consider and act upon the compromise and settlement of any Claim against the Estates;

(d) enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection therewith;

(e) hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan, including disputes arising under agreements, documents or instruments executed in connection therewith;

(f) consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(g) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person with the implementation, consummation, or enforcement of the Plan or the Confirmation Order;

(h) hear and determine any matters arising in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan, the Disclosure Statement, the Confirmation Order;

(i) enforce all orders, judgments, injunctions, releases, exculpations, indemnifications and rulings entered in connection with the Bankruptcy Case;

(j) hear and determine matters concerning state, local, and federal taxes in accordance

with sections 346, 505 and 1146 of the Bankruptcy Code;

(k) hear and determine all matters related to the property of the Estates or the Debtors from and after the Effective Date;

(l) hear and determine such other matters as may be provided in the Confirmation Order and as may be authorized under the provisions of the Bankruptcy Code; and

(m) enter a final decree closing the Bankruptcy Case.

ARTICLE XII. **MISCELLANEOUS PROVISIONS**

12.1 Reports. Until a Final Decree is entered, the Debtors shall submit all post-confirmation quarterly reports to the United States Trustee as required by the United States Trustee guidelines (with a copy served on the Office of the United States Trustee) setting forth all receipts and disbursements of the Debtors. The first report shall be filed within thirty (30) days after the end of the quarter in which the Effective Date occurs. The Reorganized Debtors shall be responsible to request that a Final Decree be entered in this Bankruptcy Case. Notwithstanding anything to the contrary in this Plan, the Debtors or Reorganized Debtors shall also be responsible for the timely payment of any and all quarterly fees due to the United States Trustee until the Bankruptcy Case is closed, dismissed, or converted.

12.2 Severability of Plan Provisions. If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, on its own motion or at the request of the Debtors or Reorganized Debtors, 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 shall remain in full force and effect and shall 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 be altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

12.3 Allocation of Plan Distributions between Principal and Interest. To the extent that any Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, unless otherwise agreed by the Debtors and the respective Claimant, such distribution shall, for federal income tax purposes, be allocated to the principal amount of the Claim first, and then, to the extent the consideration exceeds the principal amount of the Claim, to accrued but unpaid interest.

12.4 No Interest. Except as expressly stated in this Plan, or allowed by Final Order of the Bankruptcy Court, no interest, penalty or late charge is to be allowed on any Claim subsequent to the Petition Date.

12.5 Confirmation Over Objection. If any Impaired Class of Creditors shall fail to accept the Plan, the Debtors reserve the right to request that the Bankruptcy Court confirm the Plan in accordance with the applicable provisions of section 1129(b) of the Bankruptcy Code.

12.6 Notices. All notices, requests or demands for payments provided for in the Plan shall be in writing and shall be deemed to have been given when personally delivered by hand or deposited in any general or branch post office of the United States Postal Service. Notices, requests and demands for payments shall be addressed and sent postage pre-paid or delivered in the case of notices, requests or demands for payments to the following:

To the Debtors and/or Reorganized Debtors: Gellert Scali Busenkell & Brown
1201 North Orange Street, 3rd Floor
Wilmington, Delaware 19801
Attention: Ronald Gellert

To the United States Trustee: J. Caleb Boggs Federal Building
844 King Street, Suite 2207
Lockbox 35
Wilmington, Delaware 19801
Attention: Jane Leamy, Esq.

12.1 Plan Controls Disclosure Statement. Notwithstanding anything to the contrary contained herein or in the Disclosure Statement, in the event and to the extent that any provision of the Plan is inconsistent with any provision of the Disclosure Statement, the provisions of the Plan shall control and take precedence.

12.2 Filing of Additional Documents. Prior to the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan that are not inconsistent with the terms of the Plan. On or after the Effective Date, the Debtors may file with the Bankruptcy Court such agreements or other documents as may be necessary or appropriate to effectuate the terms and conditions of this Plan.

12.3 Reservation of Rights. If the Plan is not confirmed by the Bankruptcy Court or any other Court of competent jurisdiction for any reason, the rights of the Debtors and all parties in interest in the Bankruptcy Case shall and will be reserved in full. Statements and provisions made in the Plan or in the Disclosure Statement are made only for the purpose(s) of the Plan. If the Plan is withdrawn, the Confirmation Order is not entered, or if the Effective Date does not occur, no Person shall be bound by or deemed prejudiced by any such statement or provision.

12.4 Rules of Interpretation; Computation of Time. For purposes of the Plan, (a) any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document as being in a particular form or containing particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, (b) any reference in the Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented, (c) unless

otherwise specified, all references in the Plan to Sections, Articles, and Exhibits, if any, are references to Sections, Articles, and Exhibits of or to the Plan, (d) the words “herein” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan, (e) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan, and (f) the rules of construction set forth in section 102 of the Bankruptcy Code and in the Bankruptcy Rules shall apply. In computing any period of time prescribed or allowed by the Plan, unless otherwise specifically designated herein, the provisions of Bankruptcy Rule 9006(a) shall apply.

12.5 Direction to a Party. From and after the Effective Date, the Debtors may apply to the Bankruptcy Court for the entry of an order directing any Person to execute or deliver or to join in the execution or delivery of any instrument or document reasonably necessary or reasonably appropriate to effect a transfer of properties dealt with by this Plan, and to perform any other act (including the satisfaction of any lien or security interest) that is reasonably necessary or reasonably appropriate for the consummation of the Plan.

12.6 Successors and Assigns. Unless otherwise provided in the Plan, the rights, duties and obligations of any Person named or referred to in this Plan, including all Creditors, shall be binding on, and shall inure to the benefit of, the successors and assigns of such Person.

12.7 Compliance with Tax Requirements. In connection with this Plan, the Debtors shall comply with all withholding and reporting requirements imposed by Federal, State, local or foreign taxing authorities. Under section 1146(a) of the Bankruptcy Code and applicable Delaware law, the issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer under the Plan shall not be taxed under any law imposing a stamp tax or similar tax.

12.8 Post-Effective Date Professional Fees. The reasonable fees and actual and necessary expenses incurred after the Effective Date by professionals for the Debtors shall be paid by the Debtors or Reorganized Debtors upon the submission of an invoice to the Debtors or Reorganized Debtors without the need for further notice to any Person or approval by the Bankruptcy Court.

12.9 Governing Law. Unless a rule of law or procedure is supplied by federal law, including the Bankruptcy Code and Bankruptcy Rules, (a) the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan, and (b) governance matters shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflict of law thereof.

ARTICLE XIII. **MODIFICATION OF THE PLAN**

13.1 The Debtors may alter, amend, or modify the Plan or any exhibits thereto under Bankruptcy Code section 1127(a) at any time prior to the Confirmation Date. After the Confirmation Date and prior to substantial consummation of the Plan, the Debtors may, under Bankruptcy Code section 1127(b), institute proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the

Confirmation Order, and such matters as may be necessary to carry out the purposes and effects of the Plan so long as such proceedings do not materially or adversely affect the treatment of holders of Claims or Interests under the Plan; provided, however, prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or Order of the Bankruptcy Court.

Respectfully submitted,

STARION ENERGY, INC.
Debtor and Debtor in Possession

By: _____

STARION ENERGY, NY, INC.
Debtor and Debtor in Possession

By: _____

STARION ENERGY, PA, INC.
Debtor and Debtor in Possession

By: _____

-- and --

**GELLERT SCALI BUSENKELL &
BROWN, LLC**

By: /s/ Ronald S. Gellert
Ronald S. Gellert (No. 4259)
Holly M. Smith (No. 6497)
1201 North Orange Street, 3rd Floor
Wilmington, Delaware 19801
Tel: (302) 426-5800
rgellert@gsbblaw.com
hmegansmith@gsbblaw.com

Counsel to the Debtors and Debtors-In-Possession

Dated: April 3, 2020
Wilmington, Delaware