

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re:

USA GYMNASTICS,¹

Debtor.

Chapter 11

Case No. 18-09108-RLM-11

**NOTICE OF FILING OF: (I) FIRST AMENDED JOINT CHAPTER 11
PLAN OF REORGANIZATION PROPOSED BY USA GYMNASTICS
AND THE ADDITIONAL TORT CLAIMANTS COMMITTEE OF SEXUAL
ABUSE SURVIVORS; AND (II) DISCLOSURE STATEMENT FOR THE FIRST
AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION
PROPOSED BY USA GYMNASTICS AND THE ADDITIONAL TORT
CLAIMANTS COMMITTEE OF SEXUAL ABUSE SURVIVORS**

PLEASE TAKE NOTICE that on September 22, 2021 USA Gymnastics, as debtor and debtor in possession in the above-captioned chapter 11 case (the “**Debtor**”), and the Additional Tort Claimants Committee of Sexual Abuse Survivors filed the *First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants Committee Of Sexual Abuse Survivors* [Dkt. 1566] (as amended, modified, or supplemented from time to time, the “**Plan**”), and the Debtor filed the *Disclosure Statement For The First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants Committee Of Sexual Abuse Survivors* [Dkt. 1567] (as amended, modified, or supplemented from time to time, the “**Disclosure Statement**”).

PLEASE TAKE FURTHER NOTICE that a redline, showing changes to the Plan from the prior version filed at Dkt. 1551, is attached hereto as **Exhibit A**, and that a redline, showing changes to the Disclosure Statement from the prior version filed at Dkt. 1552, is attached hereto as **Exhibit B**.

PLEASE TAKE FURTHER NOTICE that a copy of the Debtor’s proposed cover letter in support of the Plan is attached hereto as **Exhibit C**.

PLEASE TAKE FURTHER NOTICE that the Disclosure Statement Hearing is scheduled for **October 4, 2021 at 10:30 a.m. (prevailing Eastern time) in person in Courtroom 329, 116 U.S. Courthouse, 46 East Ohio Street, Indianapolis, Indiana 46204**. If the Court determines to hold the Disclosure Statement Hearing remotely, the Debtor will file (but will not serve) an amended notice of the Disclosure Statement Hearing on the Court’s docket, and will also post the amended notice of the Disclosure Statement Hearing on its website and on its restructuring

¹ The last four digits of the Debtor’s federal tax identification number are 7871. The location of the Debtor’s principal office is 1099 N. Meridian St., Suite 800, Indianapolis, Indiana 46204.

website.

PLEASE TAKE FURTHER NOTICE that a dial-in telephone number for interested parties to listen to the Disclosure Statement Hearing, but not actively participate, is 1-888-273-3658, passcode: 9247462#.

PLEASE TAKE FURTHER NOTICE that copies of the Plan, the Disclosure Statement, and the *Debtor's Motion For Order Approving The Disclosure Statement And Plan Confirmation Procedures* [Dkt. 1553], and any other materials filed in this chapter 11 case may be accessed through the case website at: <https://omniagentsolutions.com/usagymnastics>, or by contacting the Debtor's attorneys, on PACER, or from the Clerk of the Court.

Dated: September 22, 2021

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EXHIBIT A

First Amended Plan Changed Pages Redline

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:

USA GYMNASTICS,¹

Debtor.

Chapter 11

Case No. 18-09108-RLM-11

**FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION
PROPOSED BY USA GYMNASTICS AND THE ADDITIONAL
TORT CLAIMANTS COMMITTEE OF SEXUAL ABUSE SURVIVORS**

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Dated: ~~August 31~~ September 22, 2021

¹ The last four digits of the Debtor's federal tax identification number are 7871. The location of the Debtor's principal office is 1099 N. Meridian St., Suite 800, Indianapolis, Indiana 46204.

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USA Gymnastics (“USAG” or the “Debtor”) and the Additional Tort Claimants Committee Of Sexual Abuse Survivors (the “Survivors’ Committee” and together with the Debtor, the “Plan Proponents”) propose the following Plan pursuant to the provisions of chapter 11 of title 11 of the United States Code. The Debtor and the Survivors’ Committee will separately file the *Disclosure Statement for the First Amended Joint Chapter 11 Plan of Reorganization by USA Gymnastics and the Additional Tort Claimants Committee Of Sexual Abuse Survivors* (the “Disclosure Statement”).

Subject to the provisions of Section 1127 of the Bankruptcy Code, the Plan Proponents reserve the right to amend, alter, or modify the Plan one or more times before confirmation and/or substantial consummation.

ARTICLE I. DEFINITIONS

For the purposes of the Plan, all capitalized terms not otherwise defined in the Plan shall have the meanings ascribed to them below or in the Bankruptcy Code or Bankruptcy Rules, as applicable:

1.1 General Definitions.

1.1.1. “105 Order” means the *Agreed Stipulation And Order Pursuant To 11 U.S.C. § 105 Enjoining The Continued Prosecution Of Certain Pre-Petition Lawsuits* [Dkt. 426], entered by the Bankruptcy Court on April 22, 2019.

1.1.2. “Abuse Claimant” means a Holder of an Abuse Claim filed on or before the Bar Date or otherwise deemed timely pursuant to an order of the Bankruptcy Court.

1.1.3. “Abuse Claims” means Sexual Abuse Claims and General Unsecured Claim No. 312 alleging emotional abuse.

1.1.4. “Abuse Claims Settlement Fund” means the Net Settlement Payment less the Future Claimant Reserve and the Trust Reserve.

1.1.5. “Accepting Parties” means, collectively, those (a) CGL Insurers that have entered into the Plan Support Agreement, (b) any other Person that enters into the Plan Support Agreement with the consent of the Debtor and the Survivors’ Committee, and/or (c) any CGL Insurer that accepts its Agreed CGL Insurer Settlement Offer by the date set for approval of the Disclosure Statement or on such later date as agreed to by the Survivors’ Committee and the Debtor.

1.1.6. “Administrative Claim” means a Claim for costs and expenses of administration that is allowable and entitled to priority under Sections 503, 507(a)(2), or 507(b) of the Bankruptcy Code, including any post-petition tax Claims, any actual and necessary expenses of preserving the Estate, any actual and necessary expenses of operating the business of the Debtor, all Professional Claims, and any fees or charges assessed against the Estate under 28 U.S.C. § 1930.

1.1.7. “Administrative Claimant” means the Holder of an Administrative Claim.

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

1.1.19. “Buy-Back Agreement” means a separate settlement and sale agreement between the Debtor and each Debtor CGL Settling Insurer, the form of which is attached hereto as Exhibit G.

1.1.20. “Cash” means cash, cash equivalents, bank deposits, and negotiable instruments payable on demand.

1.1.21. “Causes of Action” means any and all Claims, demands, rights, actions, causes of action, and suits of the Debtor or the Estate, of any kind or character whatsoever, known or unknown, suspected or unsuspected, matured or unmatured, whether arising prior to, on, or after the Petition Date, in contract or in tort, at law or in equity, or under any other theory of law, including (a) rights of setoff, counterclaim, or recoupment, and Claims on contracts or for breaches of duties imposed by law; (b) the right to object to Claims; (c) Claims pursuant to Section 362 of the Bankruptcy Code; (d) such Claims and defenses as fraud, negligence, breach of fiduciary duty, corporate waste, unlawful dividends, mistake, duress, and usury; (e) all Avoidance Rights; (f) all Claims in or related to the Insurance Coverage Adversary Proceeding; (g) Insurance Reimbursement Claims; (h) Claims for tax refunds; and (i) any other Claims which may be asserted against third parties or insiders.

1.1.22. “CGL Insurance Policies” means, collectively, the policies of primary, excess or umbrella comprehensive general liability insurance purchased by the Debtor from the Debtor CGL Insurers, the USOPC from the USOPC Insurers, and the Karolyis from the Karolyi Insurer, each of which is identified in the schedule attached as Exhibit A hereto.

1.1.23. “CGL Insurer” means the Debtor CGL Insurers, the USOPC Insurers, and the Karolyi Insurer, each of which is identified in the schedule attached as Exhibit A hereto.

1.1.24. “CGL Insurer Settlement Offer” means the offers made by the Survivors’ Committee to each CGL Insurer, the amounts of which are set forth in Section 3.2.2.

1.1.25. “Channeled Claim” means Abuse Claims, the FCR Claim, the Participating Party Claims, Indemnification Claims, and/or any Claims against a Participating Party, a Non-Debtor CGL Settling Insurer Covered Person, or a Settling Insurer arising from, in connection with, or related in any way to an Abuse Claim, USAG, or any of the Settling Insurer Policies listed on Exhibit A ~~excepting solely the Personal Injury Claim~~, whenever and wherever arising or asserted, whether sounding in tort, contract, warranty, or any other theory of law, equity, or admiralty, including without limitation all Claims by way of direct action, subrogation, contribution, indemnity, alter ego, statutory or regulatory action, extra-contractual or otherwise, Claims for exemplary or punitive damages, for attorneys’ fees and other expenses, or for any equitable remedy, and whether filed or not and whether filed before or after the Bar Date. In addition, a Channeled Claim includes any Claim against the Debtor, a Participating Party, a Non-Debtor CGL Settling Insurer Covered Person, or a Settling Insurer based on allegations that it is an alter ego of a Person that is not a Participating Party, Non-Debtor CGL Settling Insurer Covered Person, or Settling Insurer or that the Debtor’s, Participating Party’s, Non-Debtor CGL Settling

Insurer Covered Person's or Settling Insurer's corporate veil should be pierced on account of Claims against a Person that is not a Participating Party, Non-Debtor CGL Settling Insurer Covered Person, or Settling Insurer or based on any other theory under which the legal separateness of any Person and any other Person may be disregarded to impose liability for a Claim on either such Person. For the avoidance of doubt and notwithstanding anything to the contrary herein, no Claim by any Person, including an Abuse Claimant or Future Claimant, against an Excluded Party may be a Channeled Claim. The Personal Injury Claim is not a Channeled Claim.

1.1.26. "Channeled Claimant" means a Holder of a Channeled Claim.

1.1.27. "Channeling Injunction" means the injunction provided for under Article XII of the Plan.

1.1.28. "Chapter 11 Case" means the case under Chapter 11 of the Bankruptcy Code commenced by USA Gymnastics on December 5, 2018 in the Bankruptcy Court, Case No. 18-09108-RLM-11.

1.1.29. "Claim" means any past, present, or future claim, demand, action, request, formal or informal subpoena, cause of action, suit, proceeding, or liability of any kind or nature whatsoever, whether at law or equity, known or unknown, actual or alleged, asserted or not asserted, suspected or not suspected, anticipated or unanticipated, accrued or not accrued, fixed or contingent, which has been or may be asserted by or on behalf of any Person, whether seeking damages (including compensatory, punitive, or exemplary damages) or equitable, mandatory, injunctive, or any other type of relief, including cross-claims, counterclaims, third-party claims, suits, lawsuits, administrative proceedings, notices of liability or potential liability, arbitrations, actions, rights, causes of action or orders, and any ~~other~~ claim within the definition of "Claim" in Section 101(5) of the Bankruptcy Code.

1.1.30. "Claims Agent" means Omni Agent Solutions, Inc., the Court appointed Claims and Noticing Agent.

1.1.31. "Claim Enhancement" shall have the meaning given to it in Section 10.8.2.

1.1.32. "Claimant" means a Holder of a Claim.

1.1.33. "Class" means a class of Claims as classified under the Plan.

1.1.34. "Conditional Payment" means any payment made pursuant to Section 1395y(b)(2)(B) of the MSP.

1.1.35. "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order.

1.1.36. "Confirmation Hearing" means the hearing held by the Bankruptcy Court regarding confirmation of the Plan, as such may be continued from time to time.

1.1.70. “Indemnification Claim” means any Person’s Claim against the Debtor for contribution, indemnity, or reimbursement arising as a result of such Person having paid or defended against any Claim and any Claim for future amounts to be paid defending against or paying a Claim. The Claims listed on Exhibit B are Indemnification Claims.

1.1.71. “Insurance Claims” means all Claims, Causes of Action and enforceable rights (other than the duty to defend and the recovery of defense costs incurred before or after the Effective Date) against any Non-Settling Insurer whether sounding in contract, tort, or otherwise, including equity and bad faith, held by:

(a) the Debtor for any reason related to an Abuse Claim including those for (i) indemnity and payment of any Abuse Claim against a Non-Settling Insurer; (ii) any Non-Settling Insurer’s failure or refusal to provide Insurance Coverage of an Abuse Claim under any insurance policy; (iii) any Non-Settling Insurer’s tortious or wrongful Claims handling including the failure or refusal of any Non-Settling Insurer to timely compromise and settle any Abuse Claims against the Debtor pursuant to any insurance policy; and (iv) the interpretation or enforcement of the terms of any insurance policy against a Non-Settling Insurer; and/or

(b) any of the Participating Parties or Settling Insurers for any reason related to an Abuse Claim against the Participating Party or Settling Insurer, whether independently or jointly liable with the Debtor on such Abuse Claim, including (i) indemnity and payment of any Abuse Claim against a Non-Settling Insurer; (ii) any Non-Settling Insurer’s failure or refusal to provide Insurance Coverage under any Insurance Policy for an Abuse Claim against the Debtor, a Participating Party or a Settling Insurer; (iii) any Non-Settling Insurer’s tortious or wrongful Claims handling including the failure or refusal of any Non-Settling Insurer to timely compromise and settle any Abuse Claims against the Debtor, a Participating Party, or a Settling Insurer pursuant to any insurance policy; and (iv) the interpretation or enforcement of the terms of any insurance policy against a Non-Settling Insurer.

The term “Insurance Claims” includes any Claims or Causes of Action against a Non-Settling Insurer for reimbursement of defense costs or related expenses under any CGL Insurance Policy or any Other Insurance Policy incurred by the Debtor through or after the Effective Date. For the sake of clarity, the term “Insurance Claims” does not include any Claims or Causes of Action against a Non-Settling Insurer for reimbursement of defense costs or related expenses under any CGL Insurance Policy or any Other Insurance Policy incurred by a Non-Debtor CGL Settling Insurer Covered Person, or Participating Party through or after the Effective Date.

1.1.72. “Insurance Coverage” means any insurance that is available under any CGL Insurance Policy, Personal Injury Policy or Other Insurance Policy, whether known or unknown to the Debtor, that provides indemnification to: (a) the Debtor or any Person that is a Related Person to the Debtor for any reason or that provides reimbursement for any costs and expenses incurred by the Debtor or any Related Person; or (b) a Participating Party or any Person that is a Related Person to a Participating Party; *provided, however*, Insurance Coverage excludes any agreement or contract providing reinsurance to a Debtor CGL Settling Insurer or a USOPC Settling Insurer.

1.1.73. “Insurance Coverage Adversary Proceeding” means the adversary proceeding docketed as Adversary Proceeding No. 19-50012 pending in the Bankruptcy Court and any related proceedings in the District Court, the Court of Appeals for the Seventh Circuit, or the United States Supreme Court.

1.1.74. “Insurance Reimbursement Claims” means any Claims of the Debtor, the Estate, or the Reorganized Debtor against a Debtor CGL Insurer for reimbursement of fees and costs incurred in defense of any Claim or all Claims insured under the Debtor’s CGL Insurance Policies, including the Claim for recovery of the Debtor’s fees and costs incurred in the Chapter 11 Case as set forth in the Costs Motion or any other motion seeking such reimbursement.

1.1.75. “Karolyi Insurer” means ~~Great American Assurance~~ [Empire Surplus Lines Insurance](#) Company.

1.1.76. “Karolyi Release” means the release provided for in Section 12.11 of the Plan.

1.1.77. “Karolyi Settling Insurer” means the Karolyi Insurer if it has accepted such Karolyi Settling Insurer’s CGL Insurer Settlement Offer.

1.1.78. “Karolyis” means Marta Karolyi (aka Martha Karolyi), Bela Karolyi, Karolyi Training Camps, LLC, Karolyi’s Elite, Karolyi World Gymnastics, BMK Partners, Ltd., and BMK Training Facilities, Ltd.

1.1.79. “Litigation Claimant” shall have the meaning given to it in Section 10.8.

1.1.80. “Litigation Only Alternative” shall mean the alternative described in Section 3.1.2.

1.1.81. “MAO” means Medicare Advantage Organization under parts C and D of the MSMEA.

1.1.82. “Mediators” means the (a) Honorable Gregg W. Zive, United States Bankruptcy Judge for the District of Nevada; (b) Honorable James M. Carr, United States Bankruptcy Judge for the Southern District of Indiana; and (c) Paul Van Osselaer.

1.1.83. “Medicare Beneficiary” means any Abuse Claimant or Future Claimant who is a citizen or resident of the United States and whose Claim indicates that he or she was abused, in whole or in part, after December 5, 1980, and who has applied for, received, or is eligible to receive benefits under the MMSEA or the MSP.

1.1.84. “Medicare Claims” means Claims for benefits paid, received or accrued to an Abuse Claimant or Future Claimant pursuant to the MMSEA or the MSP.

1.1.85. “Medicare Reporting Information” means information that may be required to make a query or report a settlement to CMS or an MAO and may include the Person’s full name, address, telephone number, date of birth, gender, last five digits of the Person’s Social Security number, and Medicare Claim Number, if one exists.

1.1.95. “Outstanding Amount” shall have the meaning given to it in Section 3.9.

1.1.96. “Partial Settlement Option” shall have the meaning given to it in Section 3.5.

1.1.97. “Partial Settlement Option Accepted Party” means (a) the Settling Insurers; and (b) Participating Parties, but only with respect to the Abuse Claims falling under the Settling Insurance Policies; and (c) a Non-Debtor CGL Settling Insurer Covered Person, but only with respect to Abuse Claims falling under the Settling Insurance Policies.

1.1.98. “Partial Settlement Option Provisions” means the provisions in Article X implementing the Partial Settlement Option.

1.1.99. “Participating Party” means the USOPC, the Karolyis, Twistars, and any Person that becomes a Participating Party pursuant to the terms set forth in Section 11.6, all of which are providing or will provide consideration or a portion of the funding for the Plan in exchange for: (a) the release of any indemnification or contribution Claim by the Debtor against such Participating Party; (b) the benefit of the Channeling Injunction; and/or (c) any other benefits in favor of Participating Parties under the Plan. A Settling Insurer is not a Participating Party. A Participating Party shall release all of its Claims against the Debtor, the Estate, and the Reorganized Debtor, and each of their respective Related Persons. The list of current Participating Parties is attached hereto as Exhibit C.

1.1.100. “Participating Party Claim” means any Claims asserted by a Participating Party against the Debtor, including Class 9 Indemnification Claims and the USOPC Claim if the party asserting the Class 9 Indemnification Claim or the USOPC are a Participating Party.

1.1.101. “Person” means any individual or entity, including any corporation, limited liability company, partnership, general partnership, limited partnership, limited liability partnership, limited liability limited partnership, proprietorship, association, joint stock company, joint venture, estate, trust, trustee, personal executor or personal representative, unincorporated association, or other entity, including any federal, international, foreign, state, or local governmental or quasi-governmental entity, body, or political subdivision or any agency or instrumentality thereof and any other individual or entity within the definition of (a) “person” in section 101(41) of the Bankruptcy Code; or (b) “entity” in section 101(15) of the Bankruptcy Code.

1.1.102. “Personal Injury Claim” means ~~General Unsecured~~ Claim No. 251 on the public claims docket maintained by the Claims Agent.

1.1.103. “Personal Injury Claimant” means the Holder of the Personal Injury Claim.

1.1.104. “Personal Injury Coverage” means any insurance that is available under the Personal Injury Insurance Policy solely for the Personal Injury Claim.

1.1.105. “Personal Injury Insurance Policy” means: (a) a general liability primary policy sold by National Casualty with policy number KRO0000006492900 and an

Bankruptcy Code in connection with an application made to the Bankruptcy Court in the Chapter 11 case.

1.1.119. “Professional Claims Bar Date” means (a) forty-five (45) days after a notice of the Effective Date is filed with the Bankruptcy Court and served on such Professional or other Persons; or (b) such later date as the Bankruptcy Court shall order upon application made prior to the end of such 45-day period.

1.1.120. “Professional Fee Hold-Back” means, if the Total Settlement Demand Amount is fully funded on the Effective Date, the amount retained by the Debtor or the Reorganized Debtor from the Total Settlement Demand Amount to pay Professional Claims through the Effective Date, and if Debtor and the Survivors’ Committee elect to proceed with the Partial Settlement Option, the amount retained by the Debtor or the Reorganized Debtor from all payments made by Partial Settlement Option Accepted Parties to pay Professional Claims through the Effective Date. Under the Litigation Only Alternative, Professional Claims shall be paid from the Trust after the Trust Reserve is funded in an amount of \$5 million.

1.1.121. “Pro Rata” means, with respect to any Distribution on account of any Allowed Claim in any Class, the ratio of (a) the amount of such Allowed Claim to (b) the sum of (i) all Allowed Claims in such Class and (ii) the aggregate maximum of all Allowed Claims in such Class.

1.1.122. “Protected Parties” or “Protected Party” means the Debtor, the Estate, the Reorganized Debtor, any Participating Party, any Settling Insurer, any Non-Debtor CGL Settling Insurer Covered Person, and their respective Related Persons. For the avoidance of doubt and notwithstanding anything to the contrary herein, no Excluded Party may be a Protected Party.

1.1.123. “PSA Termination Date” shall have the meaning given to it in Section 3.4.

1.1.124. “Related Person” means, with respect to any Person, such Person’s predecessors, successors, assigns, and present and former shareholders, affiliates, subsidiaries, employees, agents, brokers, adjusters, managing agents, claims agents, underwriting agents, administrators, officers, directors, trustees, partners, attorneys, financial advisors, accountants, and consultants, each in their capacities solely as such; *provided, however*, that no Person shall be a Related Person if such Person is an Excluded Party.

1.1.125. “Released Parties” means (a) a Participating Party; (b) the Participating Party’s Related Persons; (c) a Settling Insurer, but only to the extent that such Settling Insurer’s liability arises out of -, or relates to, the Settling Insurance Policies; (d) a Settling Insurer’s Related Persons, but only to the extent such Person’s liability arises out of -, or relates to, the Settling Insurance Policies; and (e) the Non-Debtor CGL Settling Insurer Covered Persons; *provided, however*, that the scope of any release for a Non-Debtor CGL Settling Insurer Covered Person under this Plan shall apply only to the extent of the liability for such Person that is covered by Insurance Policies issued by the Settling Insurer or that is covered by a Claim of indemnity against the Debtor. The term “Released Parties” does not include any Excluded Party.

authority figure allegedly affiliated with the Debtor, as a member or otherwise, or any current or former employee or volunteer of the Debtor, or any other Person for whose acts or failures the Debtor is or was allegedly responsible, or the alleged failure by the Debtor or a Protected Party or their respective alleged agents, employees, or volunteers to report the same. An adult or child may have been sexually abused whether or not this activity involved explicit force, whether or not this activity involved genital or other physical contact, and whether or not there was physical, psychological, or emotional harm to the adult or child. With regard to USOPC, the term “Sexual Abuse” does not include any actual or alleged acts or omissions of the nature contemplated by this provision involving athletes, medical professionals, coaches, trainers, therapists, volunteers, authority figures, or other individuals unless such Abuse Claim relates to the Debtor.

1.1.135. “**Sexual Abuse Claim**” means a Claim arising from [or relating to](#) Sexual Abuse.

1.1.136. “**Sharp Claim**” means the secured Claim of Sharp Business Systems, as assigned to Wells Fargo Financial Leasing, Inc.

1.1.137. “**Survivors’ Committee**” means the Additional Tort Claimants Committee Of Sexual Abuse Survivors, appointed by the U.S. Trustee on December 19, 2018.

1.1.138. “**Survivors’ Committee’s Professionals**” means Pachulski Stang Ziehl & Jones LLP, Rubin & Levin, P.C., and all other professionals, if any, which the Survivors’ Committee has retained or may retain to provide professional services in accordance with Section 1103(a) of the Bankruptcy Code and as approved by the Bankruptcy Court.

1.1.139. “**Target Policy**” shall have the meaning given to it in Section 10.8.3.

1.1.140. “**Total Settlement Demand Amount**” means \$425,000,000.00, which represents the aggregate amount of the CGL Insurer Settlement Offers.

1.1.141. “**Trust**” means the trust to be established pursuant to the Plan and the Trust Agreement.

1.1.142. “**Trust Agreement**” means the agreement between and among the Debtor, the Survivors’ Committee and the Settlement Trustee governing the Trust.

1.1.143. “**Trust Assets**” means all property funded to the Trust pursuant to Section 9.2.2 of the Plan.

1.1.144. “**Trust Documents**” means the Trust Agreement and all other instruments and other documents that are reasonably necessary or desirable in order to implement the provisions of the Plan that relate to the creation, funding, and administration of the Trust.

1.1.145. “**Trust Expenses**” means the costs of administering the Trust, including payments to the Settlement Trustee and payments to or on behalf of professionals retained to represent the Trust.

be deemed to have been completed as of the required date. Enlargement of any period of time prescribed or allowed by the Plan shall be governed by the provisions of Bankruptcy Rule 9006(b).

2.13 Merger. The Plan supersedes all prior plans, drafts of the Plan, and all prior negotiations, agreements, and understandings with respect to the Plan, evidence of which shall not affect the interpretation of any provision of the Plan.

ARTICLE III. MEANS OF FUNDING THE PLAN

3.1 Plan's Objective. The Plan provides the means for settling and paying all Claims asserted against the Debtor. With respect to holders of General Unsecured Claims that do not elect treatment as General Unsecured Convenience Claims, such Claims will receive payments over three years in an amount equal to eighty (80%) percent of such Holder's Allowed Claim. With respect to Abuse Claims, the USOPC Claim, and the Class 9 Indemnification Claims, the Plan provides two alternatives: (a) the Full or Partial Settlement Alternative, and (b) the Litigation Only Alternative.

3.1.1. Full or Partial Settlement Alternative: If the CGL Insurers commit to fund the Total Settlement Demand Amount or the Debtor and the Survivors' Committee jointly elect to proceed with the Partial Settlement Option, in accordance with Section 3.5, the Plan provides for the creation of a Trust for the exclusive benefit of Abuse Claimants and Future Claimants. The Trust Assets will consist of contributions of the Net Settlement Payment by the Debtor and by Participating Parties and Settling Insurer(s) and, if applicable and to the full extent allowed without impairment of any CGL Insurers' coverage obligations, the assignment of Insurance Claims, including Insurance Claims held by Settling Insurers and Participating Parties. Trust Assets will be used to fund Distributions to holders of Abuse Claims and holders of Future Claims. Under the Partial Settlement Option, Abuse Claimants whose Claims are covered by a Non-Settling Insurers' policy may elect to pursue litigation against the Debtor and any other defendant; *provided, however*, that any such Claims are subject to the terms of this Plan and that Claims against the Debtor or a Protected Party may recover only from a CGL Insurance Policy issued by a Non-Settling Insurer of the Debtor or a CGL Insurance Policy issued by a Non-Settling Insurer of a Protected Party. Exhibit E hereto identifies which Abuse Claims are covered by each [Non-Settling Insurer's](#) CGL Insurance Policy.

A Future Claims Reserve will be established for the payment of any Future Claims and any amounts remaining in the Future Claims Reserve will revert to the Trust's general funds for use and Distribution as set forth in the Trust Agreement after five years. Distributions and reserves from the Trust to Abuse Claimants and Future Claimants will be determined by application of the Allocation Protocol and the Future Claimant Allocation Protocol, as the case may be. Sexual Abuse Claims filed after the Bar Date or not deemed to be filed by the Bar Date will not receive any Distribution from the Trust, but will be channeled to the Trust and subject to the Channeling Injunction.

Each Protected Party ~~and Settling Insurer~~ will receive the benefit of injunctions and releases provided under this Plan, including under Article XII of the Plan. Nothing in this Plan is intended to replace and does not affect, diminish or impair the liabilities of any Non-Settling Insurer or any

Person that is not a Protected Party under applicable non-bankruptcy law, including the law governing joint and several liabilities.

3.1.2. Litigation Only Alternative: If the CGL Insurers do not commit to fund the Total Settlement Demand Amount or the Debtor and the Survivors' Committee do not agree to proceed with the Partial Settlement Option, the Plan does not provide for the creation of a Trust or for a Future Claims Reserve. Instead, as set forth in Article XIII, the Plan permits all Holders of Abuse Claims filed or deemed to be filed by the Bar Date to prosecute their Claims against the Reorganized Debtor in name only in the courts where such Claims were pending before the Petition Date or the courts in which such Claims could have been brought, but for the automatic stay imposed by Section 362 of the Bankruptcy Code. Holders of Abuse Claims may recover any judgments or awards against the Debtor only from the proceeds of the CGL Insurance Policies issued by the Debtor's CGL Insurers. The 105 Order will be vacated. The Plan will include no injunctions and releases for the benefit of Settling Insurers or Protected Parties. The Debtor will not enter into Buy-Back Agreements with any of the Debtor's CGL Insurers and all of the Debtor's Insurance Policies shall remain in full force and effect. The Debtor will receive a discharge.

3.2 Survivors' Committee's Offer To Resolve Abuse Claims.

3.2.1. Survivors' Committee's Offer To The CGL Insurance Carriers. Through the Plan, the Survivors' Committee offers to fully and finally resolve all Abuse Claims and the FCR Claim against the Debtor and its Related Persons, the USOPC and its Related Persons, the Karolyis and their Related Persons, [the Settling Insurers](#), and the Non-Debtor CGL Settling ~~Insured~~-[Insurer](#) Covered Persons. This is a compromise resolution of the contested Abuse Claims based upon a reasonable assessment of the risks and potential costs of continued litigation.

3.2.2. The CGL Insurer Settlement Offer. The CGL Insurer Settlement Offer made to each CGL Insurer set forth below is an independent offer to compromise with that CGL Insurer for Claims potentially triggering such CGL Insurer's applicable CGL Insurance Policy and is contingent only upon: (i) the Holders of Class 6 Claims voting to accept the Plan; (ii) the acceptance of all CGL Insurer Settlement Offers by each and every CGL Insurer (for the avoidance of doubt, acceptance of the CGL Insurer Settlement Offers means, with respect to a CGL Insurer that also issued policies to the USOPC and/or the Karolyis, the acceptance of the total CGL Insurer Settlement Offer for each of those policies, as set forth below); and (iii) certain judicial determinations described below.

CGL Insurers	CGL Insurer Settlement Offer
Virginia Surety Company f/k/a/ Combined Specialty Insurance Company Debtor Policies USOPC Policies	\$27,899,577 \$4,230,199 <u>\$XXXX</u> <u>\$XXXX</u> Total: \$32,129,776XXXX²
National Casualty Company Debtor policies USOPC policies	\$XXXX \$XXXX Total: \$XXX²XXXX
TIG Insurance Company Debtor policies USOPC policies	\$67,157,545 \$39,044,273 Total: \$106,201,818
CIGNA Insurance Company (n/k/a ACE American Insurance Company) (Debtor Policies Only)	Total: \$XXXX
National Union Fire Insurance Company of Pittsburgh, P.A. (n/k/a AIG) (Debtor Policies Only)	Total: \$XXXX
Gemini Insurance Company (USOPC Policies Only)	Total: \$XXXX
Great American Assurance Company Debtor/Karolyi Policies USOPC Policies	\$28,121,305 \$13,166,680 Total: \$41,287,985
Philadelphia Indemnity Insurance Company (USOPC Policies Only)	Total: \$1,903,311XXXX
Total:	Total: \$425,000,000.00

² CGI Insurers who have reached agreement on a number are shown as XXXX.

~~² CGI Insurers who have reached agreement on a number are shown as XXXX.~~

3.3 Debtor's Representations. The Debtor supports the CGL Insurer Settlement Offers and has demanded that the Debtor CGL Insurers accept the CGL Insurer Settlement Offers. In support of the CGL Insurer Settlement Offers, the Debtor has agreed, assuming that the Total Settlement Demand Amount is funded or the Debtor and the Survivors' Committee jointly elect to proceed with the Partial Settlement Option, that on the Effective Date, each Debtor Settling CGL Insurer may buy-back its Debtor CGL Insurance Policies pursuant to the Buy-Back Agreement. The Debtor has agreed that it will obtain approval of such Buy-Back Agreements pursuant to Bankruptcy Code §363(b), (f), §1123(a)(5), (b)(6) and §1129. The USOPC has agreed that on the Effective Date, it will provide the USOPC Release to each of the USOPC Settling Insurers (other than with respect to an Abuse Claim for which USOPC has not received a release from the Sexual Abuse Claimant) and the Karolyis have agreed that on the Effective Date they will provide the Karolyi Release to the Karolyi Settling Insurer (other than with respect to an Abuse Claim for which the Karolyis have not received a release from the Sexual Abuse Claimant). ~~Each~~ In addition to the other Persons receiving the benefit of the Plan's Channeling Injunction and other injunctions and releases, each Settling Insurer will receive the benefit of the Plan's Channeling Injunction and other injunctions and releases set forth in this Plan. The support of the Debtor, the USOPC, or the Karolyis for the CGL Insurer Settlement Offers, shall not be deemed to be an admission of liability of any sort by any Person, and may not be proffered as such in any forum.

3.4 Deadline To Accept CGL Insurer Settlement Offer. The deadline for each CGL Insurer to either accept or reject its CGL Insurer Settlement Offer is the date set for the hearing on approval of the Disclosure Statement, or such later date as agreed to by the Survivors' Committee and the Debtor.

3.5 Partial Settlement Option. If fewer than all of the CGL Insurers accept the CGL Insurer Settlement Offers by the date set for the hearing on approval of the Disclosure Statement, the Debtor and the Survivors' Committee may, each in their sole discretion, jointly elect to invoke the Partial Settlement Option Provisions, set forth in Article X of this Plan, in which case the Insurance Claims against any Non-Settling CGL Insurer shall be transferred to the Trust as set forth in Section 10.5 (the "**Partial Settlement Option**"). The Debtor and the Survivors' Committee will provide notice of whether such election will be made by the conclusion of the hearing to approve the Disclosure Statement.

3.6 Funding of Agreed CGL Insurer Payments. If the Total Settlement ~~Offer-Demand~~ Amount is fully funded or if the Debtor and the Survivors' Committee elect to proceed with the Partial Settlement Option, then, on the Effective Date, (i) each Settling Insurer shall make its Agreed CGL Insurer Settlement Payment by wire transfer to the Debtor pursuant to such Settling Insurer's Buy-Back Agreement and (ii) the Trust will be established pursuant to the Trust Agreement for the exclusive benefit of the Holders of Abuse Claims and the FCR Claim. Upon receipt of the Agreed CGL Insurer Payments from the Settling Insurers, the Debtor will wire the Net Settlement Payment to the Trust. In addition, the Trust will also be funded with the Twistars Settlement and, in the event that the Debtor and the Survivors' Committee elect to proceed with the Partial Settlement Option, a transfer of the Insurance Claims against the Non-Settling Insurers, as set forth in Section 10.5.

3.7 Other Trust Funding. If the Total Settlement ~~Offer-Demand~~ Amount is fully funded or if the Debtor and the Survivors' Committee jointly elect to proceed with the Partial

Settlement Option, the Plan also provides for the implementation of the Twistars Settlement and the contribution of the Twistars Payment to the Trust. Twistars, the Twistars Settling Insurers, and certain holders of Class 6 Claims agreed to the Twistars Settlement conditioned upon the Twistars Settlement being implemented through a plan of reorganization for the Debtor that provided for a channeling injunction that protected Twistars and the Twistars Settling Insurers. The Debtor was not a party to the Twistars Settlement, however, the Debtor has agreed to implement the Twistars Settlement through the Plan. On the Effective Date, the Twistars Settling Insurers shall make the Twistars Payment to the Trust by wire transfer.

3.8 Resolution of the Insurance Coverage Adversary Proceeding as to the Settling Insurers under the Full or Partial Settlement Alternative. Under the Full or Partial Settlement Alternative, the Confirmation Order shall provide that, subject to the occurrence of the Effective Date, the Debtor and any other plaintiffs shall dismiss with prejudice any and all Claims against the Settling Insurers in the Insurance Coverage Adversary Proceeding, with each party to bear its own costs, provided, however, that such dismissal shall not affect the Claims of the Debtor and any other plaintiffs against any Non-Settling Insurers- nor shall such dismissal affect the Personal Injury Insurance Coverage, solely as to the Personal Injury Claim. The Reorganized Debtor shall continue to prosecute its Costs Motion and the recovery of Insurance Reimbursement Claims against any Non-Settling Insurers. Any recovery on account of the Costs Motion or any Insurance Reimbursement Claim shall be used first to repay the Trust its Professional Fee Hold-Back less the costs of such litigation incurred after the Effective Date with the balance of any recovery retained by the Reorganized Debtor. From and after the Effective Date, except with respect to any Settling Insurer, the Trust may pursue all other Insurance Claims through the Insurance Coverage Adversary Proceeding or such other action as the Trust determines to file.

3.9 Debtor CGL Settling Insurers' Obligation To Reimburse The Debtor For Insurance Reimbursement Claims. The Debtor CGL Settling Insurers will continue pay any reasonable and necessary attorneys' fees, costs, and/or expenses incurred by the Debtor of the same nature and type that such Settling Insurer has historically been paying on behalf of the Debtor, in the ordinary course of business since the Petition Date and prior to the Effective Date, pursuant to the Debtor CGL Settling Insurance Policies, including but not limited to the policies listed on Exhibit A, but such obligation shall not include any fees or costs of the nature and/or type sought in the Costs Motion, and/or any fees or costs for a claim for which that Settling Insurer previously denied coverage. To the extent any such amounts are outstanding on the Effective Date (the "**Outstanding Amount**"), the Debtor CGL Settling Insurer which owes such Outstanding Amount shall pay such Outstanding Amount to the Debtor or its applicable vendor on the Effective Date and the Debtor shall retain such Outstanding Amount and shall not be obligated to transfer such Outstanding Amount to the Trust. The payment of an Outstanding Amount shall be in addition to the payment of the Debtor CGL Settling Insurers' Agreed CGL Insurer Payment. The Debtor retains the right to continue to pursue collection of the Outstanding Amounts and any additional amounts that may come due after the Effective Date from any of the Debtor's CGL Insurers that are not a Settling Insurer and from the Debtor's Other Insurers. Consistent with the foregoing, the Outstanding Amount owed by a Debtor CGL Settling Insurer on the Effective Date shall not include any attorneys' fees, costs or expenses for which the Debtor is seeking reimbursement in the Costs Motion. If the Outstanding Amounts owed to EPIQ are still the subject of an on-going arbitration or otherwise in dispute as of the Effective Date, the existence of any Outstanding Amounts owed by any Debtor CGL Settling Insurer to EPIQ shall in no way prevent any Debtor

appointment by the deadline for filing objections to confirmation of this Plan, that party in interest shall be deemed to have irrevocably consented to the appointment and will be forever barred from asserting that the appointment in any way affects the ability of the Trust to pursue Insurance Claims from the Non-Settling Insurers, and each of them, or Insurance Coverage. In the event that the Bankruptcy Court determines that the appointment is valid and does not defeat or impair the Insurance Coverage, following the Effective Date of the Plan, the Trust shall assume responsibility for, and be bound by, only such obligations of the Debtor and Participating Parties under the Insurance Policies as are necessary to act as the representative of the Debtor's estate or any Participating Party for the purpose of retaining and enforcing the Debtor's and the Debtor's Estate's rights, if any, to Insurance Claims against the Non-Settling Insurers and any recoveries on Insurance Claims; *provided, however*, that the Trust's appointment shall not relieve the Debtor, the Reorganized Debtor or the Participating Parties from any obligation that such entities may have under the Insurance Policies.

- (c) In the event that the Bankruptcy Court does not enter an order determining that either the assignment of the Insurance Claims or the appointment of a representative for the Insurance Claims is valid and does not defeat or impair the Insurance Coverage, the Reorganized Debtor, and each of the Participating Parties, will retain the Insurance Claims. The Reorganized Debtor, or a Participating Party will assert Insurance Claims to the extent requested by the Trust against any Non-Settling Insurer. All recoveries on account of Insurance Claims will be paid to the Trust. The Reorganized Debtor or Participating Party will retain counsel to prosecute any Insurance Claims, subject to the Settlement Trustee's approval, which approval shall not be unreasonably withheld. The Trust shall pay the reasonable attorney's fees and costs and expenses of such counsel.
- (d) The duties, obligations, and liabilities of any Non-Settling CGL Insurer are not enhanced, altered, diminished, reduced, or eliminated by: (i) the discharge of the Debtor from all Abuse Claims or any covenants not to execute against the assets (exclusive of insurance policies) of any Participating Party; (ii) the injunctive protection provided to the Protected Parties; or (iii) the assumption of and responsibility for all Abuse Claims by the Trust.

10.6 Treatment of CGL Insurers That Are Not A Partial Settlement Option Accepted Party. Any CGL Insurer or other Person that is not a Partial Settlement Option Accepted Party shall not receive the benefit of a Channeling Injunction or any release or exculpation under the Plan.

10.7 No Claims Of Non-Settling Insurers Against Settling Insurers or Non-Debtor CGL Settling Insurer Covered Persons. Consistent with the holdings in *Eli Lilly and Co. v. The Aetna Casualty and Surety Co., et al.*, Cause No. 49D12 0102 CP 000243 (Marion Cty. Sup. Ct. 2002) and *Southern Indiana Gas & Electric Company v. Admiral Ins. Co.*, Cause No. 49D05 0411 PL 2265 (Marion Cty. Sup. Ct. 2011), the Confirmation Order shall order that any Non-Settling

Insurer shall have no Claims, causes of action, or any other remedies of any kind, in law or equity, against any Settling Insurer or Non-Debtor CGL Settling Insurer Covered Persons and any and all such Claims, causes of action, and other remedies shall be deemed released and enjoined.

10.8 Abuse Claimant's Right to Litigate Abuse Claim Upon Failure of CGL Insurer to Accept Its CGL Insurer Settlement Offer. If the Debtor and the Survivors' Committee, each in their sole discretion, jointly elect to proceed with the Partial Settlement Option, an Abuse Claimant whose Abuse Claim is covered by a Non-Settling CGL Insurer, as set forth on Exhibit E, may make a one-time election to be treated as a "**Litigation Claimant**" within 60 days of the Effective Date of the Plan, but solely to the extent that such Abuse Claim may be covered by a Non-Settling Insurer. A Future Claimant may not elect to become a Litigation Claimant. An Abuse Claimant whose Abuse Claim is covered by a Settling Insurer may not elect to become a Litigation Claimant.

10.8.1. Litigation Claimant's Right to Commence or Continue Actions. A Litigation Claimant may, at his or her own expense, commence or continue any action against the Debtor or a Participating Party that is covered by a Non-Settling Insurer; *provided, however*, that such Litigation Claimant may only collect a judgment or award from the proceeds of an insurance policy issued by a Non-Settling Insurer.

10.8.2. Effect of Trust Insurance Settlements. To the extent the Settlement Trustee enters into a settlement agreement (such settlement, a "**Trust Insurance Settlement**") with any Non-Settling Insurer that covers a Litigation Claimant's Abuse Claim (the policy or policies that respond to such Claim(s) are a "**Target Policy**"), such Litigation Claimant shall be entitled to an enhancement (the "**Claim Enhancement**") as set forth below to his or her allocation pursuant to the Allocation Protocol, which enhanced amount shall be deducted from the proceeds of the settlement agreement with the applicable Non-Settling Insurer. The Claim Enhancements are independent of one another, and are not intended to be cumulative. The Trustee shall reserve sufficient amounts to fund such enhanced payments prior to Distribution of settlement proceeds to Abuse Claimants who are not Litigation Claimants.

10.8.3. Application of Claim Enhancement. The Claim Enhancement shall be applied as follows:

- (a) A Litigation Claimant shall be entitled to an enhancement of five percent (5%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into prior to such time that discovery is propounded in such Litigation Claimant's case.
- (b) A Litigation Claimant shall be entitled to an enhancement of ten percent (10%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into after discovery is propounded but before a motion for summary judgment is filed in such Litigation Claimant's case.
- (c) A Litigation Claimant shall be entitled to an enhancement of fifteen percent (15%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into

case of the USOPC Insurers with the consent of the USOPC, upon approval of the Bankruptcy Court (and upon payment of an amount that is acceptable to the Settlement Trustee and the Reorganized Debtor, which amount may or may not be the same as that Person's CGL Insurer Settlement Offer). If the addition of such Person is approved pursuant to a Final Order, the defined term "Settling Insurer" will be deemed amended to include such Person.

11.7.1. Rights of Additional Settling Insurers. Any Person becoming a Settling Insurer shall have all of the rights, remedies, and duties of a Settling Insurer notwithstanding that such Person originally may have been excluded as a Settling Insurer under any provision of the Plan. Such rights, remedies, and duties shall include, without limitation, the terms and conditions of the Channeling Injunction.

11.7.2. Retention of Jurisdiction. The Bankruptcy Court's retained jurisdiction to approve an agreement under this Section shall include jurisdiction to determine the adequacy of notice of a motion to approve such an agreement.

11.8 Future Claimant Process. A Future Claimant must file a Claim with the Settlement Trustee on or before the fifth (5th) anniversary of the Effective Date. The Claim will be entitled to a Distribution from the Future Claimant Reserve, provided funds remain in such Future Claimant Reserve, only if the Settlement Trustee, in consultation with the FCR, determines that the Holder of such Claim has proven by a preponderance of the evidence that such Holder meets the definition of a Future Claimant and such Holder's Claim meets the definition of a Sexual Abuse Claim. Except as provided in the Plan, Future Claimants will have no right to payment or any other right under the Plan or against the Debtor, the Estate, or the Reorganized Debtor, or any of their respective property including any Revested Assets, or against the Settling Insurers, or the Participating Parties, or any Persons that are Related Persons to any of the foregoing Persons. Following the fifth (5th) anniversary of the Effective Date, any funds held in the Future Claimant Reserve shall be released to the Settlement Trustee to administer to Holders of Abuse Claims consistent with the Trust Documents and the terms of this Plan. In the event that the remaining funds held, when combined with other Trust assets, total \$50,000 or less, the Settlement Trustee shall have the discretion to either (a) administer to Holders of Abuse Claims consistent with the Trust Documents and the terms of the Plan; or (b) distribute to a charitable entity mutually agreed upon by the Settlement Trustee and the Reorganized Debtor; *provided, however*, that any such funds shall not revert to the Debtor, the Estate, the Reorganized Debtor, the National Gymnastics Foundation, or the USOPC.

11.9 Special Distribution Conditions.

11.9.1. Medicare Secondary Payer. Pursuant to the MMSEA, the Trust shall be the applicable plan from which any Abuse Claimant and Future Claimant who might also be a Medicare Beneficiary receives payment on account of a Tort Claim. All payment obligations to any Abuse Claimant or Future Claimant will be funded from the assets of the Trust, and the [Trust and](#) Settlement Trustee, in his capacity as trustee, shall be the Responsible Reporting Entity as that term is defined in the MMSEA and the Confirmation Order shall so provide. ~~To the extent that any of the Trust, the Debtor, the Reorganized Debtor, the Settling Insurers or the Participating Parties may be considered Responsible Reporting Entities for purposes of MMSEA (and the Debtor does not concede or contend that they are), the Trust shall, at its sole expense, in connection with the~~

~~implementation of the Plan, act as a reporting agent for the Debtor, the Reorganized Debtor, the Participating Parties, and the Settling Insurers, as applicable, and The Trust shall register as an RRE, and shall report under the Trust's RRE number. The Trust shall timely submit all reports that would be required to be made by any of the Debtor, the Reorganized Debtor, the Participating Parties, or any of the Settling Insurers as a Responsible Reporting Entity under MMSEA if any, some or all of them would have had such obligations but for the terms of the settlements with the Settling Insurers, the terms of the Plan and creation of the Trust.~~ on account of any Claims settled, resolved, paid, or otherwise liquidated by the Trust or with respect to contributions to the Trust for purposes of MMSEA. The Trust, ~~in its role as reporting agent,~~ and Trustee shall follow all applicable guidance published by the Centers for Medicare and Medicaid Services ("CMS") to determine whether or not, and, if so, how, to report to CMS pursuant to MMSEA.

11.9.2. Medicare-Related Obligations. The Settlement Trustee as the RRE will be responsible for fulfilling, at the sole expense of the Trust, the reporting and reimbursement requirements, if any, pursuant to the MSP and the MMSEA and any other similar statute or regulation, and any related rules, regulations, user guides, or any other guidance issued in connection therewith. The Settlement Trustee shall obtain information needed to query beneficiary status, to complete section 111 reporting, and to reimburse conditional payments. The Settlement Trustee as the RRE shall follow all applicable guidance published by the Centers for Medicare and Medicaid Services ("CMS") to determine whether or not and, if so, how, to report to CMS pursuant to the MMSEA and to protect the Medicare Trust Fund as required by the MSP. All Medicare-Related Obligations apply equally to any MAO as to CMS.

- (a) On or after the date that the Confirmation Order becomes a Final Order, the Settlement Trustee shall determine, for any Abuse Claimant or Future Claimant whose Claim, including a proof of Claim, complaint (if one has been served or filed), or other documentation offered in support of that Claim, if the Person potentially alleges or indicates that he or she was or may have suffered Abuse after December 5, 1980 (a "Post- 1980 Claimant"), by query to CMS: (i) whether that Post-1980 Claimant is Medicare Eligible (as defined in the Plan) and, if so, (ii) whether he or she has received, or if any medical provider has received for items and services rendered to the Claimant, any Conditional Payment arising from or relating to treatment for Abuse. The Settlement Trustee shall initiate such queries as soon as practicable, including prior to the Effective Date. The Settlement Trustee shall also, reasonably contemporaneously with initiating such queries, provide to any of the Reorganized Debtor, or Settling Insurer who may request all information necessary to perform the same queries, although none of the Reorganized Debtor, or any Settling Insurer is under an obligation to conduct such queries.
- (b) If the Settlement Trustee does not receive a response from CMS (including a response from a query that the Reorganized Debtor, or a Settling Insurer or Tort Claimant's counsel has initiated, so long as the Reorganized Debtor, and Settling Insurer receives a copy of

that continued reporting is required, then the Trust shall promptly perform its obligations under Sections 11.9.1, 11.9.2, 11.9.3, 11.9.4, or 11.9.5.

11.9.7. Prophylactic Measures. Section 11.9 is intended to be purely prophylactic in nature, and does not imply, and shall not constitute an admission, that the Debtor, the Reorganized Debtor, the Participating Parties, and/or the Settling Insurers are in fact Responsible Reporting Entities or within the meaning of MMSEA, or that they have any legal obligation to report any actions undertaken by the Settlement Trustee or contributions to the Trust under MMSEA or any other statute or regulation.

11.9.8. Corrections of Reports. In the event that CMS concludes that reporting done by the Settlement Trustee in accordance with Section 11.9 is or may be deficient in any way, and has not been corrected to the satisfaction of CMS in a timely manner, or if CMS communicates to the Trust, the Debtor, the Reorganized Debtor, any of the Participating Parties, or any of the Settling Insurers a concern with respect to the sufficiency or timeliness of such reporting, or there appears to the Debtor, the Reorganized Debtor, the Participating Parties, or any of the Settling Insurers a reasonable basis for a concern with respect to the sufficiency or timeliness of such reporting or non-reporting based upon the information received pursuant to sections 11.9.1, 11.9.2, 11.9.3, 11.9.4, or 11.9.5, or other credible information, then each of the Debtor, the Reorganized Debtor, the Participating Parties, and the Settling Insurers shall have the right to submit its own reports to CMS under MMSEA, and the Trust shall provide to any party that elects to file its own reports such information as the electing party may require in order to comply with MMSEA, including the full reports filed by the Trust pursuant to Section 11.9.1 or 11.9.2 without any redactions. The Debtor, the Reorganized Debtor, the Participating Parties and the Settling Insurers shall keep any information they receive from the Trust pursuant to this Section confidential and shall not use such information for any purpose other than meeting obligations under MMSEA.

11.9.9. Medicare Reporting Information Required. The Debtor, the Reorganized Debtor, the Participating Parties, and the Settling Insurers intend to protect, and not to impair, the Medicare Trust Fund. Notwithstanding any other provisions hereof, for each Abuse Claimant and Future Claimant, the Settlement Trustee shall ~~not~~ be required to report ~~as required by under~~ this Section ~~until such and must rely on each~~ Person on whose behalf the Settlement Trustee is required to report ~~shall to~~ have provided all Medicare Reporting Information that may be required, including the Person's full name, address, telephone number, date of birth, gender, last five digits of the Person's Social Security number, ~~and~~ Medicare Number, and Medicare Claim Number, if one exists. ~~Moreover, the~~ The Settlement Trustee shall make at least three requests of each Person for Medicare Reporting Information. The Trust shall have no indemnification obligation under Section 11.9.11 to ~~such Person~~ any Person who refuses to provide any Medicare Reporting Information, following at least three requests, for any penalty, interest, or sanction with respect to a Claim that may arise solely on account of such Person's failure timely to provide all required Medicare Reporting Information to the Settlement Trustee in response to ~~a timely request requests~~ by the Trust for such Medicare Reporting Information. However, nothing herein relieves the Settlement Trustee from its reporting obligations with respect to each Person who provides the Settlement Trustee with its Medicare Reporting Information. The Trust shall indemnify the Debtor, the Estate, the Reorganized Debtor, a Participating Party, or a Settling Insurer for any failure to report payments to Medicare-eligible Abuse Claimants or Future Claimants who have supplied Medicare Reporting Information.

11.9.10. Payment from the Trust. In connection with the implementation of the Plan, the Settlement Trustee of the Trust shall obtain, prior to remitting funds to an Abuse Claimant's or Future Claimant's counsel, or to an Abuse Claimant or Future Claimant, if *pro se*, in respect of any Claim, a certification from the Abuse Claimant or Future Claimant to be paid that said Abuse Claimant or Future Claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under the MSP relating to such Claim; otherwise the Trust shall withhold from any payment to the Abuse Claimant or Future Claimant funds sufficient to assure that any obligations owing or potentially owing under the MSP relating to such Claim are paid to CMS. The Trust shall provide a quarterly certification of its compliance with this Section to each of the Debtor, the Reorganized Debtor, the Participating Parties, and the Settling Insurers, and permit reasonable audits by such Persons, no more often than quarterly, to confirm the Trust's compliance with this Section. For the avoidance of doubt, the Trust shall be obligated to comply with the requirements of this Section regardless of whether any of the Participating Parties or the Settling Insurers elects to file its own reports under MMSEA pursuant to Section 11.9.8.

11.9.11. Indemnification. The Trust shall defend, indemnify, and hold harmless the Debtor, the Estate, the Reorganized Debtor, the Participating Parties, and the Settling Insurers from any Claims related to MSP compliance, including Medicare Claims reporting and payment obligations, whether relating to past Conditional Payments made, future payments to be made, or otherwise arising out of, relating to, or in connection with Tort Claims, including any obligations owing or potentially owing under MMSEA or MSP, and any Claims related to the Trust's obligations under the Plan, the Trust Documents, and the Plan Documents. The Trust shall not create a reserve for this potential obligation.

11.9.12. Medicare Hold-back. The Trust shall establish a "**Medicare Hold-back**" and such Medicare Hold-back shall consist of the proceeds of the Net Settlement Payment. The Trust shall not distribute any portion of the Medicare Hold-back until such time as the Medicare Procedures (defined below) are completed by the Trust. The "**Medicare Procedures**" to be completed by the Trust are ~~as follows~~ to register as an RRE, and: (i) immediately upon the Effective Date, the Settlement Trustee shall ~~make a query to the Social Security Administration~~ conduct a Beneficiary Lookup using the Coordination of Benefits Secure Website ("COBSW") or by submitting a Section 111 Query File to the Benefits Coordination and Recovery Center ("BCRC") (the "~~SSA-Medicare Beneficiary Status~~ Query"), with respect to each Abuse Claimant or Future Claimant, to determine whether each Abuse Claimant or Future Claimant is eligible to receive, is receiving, or has received Medicare benefits ("**Medicare Eligible**"); (ii) within ten (10) calendar days after the Effective Date, the Settlement Trustee shall provide to the Settling Insurers and Participating Parties, and, if requested, the Reorganized Debtor, information sufficient to allow them to perform their own SSA queries to the extent they wish to do so; (iii) in the event that one or more Abuse Claimants or Future Claimants is identified through the ~~SSA-Medicare Beneficiary Status~~ Query as Medicare Eligible, the Settlement Trustee shall complete a query to CMS for each such Abuse Claimant or Future Claimant to determine whether any Conditional Payment has been made to or on behalf of that Abuse Claimant or Future Claimant arising from or relating to treatment for abuse; (iv) obtain a Consent to Release from each Abuse Claimant or Future Claimant identified as Medicare Eligible; (v) determine whether any Medicare Advantage Plan ("MAP") or Medicare Advantage Organization ("MAO") has made any Conditional Payment for services provided to an Abuse Claimant or Future Claimant; (vi) if any Conditional Payment has been made

to or on behalf of ~~that an~~ Abuse Claimant or Future Claimant, the Settlement Trustee shall, ~~within the time period called for by the MSP,~~ timely reimburse the appropriate Medicare Trust Fund ~~for the appropriate amount, and submit the required information for that Abuse Claimant or Future Claimant to the appropriate agency of the United States government; and,~~ MAP, and/or MAO for the claimed amount after procurement costs; (vii) upon resolution of all CMS inquiries ~~or,~~ reimbursements, and matters relating to the foregoing provisions of this Section 11.9.12, the Medicare Hold-back shall be immediately available for Distribution by the Trust. The Settlement Trustee’s obligation to make the reimbursements required by Section 11.9.12 ~~(iv) above~~ and to indemnify the Debtor, the Estate, the Reorganized Debtor, the Participating Parties, and the Settling Insurers with respect to Medicare Claims, Claims of an Abuse Claimant or Future Claimant, and Claims against a Settling Insurer ~~Policy~~ related to the Abuse Claims is not limited to the amount of the Medicare Hold-back.

ARTICLE XII. CHANNELING INJUNCTION

12.1 Applicability. This Article XII is only applicable under the Full or Partial Settlement Alternative.

12.2 Effective Date Injunctions. THE INJUNCTIONS PROVIDED FOR IN THIS PLAN SHALL BE DEEMED ISSUED, ENTERED, VALID, AND ENFORCEABLE ACCORDING TO THEIR TERMS. THE INJUNCTIONS SHALL BE PERMANENT AND IRREVOCABLE AND MAY ONLY BE MODIFIED BY THE BANKRUPTCY COURT.

~~12.3 Channeling Injunction Preventing Prosecution of Abuse Claims~~ CHANNELING INJUNCTION PREVENTING PROSECUTION OF ABUSE CLAIMS. IN CONSIDERATION OF THE CRITICAL UNDERTAKINGS AND SUBSTANTIAL CONTRIBUTIONS OF THE DEBTOR, THE PARTICIPATING PARTIES, AND SETTLING INSURERS PURSUANT TO THE TERMS OF THIS PLAN, INCLUDING THE FUNDING OF THE TRUST, AND TO FURTHER PRESERVE AND PROMOTE THE SETTLEMENTS EMBEDDED IN THIS PLAN BETWEEN AND AMONG THE PARTICIPATING PARTIES, THE SETTLING INSURERS, HOLDERS OF SEXUAL ABUSE CLAIMS, THE SURVIVORS’ COMMITTEE, THE FCR, AND THE DEBTOR, AND PURSUANT TO SECTIONS 105, 363, AND 1129 OF THE BANKRUPTCY CODE:

- (A) ANY AND ALL CHANNELED CLAIMS ARE CHANNELED INTO THE TRUST AND SHALL BE TREATED, ADMINISTERED, DETERMINED, AND RESOLVED UNDER THE PROCEDURES AND PROTOCOLS AND IN THE AMOUNTS AS ESTABLISHED UNDER THE PLAN AND TRUST AGREEMENT AS THE SOLE AND EXCLUSIVE REMEDY FOR ALL HOLDERS OF CHANNELED CLAIMS; AND
- (B) ALL PERSONS THAT HAVE HELD OR ASSERTED, HOLD OR ASSERT, OR MAY IN THE FUTURE HOLD OR ASSERT, ANY CHANNELED CLAIM (INCLUDING ALL DEBT HOLDERS, GOVERNMENTAL, TAX, AND REGULATORY AUTHORITIES, LENDERS, TRADE AND OTHER CREDITORS, ABUSE CLAIMANTS, FUTURE CLAIMANTS, OTHER INSURERS, AND ALL OTHERS HOLDING CLAIMS OR INTERESTS OF ANY KIND OR NATURE

CLAIMS EXCEPTED FROM EXCULPATION UNDER SECTION 18.4 OF THE PLAN; (C) TO THE EXTENT THE SETTLING INSURERS ARE ALSO INSURERS TO THE DEBTOR OR TO ANY PARTICIPATING PARTY UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A, THE CHANNELING INJUNCTION SHALL NOT APPLY TO CLAIMS BY THE DEBTOR OR ANY PARTICIPATING PARTY AGAINST ANY SETTLING INSURERS IN THEIR CAPACITY AS AN INSURER TO SUCH PARTIES UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A; AND (D) ANY NON-SETTLING INSURER.

12.4 ENFORCEMENT TO THE MAXIMUM EXTENT. TO THE EXTENT NOT OTHERWISE ENJOINED IN SECTION 12.3, THE ASSERTION OR ENFORCEMENT OF CHANNELED CLAIMS, AND ANY ATTEMPT TO ASSERT OR ENFORCE A CHANNELED CLAIM, DIRECTLY OR INDIRECTLY, BY ANY PERSON, AGAINST A PROTECTED PARTY IS HEREBY PERMANENTLY STAYED, ENJOINED, BARRED, AND RESTRAINED.

12.5 SETTLING INSURER INJUNCTION. IN CONSIDERATION OF THE CRITICAL UNDERTAKINGS AND SUBSTANTIAL CONTRIBUTIONS OF THE SETTLING INSURERS PURSUANT TO THE TERMS OF THIS PLAN, INCLUDING THE FUNDING OF THE TRUST, AND TO FURTHER PRESERVE AND PROMOTE THE SETTLEMENTS EMBEDDED IN THIS PLAN BETWEEN AND AMONG THE PARTICIPATING PARTIES, THE SETTLING INSURERS, HOLDERS OF SEXUAL ABUSE CLAIMS, THE SURVIVORS' COMMITTEE, THE FCR, AND THE DEBTOR, AND PURSUANT TO SECTIONS 105, 363, AND 1129 OF THE BANKRUPTCY CODE, AND EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, ANY AND ALL PERSONS (INCLUDING, WITHOUT LIMITATION, ALL DEBT HOLDERS, ALL EQUITY HOLDERS, GOVERNMENTAL, TAX, AND REGULATORY AUTHORITIES, LENDERS, TRADE AND OTHER CREDITORS, ABUSE CLAIMANTS, FUTURE CLAIMANTS, SETTLING INSURERS, NON-SETTLING INSURERS, OTHER INSURERS, AND ALL OTHERS HOLDING CLAIMS OR INTERESTS OF ANY KIND OR NATURE WHATSOEVER AGAINST OR RELATED TO THE PROTECTED PARTIES) ARE PERMANENTLY ENJOINED AND BARRED FROM ASSERTING AGAINST A SETTLING INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON ANY CLAIM (INCLUDING ANY INSURANCE COVERAGE CLAIM, EXTRA-CONTRACTUAL CLAIM, CONTRIBUTION CLAIM, OR SUBROGATION CLAIM) OR INTEREST OF ANY KIND OR NATURE WHATSOEVER ARISING FROM OR RELATING IN ANY WAY TO (A) ANY ABUSE CLAIM OR FUTURE CLAIM OR (B) ANY OF THE SETTLING INSURER POLICIES OR (C) ANY CLAIM AGAINST ANY SETTLING INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON FOR CONTRIBUTION, INDEMNITY, DEFENSE, SUBROGATION, OR SIMILAR RELIEF THAT ARISES DIRECTLY OR INDIRECTLY FROM ANY CLAIM AGAINST THE DEBTOR OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON, OR ANY SETTLING INSURER POLICY; *PROVIDED, HOWEVER*, THAT SUCH INJUNCTION SHALL NOT APPLY TO THE HOLDER OF THE PERSONAL INJURY CLAIM AND HER ABILITY TO PURSUE RECOVERY FROM THE PERSONAL INJURY INSURANCE POLICY. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT THE SETTLING INSURERS ARE ALSO INSURERS TO THE DEBTOR OR TO ANY PARTICIPATING PARTY UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A, THE CHANNELING INJUNCTION SHALL NOT APPLY TO CLAIMS BY THE DEBTOR OR ANY PARTICIPATING PARTY AGAINST ANY SETTLING INSURERS IN

THEIR CAPACITY AS AN INSURER TO SUCH PARTIES UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A; AND (D) ANY NON-SETTLING INSURER.

12.6 ~~Contribution Bar against Non-Settling Insurers~~ CONTRIBUTION BAR AGAINST NON-SETTLING INSURERS. IN CONSIDERATION OF THE CRITICAL UNDERTAKINGS AND SUBSTANTIAL CONTRIBUTIONS OF THE SETTLING INSURERS PURSUANT TO THE TERMS OF THIS PLAN, INCLUDING THE FUNDING OF THE TRUST, AND TO FURTHER PRESERVE AND PROMOTE THE SETTLEMENTS EMBEDDED IN THIS PLAN BETWEEN AND AMONG THE PARTICIPATING PARTIES, THE SETTLING INSURERS, HOLDERS OF SEXUAL ABUSE CLAIMS, THE SURVIVORS' COMMITTEE, THE FCR, AND THE DEBTOR, AND PURSUANT TO SECTIONS 105(a), 363, AND 1129 OF THE BANKRUPTCY CODE, ANY NON-SETTLING INSURER IS HEREBY PERMANENTLY STAYED, ENJOINED, BARRED, AND RESTRAINED FROM TAKING ANY ACTION, DIRECTLY OR INDIRECTLY, INCLUDING FILING ANY SUIT OR CAUSE OF ACTION AGAINST ANY SETTLING INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON, FOR THE PURPOSES OF ASSERTING, ENFORCING, OR ATTEMPTING TO ASSERT OR ENFORCE ANY CLAIM, INCLUDING ANY CONTRIBUTION CLAIM, SUBROGATION CLAIM, CLAIM FOR RECOVERY OF DEFENSE COSTS OR INDEMNITY PAYMENTS, OR ANY SIMILAR CLAIM, CAUSE OF ACTION, OR REMEDY, AGAINST ANY SETTLING INSURER AND ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON.

12.7 PERMANENT TERM OF INJUNCTIONS OR STAYS AND CONFIRMATION OF SETTLEMENTS WITH PARTICIPATING PARTIES AND SETTLING INSURERS. ALL INJUNCTIONS AND STAYS PROVIDED FOR IN THIS PLAN AND UNDER AND PURSUANT TO THE INJUNCTIVE PROVISIONS OF SECTIONS 524 AND 1141 OF THE BANKRUPTCY CODE ARE PERMANENT AND WILL REMAIN IN FULL FORCE AND EFFECT FOLLOWING THE EFFECTIVE DATE AND ARE NOT SUBJECT TO BEING VACATED OR MODIFIED.

12.8 RELEASE OF AVOIDANCE CLAIMS AND OTHER CLAIMS AGAINST PARTICIPATING PARTIES, NON-DEBTOR CGL SETTLING INSURER COVERED PERSONS, AND SETTLING INSURERS. ON THE EFFECTIVE DATE, ALL AVOIDANCE RIGHTS OF THE DEBTOR, THE ESTATE, AND THE REORGANIZED DEBTOR, INCLUDING THOSE ARISING UNDER SECTIONS 544, 547, 548, 549, 550, AND 553 OF THE BANKRUPTCY CODE, AGAINST EACH OF THE PARTICIPATING PARTIES, NON-DEBTOR CGL SETTLING INSURER COVERED PERSONS, AND SETTLING INSURERS SHALL BE DEEMED SETTLED, COMPROMISED, AND RELEASED BY THIS PLAN. AS TO EACH SETTLING INSURER, ON THE EFFECTIVE DATE, THE INSURANCE COVERAGE ADVERSARY PROCEEDING AND ALL RELATED PROCEEDINGS IN ANY COURT SHALL IMMEDIATELY CEASE, AND THE INSURANCE COVERAGE ADVERSARY PROCEEDING AND ANY RELATED PROCEEDINGS SHALL BE DISMISSED, WITH PREJUDICE, AGAINST EACH SETTLING INSURER.

12.9 MUTUAL RELEASE. EXCEPT FOR (i) OBLIGATIONS ARISING UNDER ANY EXECUTORY CONTRACT ASSUMED BY THE REORGANIZED DEBTOR PURSUANT TO ARTICLE XIX OF THIS PLAN, (ii) OBLIGATIONS UNDER THE PLAN

Settlement Alternative are selected, the Settling Insurers have been dismissed from the Insurance Coverage Adversary Proceeding with prejudice, with each party to bear its own costs.

17.2 Waiver of Conditions. Any conditions set forth in Section 17.1 of this Plan may be waived only by the mutual written consent of the Debtor, the Survivors' Committee, and, if the Full or Partial Settlement Alternative, the Participating Parties, and Settling Insurers.

17.3 Statement. A statement shall be filed with the Court within three (3) Business Days after the Effective Date, advising the Court and all parties in interest of the occurrence of the Effective Date.

17.4 Non-Occurrence of Effective Date. Subject to further order of the Bankruptcy Court, in the event that the Effective Date does not occur within one hundred twenty (120) days after entry of a Final Order confirming the Plan, the Plan shall become null and void. A statement shall be filed with the Court within three (3) Business Days after the Effective Date, advising all parties of the Effective Date, or within three (3) Business Days after the occurrence of any event that renders the Plan null and void, advising all parties that the Plan is null and void.

ARTICLE XVIII. EFFECTS OF PLAN CONFIRMATION AND DISCHARGE

18.1 Discharge. On the Effective Date of the Plan, pursuant to Section 1141(d) of the Bankruptcy Code, the Debtor, the Estate, and the Reorganized Debtor will be discharged from all liability for any and all Claims and Debts, known or unknown, whether or not giving rise to a right to payment or an equitable remedy, that arose, directly or indirectly, from any action, inaction, event, conduct, circumstance, happening, occurrence, agreement, or obligation of the Debtor, or the Debtor's Related Persons, before the Confirmation Date, or that otherwise arose before the Confirmation Date, including all interest, if any, on any such Claims and Debts, whether such interest accrued before or after the date of commencement of the Chapter 11 Case, and including all Claims and Debts based upon or arising out of Abuse Claims, the Personal Injury Claim, the USOPC Claim, or the Indemnification Claims and from any liability of the kind specified in Sections 502(g), 502(h), and 502(i) of the Bankruptcy Code, whether or not (a) a proof of claim is filed or is deemed filed under Section 501 of the Bankruptcy Code; (b) such Claim is Allowed under this Plan; or (c) the Holder of such Claim has accepted this Plan.

18.2 Vesting of Assets. In accordance with Sections 1141 and 1123(a)(5) of the Bankruptcy Code, the Revested Assets shall vest in the Reorganized Debtor on the Effective Date free and clear of all liens, Claims, and interests of Creditors, including successor liability Claims. On and after the Effective Date, the Reorganized Debtor may operate and manage its affairs and may use, acquire, and dispose of property without notice to any Person, and without supervision or approval by the Bankruptcy Court, and free of any restrictions imposed by the Bankruptcy Code, Bankruptcy Rules, or the Bankruptcy Court, other than those restrictions expressly imposed by the Plan or the Confirmation Order.

18.3 Continued Existence of Reorganized Debtor. The Debtor will, as the Reorganized Debtor, continue to exist after the Effective Date in accordance with the applicable laws of the State of Texas, with all the powers of a not-for-profit having tax-exempt status under

ARTICLE XXII. CONFIRMATION REQUEST

22.1 Request for Confirmation. The Plan Proponents request confirmation of the Plan under Section 1129 of the Bankruptcy Code with respect to any impaired class that does not accept the Plan or is deemed to reject the Plan.

Dated: ~~August 31~~September 22, 2021

Respectfully submitted,

JENNER & BLOCK LLP

PACHULSKI STANG ZIEHL & JONES

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USA Gymnastics Plan of Reorganization
 Exhibit A, Schedule of CGL Insurers and CGL Insurance Policies

USOPC Insurers

TRANSAMERICA INSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Dates</u>
SSP-02719143	1-1-91 to 1-1-92
KLB2723643	1-1-91 to 1-1-92
SSP-02767733	1-1-92 to 1-1-93
KLB2777292	1-1-92 to 1-1-93
SSP-35042049	1-1-93 to 1-1-94
KLB-35042101	1-1-93 to 1-1-94
SSP-36105725	1-1-94 to 1-1-95
KLB-36207747	1-1-94 to 1-1-95
TIG INSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Dates</u>
SSP-36239586	1-1-95 to 1-1-96
KLB-36239589	1-1-95 to 1-1-96
SSP-37274344	1-1-96 to 1-1-97
KLB-37274346	1-1-96 to 1-1-97
SSP-00037501755-00	1-1-97 to 1-1-00
KLB-00037501757-00	1-1-97 to 1-1-98
KLB-00037501757-01	1-1-98 to 1-1-99
KLB00037501757-02	1-1-99 to 5-1-99
KLB00037501757-03	5-1-99 to 1-1-00
SSP0003750175503	1-1-00 to 1-1-03
KLB00037501757-04	1-1-00 to 1-1-01
KLB00037501757-05	1-1-01 to 1-1-02
KLB00037501757-05	1-1-02 to 1-31-02
VIRGINIA SURETY COMPANY F/K/A COMBINED SPECIALTY INSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Date</u>
SSP0000001020600	2-8-03 to 2-8-04
GREAT AMERICAN ASSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Date</u>
EXC0000565946200	2-8-03 to 2-8-04
GLO0000558255700	2-8-04 to 2-8-05
EXC0000558255800	2-8-04 to 2-8-05
GLO0000558255701	2-8-05 to 2-8-06
EXC0000558255801	2-8-05 to 2-8-06
GLO0000558255702	2-8-06 to 2-8-07
EXC0000558255802	2-8-06 to 2-8-07
GLO0000558255703	2-8-07 to 2-8-08
EXC0000558255803	2-8-07 to 2-8-08
XS7856009-00	2-8-08 to 2-8-09

**USA Gymnastics Plan of Reorganization
Exhibit A, Schedule of CGL Insurers and CGL Insurance Policies**

XS7856009-01	2-8-09 to 2-8-10
XS7856009-02	2-8-10 to 2-8-11
NATIONAL CASUALTY COMPANY	
<u>Policy Number</u>	<u>Coverage Date</u>
KRO0000000264700	2-8-08 to 2-8-09
XKO0000000264800	2-8-08 to 2-8-09
KRO0000000264701	2-8-09 to 2-8-10
XKO0000000264801	2-8-09 to 2-8-10
KRO0000000887100	2-8-10 to 2-8-11
XKO0000000887200	2-8-10 to 2-8-11
KRO00000001579400	2-8-11 to 2-8-12
XKO0000001579600	2-8-11 to 2-8-12
XLO0019010	2-8-11 to 2-8-12
KRO00000002423400	2-8-12 to 2-8-13
XKO00000002423600	2-8-12 to 2-8-13
XLO0019647	2-8-12 to 2-8-13
KRO00000003302500	2-8-13 to 5-1-14
XKO0000003302600	2-8-13 to 5-1-14
XLO0019783	2-8-13 to 5-1-14
KRO00000004481400	5-1-14 to 5-1-15
XKO0000004481500	5-1-14 to 5-1-15
XLO0020136	5-1-14 to 5-1-15
GEMINI INSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Date</u>
CEX09601478-00	5-1-15 to 5-1-16
PHILADELPHIA INDEMNITY INSURANCE COMPANY	
<u>Policy Number</u>	<u>Coverage Date</u>
PHPK1330247	5-1-15 to 5-1-16

USA Gymnastics Plan of Reorganization
Exhibit A, Schedule of CGL Insurers and CGL Insurance Policies

Karolyi Insurers

<u>American Empire</u>	
<u>Policy Number</u>	<u>Coverage Dates</u>
<u>11CG64058</u>	<u>5-18-11 to 5-18-12</u>
<u>12CG67109</u>	<u>5-18-12 to 5-18-13</u>
<u>13CG0176317</u>	<u>5-18-13 to 5-18-14</u>
<u>14CG0182141</u>	<u>5-18-14 to 5-18-15</u>
<u>15CG0190975</u>	<u>5-18-15 to 5-18-16</u>
<u>16CG0202368</u>	<u>5-18-16 to 5-18-17</u>

EXHIBIT E

Schedule of Abuse Claims by CGL Insurance Policy [of Non-Settling Insurers](#)

USA Gymnastics Plan of Reorganization
Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>2</u>	<u>Jane R5 Doe</u>
<u>3</u>	<u>Jane R4 Doe</u>
<u>4</u>	<u>Jane R7 Doe</u>
<u>7</u>	<u>Jane AC Doe</u>
<u>8</u>	<u>N/A</u>
<u>10</u>	<u>N/A</u>
<u>11</u>	<u>N/A</u>
<u>12</u>	<u>Jane KRA Doe</u>
<u>17</u>	<u>Jane NLF-1 Doe</u>
<u>18</u>	<u>Jane NLF-2 Doe</u>
<u>19</u>	<u>Jane NLF-3 Doe</u>
<u>20</u>	<u>Jane MP Doe</u>
<u>22</u>	<u>Jane D10 Doe</u>
<u>23</u>	<u>Jane D9 Doe</u>
<u>24</u>	<u>Jane BBB/D2 Doe</u>
<u>25</u>	<u>Jane D7 Doe</u>
<u>26</u>	<u>Jane D3 Doe</u>
<u>31</u>	<u>Jane Doe AC</u>
<u>32</u>	<u>N/A</u>
<u>34</u>	<u>Jane Doe 02</u>
<u>39</u>	<u>N/A</u>
<u>41</u>	<u>N/A</u>
<u>42</u>	<u>N/A</u>
<u>43</u>	<u>N/A</u>
<u>45</u>	<u>N/A</u>
<u>47</u>	<u>Jane C/A Doe</u>
<u>48</u>	<u>N/A</u>
<u>50</u>	<u>Jane K Doe</u>
<u>52</u>	<u>Jane M1 Doe</u>
<u>54</u>	<u>Jane B Doe</u>
<u>58</u>	<u>Jane J Doe</u>
<u>59</u>	<u>Jane B97 Doe</u>
<u>60</u>	<u>Jane B45 Doe</u>
<u>61</u>	<u>Jane B50 Doe</u>
<u>63</u>	<u>N/A</u>
<u>64</u>	<u>Jane B99 Doe</u>
<u>66</u>	<u>N/A</u>

USA Gymnastics Plan of Reorganization
Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>67</u>	<u>Jane B108 Doe</u>
<u>70</u>	<u>Jane B14 Doe</u>
<u>71</u>	<u>Jane B83 Doe</u>
<u>73</u>	<u>Jane B82 Doe</u>
<u>82</u>	<u>Jane B89 Doe</u>
<u>84</u>	<u>Jane B96 Doe</u>
<u>86</u>	<u>Jane B10 Doe</u>
<u>89</u>	<u>N/A</u>
<u>90</u>	<u>Jane B32 Doe</u>
<u>93</u>	<u>Jane B105 Doe</u>
<u>94</u>	<u>N/A</u>
<u>95</u>	<u>N/A</u>
<u>96</u>	<u>N/A</u>
<u>97</u>	<u>Jane AAK Doe</u>
<u>99</u>	<u>Jane B87 Doe</u>
<u>101</u>	<u>Jane SB Doe</u>
<u>104</u>	<u>John Doe</u>
<u>108</u>	<u>Jane A120 Doe</u>
<u>109</u>	<u>Jane LM Doe</u>
<u>111</u>	<u>N/A</u>
<u>112</u>	<u>N/A</u>
<u>115</u>	<u>Jane GM Doe</u>
<u>122</u>	<u>N/A</u>
<u>123</u>	<u>Jane KR Doe</u>
<u>125</u>	<u>N/A</u>
<u>127</u>	<u>N/A</u>
<u>128</u>	<u>Jane B52 Doe</u>
<u>132</u>	<u>N/A</u>
<u>133</u>	<u>Jane B65 Doe</u>
<u>134</u>	<u>N/A</u>
<u>135</u>	<u>Jane EL Doe</u>
<u>138</u>	<u>Jane B20 Doe</u>
<u>150</u>	<u>Jane B30 Doe</u>
<u>151</u>	<u>Jane B2 Doe</u>
<u>152</u>	<u>Jane B79 Doe</u>
<u>154</u>	<u>N/A</u>
<u>155</u>	<u>Jane B106 Doe</u>
<u>156</u>	<u>Jane I Doe</u>

USA Gymnastics Plan of Reorganization
Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>157</u>	<u>Jane G Doe</u>
<u>160</u>	<u>N/A</u>
<u>161</u>	<u>Jane MH Doe 38</u>
<u>162</u>	<u>N/A</u>
<u>170</u>	<u>Jane C20 Doe</u>
<u>171</u>	<u>Jane C29 Doe</u>
<u>172</u>	<u>Jane C15 Doe</u>
<u>173</u>	<u>Jane S9 Doe</u>
<u>174</u>	<u>Jane S10 Doe</u>
<u>178</u>	<u>N/A</u>
<u>183</u>	<u>Jane S11 Doe</u>
<u>185</u>	<u>Jane S6 Doe</u>
<u>189</u>	<u>Jane S1 Doe</u>
<u>192</u>	<u>Jane C1 Doe</u>
<u>194</u>	<u>Jane C21 Doe</u>
<u>195</u>	<u>Jane C4 Doe</u>
<u>197</u>	<u>Jane C3 Doe</u>
<u>198</u>	<u>Jane C31 Doe</u>
<u>199</u>	<u>Jane C5 Doe</u>
<u>200</u>	<u>Jane C26 Doe</u>
<u>201</u>	<u>Jane C8 Doe</u>
<u>202</u>	<u>N/A</u>
<u>203</u>	<u>Jane C22 Doe</u>
<u>204</u>	<u>Jane C9 Doe</u>
<u>205</u>	<u>Jane C14 Doe</u>
<u>206</u>	<u>Jane C13 Doe</u>
<u>208</u>	<u>Jane C2 Doe</u>
<u>209</u>	<u>Jane C16 Doe</u>
<u>210</u>	<u>N/A</u>
<u>212</u>	<u>Jane C33 Doe</u>
<u>213</u>	<u>Jane C36 Doe</u>
<u>215</u>	<u>N/A</u>
<u>217</u>	<u>Jane C32 Doe</u>
<u>220</u>	<u>N/A</u>
<u>224</u>	<u>N/A</u>
<u>225</u>	<u>Jane B46 Doe</u>
<u>226</u>	<u>Jane B4 Doe</u>
<u>227</u>	<u>N/A</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>229</u>	<u>N/A</u>
<u>232</u>	<u>Jane B95 Doe</u>
<u>233</u>	<u>N/A</u>
<u>241</u>	<u>Jane B13 Doe</u>
<u>243</u>	<u>Jane B101 Doe</u>
<u>245</u>	<u>N/A</u>
<u>246</u>	<u>N/A</u>
<u>250</u>	<u>N/A</u>
<u>251</u>	<u>N/A</u>
<u>252</u>	<u>N/A</u>
<u>253</u>	<u>N/A</u>
<u>257</u>	<u>Jane EH Doe</u>
<u>259</u>	<u>Jane TO Doe</u>
<u>270</u>	<u>Jane B43 Doe</u>
<u>271</u>	<u>N/A</u>
<u>272</u>	<u>N/A</u>
<u>276</u>	<u>N/A</u>
<u>277</u>	<u>N/A</u>
<u>278</u>	<u>N/A</u>
<u>280</u>	<u>N/A</u>
<u>283</u>	<u>N/A</u>
<u>285</u>	<u>N/A</u>
<u>286</u>	<u>N/A</u>
<u>289</u>	<u>N/A</u>
<u>291</u>	<u>N/A</u>
<u>292</u>	<u>N/A</u>
<u>293</u>	<u>Jane BR 2 Doe</u>
<u>294</u>	<u>Jane B15 Doe</u>
<u>297</u>	<u>Jane IL 1 Doe</u>
<u>298</u>	<u>Jane BR 2 Doe</u>
<u>301</u>	<u>Jane B31 Doe</u>
<u>303</u>	<u>N/A</u>
<u>306</u>	<u>N/A</u>
<u>312</u>	<u>Jane G/A6 Doe</u>
<u>316</u>	<u>Jane AY/A44 Doe</u>
<u>323</u>	<u>Jane MBA/A64 Doe</u>
<u>325</u>	<u>Jane A90 Doe</u>
<u>327</u>	<u>Jane A98 Doe</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>330</u>	<u>Jane MB45 Doe</u>
<u>331</u>	<u>Jane DZ Doe</u>
<u>332</u>	<u>Jane A100 Doe</u>
<u>335</u>	<u>Jane AK/A31 Doe</u>
<u>338</u>	<u>Jane BF/A50 Doe</u>
<u>339</u>	<u>Jane A79 Doe</u>
<u>340</u>	<u>Jane Doe 17</u>
<u>341</u>	<u>Jane Doe 18</u>
<u>342</u>	<u>Jane Doe 19</u>
<u>343</u>	<u>Jane Doe 20</u>
<u>346</u>	<u>Jane Doe 3</u>
<u>347</u>	<u>Jane Doe 4</u>
<u>350</u>	<u>Jane Doe 7</u>
<u>352</u>	<u>Jane Doe 9</u>
<u>353</u>	<u>Jane Doe 10</u>
<u>354</u>	<u>Jane Doe 11</u>
<u>355</u>	<u>Jane D/A3 Doe</u>
<u>356</u>	<u>Jane Doe 12</u>
<u>357</u>	<u>Jane Doe 13</u>
<u>358</u>	<u>Jane Doe 14</u>
<u>362</u>	<u>N/A</u>
<u>363</u>	<u>N/A</u>
<u>371</u>	<u>N/A</u>
<u>374</u>	<u>Jane AQ/A36 Doe</u>
<u>376</u>	<u>Jane C30 Doe</u>
<u>390</u>	<u>Jane A114 Doe</u>
<u>392</u>	<u>Jane AO/A35 Doe</u>
<u>394</u>	<u>Jane A111 Doe</u>
<u>395</u>	<u>Jane AG/A28 Doe</u>
<u>396</u>	<u>Jane A109 Doe</u>
<u>397</u>	<u>Jane A85 Doe</u>
<u>399</u>	<u>Jane A116 Doe</u>
<u>401</u>	<u>Jane BR/A59 Doe</u>
<u>403</u>	<u>Jane P/A14 Doe</u>
<u>404</u>	<u>Jane J/A8 Doe</u>
<u>406</u>	<u>Jane A103 Doe</u>
<u>407</u>	<u>Jane A/A1 Doe</u>
<u>412</u>	<u>Jane M/A11 Doe</u>

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GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>414</u>	<u>N/A</u>
<u>415</u>	<u>Jane Y/A22 Doe</u>
<u>418</u>	<u>N/A</u>
<u>420</u>	<u>Jane E/A4 Doe</u>
<u>422</u>	<u>N/A</u>
<u>423</u>	<u>Jane U/A18 Doe</u>
<u>426</u>	<u>Jane AS/A38 Doe</u>
<u>427</u>	<u>Jane AN/A34 Doe</u>
<u>432</u>	<u>N/A</u>
<u>433</u>	<u>N/A</u>
<u>436</u>	<u>Jane A72/JS Doe</u>
<u>437</u>	<u>Jane BT/A60 Doe</u>
<u>439</u>	<u>N/A</u>
<u>441</u>	<u>Jane BQ/A58 Doe</u>
<u>442</u>	<u>Jane S/A16/JT Doe</u>
<u>444</u>	<u>Jane A84 Doe</u>
<u>446</u>	<u>Jane A71 Doe</u>
<u>449</u>	<u>Jane AC/A24 Doe</u>
<u>453</u>	<u>N/A</u>
<u>454</u>	<u>Jane NH Doe</u>
<u>455</u>	<u>Jane AB Doe</u>
<u>457</u>	<u>Jane ZP Doe</u>
<u>461</u>	<u>N/A</u>
<u>467</u>	<u>Jane Doe</u>
<u>469</u>	<u>N/A</u>
<u>471</u>	<u>N/A</u>
<u>474</u>	<u>Jane B32 Doe</u>
<u>476</u>	<u>Jane EC Doe</u>
<u>478</u>	<u>N/A</u>
<u>479</u>	<u>N/A</u>
<u>481</u>	<u>N/A</u>
<u>482</u>	<u>N/A</u>
<u>485</u>	<u>N/A</u>
<u>490</u>	<u>Jane E-1 Doe</u>
<u>491</u>	<u>Jane RG Doe</u>
<u>492</u>	<u>Jane AV/A41 Doe</u>
<u>494</u>	<u>Jane E-3 Doe</u>
<u>495</u>	<u>Jane BP/A57 Doe</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

GREAT AMERICAN CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>496</u>	<u>Jane AG Doe</u>
<u>498</u>	<u>John E-5 Doe</u>
<u>501</u>	<u>Jane AW Doe</u>
<u>502</u>	<u>Jane E-2 Doe</u>
<u>504</u>	<u>Jane MR Doe 19</u>
<u>506</u>	<u>Jane G2 Doe</u>
<u>507</u>	<u>N/A</u>
<u>508</u>	<u>Jane J-1 Doe</u>
<u>511</u>	<u>N/A</u>
<u>516</u>	<u>N/A</u>
<u>520</u>	<u>N/A</u>
<u>521</u>	<u>N/A</u>
<u>523</u>	<u>Jane MKG Doe</u>
<u>527</u>	<u>N/A</u>
<u>529</u>	<u>N/A</u>
<u>539</u>	<u>N/A</u>
<u>546</u>	<u>N/A</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

TIG CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>7</u>	<u>Jane AC Doe</u>
<u>11</u>	<u>N/A</u>
<u>12</u>	<u>Jane KRA Doe</u>
<u>13</u>	<u>N/A</u>
<u>15</u>	<u>N/A</u>
<u>16</u>	<u>N/A</u>
<u>22</u>	<u>Jane D10 Doe</u>
<u>24</u>	<u>Jane BBB/D2 Doe</u>
<u>25</u>	<u>Jane D7 Doe</u>
<u>38</u>	<u>Jane NLF-4 Doe</u>
<u>39</u>	<u>N/A</u>
<u>40</u>	<u>Jane Doe MJ</u>
<u>41</u>	<u>N/A</u>
<u>42</u>	<u>N/A</u>
<u>43</u>	<u>N/A</u>
<u>45</u>	<u>N/A</u>
<u>55</u>	<u>N/A</u>
<u>59</u>	<u>Jane B97 Doe</u>
<u>61</u>	<u>Jane B50 Doe</u>
<u>62</u>	<u>N/A</u>
<u>63</u>	<u>N/A</u>
<u>64</u>	<u>Jane B99 Doe</u>
<u>65</u>	<u>N/A</u>
<u>71</u>	<u>Jane B83 Doe</u>
<u>72</u>	<u>N/A</u>
<u>73</u>	<u>Jane B82 Doe</u>
<u>74</u>	<u>N/A</u>
<u>76</u>	<u>Jane B42 Doe</u>
<u>77</u>	<u>Jane KO Doe</u>
<u>78</u>	<u>N/A</u>
<u>79</u>	<u>Jane B92 Doe</u>
<u>80</u>	<u>Jane B102 Doe</u>
<u>81</u>	<u>N/A</u>
<u>84</u>	<u>Jane B96 Doe</u>
<u>93</u>	<u>Jane B105 Doe</u>
<u>94</u>	<u>N/A</u>
<u>95</u>	<u>N/A</u>
<u>97</u>	<u>Jane AAK Doe</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

TIG CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>102</u>	<u>N/A</u>
<u>105</u>	<u>N/A</u>
<u>111</u>	<u>N/A</u>
<u>112</u>	<u>N/A</u>
<u>115</u>	<u>Jane GM Doe</u>
<u>118</u>	<u>Jane JD Doe</u>
<u>122</u>	<u>N/A</u>
<u>124</u>	<u>Jane AJ Doe</u>
<u>125</u>	<u>N/A</u>
<u>128</u>	<u>Jane B52 Doe</u>
<u>133</u>	<u>Jane B65 Doe</u>
<u>135</u>	<u>Jane EL Doe</u>
<u>137</u>	<u>N/A</u>
<u>139</u>	<u>N/A</u>
<u>140</u>	<u>Jane B71 Doe</u>
<u>152</u>	<u>Jane B79 Doe</u>
<u>158</u>	<u>Jane R3 Doe</u>
<u>160</u>	<u>N/A</u>
<u>162</u>	<u>N/A</u>
<u>168</u>	<u>N/A</u>
<u>170</u>	<u>Jane C20 Doe</u>
<u>173</u>	<u>Jane S9 Doe</u>
<u>176</u>	<u>Jane S8 Doe</u>
<u>177</u>	<u>Jane S5 Doe</u>
<u>183</u>	<u>Jane S11 Doe</u>
<u>185</u>	<u>Jane S6 Doe</u>
<u>186</u>	<u>Jane S3 Doe</u>
<u>187</u>	<u>Jane S2 Doe</u>
<u>188</u>	<u>N/A</u>
<u>189</u>	<u>Jane S1 Doe</u>
<u>190</u>	<u>N/A</u>
<u>197</u>	<u>Jane C3 Doe</u>
<u>205</u>	<u>Jane C14 Doe</u>
<u>207</u>	<u>Jane C17 Doe</u>
<u>210</u>	<u>N/A</u>
<u>211</u>	<u>Jane C7 Doe</u>
<u>216</u>	<u>Jane C35 Doe</u>
<u>218</u>	<u>Jane B29 Doe</u>

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TIG CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>219</u>	<u>N/A</u>
<u>221</u>	<u>N/A</u>
<u>224</u>	<u>N/A</u>
<u>227</u>	<u>N/A</u>
<u>228</u>	<u>N/A</u>
<u>236</u>	<u>Jane B68 Doe</u>
<u>238</u>	<u>Jane B44 Doe</u>
<u>242</u>	<u>Jane B67 Doe</u>
<u>243</u>	<u>Jane B101 Doe</u>
<u>245</u>	<u>N/A</u>
<u>253</u>	<u>N/A</u>
<u>254</u>	<u>Jane B104 Doe</u>
<u>255</u>	<u>N/A</u>
<u>256</u>	<u>N/A</u>
<u>259</u>	<u>Jane TO Doe</u>
<u>264</u>	<u>Jane SW Doe</u>
<u>265</u>	<u>N/A</u>
<u>269</u>	<u>Jane B48 Doe</u>
<u>270</u>	<u>Jane B43 Doe</u>
<u>277</u>	<u>N/A</u>
<u>278</u>	<u>N/A</u>
<u>283</u>	<u>N/A</u>
<u>286</u>	<u>N/A</u>
<u>287</u>	<u>N/A</u>
<u>291</u>	<u>N/A</u>
<u>296</u>	<u>N/A</u>
<u>300</u>	<u>Jane MD Doe</u>
<u>303</u>	<u>N/A</u>
<u>304</u>	<u>Jane AU/A40 Doe</u>
<u>306</u>	<u>N/A</u>
<u>309</u>	<u>Jane A112 Doe</u>
<u>310</u>	<u>Jane A108 Doe</u>
<u>311</u>	<u>Jane KJTM Doe</u>
<u>312</u>	<u>Jane G/A6 Doe</u>
<u>313</u>	<u>N/A</u>
<u>316</u>	<u>Jane AY/A44 Doe</u>
<u>318</u>	<u>Jane AM/A33 Doe</u>
<u>319</u>	<u>N/A</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

TIG CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>321</u>	<u>Jane Doe</u>
<u>323</u>	<u>Jane MBA/A64 Doe</u>
<u>327</u>	<u>Jane A98 Doe</u>
<u>328</u>	<u>Jane LH Doe</u>
<u>330</u>	<u>Jane MB45 Doe</u>
<u>331</u>	<u>Jane DZ Doe</u>
<u>332</u>	<u>Jane A100 Doe</u>
<u>335</u>	<u>Jane AK/A31 Doe</u>
<u>340</u>	<u>Jane Doe 17</u>
<u>341</u>	<u>Jane Doe 18</u>
<u>346</u>	<u>Jane Doe 3</u>
<u>348</u>	<u>Jane Doe 5</u>
<u>350</u>	<u>Jane Doe 7</u>
<u>351</u>	<u>Jane Doe 8</u>
<u>352</u>	<u>Jane Doe 9</u>
<u>353</u>	<u>Jane Doe 10</u>
<u>358</u>	<u>Jane Doe 14</u>
<u>359</u>	<u>Jane Doe 15</u>
<u>367</u>	<u>N/A</u>
<u>374</u>	<u>Jane AQ/A36 Doe</u>
<u>376</u>	<u>Jane C30 Doe</u>
<u>392</u>	<u>Jane AO/A35 Doe</u>
<u>395</u>	<u>Jane AG/A28 Doe</u>
<u>396</u>	<u>Jane A109 Doe</u>
<u>398</u>	<u>N/A</u>
<u>400</u>	<u>Jane HJ/A66 Doe</u>
<u>401</u>	<u>Jane BR/A59 Doe</u>
<u>409</u>	<u>Jane BB/A46 Doe</u>
<u>411</u>	<u>Jane A81 Doe</u>
<u>412</u>	<u>Jane M/A11 Doe</u>
<u>414</u>	<u>N/A</u>
<u>416</u>	<u>Jane A78 Doe</u>
<u>417</u>	<u>Jane BL/A55 Doe</u>
<u>419</u>	<u>Jane A107 Doe</u>
<u>422</u>	<u>N/A</u>
<u>423</u>	<u>Jane U/A18 Doe</u>
<u>424</u>	<u>N/A</u>
<u>425</u>	<u>Jane H/A7 Doe</u>

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Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

TIG CLAIMS	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>430</u>	<u>Jane TM/A65 Doe</u>
<u>431</u>	<u>Jane A80 Doe</u>
<u>432</u>	<u>N/A</u>
<u>435</u>	<u>Jane GE/A67 Doe</u>
<u>438</u>	<u>Jane AD/A25 Doe</u>
<u>441</u>	<u>Jane BQ/A58 Doe</u>
<u>445</u>	<u>Jane AE/A26 Doe</u>
<u>446</u>	<u>Jane A71 Doe</u>
<u>447</u>	<u>Jane A99 Doe</u>
<u>449</u>	<u>Jane AC/A24 Doe</u>
<u>450</u>	<u>N/A</u>
<u>451</u>	<u>Jane AD Doe</u>
<u>452</u>	<u>Jane A77 Doe</u>
<u>454</u>	<u>Jane NH Doe</u>
<u>457</u>	<u>Jane ZP Doe</u>
<u>461</u>	<u>N/A</u>
<u>462</u>	<u>N/A</u>
<u>464</u>	<u>N/A</u>
<u>466</u>	<u>N/A</u>
<u>473</u>	<u>N/A</u>
<u>475</u>	<u>N/A</u>
<u>477</u>	<u>Jane SN Doe</u>
<u>481</u>	<u>N/A</u>
<u>487</u>	<u>N/A</u>
<u>492</u>	<u>Jane AV/A41 Doe</u>
<u>494</u>	<u>Jane E-3 Doe</u>
<u>496</u>	<u>Jane AG Doe</u>
<u>499</u>	<u>Jane TG Doe 18</u>
<u>500</u>	<u>Jane KR Doe 20</u>
<u>501</u>	<u>Jane AW Doe</u>
<u>503</u>	<u>Jane KB Doe 17</u>
<u>504</u>	<u>Jane MR Doe 19</u>
<u>505</u>	<u>N/A</u>
<u>507</u>	<u>N/A</u>
<u>508</u>	<u>Jane J-1 Doe</u>
<u>510</u>	<u>N/A</u>
<u>511</u>	<u>N/A</u>
<u>515</u>	<u>Jane ED Doe</u>

USA Gymnastics Plan of Reorganization
Exhibit E, Schedule of Abuse Claims by CGL Insurance Policy of Non-Settling Insurers

<u>TIG CLAIMS</u>	
<u>Sexual Abuse Claim No.</u>	<u>Alias (If Applicable)</u>
<u>516</u>	<u>N/A</u>
<u>519</u>	<u>Jane N/A12 Doe</u>
<u>523</u>	<u>Jane MKG Doe</u>
<u>526</u>	<u>N/A</u>
<u>532</u>	<u>Jane JF Doe</u>
<u>537</u>	<u>N/A</u>
<u>538</u>	<u>N/A</u>
<u>539</u>	<u>N/A</u>
<u>546</u>	<u>N/A</u>

[To be Supplemented]

USA Gymnastics Plan of Reorganization
Exhibit E, Trust Agreement

TRUST AGREEMENT

This Trust Agreement is made and entered into between USA Gymnastics (“**USAG**”, the “**Debtor**”, or the “**Reorganized Debtor**”), William L. Bettinelli (the “**Settlement Trustee**”), and Fred C. Caruso, not individually but as the Future Claims Representative (“**FCR**”) pursuant to the terms of the First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants Committee Of Sexual Abuse Survivors (as it may hereafter be amended or modified, the “**Plan**”), filed by the Debtor in its chapter 11 case in the United States Bankruptcy Court for the Southern District of Indiana (the “**Bankruptcy Court**”).¹

RECITALS

A. On December 5, 2018, USAG filed a voluntary petition under chapter 11 of the Bankruptcy Code. The Debtor remained in possession of its property and continued to operate and maintain its organization as a debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

B. On ~~August 31~~ September 22, 2021, the Debtor filed the Plan. On [_____], 2021, the Bankruptcy Court confirmed the Plan by entering the Confirmation Order. The Debtor will become the Reorganized Debtor upon the Effective Date of the Plan.

C. Pursuant to the Plan, a Trust is created for the benefit of Abuse Claimants and Future Claimants. All Abuse Claims and Future Claims are channeled to the Trust, along with the USOPC Claim, the Indemnification Claims, all other Claims arising from or related in any way to the Abuse Claims, and any Claims for punitive damages, alter ego liability, or piercing the corporate veil against any Participating Party, Settling Insurer, or Non-Debtor CGL Settling Insurer Covered Person. Distributions to Holders of Allowed Abuse Claims and Holders of Allowed Future Claims shall be made from assets contributed to the Trust by the Settling Insurers and Participating Parties.

D. The Trust is intended to qualify as a “Designated” or “Qualified” Settlement Fund pursuant to Section 468B of the Internal Revenue Code of 1986, 26 U.S.C. §§ 1 *et seq.*, as may be amended (the “**Internal Revenue Code**”), and the regulations promulgated thereunder, 31 C.F.R. §§ 900 *et seq.* (the “**Treasury Regulations**”).

E. The Settlement Trustee is duly appointed as a representative of the Debtor and its Estate for the sole purpose of implementing the Plan through the Settlement Trustee’s administration of the Trust and Distribution of the Trust Assets (defined below) pursuant to 11 U.S.C. §1123(a)(5)(B).

¹ The definitions set forth in Article I of the Plan apply to capitalized terms used, but not defined, in this Trust Agreement. The rules of construction set forth in Article II of the Plan apply to this Trust Agreement. To the extent that any provision of this Trust Agreement conflicts with any term of the Plan, the terms of the Plan shall control.

EXHIBIT H

Allocation Protocol

| [To ~~be~~Be Supplemented Prior To The Disclosure Statement Hearing]

EXHIBIT I

Future Claimant Allocation Protocol

[To ~~be~~Be Supplemented Prior To The Disclosure Statement Hearing]

EXHIBIT J

Form of General Release

~~{To be Supplemented}~~

USA Gymnastics Plan of Reorganization
Exhibit J, Form of General Release

SEXUAL ABUSE CLAIMANT GENERAL RELEASE

This Sexual Abuse Claimant General Release (“**Release**”) is executed by [•] (the “**Claimant**”) on [•], 202[•] pursuant to, and in accordance with, the terms of the *First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants Committee Of Sexual Abuse Survivors* (the “**Plan**”).¹

RECITALS

A. On December 5, 2018, USA Gymnastics (the “**Debtor**”) filed a voluntary petition under chapter 11 of the United States Bankruptcy Code. The Debtor remained in possession of its property and continued to operate and maintain its organization as a debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

B. On September 22, 2021, the Debtor filed the Plan. On [•], 2021, the United States Bankruptcy Court for the Southern District of Indiana confirmed the Plan by entering the Confirmation Order. On [•], 2021, the Effective Date occurred under the Plan and the Debtor became the Reorganized Debtor.

C. Pursuant to the Plan, a Trust was created for the benefit of Abuse Claimants and Future Claimants. All Abuse Claims and Future Claims are channeled to the Trust for resolution. Distributions to Holders of Allowed Abuse Claims and Holders of Allowed Future Claims shall be made from assets contributed to the Trust by the Settling Insurers and Participating Parties.

D. The Settlement Trustee has determined, in accordance with the terms of the Plan and the Plan Documents, that the Claimant holds an Allowed [Abuse/Future] Claim (the “**Claimant’s Channeled Claim**”) and is entitled to a distribution (the “**Distribution**”) from the Trust in full, complete, and final satisfaction of the Claimant’s Channeled Claim.

E. The Plan provides that, as a pre-condition to receiving the Distribution from the Trust, the Claimant shall execute and deliver to the Trust a full and complete general release of the Debtor, the Estate, the Reorganized Debtor, the Settling Insurers, all Participating Parties, and all known or unknown parties who may claim coverage under any Insurance Policy issued to the Debtor, including the Non-Debtor CGL Settling Insurer Covered Persons, and each of the Related Persons of all of the foregoing entities, of any and all Claims arising from or relating to the Debtor, Abuse Claims, Future Claims, or the Settling Insurance Policies.²

NOW, THEREFORE, in consideration of the treatment provided for the Claimant’s Channeled Claim under the Plan and the Plan Documents, and for good and valuable consideration,

¹ The definitions set forth in Article I of the Plan apply to capitalized terms used, but not defined, in this Release. The rules of construction set forth in Article II of the Plan apply to this Release. To the extent that any provision of this Release conflicts with any term of the Plan, the terms of the Plan shall control.

² The universe of parties to be released under this Release is disclosed in the Plan. For the avoidance of doubt, such released parties are also listed on Schedule 1, attached hereto.

USA Gymnastics Plan of Reorganization
Exhibit J, Form of General Release

the sufficiency of which is hereby acknowledged, the Claimant agrees to release the Claimant's Channeled Claim on the following terms:

RELEASE TERMS

1. **Claimant's Release.** In exchange for the Distribution, the Claimant, for and on behalf of the Claimant and the Claimant's heirs, intestates, estates, trusts, predecessors, successors, and assigns, and anyone claiming through the Claimant, completely releases, acquits, and forever discharges the Debtor, the Estate, the Reorganized Debtor, the Settling Insurers, the Participating Parties, and all known or unknown parties who may claim coverage under any Insurance Policy issued to the Debtor, including the Non-Debtor CGL Settling Insurer Covered Persons, and all Related Persons of the foregoing but solely in their capacities as Related Persons (the "**Claimant's Released Parties**"), from any and all claims, counterclaims, disputes, liabilities, rights, suits, obligations, judgments, duties, demands, defenses, liens, actions, administrative proceedings, costs, expenses, matters, issues, and causes of action of every kind and nature, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, that have been, could have been, or in the future might be asserted in any court, tribunal, or proceeding (including but not limited to any claims arising under federal, state, local, foreign, tribal, or common law), by or on behalf of the Claimant, whether individual, direct, class, representative, derivative, legal, equitable, or any other type or in any other capacity, which the Claimant ever had, now has, or may have had, from the beginning of time to the date of payment of the Distribution, arising from or relating to the Debtor, Abuse Claims, Future Claims, or the Settling Insurance Policies (collectively, the "**Released Claims**"), and the Claimant shall forever be enjoined pursuant to the Plan from prosecuting any such Released Claims against the Claimant's Released Parties.

2. **Claimant's Waiver.** The Claimant expressly waives any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

In agreeing to the foregoing waiver, the Claimant expressly acknowledges and understands that [she/he] may hereafter discover facts in addition to or different from those which [she/he] now believes to be true with respect to the subject matter of the matters released herein, but expressly agrees that they have taken these possibilities into account in electing to execute this Release, and that the Release given herein shall be and remain in effect as a full and complete general release notwithstanding the discovery or existence of any such additional or different facts, as to which the Claimant expressly assumes the risk.

3. **Excluded Parties.** For the avoidance of doubt, the Claimant's Released Parties do not include and specifically exclude any Person who personally committed an act of Sexual Abuse

USA Gymnastics Plan of Reorganization
Exhibit J, Form of General Release

that resulted in or would result in a Claim against the Debtor or a Participating Party, including, without limitation, Don Peters, Steve Rybacki, Beth Rybacki, SCATS Gymnastics (including, without limitation, any predecessor in interest thereto), and Charter Oak Gymnastics (including, without limitation, any predecessor in interest thereto).

4. **Claimant's Representation.** Claimant represents that they have not assigned their Released Claim or any portion thereof and is the owner of such Released Claim and has full authority to execute this Release.

5. **Dismissal with Prejudice.** Within ten (10) days after receiving the Distribution, the Claimant shall dismiss with prejudice any lawsuit that the Claimant had brought against the Debtor, any Participating Party, any Settling Insurer, and any Non-Debtor CGL Settling Insurer Covered Person, and shall promptly deliver evidence of such dismissal, with prejudice, to the Settlement Trustee.

6. **Governing Law.** Except to the extent that federal law (including the Bankruptcy Code or Bankruptcy Rules) is applicable, this Release shall be governed by and construed and enforced in accordance with the laws of the State of Indiana without giving effect to the principles of conflicts of laws.

7. **Severability.** If any term, covenant, or provision of this Release is held by a court of competent jurisdiction to be invalid or against public policy, the remaining provisions of this Release shall remain in full force and effect and will in no way be affected, impaired, or invalidated.

8. **Complete Agreement.** The terms of this Release and the Plan, including all of the Plan Documents, supersede all prior negotiations, discussions, or agreements between the Claimant, any of the Claimant's Released Parties, and the Settlement Trustee of any sort whatsoever, whether oral or written, relating to this Release and the Plan.

9. **Integral to Plan.** This Release is integral and critical to the Plan and the full, complete, and final settlement of the Claimant's Channeled Claim as provided therein. Upon receipt of the Distribution, and thereafter, the Claimant shall not take any action contrary to the terms of the Plan or this Release.

10. **Right to Consult Counsel.** Claimant acknowledges that they have reviewed this Release with their legal counsel or had the opportunity to do so prior to signing and elected not to consult legal counsel.

[Signature page follows.]

USA Gymnastics Plan of Reorganization
Exhibit J, Form of General Release

THE UNDERSIGNED CLAIMANT HAS CAREFULLY READ THE FOREGOING RELEASE AND THE ATTACHED SCHEDULE 1, KNOWS AND FULLY UNDERSTANDS THE CONTENTS THEREOF, AND SIGNS THIS RELEASE AS THE CLAIMANT'S OWN FREE ACT.

[CLAIMANT]

Dated: _____

USA Gymnastics Plan of Reorganization
Exhibit J, Form of General Release

SCHEDULE 1
List of Claimant's Released Parties

- USA Gymnastics
- The Estate created in USA Gymnastics' chapter 11 case pursuant to section 541 of the Bankruptcy Code
- Reorganized USA Gymnastics
- Settling Insurers
 - ACE American Insurance Company, formerly known as Cigna Insurance Company
 - National Casualty Company
 - National Union Fire Insurance Company of Pittsburgh, P.A.
 - Virginia Surety Company, formerly known as Combined Specialty Insurance Company
 - Lexington Insurance Company
 - Nationwide Mutual Insurance Company
 - New Hampshire Insurance Company
 - Philadelphia Indemnity Insurance Company
 - State Farm Fire and Casualty Company
 - Gemini Insurance Company
- Participating Parties
 - Marta Karolyi (aka Martha Karolyi)
 - Bela Karolyi
 - BMK Partners, Ltd.
 - BMK Training Facilities, Ltd
 - Karolyi Training Camps, LLC
 - Karolyi's Elite
 - Karolyi World Gymnastics
 - Twistars USA, Inc. d/b/a Geddert's Twistars Gymnastics Club USA
 - Geddert's Twistars USA Gymnastics Club, Inc.
 - Twistars USA, Inc.
 - John Geddert
 - Kathryn Geddert
 - United States Olympic and Paralympic Committee
- Non-Debtor CGL Settling Insurer Covered Persons
 - All Olympia Gymnastics Center
 - AOGC All Olympia Gymnastics Center
 - Amy White
 - Artur Akopyan
 - Bob Colarossi
 - Bela Karolyi
 - BMK Partners Ltd
 - BMK Training Facilities Ltd.

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- Debra Van Horn
- Galina Marinova
- Geddert's Twistars USA Gymnastics Club, Inc.
- John Geddert
- Karolyi Training Camps, LLC
- Karolyi's Elite
- Karolyi World Gymnastics
- Kathryn Geddert
- Kathy Scanlan
- Kathy Scanlan, LLC
- Marta Karolyi (aka Martha Karolyi)
- National Gymnastics Foundation
- Paul Parilla
- Rhonda Faehn
- Steve Penny
- Twistars USA, Inc. d/b/a Geddert's Twistars Gymnastics Club USA
- Twistars USA, Inc.
- United States Olympic and Paralympic Committee
- All other known or unknown parties who may claim coverage under any Insurance Policy issued to USA Gymnastics
- All Related Persons of the foregoing but solely in such Person's capacity as a Related Person

EXHIBIT B

First Amended Disclosure Statement Changed Pages Redline

THIS DISCLOSURE STATEMENT IS NOT A SOLICITATION OF VOTES ON THE PLAN. ACCEPTANCES OF THE PLAN MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED A DISCLOSURE STATEMENT. THE DEBTOR RESERVES THE RIGHT TO AMEND, SUPPLEMENT, OR OTHERWISE MODIFY THIS DISCLOSURE STATEMENT PRIOR TO THE HEARING TO APPROVE THIS DISCLOSURE STATEMENT.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re:

USA GYMNASTICS,¹

Debtor.

Chapter 11

Case No. 18-09108-RLM-11

USA GYMNASTICS' DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT
CHAPTER 11 PLAN OF REORGANIZATION PROPOSED BY USA GYMNASTICS
AND THE ADDITIONAL TORT CLAIMANTS COMMITTEE
OF SEXUAL ABUSE SURVIVORS

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Counsel for the Debtor

Dated: ~~August 31~~ September 22, 2021

¹ The last four digits of the Debtor's federal tax identification number are 7871. The location of the Debtor's principal office is 1099 N. Meridian St., Suite 800, Indianapolis, Indiana 46204.

DISCLAIMER

USA GYMNASTICS, AS DEBTOR AND DEBTOR IN POSSESSION IN THE ABOVE-CAPTIONED CHAPTER 11 CASE BELIEVES THAT THE FIRST AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION ~~{DKT. 1551}~~, ATTACHED AS EXHIBIT 1 TO THIS DISCLOSURE STATEMENT, IS IN THE BEST INTERESTS OF CREDITORS AND URGES ALL HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT THE PLAN.

THIS DISCLOSURE STATEMENT AND ITS RELATED DOCUMENTS ARE THE ONLY DOCUMENTS APPROVED BY THE BANKRUPTCY COURT TO BE USED IN CONNECTION WITH THE SOLICITATION OF VOTES FOR OR AGAINST THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS ONLY A SUMMARY OF THE PLAN AND IS NOT INTENDED TO REPLACE A DETAILED REVIEW AND ANALYSIS OF THE PLAN. ALL HOLDERS OF CLAIMS ARE ENCOURAGED TO REVIEW THE FULL TEXT OF THE PLAN AND THE EXHIBITS TO THE PLAN AND THIS ENTIRE DISCLOSURE STATEMENT CAREFULLY BEFORE DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. IN THE EVENT OF A CONFLICT BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT, THE PROVISIONS OF THE PLAN WILL GOVERN.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF. THE DELIVERY OF THIS DISCLOSURE STATEMENT DOES NOT IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AT ANY TIME AFTER THE DATE HEREOF, AND THE DEBTOR DOES NOT ASSUME ANY OBLIGATION TO UPDATE THIS DISCLOSURE STATEMENT FOR EVENTS OR INFORMATION ARISING AFTER THE DATE HEREOF.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. FOR THAT REASON, AND BECAUSE OF THE IMPOSSIBILITY OF MAKING ASSUMPTIONS, ESTIMATES, AND PROJECTIONS INTO THE FUTURE WITH CERTAINTY, THE DEBTOR IS UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS COMPLETE AND ACCURATE, ALTHOUGH REASONABLE EFFORT HAS BEEN MADE TO PRESENT COMPLETE AND ACCURATE INFORMATION.

HOLDERS OF CLAIMS SHALL NOT CONSTRUE THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, FINANCIAL, OR TAX ADVICE. ALL HOLDERS OF CLAIMS SHOULD CONSULT WITH THEIR OWN ADVISORS AS TO ANY MATTERS CONCERNING THE PLAN, ITS SOLICITATION, AND THE TRANSACTIONS, TREATMENT, AND DISTRIBUTIONS CONTEMPLATED BY THE PLAN.

THIS DISCLOSURE STATEMENT SHALL NOT BE CONSTRUED AS AN ADMISSION OR STIPULATION AS TO ANY CONTESTED MATTER, ADVERSARY PROCEEDING, CLAIM, OR OTHER ACTION OR THREATENED ACTION BUT AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS.

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USA Gymnastics, as debtor and debtor in possession (the “Debtor” or “USAG”) respectfully submits this disclosure statement (the “Disclosure Statement”) in support of the *First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants’ Committee Of Sexual Abuse Survivors* (as it may hereafter be amended or modified, the “Plan”), a copy of which is attached to this Disclosure Statement as Exhibit 1.¹

I. OVERVIEW OF THIS DISCLOSURE STATEMENT AND THE PLAN

A. Introduction.

On December 5, 2018, USA Gymnastics filed a voluntary chapter 11 petition with the United States Bankruptcy Court for the Southern District of Indiana (the “Bankruptcy Court”). Following its bankruptcy filing, the Debtor has engaged the Survivors’ Committee, the Debtor’s insurance carriers, athletes, the United States Olympic & Paralympic Committee (the “USOPC”), creditors, and other parties in interest in good faith and lengthy negotiations over the terms of a plan of reorganization that will compensate all Persons holding Allowed Claims against the Debtor. The Debtor’s paramount focus has been on reaching an equitable resolution of the Abuse Claims.

As a result of these efforts, the Debtor, the Survivors’ Committee, certain survivors, and certain of the Settling Insurers executed a Plan Support Agreement, which sets forth the key terms of the Plan. The Debtor and the Survivors’ Committee believe the Plan is in the best interests of, and provides the highest and most expeditious recoveries to, all parties who hold Claims against the Debtor, including Holders of Abuse Claims. **The Debtor and the Survivors’ Committee recommend that all Classes of Claims entitled to vote accept the Plan.**

This Disclosure Statement describes why Claims are placed into certain Classes, the relative allocations of property to the Holders of such Claims, the manner by which the Debtor’s Assets are to be distributed, the Allocation Protocol for distributions by the Trust to Abuse Claimants, the risks inherent in the Plan, and the applicable bankruptcy and tax consequences of the Plan. You are advised and encouraged to read both this Disclosure Statement and the Plan in their entirety before voting to accept or reject the Plan.

Note, this paragraph will be deleted from the solicitation version of this Disclosure Statement. As discussed in greater detail below, the Plan provides two possible alternatives: (i) the Full or Partial Settlement Alternative, or (ii) the Litigation Only Alternative. The Litigation Only Alternative will not occur if the CGL Insurers accept the CGL Insurer Settlement Offers *or* if the Debtor and the Survivors’ Committee jointly elect the Partial Settlement Option. The deadline by which the Debtor and the Survivors’ Committee must make the Partial Settlement Option election is the date set for the hearing on approval of this Disclosure Statement. The **yellow highlighted** sections of this Disclosure Statement are applicable only if the Debtor and the Survivors’ Committee jointly elect the Partial Settlement Option, and will be deleted from the Disclosure Statement if the Debtor and the Survivors’ Committee do not make such an election. The **blue**

¹ The definitions set forth in Article I of the Plan apply to capitalized terms used, but not defined, in this Disclosure Statement. The rules of construction set forth in Article II of the Plan apply to this Disclosure Statement.

highlighted sections of this Disclosure Statement are applicable only if the Debtor and the Survivors' Committee do *not* jointly elect the Partial Settlement Option, and will be deleted from the Disclosure Statement if the Debtor and the Survivors' Committee make such an election. If the deadline by which the Debtor and the Survivors' Committee must make the Partial Settlement Option is extended, both the yellow and blue highlighted sections will remain in this Disclosure Statement, and the Disclosure Statement will contain a section stating the new deadline by which the Debtor and the Survivors' Committee must make the Partial Settlement Option.

The Plan provides two alternatives for Abuse Claims (and the USOPC Claim and Indemnification Claims): (a) the Full or Partial Settlement Alternative; or (b) the Litigation Only Alternative. In broad overview, under the Full or Partial Settlement Alternative: (a) if the CGL Insurers each accept the Survivors' Committee's CGL Insurer Settlement Offer (which, in the aggregate, is \$425,000,000.00, the "**Total Settlement Demand Amount**") the Trust will be created for the benefit of Abuse Claimants and Future Claimants and will be funded by the Total Settlement Demand Amount (less the Professional Fee Hold-Back) and the Twistars Payment; or (b) if less than all CGL Insurers accept the Survivors' Committee's CGL Insurer Settlement Offer, then the Survivors' Committee and the Debtor may jointly elect the Partial Settlement Option and the Trust will be created for the benefit of Abuse Claimants and Future Claimants and will be funded by the payments by the Partial Settlement Option Accepted Parties (less the Professional Fee Hold-Back), the ~~Twisters~~-Twistars Payment, and the assignment of Insurance Claims, and Abuse Claimants whose Claims are covered by a Non-Settling Insurer's policy may elect to pursue litigation against the Debtor and any other defendant subject to the terms of the Plan.

Under the Litigation Only Alternative—which will occur if the CGL Insurers do not commit to fund the Total Settlement Demand Amount and the Debtor and the Survivors' Committee do not jointly elect to proceed with the Partial Settlement Option—the Plan permits all Holders of Abuse Claims filed or deemed to be filed by the Bar Date to prosecute their Claims against the Reorganized Debtor in name only in the courts where such Claims were pending before the Petition Date or the courts in which such Claims could have been brought, but for the automatic stay imposed by Section 362 of the Bankruptcy Code. To be clear, **a vote for the Plan is to accept the Plan, and is not a vote for a particular alternative.**

On [•], 2021, the Debtor and the Survivors' Committee jointly elected the Partial Settlement Option, which, as set forth below, had the effect of eliminating the Litigation Only Alternative. Accordingly, this Disclosure Statement does not provide an overview of the treatment of Claims under the Litigation Only Alternative. As of the date of this Disclosure Statement, the Debtor and the Survivors' Committee have not elected to make the Partial Settlement Option election, and the deadline for doing so has not been extended. Accordingly, the means for implementation of the Partial Settlement Option are not described below.

The following table briefly summarizes the classification and treatment of Claims under the Plan. For a more detailed description of the Plan's classification and treatment of Claims, see Article V below.

of \$425,000,000.00. The table below provides additional detail regarding the CGL Insurer Settlement Offers:

CGL Insurers	CGL Insurer Settlement Offer
Virginia Surety Company (f/k/a/ Combined Specialty Insurance Company) Debtor Policies USOPC Policies	\$27,899,577 \$4,230,199 <u>\$XXXX</u> <u>\$XXXX</u> Total: \$32,129,776 <u>XXXX</u> ³
National Casualty Company Debtor Policies USOPC Policies	\$XXXX \$XXXX Total: \$XXXX ⁴
TIG Insurance Company Debtor Policies USOPC Policies	\$67,157,545 \$39,044,273 Total: \$106,201,818
CIGNA Insurance Company (n/k/a ACE American Insurance Company) (Debtor Policies Only)	Total: \$XXXX
National Union Fire Insurance Company of Pittsburgh, P.A. (n/k/a AIG) (Debtor Policies Only)	Total: \$XXXX
Gemini Insurance Company (USOPC Policies Only)	Total: \$XXXX

³ CGL Insurers who have reached agreement on a number are shown as XXXX. The figures designated for National Casualty Company with XXXX are not to be shared publicly until the Committee and Debtor jointly elect to pursue the Full or Partial Settlement Alternative and will not be shared publicly in the event the Committee and Debtor do not jointly elect to pursue the Full or Partial Settlement Alternative.

⁴ ~~CGL Insurers who have reached agreement on a number are shown as XXXX. The figures designated for National Casualty Company with XXXX are not to be shared publicly until the Committee and Debtor jointly elect to pursue the Full or Partial Settlement Alternative and will not be shared publicly in the event the Committee and Debtor do not jointly elect to pursue the Full or Partial Settlement Alternative.~~

CGL Insurers	CGL Insurer Settlement Offer
Great American Assurance Company Debtor/Karolyi Policies USOPC Policies	\$28,121,305 \$13,166,680 Total: \$41,287,985
Philadelphia Indemnity Insurance Company (USOPC Policies Only)	Total: \$1,903,311XXXX
Total:	\$425,000,000

As of the date of this Disclosure Statement, CIGNA Insurance Company (n/k/a ACE American Insurance Company), National Union Fire Insurance Company of Pittsburgh, P.A. (n/k/a AIG), National Casualty Company, [Virginia Surety Company \(f/k/a Combined Specialty Insurance Company\)](#), [Philadelphia Indemnity Insurance Company](#), and Gemini Insurance Company, have committed to fund their respective CGL Insurer Settlement Offers.

If the remaining CGL Insurers commit to fund the Total Settlement Demand Amount, or if the Debtor and the Survivors' Committee jointly elect to proceed with the Partial Settlement Option, then, the Plan provides for the creation of a Trust for the exclusive benefit of Abuse Claimants and Future Claimants. The Plan provides that, on the Effective Date, each Settling Insurer shall make its Agreed CGL Insurer Payment by wire transfer to the Debtor pursuant to such Debtor's Settling Insurer's Buy-Back Agreement or other agreement with the USOPC Settling Insurers. Upon receipt of the Agreed CGL Insurer Payments from the Settling Insurers, the Debtor will wire the Net Settlement Payment to the Trust. In addition, the Trust will also be funded with the Twistars Settlement and, in the event that the Debtor and the Survivors' Committee elect to proceed with the Partial Settlement Option, a transfer of the Insurance Claims against the Non-Settling Insurers, as set forth in Section 10.5 of the Plan.

The Trust Assets will be used to fund Distributions to Holders of Abuse Claims and Holders of Future Claims. Under the Partial Settlement Option, Abuse Claimants whose Claims are covered only by a Non-Settling Insurer's policy may elect to pursue litigation against the Debtor and any other defendant; provided, however, that any such Claims are subject to the terms of the Plan and that Claims against the Debtor or a Protected Party may recover only from a CGL Insurance Policy issued by a Non-Settling Insurer of the Debtor or a CGL Insurance Policy issued by a Non-Settling Insurer of a Protected Party. Exhibit E to the Plan identifies which Abuse Claims are covered by each [Non-Settling Insurer's](#) CGL Insurance Policy. In exchange for payment from the Trust, Abuse Claimants shall agree to a full and complete general release of the Debtor, its Estate, the Reorganized Debtor, the Settling Insurers (identified below), the Participating Parties (identified below), and all known or unknown parties who may claim coverage under any insurance policy issued to the Debtor, including the Non-Debtor CGL Settling Insurer Covered Persons (identified below). A copy of the release will be attached to the Plan as [Exhibit J](#).

A Future Claimant Reserve will be established for the payment of any Future Claims and any amounts remaining in the Future Claimant Reserve will revert to the Trust's general funds for

use and Distribution as set forth in the Trust Agreement after five years. The Future Claimant Reserve will be funded with one percent (1.0%) of the Net Settlement Payment. Distributions and reserves from the Trust to Abuse Claimants and Future Claimants will be determined by application of the Allocation Protocol for Abuse Claims and the Future Claimant Allocation Protocol, as the case may be. Abuse Claims filed after the Bar Date or not deemed to be filed by the Bar Date will not receive any Distribution from the Trust, but will be channeled to the Trust and subject to the Channeling Injunction.

Each Protected Parties and Settling Insurers Party will receive the benefit of the injunctions and releases provided under the Plan, including under Article XII of the Plan.

The Settling Insurers include the Debtor CGL Insurers listed immediately below, which issued the Debtor CGL Insurance Policies, and which, with the exception of National Union Fire Insurance Company of Pittsburgh, P.A. (now known as AIG), also provide coverage to the USOPC as an additional or named insured. With the exception of ACE American Insurance Company and National Union Insurance Company of Pittsburgh, P.A. (now known as AIG), the CGL Insurers also issued separate insurance policies to the USOPC.

- ACE American Insurance Company, formerly known as Cigna Insurance Company;
- National Casualty Company;
- National Union Fire Insurance Company of Pittsburgh, P.A.; and
- Virginia Surety Company, formerly known as Combined Specialty Insurance Company.

The Settling Insurers also include the Twistars Settling Insurers:

- Lexington Insurance Company;
- Nationwide Mutual Insurance Company;
- New Hampshire Insurance Company;
- Philadelphia Indemnity Insurance Company; and,
- State Farm Fire and Casualty Company.

The USOPC Settling Insurers include:

- National Casualty Company; ~~and~~
- Philadelphia Indemnity Insurance Company;
- Gemini Insurance Company ~~;~~ and,
- Virginia Surety Company, formerly known as Combined Specialty Insurance Company.

The Participating Parties include:

- Karolyis
- Twistars; and,
- USOPC

to the Plan on account of, among other things, the cost of negotiating, drafting, and potentially litigating an alternative Plan. Further, failure to confirm the Plan may result in dismissal of the case in its entirety. Without the discharge contemplated by the Plan, the Debtor will be subject to claims of claimants who did not file claims in the case. That result could, depending on the applicable insurance policy, prejudice those claimants who timely filed claims in this case by potentially reducing the amount of available assets the Debtor has to satisfy their claims.

What do you mean when you refer to “Confirmation” and “Effective Date”?

“Confirmation” of the Plan refers to the approval of the Plan by the Bankruptcy Court. Confirmation of the Plan will bind the Debtor, any Person acquiring property under the Plan, and any creditor, including Abuse Claimants, to the terms of the Plan, in full satisfaction and compromise of any and all obligations that arose prior to this case.

Confirmation of the Plan does not guarantee that you will receive the distribution contemplated under the Plan. After confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can be consummated and become effective on the “Effective Date.”

The “Effective Date” will occur when the Bankruptcy Court enters an order confirming the Plan (and that order is reasonably acceptable to the Reorganized Debtor, the Survivors’ Committee, and, if the Full or Partial Settlement Alternative is selected, the Participating Parties and the Settling Insurers), the Confirmation Order becomes a final order on or before December 31, 2021, and, if the Full or Partial Settlement Alternative is selected, the Settlement Trustee, the FCR, and the Reorganized Debtor sign the Trust Agreement, the Settling Insurers have made their Agreed CGL Insurer Payments to the Debtor and the Trust has been funded, the Bankruptcy Court has approved the Settling Insurers’ Buy-Back Agreements, and the Settling Insurers have been dismissed from the Insurance Coverage Adversary Proceeding with prejudice, [with each party to bear its own costs.](#)

Under the Full or Partial Settlement Alternative, how will the Trust pay Abuse Claims?

The Plan provides that the Trust will be funded with the \$2,125,000.00 Twistars Payment and the Net Settlement Payment, which is (a) in the event that the Total Settlement Demand is funded as of the Effective Date, \$425,000,000.00 less the Professional Fee Hold-Back; and (b) in the event that the Partial Settlement Option is jointly elected by the Debtor and the Survivors’ Committee, all payments received from a Partial Settlement Option Accepted Party less the Professional Fee Hold-Back plus Insurance Claims.

The Trust shall pay Abuse Claims and Future Claims in accordance with the Allocation Protocol and the Future Claimant Allocation Protocol, which protocols are attached to the Plan as Exhibits H and I. The initial Settlement Trustee will be William L. Bettinelli. Mr. Bettinelli is a retired judge, and has extensive experience in mass tort cases, including serving as a trustee. The Future Claimant Reserve will be funded with 1% of the Net Settlement Payment.

available for Abuse Claims). Any claims that Abuse Claimants may have against third parties are unimpaired by the Litigation Only Alternative.

Will there be any injunctions entered pursuant to the Plan?

Yes. In the event of a Full or Partial Settlement Alternative, the Channeling Injunction and Settling Insurer Injunction described in Article XII of the Plan will both be entered with respect to certain Claims. In addition, under both the Full or Partial Settlement Alternative and the Litigation Only Alternative, the Debtor will receive the benefit of the discharge injunction described in Section 18.1 of the Plan. Certain other parties will also receive the benefit of the exculpation and limitation of liability set forth in Section 18.4 of the Plan.

Channeling Injunction. Under the Full or Partial Settlement Alternative, certain Claims will be channeled to the Trust. These Channeled Claims are defined in full in Section 1.1.25 of the Plan, and include the Abuse Claims, FCR Claim, Participating Party Claims, Indemnification Claims, and any Claims against a Participating Party, a Non-Debtor CGL Settling Insurer Covered Person, or a Settling Insurer arising from, in connection with, or related in any way to USAG, an Abuse Claim, or any of the Settling Insurance Policies listed on Exhibit A to the Plan, ~~excepting solely the Personal Injury Claim~~. In addition, a Channeled Claim includes any Claim against the Debtor, a Participating Party, a Non-Debtor CGL Settling Insurer Covered Person, or a Settling Insurer based on allegations that it is an alter ego of a Person that is not a Participating Party, Non-Debtor CGL Settling Insurer Covered Person, or Settling Insurer or that the Debtor's, Participating Party's, Non-Debtor CGL Settling Insurer Covered Person's or Settling Insurer's corporate veil should be pierced on account of Claims against a Person that is not a Participating Party, Non-Debtor CGL Settling Insurer Covered Person, or Settling Insurer or based on any other theory under which the legal separateness of any Person and any other Person may be disregarded to impose liability for a Claim on either such Person. For the avoidance of doubt and notwithstanding anything to the contrary herein, no Claim by any Person, including an Abuse Claimant or Future Claimant, against an Excluded Party may be a Channeled Claim. The Personal Injury Claim is not a Channeled Claim.

Individuals holding Channeled Claims will be forever and permanently enjoined, stayed, barred, and restrained from taking any action to recover on Channeled Claims from any asset not held by the Trust. The Channeling Injunction will preclude recovery from any assets of the Debtor, the Estate, the Reorganized Debtor, any Participating Party, any Settling Insurer, and any Non-Debtor CGL Settling Insurer Covered Person, as well as any of these entities' predecessors, successors, assigns, and present and former shareholders, affiliates, subsidiaries, employees, agents, brokers, adjusters, managing agents, claims agents, underwriting agents, administrators, officers, directors, trustees, partners, attorneys, financial advisors, accountants, and consultants, each in their capacities solely as such. However, the protection of the Channeling Injunction will not extend to any Person who personally committed an act or acts of abuse resulting in a claim against the Debtor, a Participating Party, or a Settling Insurer.

If any claimant violates the Channeling Injunction, they may be subject to sanctions imposed by the Bankruptcy Court, even after the closure of the Debtor's Chapter 11 Case. The Channeling Injunction will preclude claimants from pursuing Channeled Claims against the entities and assets protected by the Channeling Injunction regardless of whether or not claimants

that the mediation had not yet produced a global settlement and argued that Abuse Claimants should not have to wait any longer to litigate their Claims in non-bankruptcy forums. It then alleged that cause existed to dismiss the Debtor's case because the Debtor could not confirm a plan over the objections of the Abuse Claimants. After the Debtor filed the initial version of its Plan and as settlement negotiations continued, the Survivors' Committee took the Motion to Dismiss off of the hearing schedule. The Motion to Dismiss is not currently set for hearing.

12. Plan Support Agreement.

On May 6, 2021, the Debtor and the Survivors' Committee entered into the Plan Support Agreement, subject to approval by the Court. The Plan Support Agreement memorializes the Debtor and Survivors' Committee's agreement to seek confirmation of the Plan, which provides for the global settlement and resolution of all Abuse Claims through either the Full or Partial Settlement Alternative or the Litigation Only Alternative. The Plan Support Agreement further provides that CGL Insurers may become signatories to the Plan Support Agreement upon their acceptance of the settlement offers made with respect to CGL Insurance Policies they issued and their agreement to the terms of the Plan. As of the date of this Disclosure Statement, National Casualty Company, CIGNA Insurance Company (n/k/a ACE American Insurance Company), National Union Fire Insurance Company of Pittsburgh, P.A. (n/k/a AIG), [Virginia Surety Company \(f/k/a Combined Specialty Insurance Company\)](#), [Philadelphia Indemnity Insurance Company](#), and Gemini Insurance Company have accepted their settlement offers and agreed to become Settling Insurers. ~~f~~[Great American Assurance Company and TIG Insurance Company](#) are currently Non-Settling Insurers.

V. SUMMARY OF THE PLAN

The Debtor and the Survivors' Committee propose the Plan in good faith and believe the Plan is feasible and in the best interest of the creditors of the Debtor. The Debtor and the Survivors' Committee therefore recommend acceptance of the Plan by holders of Claims in the Voting Classes. This Article V and Articles VI through IX summarize key components of the Plan. To the extent of any inconsistencies between these summaries and the terms of the Plan, the Plan controls. To the extent the summaries omit any provisions of the Plan, such omission has no effect on the enforceability of those provisions in the Plan. All Claimants are encouraged to carefully read the Plan before voting.

A. Treatment of Unclassified Claims.

The following summarizes the treatment of Administrative Claims, Professional Claims, Priority Tax Claims, and U.S. Trustee Fees under the Plan. In accordance with Section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Claims, Priority Tax Claims, and U.S. Trustee Fees have not been classified under the Plan. Article IV of the Plan sets forth the treatment for each of these types of Claims. The Debtor anticipates that it will pay these unclassified claims in full on the Effective Date.

1. Administrative Claims.

An Administrative Claim is a claim for payment of an administrative expense of a kind specified in Bankruptcy Code Section 503(b) and referred to in Bankruptcy Code

8. Litigation Claimant's Right to Commence or Continue Actions.

A Litigation Claimant may, at his or her own expense, commence or continue any action against the Debtor or a Participating Party that is covered by a Non-Settling Insurer, but such Litigation Claimant may only collect a judgment or award from the proceeds of an insurance policy issued by a Non-Settling Insurer.

9. Effect of Trust Insurance Settlements.

To the extent the Settlement Trustee enters into a settlement agreement (a "**Trust Insurance Settlement**") with any Non-Settling Insurer that covers a Litigation Claimant's Abuse Claim (the policy or policies that respond to such Claim(s) are a "**Target Policy**"), such Litigation Claimant shall be entitled to an enhancement (the "**Claim Enhancement**") to his or her allocation pursuant to the Allocation Protocol, which enhanced amount shall be deducted from the proceeds of the settlement agreement with the applicable Non-Settling Insurer. The Claim Enhancements are independent of one another, and are not intended to be cumulative. The Trustee shall reserve sufficient amounts to fund such enhanced payments prior to Distribution of settlement proceeds to Abuse Claimants who are not Litigation Claimants.

10. Application of Claim Enhancement.

The Claim Enhancement shall be applied as follows:

- (a) A Litigation Claimant shall be entitled to an enhancement of five percent (5%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into prior to such time that discovery is propounded in such Litigation Claimant's case.
- (b) A Litigation Claimant shall be entitled to an enhancement of ten percent (10%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into after discovery is propounded but before a motion for summary judgment is filed in such Litigation Claimant's case.
- (c) A Litigation Claimant shall be entitled to an enhancement of fifteen percent (15%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into after a motion for summary judgment is filed but before trial in such Litigation Claimant's case.
- (d) A Litigation Claimant shall be entitled to an enhancement of twenty percent (20%) if the Trust negotiates a Trust Insurance Settlement for a Target Policy of such Litigation Claimant if the Trust Insurance Settlement is entered into after trial commences but before a verdict is returned or a judgment is entered in favor of the Litigation Claimant.

3. SCOPE OF CHANNELING INJUNCTION.

NOTWITHSTANDING ANY PROVISION OF THE PLAN, THE FOREGOING “CHANNELING INJUNCTION PREVENTING PROSECUTION OF ABUSE CLAIMS” PROVIDES ABSOLUTELY NO PROTECTION TO: (A) AN EXCLUDED PARTY; (B) ANY CLAIMS EXCEPTED FROM EXCULPATION UNDER SECTION 18.4 OF THE PLAN; (C) TO THE EXTENT THE SETTLING INSURERS ARE ALSO INSURERS TO THE DEBTOR OR TO ANY PARTICIPATING PARTY UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN, THE CHANNELING INJUNCTION SHALL NOT APPLY TO CLAIMS BY THE DEBTOR OR ANY PARTICIPATING PARTY AGAINST ANY SETTLING INSURERS IN THEIR CAPACITY AS AN INSURER TO SUCH PARTIES UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN; AND (D) ANY NON-SETTLING INSURER.

4. ENFORCEMENT TO THE MAXIMUM EXTENT.

TO THE EXTENT NOT OTHERWISE ENJOINED IN SECTION 12.3 OF THE PLAN, THE ASSERTION OR ENFORCEMENT OF CHANNELED CLAIMS, AND ANY ATTEMPT TO ASSERT OR ENFORCE A CHANNELED CLAIM, DIRECTLY OR INDIRECTLY, BY ANY PERSON, AGAINST A PROTECTED PARTY IS HEREBY PERMANENTLY STAYED, ENJOINED, BARRED, AND RESTRAINED.

5. SETTLING INSURER INJUNCTION.

IN CONSIDERATION OF THE CRITICAL UNDERTAKINGS AND SUBSTANTIAL CONTRIBUTIONS OF THE SETTLING INSURERS PURSUANT TO THE TERMS OF THE PLAN, INCLUDING THE FUNDING OF THE TRUST, AND TO FURTHER PRESERVE AND PROMOTE THE SETTLEMENTS EMBEDDED IN THE PLAN BETWEEN AND AMONG THE PARTICIPATING PARTIES, THE SETTLING INSURERS, HOLDERS OF SEXUAL ABUSE CLAIMS, THE SURVIVORS’ COMMITTEE, THE FCR, AND THE DEBTOR, AND PURSUANT TO SECTIONS 105, 363, AND 1129 OF THE BANKRUPTCY CODE, AND EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, ANY AND ALL PERSONS (INCLUDING, WITHOUT LIMITATION, ALL DEBT HOLDERS, ALL EQUITY HOLDERS, GOVERNMENTAL, TAX, AND REGULATORY AUTHORITIES, LENDERS, TRADE AND OTHER CREDITORS, ABUSE CLAIMANTS, FUTURE CLAIMANTS, SETTLING INSURERS, NON-SETTLING INSURERS, OTHER INSURERS, AND ALL OTHERS HOLDING CLAIMS OR INTERESTS OF ANY KIND OR NATURE WHATSOEVER AGAINST OR RELATED TO THE PROTECTED PARTIES) ARE PERMANENTLY ENJOINED AND BARRED FROM ASSERTING AGAINST A SETTLING INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON ANY CLAIM (INCLUDING ANY INSURANCE COVERAGE CLAIM, EXTRA-CONTRACTUAL CLAIM, CONTRIBUTION CLAIM, OR SUBROGATION CLAIM) OR INTEREST OF ANY KIND OR NATURE WHATSOEVER ARISING FROM OR RELATING IN ANY WAY TO (A) ANY ABUSE CLAIM OR FUTURE CLAIM OR (B) ANY OF THE SETTLING INSURER POLICIES OR (C) ANY CLAIM AGAINST ANY SETTLING INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTLING INSURER COVERED PERSON FOR CONTRIBUTION, INDEMNITY, DEFENSE,

SUBROGATION, OR SIMILAR RELIEF THAT ARISES DIRECTLY OR INDIRECTLY FROM ANY CLAIM AGAINST THE DEBTOR OR ANY NON-DEBTOR CGL SETTling INSURER COVERED PERSON, OR ANY SETTling INSURER POLICY; *PROVIDED, HOWEVER*, THAT SUCH INJUNCTION SHALL NOT APPLY TO THE HOLDER OF THE PERSONAL INJURY CLAIM AND HER ABILITY TO PURSUE RECOVERY FROM THE PERSONAL INJURY INSURANCE POLICY. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT THE SETTling INSURERS ARE ALSO INSURERS TO THE DEBTOR OR TO ANY PARTICIPATING PARTY UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN, THE CHANNELING INJUNCTION SHALL NOT APPLY TO CLAIMS BY THE DEBTOR OR ANY PARTICIPATING PARTY AGAINST ANY SETTling INSURERS IN THEIR CAPACITY AS AN INSURER TO SUCH PARTIES UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN; AND (D) ANY NON-SETTLING INSURER.

~~6. Contribution Bar against Non-Settling Insurers.~~

6. CONTRIBUTION BAR AGAINST NON-SETTLING INSURERS.

IN CONSIDERATION OF THE CRITICAL UNDERTAKINGS AND SUBSTANTIAL CONTRIBUTIONS OF THE SETTling INSURERS PURSUANT TO THE TERMS OF THE PLAN, INCLUDING THE FUNDING OF THE TRUST, AND TO FURTHER PRESERVE AND PROMOTE THE SETTLEMENTS EMBEDDED IN THE PLAN BETWEEN AND AMONG THE PARTICIPATING PARTIES, THE SETTling INSURERS, HOLDERS OF SEXUAL ABUSE CLAIMS, THE SURVIVORS' COMMITTEE, THE FCR, AND THE DEBTOR, AND PURSUANT TO SECTIONS 105(a), 363, AND 1129 OF THE BANKRUPTCY CODE, ANY NON-SETTLING INSURER IS HEREBY PERMANENTLY STAYED, ENJOINED, BARRED, AND RESTRAINED FROM TAKING ANY ACTION, DIRECTLY OR INDIRECTLY, INCLUDING FILING ANY SUIT OR CAUSE OF ACTION AGAINST ANY SETTling INSURER, OR ANY OF ITS RELATED PERSONS, OR ANY NON-DEBTOR CGL SETTling INSURER COVERED PERSON, FOR THE PURPOSES OF ASSERTING, ENFORCING, OR ATTEMPTING TO ASSERT OR ENFORCE ANY CLAIM, INCLUDING ANY CONTRIBUTION CLAIM, SUBROGATION CLAIM, CLAIM FOR RECOVERY OF DEFENSE COSTS OR INDEMNITY PAYMENTS, OR ANY SIMILAR CLAIM, CAUSE OF ACTION, OR REMEDY, AGAINST ANY SETTling INSURER AND ANY NON-DEBTOR CGL SETTling INSURER COVERED PERSON.

7. PERMANENT TERM OF INJUNCTIONS OR STAYS AND CONFIRMATION OF SETTLEMENTS WITH PARTICIPATING PARTIES AND SETTling INSURERS.

ALL INJUNCTIONS AND STAYS PROVIDED FOR IN THE PLAN AND UNDER AND PURSUANT TO THE INJUNCTIVE PROVISIONS OF SECTIONS 524 AND 1141 OF THE BANKRUPTCY CODE ARE PERMANENT AND WILL REMAIN IN FULL FORCE AND EFFECT FOLLOWING THE EFFECTIVE DATE AND ARE NOT SUBJECT TO BEING VACATED OR MODIFIED.

8. RELEASE OF AVOIDANCE CLAIMS AND OTHER CLAIMS AGAINST PARTICIPATING PARTIES, NON-DEBTOR CGL SETTLING INSURER COVERED PERSONS, AND SETTling INSURERS.

ON THE EFFECTIVE DATE, ALL AVOIDANCE RIGHTS OF THE DEBTOR, THE ESTATE, AND THE REORGANIZED DEBTOR, INCLUDING THOSE ARISING UNDER SECTIONS 544, 547, 548, 549, 550, AND 553 OF THE BANKRUPTCY CODE, AGAINST EACH OF THE PARTICIPATING PARTIES, NON-DEBTOR CGL SETTling INSURER COVERED PERSONS, AND SETTling INSURERS SHALL BE DEEMED SETTLED, COMPROMISED, AND RELEASED BY THE PLAN. AS TO EACH SETTling INSURER, ON THE EFFECTIVE DATE, THE INSURANCE COVERAGE ADVERSARY PROCEEDING AND ALL RELATED PROCEEDINGS IN ANY COURT SHALL IMMEDIATELY CEASE, AND THE INSURANCE COVERAGE ADVERSARY PROCEEDING AND ANY RELATED PROCEEDINGS SHALL BE DISMISSED, WITH PREJUDICE, AGAINST EACH SETTling INSURER, WITH EACH PARTY TO BEAR ITS OWN COSTS.

9. MUTUAL RELEASE.

EXCEPT FOR (i) OBLIGATIONS ARISING UNDER ANY EXECUTORY CONTRACT ASSUMED BY THE REORGANIZED DEBTOR PURSUANT TO ARTICLE XIX OF THE PLAN, (ii) OBLIGATIONS UNDER THE PLAN INCLUDING THE OBLIGATIONS OF THE PERSONAL INJURY INSURER SOLELY WITH RESPECT TO THE PERSONAL INJURY CLAIM AND THE OBLIGATIONS OF SETTling INSURERS TO PAY DEFENSE COSTS (EXCLUDING ALL DEFENSE COSTS OF THE TYPE SOUGHT IN THE COSTS MOTION) THROUGH THE EFFECTIVE DATE OF THE PLAN, AND (iii) CLAIMS EXCEPTED FROM EXCULPATION UNDER SECTION 18.4 OF THE PLAN, ON THE EFFECTIVE DATE, THE DEBTOR, THE ESTATE, AND THE REORGANIZED DEBTOR, ON THE ONE HAND, AND THE PARTICIPATING PARTIES, THE NON-DEBTOR CGL SETTling INSURER COVERED PERSONS, AND SETTling INSURERS, ON THE OTHER HAND, WAIVE, RELEASE, AND DISCHARGE ANY AND ALL CLAIMS OR CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN OR UNKNOWN, THAT THEY MAY HAVE AGAINST EACH OTHER, AND THEIR RESPECTIVE RELATED PERSONS, INCLUDING CLAIMS ARISING UNDER OR AGAINST THEIR RESPECTIVE INSURANCE POLICIES. NO SUCH CLAIM WILL SURVIVE THE EFFECTIVE DATE. NO SUCH CLAIM WILL BE DEEMED TO BE ASSIGNED TO THE TRUST. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT THE SETTling INSURERS ARE ALSO INSURERS TO THE DEBTOR OR TO ANY PARTICIPATING PARTY UNDER POLICIES ISSUED TO THE DEBTOR OR ANY PARTICIPATING PARTY NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN, THIS MUTUAL RELEASE SHALL NOT APPLY TO CLAIMS BY THE DEBTOR OR ANY PARTICIPATING PARTY AGAINST ANY SETTling INSURERS IN THEIR CAPACITY AS AN INSURER TO SUCH PARTIES UNDER POLICIES NOT SPECIFICALLY IDENTIFIED IN EXHIBIT A TO THE PLAN.

10. PROTECTED PARTY RELEASE.

EXCEPT FOR (i) OBLIGATIONS UNDER THE PLAN INCLUDING THE OBLIGATIONS OF THE PERSONAL INJURY INSURER WITH RESPECT TO THE PERSONAL INJURY CLAIM

D. Remand of Removed Actions and Relief from Automatic Stay/Discharge.

On the thirtieth (30th) day after the Effective Date and without further order of the Bankruptcy Court or the District Court, (a) all actions removed by the Debtor or any other Co-Defendant during the Chapter 11 Case are remanded to the Court from which they were removed; and (b) such actions are not subject to the automatic stay or the injunction in Bankruptcy Code Section 524(a)(2). Nothing contained herein is intended to affect, diminish, or impair those provisions of the Plan which prohibit execution of any judgment against the Reorganized Debtor, the Reorganized Debtor's Revested Assets or property the Reorganized Debtor acquires after the Effective Date. Notwithstanding the foregoing, any plaintiff in a removed action may object to remand of such action by filing an objection with the Bankruptcy Court within fifteen (15) days after the Effective Date. Any removed action subject to an objection to remand shall not be remanded except upon order of the Bankruptcy Court. The Reorganized Debtor shall file a notice of remand on the docket for each remanded action.

VIII. GENERALLY APPLICABLE PROVISIONS OF THE PLAN.

A. Conditions Precedent To The Effective Date.

Section 17.1 of the Plan sets forth the conditions precedent to the effectiveness of the Plan. The Plan's Effective Date will occur when each those conditions have been satisfied or waived in accordance with Section 17.2 of the Plan.

1. Conditions To Effectiveness.

The Effective Date will occur when each of the following conditions is met: (a) the Bankruptcy Court has entered the Confirmation Order in form and substance reasonably acceptable to the Reorganized Debtor and the Survivors' Committee, and in addition, if the Full or Partial Settlement Alternative is selected, to the Participating Parties and the Settling Insurers; (b) the Confirmation Order has become a Final Order on or before December 31, 2021; (c) if the Full or Partial Settlement Alternative is selected, the Settlement Trustee, the FCR, and the Reorganized Debtor have signed the Trust Agreement; (d) if the Full or Partial Settlement Alternative is selected, the Settling Insurers have made their Agreed CGL Insurer Payments to the Debtor and the transfers to the Trust contemplated in Section 9.3.2 of the Plan have been made to the Trust; (e) if the Full or Partial Settlement Alternative is selected, the Bankruptcy Court has approved, by Final Order, the Buy-Back Agreement of each Settling Insurer in form and substance reasonably acceptable to each Settling Insurer, the Reorganized Debtor, and the Survivors' Committee; and (f) if the Full or Partial Settlement Alternative is selected, the Settling Insurers have been dismissed from the Insurance Coverage Adversary Proceeding with prejudice, [with each party to bear its own costs.](#)

2. Waiver of Conditions.

Any conditions described above, and as set forth in Section 17.1 of the Plan, may be waived only by the mutual written consent of the Debtor, the Survivors' Committee, and, under the Full or Partial Settlement Alternative is selected, the Participating Parties and Settling Insurers.

Revenue Service or an opinion of counsel regarding whether the Trust is a designated settlement fund or a qualified settlement fund. Accordingly, each creditor is urged to consult its own tax advisor regarding the characterization of the Trust and the tax consequences of such characterization.

The federal income tax consequences to a Holder of a Claim receiving, or entitled to receive, a distribution in partial or total satisfaction of a Claim may depend on a number of factors, including the nature of the Claim, the Claimants’ method of accounting, and their own particular tax situation. Because each Claimant’s tax situation differs, Claimants should consult their own tax advisors to determine how the Plan affects them for federal, state, and local tax purposes, based on its particular tax situations.

XIII. VOTING INSTRUCTIONS

The Debtor’s Claims Agent will send to all Claimants entitled to vote on the Plan: (i) the Disclosure Statement Order, (ii) a notice of the Confirmation Hearing, (iii) the Disclosure Statement, as approved by the Bankruptcy Court and together with the Plan attached as an exhibit, and (iv) a ballot (collectively, the “**Solicitation Packages**”). The Solicitation Packages will also describe the procedures and deadline for submitting ballots to the Debtor’s Claims Agent.

XIV. CONCLUSION AND RECOMMENDATION

The Debtor believes that confirmation and implementation of the Plan is preferable to any other alternative. Accordingly, the Debtor urges all claimants entitled to vote to accept the Plan by so indicating on their ballots and returning them as specified in the instructions set forth in the Solicitation Packages.

Dated: ~~August 31~~ September 22, 2021

Respectfully submitted,

JENNER & BLOCK LLP

By: /s/ Catherine Steege

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Counsel for the Debtor

EXHIBIT 1

**First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics
And The Additional Tort Claimants' Committee Of Sexual Abuse Survivors**

EXHIBIT C

Debtor's Plan Cover Letter



1099 North Meridian Street
Suite 800
Indianapolis, IN 46204
P 317.237.5050
F 317.732.1791

usagym.org

October 4, 2021

Dear Claimant of USA Gymnastics:

On December 8, 2021, the Bankruptcy Court will hold a hearing to approve the *First Amended Joint Chapter 11 Plan Of Reorganization Proposed By USA Gymnastics And The Additional Tort Claimants Committee Of Sexual Abuse Survivors*. This Plan not only provides for payment of creditors' claims, but also for continued changes to the organization's safety protocols.

USAG has filed this Plan jointly with the Survivors' Committee, and we greatly appreciate the Committee for all of the hard work that has made the Plan possible.

I thank you for your consideration of the Plan and ask for your vote in support of it.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "L. L. Leung".

Li Li Leung
President and CEO
USA Gymnastics

