

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:

DYNEGY INC.<sup>1</sup>

Debtor.

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)  
) Chapter 11  
)  
) Case No. 12-36728 (CGM)  
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) **Re: Docket No. 2**  
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**ORDER (I) APPROVING (A) THE DISCLOSURE STATEMENT;  
(B) SOLICITATION AND VOTING PROCEDURES; AND (II) SCHEDULING THE  
PLAN CONFIRMATION PROCESS**

Upon consideration of the Motion for Entry of an Order (I) Directing Joint Administration of the Dynegy Inc. Chapter 11 Case with the Chapter 11 Cases of Its Affiliated Debtors, (II) Directing that Certain Orders Entered In the Chapter 11 Cases of the Affiliated Debtors be Made Applicable to the Dynegy Inc. Chapter 11 Case, (III) Authorizing the Solicitation of Votes With Respect to Dynegy Inc. [Docket No. 2] (the “Motion”), dated July 6, 2012, of Dynegy Inc. (“Dynegy Inc.”), a debtor and debtor-in-possession in the above-captioned chapter 11 case (the “DI Case”), and of Dynegy Holdings, LLC (“DH”) and certain of its affiliates, debtors and debtors in possession in chapter 11 cases also pending before this Court that are being jointly administered under Case No. 11-38111 (CGM) (the “DH Cases”), which requests, among other things, that the Court enter an order (i) directing that certain orders entered in the DH Cases, be made applicable to the DI Case, including the Order (I) Approving (A) the Disclosure Statement; (B) Solicitation and Voting Procedures; and (II) Scheduling the Plan Confirmation Process [DH Cases Docket No. 847], and (ii) that Dynegy Inc. be authorized and

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<sup>1</sup> The last four digits of Dynegy Inc.’s federal tax identification number are 3152. The location of Dynegy Inc.’s corporate headquarters and the service address is 601 Travis Street, Suite 1400, Houston, Texas 77002.

empowered to distribute or cause to be distributed (a) the Modified Third Amended Chapter 11 Plan of Reorganization for Dynegy Holdings, LLC proposed by Dynegy Holdings, LLC and Dynegy Inc. (as amended, restated, supplemented or otherwise modified from time to time, the “Plan”) [DH Cases Docket No. 805], (b) the Disclosure Statement Related to the Modified Third Amended Chapter 11 Plan of Reorganization for Dynegy Holdings, LLC proposed by Dynegy Holdings, LLC and Dynegy Inc. (as amended, restated, supplemented or otherwise modified from time to time, the “Disclosure Statement”) [DH Cases Docket No. 804], and (c) solicitation materials to all known potential holders of claims against and equity interests in Dynegy Inc. as of the Voting Record Date (the “DI Stakeholders”); and a hearing having been held in the DH Cases on July 2, 2012 (the “DS Hearing”), to consider the motion of DH, dated December 1, 2011 (as modified by the Supplement (as defined below), the “DS Motion”) [DH Cases Docket No. 124],<sup>2</sup> for entry of an order (i) approving the Disclosure Statement as containing “adequate information” under section 1125(a) of the Bankruptcy Code; (ii) fixing a voting record date; (iii) approving solicitation packages and procedures for distribution thereof; (iv) approving forms of Ballots and establishing procedures for voting on the Plan; (v) approving the form of Notice of Non-Voting Status; (vi) scheduling a hearing on Plan confirmation and establishing notice and objection procedures in respect thereof; and (vii) granting related relief, all as more fully set forth in the DS Motion, and to consider the supplement to the DS Motion (the “Supplement”) [DH Cases Docket No. 801],<sup>3</sup> dated June 18, 2012; and the Court having jurisdiction to consider the Motion, and the relief requested therein being a core proceeding pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference signed by Chief Judge Loretta A.

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings assigned to them in the DS Motion or the Supplement (defined herein). The DS Motion can be found at Docket No. 124 in the DH Cases and the Supplement can be found at Docket No. 801 in the DH Cases.

<sup>3</sup> All references in this Order to the DS Motion shall also include reference to the Supplement.

Preska dated January 31, 2012; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion, the DS Motion, the hearing on the Motion, and the DS Hearing being adequate under the circumstances; and such notice constituting good and sufficient notice to all interested parties and no other or further notice need be provided; and upon the Motion, the DS Motion, the papers in support thereof and the responses thereto, the record of the hearing on the Motion and the record of the DS Hearing; and the Court having found and determined that the legal and factual bases set forth in the Motion, the Declaration of Catherine B. Callaway Pursuant to Local Bankruptcy Rule 1007-2 in Support of First Day Motion [Docket No. 4], the record of the hearing on the Motion, and the record of the DS Hearing establish just cause for the relief granted herein; and that the relief requested in the Motion is in the best interests of DI, its estate, and creditors; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor;

**THE COURT HEREBY FINDS AND DETERMINES THAT:<sup>4</sup>**

- A. The Disclosure Statement contains adequate information within the meaning of section 1125(a) of the Bankruptcy Code.
- B. Each of the Ballots, Master Ballots and Beneficial Ballots, substantially in the forms attached hereto as Exhibits A1 through A5 and Exhibits A7-A8 (collectively, the “Ballots”), is sufficiently consistent with Official Form No. 14, adequately addresses the particular needs of this chapter 11 case and is appropriate for holders of Claims in Class 3 – General Unsecured Claims (the “Voting Class”) to vote to accept or reject the Plan.
- C. The DI Provisional Ballot, substantially in the form attached hereto as Exhibit A6, is sufficiently consistent with Official Form No. 14, adequately addresses the

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<sup>4</sup> To the extent that any findings of fact are conclusions of law they shall be treated as such. To the extent any conclusions of law are findings of fact they shall be treated as such.

particular needs of this chapter 11 case and is appropriate for DI Stakeholders to provisionally vote to accept or reject the Plan.

D. DI Provisional Ballots will be provided to any holder of a claim against Dynegy Inc.; provided, however, that any party in interest that does not receive a DI Provisional Ballot but believes that it has a Class 3 Claim against Dynegy Inc. and it is entitled to vote can request a DI Provisional Ballot from Dynegy Inc.

E. Ballots need not be provided to the holders of Claims in Class 1 – Priority Claims, Class 2 – Secured Claims and Class 4 – Convenience Claims because the Plan provides that such Classes are unimpaired and, therefore, such classes are deemed to accept the Plan pursuant to section 1126(f) of the Bankruptcy Code.

F. Ballots need not be provided to the holders of Claims in Class 5 – Securities Claims and the holders of Equity Interests in Class 6 – Equity Interests (such classes, collectively with Class 1 – Priority Claims, Class 2 – Secured Claims and Class 4 – Convenience Claims, the “Non-Voting Classes”) because the Plan provides that such Classes are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code.

G. The voting instructions and procedures attached to the Ballots, Master Ballots, Beneficial Ballots and DI Provisional Ballots provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code and the applicable Bankruptcy Rules.

H. The mechanism provided in the Ballots, Master Ballots, Beneficial Ballots, DI Provisional Ballots, DI Stakeholder Notices, Notices of Non-Voting Status and Confirmation Hearing Notice to allow Holders of Claims and Equity Interests to opt out of the

releases contained in Section 8.20 of the Plan and the related injunction is consistent with applicable law.

I. In accordance with Bankruptcy Rule 3017(c), the procedures set forth in the DS Motion for transmitting Solicitation Packages to Beneficial Holders of securities are adequate under the circumstances for creditors to make an informed decision to accept or reject the Plan.

J. The Solicitation Period (which shall be no less than forty (40) days) is a reasonable and adequate period of time for (i) creditors in the Voting Class to make an informed decision to accept or reject the Plan, (ii) DI Stakeholders to make an informed decision to provisionally vote to accept or reject the Plan, and (iii) holders of Claims or Equity Interests in the Surviving Entity to make a decision with respect to Section 8.20 of the Plan.

K. The procedures for the solicitation and tabulation of votes to accept or reject the Plan (as more fully set forth in the DS Motion and below) provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code.

L. The contents of the Solicitation Packages (as defined below) and Notice of Non-Voting Status, a copy of which is attached hereto as Exhibit C, as set forth in the DS Motion and as modified by this Order, comply with Bankruptcy Rules 2002 and 3017 and constitute sufficient notice to all interested parties including, without limitation, holders of Claims against and Equity Interests in DH and Dynegy Inc.

M. The Confirmation Hearing Notice, substantially in the form annexed hereto as Exhibit D, and the procedures set forth below for providing such notice to all voting creditors, non-voting creditors, equity security holders, DI Stakeholders, parties listed in the Schedules of Asset and Liabilities of Dynegy Inc.(the “DI Schedules”) and the Schedules of

Assets and Liabilities of DH (the DH Schedules, and together with the DI Schedules, the “Schedules”) and all parties in the creditor matrixes of DH and Dynegy Inc. of the time, date, and place of the hearing to consider confirmation of the Plan (the “Confirmation Hearing”) and the contents of the Solicitation Packages (as defined below) comply with Rules 2002 and 3017 of the Bankruptcy Rules and all applicable Local Rules and constitute sufficient notice to all interested parties.

N. The DI Stakeholder Notice, substantially in the form annexed hereto as Exhibit B, and the procedures set forth below for providing such notice to DI Stakeholders of the time, date, and place of the Confirmation Hearing and the contents of the Solicitation Packages (as defined below) comply with Rules 2002 and 3017 of the Bankruptcy Rules and all applicable Local Rules and constitute sufficient notice to all interested parties.

O. The combination of direct and published notice of the Plan and Confirmation Hearing, and any applicable deadlines related thereto, as set forth in the DS Motion, satisfies the requirements of due process with respect to all known and unknown creditors of DH and Dynegy Inc.

P. The notice of the Motion and the hearing thereon and the notice of the DS Motion and the DS Hearing was adequate under the circumstances, including the notice to DI Stakeholders, and no other or further notice was required.

Q. In light of the last ORDERED paragraph below, adequate and proper notice of the DS Motion and all attachments thereto, including the forms of notice and the Ballots, the solicitation procedures, the deadline for filing objections thereto, and the hearing thereon (the “Solicitation Motion”) was given to all known creditors and parties in interest in the DH Cases and the DI Case, including, but not limited to, shareholders and known creditors of

Dynegy Inc. and DH (collectively, the “Notice Parties”), and no objections to the Solicitation Motion or the relief requested therein were timely filed by any such Notice Parties. If any Notice Party would have objected to any relief sought that was related to the relief approved at the DS Hearing, such objection would have prejudiced DH, DI, and all of their stakeholders who support the relief requested in the Solicitation Motion (the “Plan Parties”). The failure to timely object to the Solicitation Motion by the Notice Parties and the prejudice to the Plan Parties has been considered by the Court in granting the relief requested herein.

**NOW, THEREFORE, IT IS HEREBY:**

ORDERED that the Motion is GRANTED as set forth herein; and it is further

ORDERED that the Disclosure Statement is APPROVED; and it is further

ORDERED that each of the forms of the Ballots, Master Ballots and Beneficial Ballots and DI Provisional Ballot are APPROVED; and it is further

ORDERED that the form of the DI Stakeholder Notice is APPROVED; and it is further

ORDERED that the form of the Notice of Non-Voting Status is APPROVED; and it is further

ORDERED that the form of the Confirmation Hearing Notice is APPROVED; and it is further

ORDERED that the first day of the DS Hearing, July 2, 2012, is established as the record date (the “Voting Record Date”) for purposes of this Order and determining which creditors in the Voting Class, or which DI Stakeholders, are entitled to vote or provisionally vote on the Plan, provided, however, that for purposes of the Voting Record Date, to the extent Bankruptcy Rule 3001 applies to a transfer of Claims, no transfer of Claims pursuant to

Bankruptcy Rule 3001 shall be recognized unless (i) documentation evidencing such transfer was filed with the Court on or before twenty-one (21) days prior to the Voting Record Date, and (ii) no timely objection with respect to such transfer was filed by the transferee; and it is further

ORDERED that Plan Proponents are authorized and empowered to distribute or cause to be distributed the solicitation packages (the “Solicitation Packages” and the date of such distribution, the “Solicitation Date”) to holders of Claims or interests in the Voting Class, by first class mail, containing:

- (1) a CD-ROM containing the Disclosure Statement together with the Plan and all other exhibits annexed thereto, and this Disclosure Statement Order, excluding the exhibits annexed thereto;
- (2) the Confirmation Hearing Notice;
- (3) a Ballot with a postage prepaid return envelope; and
- (4) such other materials as the Court may direct or approve, including any supplemental solicitation materials the Plan Proponents may file with the Court; and it is further

ORDERED that the Confirmation Hearing Notice shall also be distributed by the Plan Proponents to all parties included in the Schedules and in the mailing matrix; and it is further

ORDERED that on or before the Solicitation Date, the Plan Proponents are: (a) authorized and empowered to distribute or cause to be distributed to all DI Stakeholders, by first class mail, the DI Stakeholder Notice and the Confirmation Hearing Notice, and (b) authorized and empowered to distribute or cause to be distributed, by first class mail, a DI Provisional Ballot, along with a CD-ROM containing the Disclosure Statement together with the Plan and all other exhibits annexed thereto, to any holder of a Claim against Dynegy Inc.; and it is further

ORDERED that to the extent that the parties entitled to notice pursuant to the Case Management Order have not received a Solicitation Package, DH or Dynegy Inc., as



applicable, is authorized and empowered to distribute or cause to be distributed to such parties the above-referenced CD-ROM and a Confirmation Hearing Notice; and it is further

ORDERED that, except as otherwise provided herein with respect to DI Stakeholders, the Plan Proponents are not required to distribute or serve copies of the Plan, Ballots, Confirmation Hearing Notice, DI Stakeholder Notice, DI Provisional Ballot, Disclosure Statement Order or Disclosure Statement to any holder of a claim or interest in the Non-Voting Classes or any party otherwise receiving a Notice of Non-Voting Status unless any such party makes a specific request in writing for the same; and it is further

ORDERED that with respect to the Solicitation Packages that will be sent to certain holders of debt securities in the Voting Class, DH is authorized and empowered to deliver such Solicitation Packages to the record holders of such debt securities, including, without limitation, representatives such as brokers, banks, commercial banks, transfer agents, trust companies, dealers, other agents or nominees, or their mailing agents (collectively, the “Voting Nominees”). DH shall provide each Voting Nominee with a reasonably sufficient number of Solicitation Packages, including sufficient Beneficial Ballots, to distribute to the Beneficial Holders. In addition, upon written request with supporting back-up documentation, DH shall reimburse each Voting Nominee’s reasonable, actual, and necessary out-of-pocket expenses related to the distribution of the Solicitation Packages to the Beneficial Holders, the tabulation of the Ballots, and the completion of Master Ballots; and it is further

ORDERED that DH is authorized to distribute or cause to be distributed Master Ballots to the Voting Nominees in accordance with customary procedures; and it is further

ORDERED that each Voting Nominee is required to forward the Solicitation Packages to Beneficial Holders, including a return envelope provided by and addressed to the

Voting Nominee so that the Beneficial Holders may return any completed Beneficial Ballots to the Voting Nominee; and it is further

ORDERED that the Voting Nominee shall receive returned Beneficial Ballots from the Beneficial Holders, tabulate the results according to the instructions set forth in the Master Ballots, and (i) return such results in a Master Ballot to the Solicitation Agent so that it is actually received prior to the Voting Deadline, and (ii) retain the underlying Beneficial Ballots received from the Beneficial Holders for inspection for a period of one (1) year following the Voting Deadline; and it is further

ORDERED that a Notice of Non-Voting Status shall be distributed to holders, as of the Voting Record Date, of Claims and interests in the Non-Voting Classes, which classes are designated under the Plan as not entitled to vote to accept or reject the Plan; and it is further

ORDERED that the Plan Proponents are authorized and empowered to distribute or cause to be distributed the DI Provisional Ballots, the Confirmation Hearing Notice, a CD-ROM containing the Disclosure Statement together with the Plan and all other exhibits annexed thereto, and the Disclosure Statement Order, excluding the exhibits annexed thereto, by first class mail, to all holders of Claims against Dynegy Inc.; and it is further

ORDERED that any DI Stakeholder that receives the DI Stakeholder Notice but does not receive a DI Provisional Ballot may request from the Solicitation Agent, pursuant to the procedures outlined in the attached form of DI Stakeholder Notice, a DI Provisional Ballot. Each DI Stakeholder requesting a DI Provisional Ballot shall be authorized to self-report and certify the accuracy of a claimed amount which will be provisionally voted to accept or reject the Plan. Any purported claims held by DI Stakeholders shall be aggregated, with the total amount provisionally voted on a single DI Provisional Ballot; and it is further

ORDERED that any amount voted on a DI Provisional Ballot will be used solely for provisional voting purposes, and will not represent an allowed claim or otherwise filed claim against Dynegy Inc. or any of DH or its affiliated debtors; and it is further

ORDERED that the following additional rules apply to the tabulation of DI Provisional Ballots cast by DI Stakeholders:

- (a) If a self-reported claim amount listed on a DI Provisional Ballot represents an amount which is undetermined, contingent, unliquidated, disputed, or in a zero or unknown amount, such DI Provisional Ballot shall count as a provisional vote in the amount of \$1.00;
- (b) If any of the Plan Proponents or the Creditors' Committee dispute the amount or nature of a Claim self-reported on a DI Provisional Ballot, the objecting party may send a notice to the applicable DI Stakeholder setting forth its grounds for dispute by the deadline for filing responses to objections to the Plan. On or before the same deadline, the objecting party shall file a motion identifying all such disputed DI Provisional Ballots and seeking to reduce and/or disallow the amounts stated on such DI Provisional Ballots for voting purposes or to have such ballots disqualified. The claim amount self-reported on any disputed DI Provisional Ballot that will be counted for voting purposes will be determined at the Confirmation Hearing;
- (c) If a DI Stakeholder timely files a proof of claim in the DI Case, such DI Stakeholder shall receive a DI Provisional Ballot and such ballot shall be treated pursuant to the procedures applicable to all other Ballots, as set forth in this Order; and
- (d) If a DI Stakeholder submits a DI Provisional Ballot under sections (a) or (b) above and subsequently timely files a proof of claim in the DI Case, such DI Provisional Ballot shall be deemed modified, if necessary, to comply with section (c) above; and it is further

ORDERED that in the event there is a controversy regarding whether DI Stakeholders are entitled to vote to accept or reject the Plan and it is determined by the Court that DI Stakeholders are entitled to vote to accept or reject the Plan, provisional votes cast on DI Provisional Ballots to accept or reject the Plan shall be counted as a vote to accept or reject the Plan in Class 3 – General Unsecured Claims; and it is further

ORDERED that the Ballots, the DI Provisional Ballots, and the DI Stakeholder Notice shall provide a mechanism by which the holders of Claims or Equity Interests (other than any party to the Plan Support Agreement except as otherwise provided therein) may elect to opt out of the releases provided by Section 8.20 of the Plan and the related injunction; and it is further

ORDERED that the Plan Proponents are authorized and empowered to distribute, or cause to be distributed by the Solicitation Date, the Confirmation Hearing Notice on all parties in the creditor matrix maintained by the Solicitation Agent that are not otherwise entitled to receive a Solicitation Package; and it is further

ORDERED that, with respect to any creditor who has filed duplicate Claims or Claims that have amended or superseded previously filed Claims which are classified under the Plan in Class 3, the Plan Proponents shall only be required to provide to such creditor one Solicitation Package and one Ballot for voting a single claim in Class 3, whether or not such Claims have been objected to; and it is further

ORDERED that DH is not required to distribute Solicitation Packages to creditors in the Voting Class who have filed proofs of claim by the Voting Record Date or the date by which the Court requires that proofs of claim be filed if the Claims have already been paid in the full claimed amount; and it is further

ORDERED that DH is not required to distribute Solicitation Packages to a party to an executory contract (i) who does not hold either an allowed filed or a scheduled claim or (ii) who holds a claim listed on the Schedules as contingent, unliquidated, or disputed, unless such party makes a specific request in writing for the same; and it is further

ORDERED that, with respect to addresses from which Disclosure Statement Notices or any other documents subject of the DS Motion were returned as undeliverable without a forwarding address, the Plan Proponents are excused from distributing Solicitation Packages, Notices of Non-Voting Status, DI Stakeholder Notices, DI Provisional Ballots, Disclosure Statement Notices, Confirmation Hearing Notices and any other documents subject of the DS Motion to those entities listed at such addresses unless the Plan Proponents are provided with accurate addresses for such entities before the Solicitation Date and failure to distribute Solicitation Packages, Disclosure Statement Notices, Notices of Non-Voting Status, DI Stakeholder Notices, DI Provisional Ballots, Confirmation Hearing Notices or any other documents subject of the DS Motion to such entities will not constitute inadequate notice of the Confirmation Hearing or the Voting Deadline, or violation of Bankruptcy Rule 3017(d), and the Plan Proponents are further excused from attempting to find better addresses for entities as to whom Solicitation Packages, Notices of Non-Voting Status, DI Stakeholder Notices, DI Provisional Ballots, Disclosure Statement Notices, Confirmation Hearing Notices and any other documents subject of the DS Motion were returned as undeliverable without a forwarding address; and it is further

ORDERED that, to be counted, all Ballots, Master Ballots and DI Provisional Ballots must be properly executed, completed, and the original thereof shall be delivered to the Solicitation Agent, EPIQ BANKRUPTCY SOLUTIONS, LLC, at the following addresses:

Via First Class Mail: Dynergy Ballot Processing c/o Epiq Bankruptcy Solutions, LLC FDR Station, PO Box 5014 New York, NY 10150-5014	Via Hand Delivery or Overnight Courier Epiq Bankruptcy Solutions, LLC 757 Third Avenue, 3 <sup>rd</sup> Floor New York, NY 10017 Attn: Dynergy Ballot Processing
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so as to be actually received no later than **August 24, 2012 at 5:00 p.m. (Prevailing Eastern Time)** (the “Voting Deadline”); and it is further

ORDERED that the Solicitation Agent is authorized to, among other things, perform all services that the Motion contemplates will be performed by the Solicitation Agent; and it is further

ORDERED that, solely for purposes of voting to accept or reject the Plan and not for the purpose of the allowance of, or distribution on account of, a claim and without prejudice to the rights of the Plan Proponents in any other context, each claim within the Voting Class shall be entitled to vote the amount of such claim as set forth in the Schedules unless such holder has filed a proof of claim by the earlier of (i) the Voting Record Date or (ii) the date by which the Court requires that proofs of claim be filed, in which event such holder would be entitled to vote the amount of such claim as set forth in such proof of claim. If a holder of a claim holds multiple Claims within the Voting Class, whether as set forth in the Schedules or in a proof of claim, such holder’s respective amounts will be aggregated so that such holder will vote the total amount of its Claims on a single Ballot; provided that:

- (a) If a claim is deemed allowed under the Plan or by an order of the Court entered prior to the Voting Record Date, such claim is allowed for voting purposes in the deemed allowed amount set forth in the Plan or such order;
- (b) If a claim for which a proof of claim has been filed by the earlier of (i) the Voting Record Date or (ii) the date by which the Court requires that proofs of claim be filed is, by its terms, contingent or unliquidated, such claim shall be temporarily allowed for voting purposes only, and not for purposes of allowance or distribution, at \$1.00;
- (c) If a claim for which a proof of claim has been filed by the earlier of (i) the Voting Record Date or (ii) the date by which the Court requires that proofs of claim be filed is, by its terms, partially liquidated, such liquidated amount of such claim shall be temporarily allowed for voting purposes only, and not for purposes of allowance or distribution;

- (d) If a claim has been estimated or otherwise allowed for voting purposes by order of the Court, such claim is temporarily allowed in the amount so estimated or allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;
- (e) If a claim is listed in the Schedules as undetermined, contingent, unliquidated, or disputed, or in a zero or unknown amount, such claim shall be disallowed for voting purposes and for purposes of allowance and distribution pursuant to Bankruptcy Rule 3003(c), unless the claimant files a proof of claim by the date by which the Court requires that proofs of claim be filed; and
- (f) If the Plan Proponents or the Creditors' Committee has served an objection to a claim (or otherwise has disputed such claim(s) in the context of an adversary proceeding) on or before the Voting Deadline, such claim shall be disallowed for voting purposes or shall be voted in the surviving amount set forth in such objection; and it is further

ORDERED that if any claimant seeks to challenge the allowance of its claim for voting purposes in accordance with the above procedures, such claimant is directed to serve on the Plan Proponents and file with the Court a motion for an order pursuant to Bankruptcy Rule 3018(a) temporarily allowing such claim in a different amount for purposes of voting to accept or reject the Plan on or before the tenth (10<sup>th</sup>) day after the later of (i) the date of service of the Confirmation Hearing Notice and (ii) the date of service of notice of an objection, if any, to such claim; and it is further

ORDERED that any such motion under Bankruptcy Rule 3018(a) must set forth with particularity the amount and classification that such party believes its claim should be temporarily allowed for voting purposes and the evidentiary support for temporarily allowing such claim for purposes of voting on the Plan; and it is further

ORDERED that as to any creditor filing such a motion under Bankruptcy Rule 3018(a), such creditor's Ballot should be provisionally allowed by the Court for voting purposes in the amount of \$1.00, unless temporarily allowed by the Court at a greater amount for voting purposes, after notice and a hearing, prior to or at the Confirmation Hearing; and it is further

ORDERED that if a creditor casts more than one Ballot or DI Provisional Ballot voting or provisionally voting the same claim(s) before the Voting Deadline, the last valid Ballot or DI Provisional Ballot received before the Voting Deadline is deemed to reflect the voter's intent and, thus, to supersede any prior Ballots or DI Provisional Ballots; and it is further

ORDERED that creditors must vote all of their Claims in the Voting Class, or, if applicable, provisionally vote all of their claims asserted on a DI Provisional Ballot, either to accept or reject the Plan and may not split their vote(s), and thus a Ballot or DI Provisional Ballot that partially accepts and partially rejects the Plan shall not be counted; and it is further

ORDERED that the following additional rules apply to the tabulation of Master Ballots and Beneficial Ballots cast by Voting Nominees and Beneficial Holders:

- (a) Votes cast by Beneficial Holders through a Voting Nominee will be applied against the positions held by such entities in the applicable debt security of DH as of the Voting Record Date, as evidenced by the record and depository listings. Votes submitted by a Voting Nominee pursuant to a Master Ballot will not be counted in excess of the Record Amount of the applicable securities held by such Voting Nominee on the Voting Record Date;
- (b) To the extent that conflicting votes are submitted by a Voting Nominee, the Solicitation Agent, in good faith, will attempt to reconcile discrepancies with the applicable Voting Nominees;
- (c) To the extent that conflicting votes on a Master Ballot are not reconcilable prior to the preparation of the vote certification, the Solicitation Agent will apply the votes to accept and reject the Plan in the same proportion as the votes to accept and reject the Plan submitted on the Master Ballot that contained the conflict, but only to the extent of the Voting Nominee's position in the applicable security; and
- (d) Where a Beneficial Holder holds securities through more than one Voting Nominee, it must execute a separate Beneficial Ballot or Election Form for each block of debt securities it owns. However, such holder must vote all of its Claims in the Voting Class in the same manner, to either accept or reject the Plan. Accordingly, if such holder returns more than one Ballot to more than one Voting Nominee voting different Claims and the Ballots are not voted in the same manner, as reflected on such separate Master



Ballots, the Solicitation Agent shall use its reasonable efforts to not count such votes; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot received after the Voting Deadline shall not be counted unless the Plan Proponents, in their sole discretion, grant an extension of the Voting Deadline with respect to such Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot or otherwise waive the lack of timeliness as a defect; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot that is illegible or contains insufficient information to permit the identification of the claimant or interest holder shall not be counted; and it is further

ORDERED that any Ballot cast by a person or entity that does not hold a claim in the Voting Class, as applicable, shall not be counted; and it is further

ORDERED that any Ballot cast for a claim identified as unliquidated, contingent, or disputed for which no proof of claim was filed by the earlier of the Voting Record Date and the date by which the Court requires that proofs of claim be filed shall not be counted; and it is further

ORDERED that any unsigned Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot, or any signed but unoriginal Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot shall not be counted; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot that does not indicate either an acceptance or rejection of the Plan shall not be counted; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot that indicates both an acceptance and rejection of the Plan shall not be counted; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot transmitted to the Solicitation Agent by facsimile, email or any other electronic means shall not be counted unless agreed to by the Plan Proponents; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot returned directly to DH, Dynegy Inc., the Indenture Trustees (as defined in the Plan) or the Lease Trustee (as defined in the Plan) shall not be counted unless agreed to by the Plan Proponents; and it is further

ORDERED that any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot that is properly cast in the DH Cases shall be deemed properly cast in the DI Case, and any Ballot, Beneficial Ballot, Master Ballot or DI Provisional Ballot that is properly cast in the DI Case shall be deemed properly cast in the DH Cases; and it is further

ORDERED that the Certification may be filed no later than two (2) Business Days prior to the Confirmation Hearing; and it is further

ORDERED that the Solicitation Agent is authorized, but not directed, in the Plan Proponents' discretion, to cure invalid Ballots, Master Ballots and DI Provisional Ballots; and it is further

ORDERED that the Confirmation Hearing will be held on **September 5, 2012 at 10 a.m. (Prevailing Eastern Time) at the Courthouse located at 355 Main Street, Poughkeepsie, New York 12601**; provided, however, that the Confirmation Hearing may be adjourned from time to time by the Court or the Plan Proponents without further notice to parties

other than an announcement in Court at the Confirmation Hearing or any adjourned Confirmation Hearing; and it is further

ORDERED that DH shall publish the Confirmation Hearing Notice on or before **July 13, 2012** in *The New York Times (National Edition)* and *The Wall Street Journal (National Edition)*; and it is further

ORDERED that objections to confirmation of the Plan, if any, should be filed on the docket of the DH Cases (Case No. 11-38111 (CGM)), and must (i) be in writing, (ii) state the name and address of the objecting party and the amount and nature of the claim or interest of such party, (iii) state with particularity the basis and nature of any objection, and (iv) be filed, together with proof of service, with the Court and served so that they are actually received no later than **August 24, 2012 at 5:00 p.m. (Prevailing Eastern Time)** by each of the parties identified in paragraph seven (7) of the Confirmation Hearing Notice at the respective addresses set forth therein; and it is further

ORDERED that (i) all objections to confirmation of the Plan filed in the DH Cases shall be deemed filed on the docket in the DI Case, and following receipt of notice of any such objection, DH shall promptly provide notice on the docket of the DI Case of such objection, and (ii) all objections to confirmation of the Plan filed in the DI Case shall be deemed filed on the docket in the DH Cases, and following receipt of notice of any such objection, DI shall promptly provide notice on the docket of the DH Cases of such objection; and it is further

ORDERED that objections to confirmation of the Plan not timely filed and served in the manner set forth above shall not be considered and shall be overruled; and it is further

ORDERED that the Plan Proponents, or any other party supporting confirmation of the Plan, is authorized and empowered to file a response to any objections to confirmation of

the Plan by no later than 12:00 p.m. (Eastern Time) two (2) Business Days prior to the date of the Confirmation Hearing. At that time, the Plan Proponents shall also file their proposed findings of fact and conclusions of law and form of order confirming the Plan, and a memorandum of law in support of confirmation of the Plan; and it is further

ORDERED that the Plan Proponents are authorized to take or refrain from taking any action necessary or appropriate to implement the terms of and the relief granted in this Order without seeking further order of the Court; and it is further

ORDERED that the Plan Proponents are authorized to make changes consistent with the record of the hearing on the Motion and the DS Hearing and non-substantive changes to the Disclosure Statement, Plan, Ballots, DI Stakeholder Notice, DI Provisional Ballots, Confirmation Hearing Notice, Notice of Non-Voting Status and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors and to make conforming changes among the Disclosure Statement, the Plan, and any materials in the Solicitation Package prior to their distribution; and it is further

ORDERED that the Plan Proponents are authorized to modify the Plan and related Disclosure Statement as necessary such that the Plan and Disclosure Statement constitute a plan of reorganization and disclosure statement for both DH and Dynegy Inc., as debtors, or as otherwise discussed on the record of the hearing on the Motion; and it is further

ORDERED that the Plan Proponents are authorized to modify the solicitation materials as necessary to reflect the commencement of the DI Case, or as otherwise discussed on the record of the hearing on the Motion; and it is further

ORDERED that any objections to the Motion or the relief granted in this Order that have not previously been withdrawn or resolved are hereby overruled; and it is further

ORDERED that the requirement under Local Bankruptcy Rule 9013-1(a) for the filing of a memorandum of law is waived; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order; and it is further

**ORDERED, that to the extent any party in interest wishes to object to (i) the adequacy of the disclosure in the Disclosure Statement, (ii) the solicitation procedures approved pursuant to this Order, (iii) findings Q, H, and J above or (iv) the form of notice to holders of Equity Interests in Dynegy Inc., such party may file an objection in writing with the Court (with a copy to Chambers) which shall be served upon the following parties, in each case so as to be actually received no later than 5:00 p.m. (Prevailing Eastern Time) on July 18, 2012: (i) proposed counsel to Dynegy Inc., White & Case LLP, Southeast Financial Center, Suite 4900, 200 South Biscayne Boulevard, Miami, Florida 33131-2352, Attn: Matthew Brown, (ii) counsel to DH, Sidley Austin LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Brian J. Lohan; (iii) the Office of the United States Trustee, 74 Chapel Street, Suite 200, Albany, New York 12207, Attn: Eric Small; (iv) counsel for the DH Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036-6745, Attn: Arik Preis; (v) counsel to the Ad Hoc Senior Noteholders Committee, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn: Andrew N. Rosenberg and Alice Belisle Eaton; (vi) counsel to Franklin Advisors, Inc., Milbank, Tweed, Hadley & McCloy LLP, 601 South Figueroa Street, 30<sup>th</sup> Floor, Los Angeles, California 90017, Attn: Thomas R. Kreller and Brett Goldblatt; and (vii) counsel to U.S. Bank National Association, as Lease Trustee, Cadwalader, Wickersham & Taft LLP, One World**

**Financial Center, New York, New York 10281, Attn: Josh Brant; and a hearing to consider any such timely filed and served objections shall be held on July 23, 2012 at 10:00 a.m. (Prevailing Eastern Time). ~~Objections not timely filed and served in the manner set forth herein shall not be considered and shall be deemed overruled.~~**

Dated: July 10, 2012  
Poughkeepsie, New York

/s/ Cecelia G. Morris  
THE HONORABLE CECELIA G. MORRIS  
CHIEF UNITED STATES BANKRUPTCY JUDGE