

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

In re:

FALLBROOK TECHNOLOGIES INC., et al.¹

Debtors.

Chapter 11

Case No. 18-10384 (MFW)

Jointly Administered

Re: Docket Nos. 189 and 248

**NOTICE OF FILING OF BLACKLINE FOR DEBTORS' FIRST AMENDED JOINT
PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE that, on May 1, 2018, the above-captioned debtors (collectively, the "**Debtors**") filed the solicitation version of the *Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 189] (the "**Plan**").

PLEASE TAKE FURTHER NOTICE that, on June 6, 2018, the Debtors filed the *Debtors' First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [D.I. 248] (the "**Amended Plan**"). Attached hereto as Exhibit 1 are the changed pages from a blackline comparison of the Amended Plan against the Plan.

Dated: June 6, 2018
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Jaime Luton Chapman

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-and-

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: Fallbrook Technologies Inc. (7116); Fallbrook Technologies International Co. (7837); Hodyon, Inc. (1078); and Hodyon Finance, Inc. (5973). The Debtors' principal offices are located at 505 Cypress Creek Road, Suite L, Cedar Park, Texas 78613.

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EXHIBIT 1

Plan Changed Pages

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FOR THE DISTRICT OF DELAWARE**

In re:

FALLBROOK TECHNOLOGIES INC., et al.¹

Debtors.

Chapter 11

Case No. 18-10384 (MFW)

Jointly Administered

**DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Dated: ~~May 1,~~ June 6, 2018
Wilmington, Delaware

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instruments, and all exhibits, schedules, and annexes thereto entered into in connection with the Exit Facility Credit Agreement to be executed or delivered in connection therewith, with terms and conditions and in form and substance consistent with the terms of the Restructuring Support Agreement and otherwise satisfactory to the Debtors and the New Second Lien Agent (in each case, as amended, modified, or supplemented from time to time).

101. “*New Second Lien Lenders*” means the Existing Noteholders and the Bridge Noteholders, in their capacity as lenders under the New Second Lien Term Facility.

102. “*Other Priority Claim*” means any Claim against any of the Debtors, other than an Administrative Claim, a Professional Fee Claim, a Priority Tax Claim, and a DIP Facility Claim, that is entitled to priority in payment as specified in section 507(a)(3), (4), (5), (6), (7), or (9) of the Bankruptcy Code.

103. “*Other Secured Claim*” means any Claim (other than a DIP Facility Claim and Senior Secured Claim) to the extent reflected in the Schedules or a Proof of Claim filed as a secured Claim, which is secured by a Lien on, or security interest in, property of such Debtor, or that has the benefit of rights of setoff under section 553 of the Bankruptcy Code, but only to the extent of the value of the Holder’s interest in such Debtor’s interest in such property, or to the extent of the amount subject to setoff, which value shall be determined as provided in section 506 of the Bankruptcy Code.

104. “*Parent Interests*” means all Equity Interests in Fallbrook immediately prior to the Effective Date, including all options, warrants, preferred and common shares. For the avoidance of doubt, this includes the Equity Interests identified on Fallbrook’s *List of Equity Security Holders* [Docket No. 80].

105. “*Person*” means any individual, corporation, partnership, limited liability company, association, indenture trustee, organization, joint stock company, joint venture, estate, trust, Governmental Unit (as defined in the Bankruptcy Code) or any political subdivision thereof, or any other entity.

106. “*Petition Date*” means February 26, 2018.

107. “*Plan*” means this “*Debtors’ First Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*”, as it may be amended or modified from time to time in accordance with the terms hereof, together with any Plan Supplement and all addenda, exhibits, schedules or other attachments, if any.

108. “*Plan Supplement*” means any compilation of documents and forms of documents, agreements, schedules, and exhibits to this Plan, which shall be filed by the Debtors no later than seven (7) calendar days before the Voting Deadline, and additional documents filed with the Bankruptcy Court prior to the Effective Date as amendments to the Plan Supplement, each of which shall be consistent in all respects with, and shall otherwise contain, the terms and conditions set forth on the exhibits attached hereto, where applicable, and, without limiting the foregoing, shall be acceptable in form and substance to the Kayne Supporting Creditors. The Plan Supplement shall include the following documents, among others: (i) Schedule of Assumed

C. Releases By Holders of Claims

NOTWITHSTANDING ANYTHING CONTAINED IN THIS PLAN OR THE DISCLOSURE STATEMENT TO THE CONTRARY, BUT SUBJECT TO THE LIMITATIONS SET FORTH IN THE SECOND PARAGRAPH OF THIS SECTION VIII.C. AS OF THE EFFECTIVE DATE, THE RELEASED PARTIES SHALL BE DEEMED TO HAVE BEEN CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED BY THE RELEASING PARTIES FROM ANY AND ALL CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, REMEDIES, CAUSES OF ACTION, RIGHTS OF SETOFF, OTHER RIGHTS, AND LIABILITIES WHATSOEVER, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF FEDERAL, PROVINCIAL OR STATE SECURITIES LAWS, AVOIDANCE ACTIONS, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR THAT COULD POSSIBLY HAVE BEEN ASSERTED DIRECTLY OR INDIRECTLY ON BEHALF OF THE RELEASING PARTIES OR THEIR AFFILIATES, WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE, AND ANY AND ALL CAUSES OF ACTION ASSERTED OR THAT COULD POSSIBLY HAVE BEEN ASSERTED ON BEHALF OF THE RELEASING PARTIES OR THEIR AFFILIATES (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM, BASED ON OR IN ANY WAY RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THE DEBTORS (INCLUDING THE MANAGEMENT, OWNERSHIP, OR OPERATION THEREOF), THE REORGANIZED DEBTORS, THE CHAPTER 11 CASES, THE DEBTORS' IN- AND OUT-OF-COURT RESTRUCTURING EFFORTS, THE PURCHASE, SALE, OR RESCISSION OF THE PURCHASE OR SALE OF ANY SECURITY OF THE DEBTORS OR THE REORGANIZED DEBTORS, THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO, ANY CLAIM OR EQUITY INTEREST THAT IS TREATED IN THIS PLAN, THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN THE DEBTORS AND ANY RELEASED PARTY, THE NEGOTIATION, FORMULATION, AND PREPARATION OF THIS PLAN, THE RESTRUCTURING SUPPORT AGREEMENT, THE PLAN SUPPLEMENT, THE DISCLOSURE STATEMENT, THE DOCUMENTATION AND NEGOTIATION OF THE EXIT FACILITIES, AND ANY RELATED AGREEMENTS, INSTRUMENTS, OR OTHER DOCUMENTS, ANY OTHER ACT OR OMISSION, TRANSACTION AGREEMENT, EVENT, OR OTHER OCCURRENCE RELATED TO THE DEBTORS OR THE CHAPTER 11 CASES TAKING PLACE ON OR BEFORE THE CONFIRMATION DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH ABOVE DOES NOT RELEASE (1) ANY OBLIGATION OF THE DEBTORS OR THE REORGANIZED DEBTORS ARISING UNDER OR IN CONNECTION WITH THE EXIT FACILITIES, (2) ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THIS PLAN OR ANY DOCUMENT, INSTRUMENT OR AGREEMENT (INCLUDING

THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THIS PLAN (INCLUDING, FOR THE AVOIDANCE OF DOUBT, POST-EFFECTIVE DATE OBLIGATIONS ARISING UNDER OR IN CONNECTION WITH THE EXIT FACILITIES, AND ANY RELATED AGREEMENTS, INSTRUMENTS, OR OTHER DOCUMENTS), (3) THE RIGHT TO RECEIVE DISTRIBUTIONS FROM THE DEBTORS OR THE REORGANIZED DEBTORS ON ACCOUNT OF AN ALLOWED CLAIM AGAINST THE DEBTORS PURSUANT TO THIS PLAN, (4) ANY ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED ACTUAL FRAUD, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT, OR (5) ANY ACT OR OMISSION THAT OCCURS ON OR AFTER THE EFFECTIVE DATE.

D. Exculpation

UPON AND EFFECTIVE AS OF THE EFFECTIVE DATE, THE DEBTORS AND THEIR REPRESENTATIVES WILL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THIS PLAN IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING SECTION 1125(e) OF THE BANKRUPTCY CODE.

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THIS PLAN, THE PLAN SUPPLEMENT, OR RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR ANY LIABILITY TO ANY ENTITY FOR ANY ~~PREPETITION OR POSTPETITION~~ ACT TAKEN OR OMITTED TO BE TAKEN ON OR AFTER THE PETITION DATE AND ON OR BEFORE THE EFFECTIVE DATE IN CONNECTION WITH, OR RELATED TO FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING, OR EFFECTING THIS PLAN OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THIS PLAN OR ANY OTHER ~~PREPETITION OR POSTPETITION~~ ACT TAKEN OR OMITTED TO BE TAKEN ON OR AFTER THE PETITION DATE AND ON OR BEFORE THE EFFECTIVE DATE IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS; *PROVIDED* THAT THE FOREGOING “EXCULPATION” SHALL HAVE NO EFFECT ON THE LIABILITY OF ANY ENTITY THAT RESULTS FROM ANY SUCH ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED ACTUAL FRAUD, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT; *PROVIDED*, FURTHER, THAT TO THE EXTENT PERMITTED BY APPLICABLE LAW EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER OR ITS DUTIES PURSUANT TO, OR IN CONNECTION WITH, THIS PLAN OR ANY OTHER RELATED DOCUMENT, INSTRUMENT, OR AGREEMENT.

THE EXCULPATED PARTIES HAVE, AND UPON CONFIRMATION SHALL BE DEEMED TO HAVE, PARTICIPATED IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING WITH REGARD TO THE DISTRIBUTIONS OF NEW COMMON STOCK

Dated: ~~May 1,~~June 6, 2018

FALLBROOK TECHNOLOGIES INC.

By: /s/ Roy Messing _____
Name: Roy Messing
Title: Chief Restructuring Officer

FALLBROOK TECHNOLOGIES INTERNATIONAL CO.

By: /s/ Roy Messing _____
Name: Roy Messing
Title: Chief Restructuring Officer

HODYON, INC.

By: /s/ Roy Messing _____
Name: Roy Messing
Title: Chief Restructuring Officer

HODYON FINANCE, INC.

By: /s/ Roy Messing _____
Name: Roy Messing
Title: Chief Restructuring Officer