

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
EP ENERGY CORPORATION, et al.,	§	Case No. 19-35654 (MI)
	§	
Debtors.¹	§	(Jointly Administered)

**NOTICES, RESTRICTIONS, AND OTHER PROCEDURES REGARDING
OWNERSHIP AND TRANSFERS OF STOCK OF DEBTORS**

TO ALL PERSONS (INCLUDING ENTITIES) WITH STOCK OWNERSHIP OF THE
DEBTORS:

Pursuant to that certain *Final Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Stock of Debtors* (the “**Final Stock Procedures Order**”) entered by the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) on November 6, 2019, Docket No. 313, the following restrictions, notification requirements, and/or other procedures (collectively, the “**Stock Procedures**”) shall apply to all trading and transfers of stock of the Debtors.²

A. Common Stock Restrictions

(1) Definitions. For purposes of these Stock Procedures, the following terms have the following meanings:

(a) “**Common Stock**” shall mean common stock issued by EP Energy Corporation.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: EP Energy Corporation (2728), EPE Acquisition, LLC (5855), EP Energy LLC (1021), Everest Acquisition Finance Inc. (0996), EP Energy Global LLC (7534), EP Energy Management, L.L.C. (5013), EP Energy Resale Company, L.L.C. (9561), and EP Energy E&P Company, L.P. (7092). The Debtors’ primary mailing address is 1001 Louisiana Street, Houston, TX 77002.

² Capitalized terms used but not defined herein (in particular, see definitions in paragraphs A(1) and B(1) below) shall have the meanings ascribed to them in the Final Stock Procedures Order.

(b) “**Option**” shall mean any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock, or similar interest regardless of whether it is contingent or otherwise not currently exercisable. For the avoidance of doubt, by operation of the definition of Beneficial Ownership, an owner of an Option to acquire Common Stock may be treated as the owner of such Common Stock.

(c) “**Beneficial ownership**” of Common Stock and Options to acquire Common Stock shall be determined in accordance with section 382 of the title 26 of the United States Code (the “**Tax Code**”), the regulations promulgated by the U.S. Department of Treasury under the Tax Code (the “**Treasury Regulations**”), and rulings issued by the Internal Revenue Service (the “**IRS**”), and as described herein, and, thus, to the extent provided in those sources, from time to time shall include, without limitation, (i) direct and indirect ownership (but determined without regard to any rule that treats stock of an entity as to which the constructive ownership rules apply as no longer owned by that entity), e.g., a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries, (ii) ownership by a holder’s family members, (iii) ownership by any Entity, and (iv) to the extent set forth in Treasury Regulations section 1.382-4, the ownership of an Option to acquire Common Stock.

(d) “**Entity**” shall mean any “entity” as such term is defined in Treasury Regulations section 1.382-3(a), including any group of persons acting pursuant to a formal or informal understanding among themselves to make a coordinated acquisition of Common Stock.

(e) “**Substantial Stockholder**” shall mean any person (including any Entity) that beneficially owns at least 12,100,000 shares of Common Stock (representing approximately 4.75% of all issued and outstanding shares of Common Stock).

(2) Notice of Substantial Ownership. Any person (including any Entity) that beneficially owns, at any time on or after the Petition Date, Common Stock in an amount sufficient to qualify such person as a Substantial Stockholder shall file with this Court and serve upon (i) EP Energy Corporation, 1001 Louisiana Street, Houston, Texas 77002 (Attn: Jace D. Locke); (ii) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matthew S. Barr, Esq., Alfredo Perez, Esq., and Ronit Berkovich, Esq.) as proposed counsel to the Debtors; (iii) (a) Strock & Strock & Lavan LLP, 180 Maiden Lane, New York, New York 10038 (Attn: Kristopher M. Hansen, Frank A. Merola, Erez E. Gilad, and Jonathan D. Canfield) and (b) Polsinelli PC, 1000 Louisiana Street, Suite 6400, Houston, Texas 77002 (Attn: Trey Monsour) as proposed counsel to the Official Committee of Unsecured Creditors (the “**Official Committee**”); and (iv) (a) Milbank LLP, 55 Hudson Yards, New York, New York 10001 (Attn: Gerard Uzzi Esq., Eric Stodola, Esq.), as proposed counsel to Elliott Management Corporation and (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 6th Avenue, New York, NY 10019 (Attn: Jeffrey Saferstein, Esq. and Jacob A. Adlerstein, Esq.), as proposed counsel to Apollo Global Management, LLC (Elliott Management Corporation and Apollo Global Management, LLC, the “**Initial Supporting Noteholders**”³) (collectively with (i) through (iii), the “**Disclosure Parties**”),

³ Any rights of the Initial Supporting Noteholders under this Order shall only be in effect for as long as the Backstop Commitment Agreement (as defined in the *Motion of Debtors for Order (I) Authorizing Entry into Backstop Commitment Agreement, (II) Approving Obligations Thereunder, and (III) Granting Related Relief* [Docket No. 186]) is in effect.

a notice of such person's substantial ownership (a "**Notice of Substantial Stock Ownership**"), in substantially the form annexed to the Final Order as **Exhibit 2**, which describes specifically and in detail such person's ownership of Common Stock, on or before the date that is the later of (x) twenty (20) calendar days after the entry of the interim order granting the requested relief or (y) ten (10) business days after such person qualifies as a Substantial Stockholder. At the election of the filing person, the Notice of Substantial Stock Ownership to be filed with this Court (but not the Notice of Substantial Stock Ownership that is served upon the Debtors, the attorneys for the Debtors, the attorneys for the Official Committee and the attorneys for the Initial Supporting Noteholders) may be redacted to exclude the taxpayer identification number and the amount of Common Stock beneficially owned.

(3) Acquisition of Common Stock. At least twenty (20) business days prior to the proposed date of any transfer of Common Stock or exercise of any Option to acquire Common Stock that would result in an increase in the amount of Common Stock beneficially owned by any person (including any Entity) that currently is or, as a result of the proposed acquisition transaction, would be a Substantial Stockholder (a "**Proposed Acquisition Transaction**"), such person or Substantial Stockholder (a "**Proposed Transferee**") shall file with the Bankruptcy Court and serve upon the Disclosure Parties a notice of such Proposed Transferee's intent to purchase, acquire, or otherwise accumulate Common Stock (an "**Acquisition Notice**"), in substantially the form annexed to the Final Order as **Exhibit 3**, which describes specifically and in detail the Proposed Acquisition Transaction. At the election of the filing person, the Acquisition Notice to be filed with the Bankruptcy Court (but not the Acquisition Notice that is served upon the Debtors, the attorneys for the Debtors, the attorneys for the Official Committee and the attorneys for the Initial Supporting Noteholders) may be redacted to exclude the taxpayer identification number and the amount of Common Stock beneficially owned.

(4) Disposition of Common Stock. At least twenty (20) business days prior to the proposed date of any transfer or other disposition of Common Stock that would result in either a decrease in the amount of Common Stock beneficially owned by a Substantial Stockholder or person's or Entity's ceasing to be a Substantial Stockholder (a "**Proposed Disposition Transaction**" and, together with a Proposed Acquisition Transaction, a "**Proposed Transaction**"), such person, Entity or Substantial Stockholder (a "**Proposed Transferor**") shall file with this Court and serve upon the Disclosure Parties a notice of such Proposed Transferor's intent to sell, trade, or otherwise transfer Common Stock (a "**Disposition Notice**" and, together with an Acquisition Notice, a "**Trading Notice**"), in substantially the form annexed to the Final Order as **Exhibit 4**, which describes specifically and in detail the Proposed Disposition Transaction. At the election of the filing person, the Trading Notice to be filed with this Court (but not the Trading Notice that is served upon the Debtors, the attorneys for the Debtors, the attorneys for the Official Committee and the attorneys for the Initial Supporting Noteholders) may be redacted to exclude the taxpayer identification number and the amount of Common Stock beneficially owned.

(5) Objection Procedures. The Debtors, the Official Committee and the Initial Supporting Noteholders shall have fifteen (15) business days after the filing of an Trading Notice (the "**Objection Period**") to file with the Bankruptcy Court and serve on a Proposed Transferee or a Proposed Transferor, as the case may be, an objection (each, an "**Objection**") to any Proposed Transaction described in such Trading Notice. If the Debtors, the Official Committee or the Initial

Supporting Noteholders files an Objection by the expiration of the Objection Period (the “**Objection Deadline**”), then the applicable Proposed Transaction shall not be effective unless approved by a final and nonappealable order of the Bankruptcy Court. If none of the Debtors, the Official Committee or the Initial Supporting Noteholders files an Objection by the Objection Deadline or if the Debtors, the Official Committee and the Initial Supporting Noteholders provide written authorization to the Proposed Transferee or Proposed Transferor, as the case may be, approving the Proposed Transaction prior to the Objection Deadline, then such Proposed Transaction may proceed solely as specifically described in the applicable Trading Notice. Any further Proposed Transaction must be the subject of an additional Trading Notice and Objection Period.

B. Noncompliance with the Stock Procedures

Any transfer of Common Stock in violation of these Stock Procedures shall be null and void *ab initio* as an act in violation of the automatic stay under section 362 of the Bankruptcy Code and pursuant to the Bankruptcy Court’s equitable powers under section 105(a) of the Bankruptcy Code. Furthermore, in addition to any other penalties specified in these Stock Procedures, any person (including any Entity) that violates these Stock Procedures shall be subject to sanctions as provided by law.

C. Debtors’ Right to Waive

The Debtors may waive, in writing, any and all restrictions, stays, and notification Procedures contained in this Notice; *provided* that the Debtors shall give written notice of any such waiver to the attorneys for the Official Committee and the attorneys for the Initial Supporting Noteholders.

Dated:
November 6, 2019

BY ORDER OF THE COURT