

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

ENTERED

TAWANA [unclear] CLERK  
THE DATE OF ENTRY IS  
ON THE [unclear] DOCKET

In re	)	Chapter 11 Case
MIRANT CORPORATION, <u>et al.</u> ,	)	Case No. 03-46590-DML
	)	Jointly Administered
Debtors.	)	

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363(b) AUTHORIZING  
THE DEBTORS TO PAY SEVERANCE TO EDWIN H. ADAMS  
AND GRANTING RELATED RELIEF**

Upon the Motion, dated December 11, 2003 (the "Motion"), of Mirant Corporation and its affiliated debtors (collectively, the "Debtors"), as debtors-in-possession, for the entry of an order authorizing the Debtors to Enter into (I) a Separation and Release Agreement and (II) a Consulting Agreement with Edwin H. Adams ("Adams"); and it appearing that the Court has jurisdiction over this matter; and it appearing that due notice of the Motion has been provided and that no other or further notice need be provided; and the Debtors having orally modified the relief requested in the Motion at the hearing to exclude the request for approval of the Separation and Release Agreement and the Consulting Agreement; and it further appearing that the relief requested in the Motion, as modified, is in the best interests of the Debtors and their estates and creditors; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED that the Debtors are authorized, but not directed, to pay severance to Adams in the amount of \$142,500 (the "Severance Payment"), which amount shall be in full and final satisfaction of any and all administrative payments that may be owing by the Debtors to Adams

other than payments owing, if any, on account of Indemnification Claims (as defined below); and it is further

ORDERED that except as set forth in the preceding decretal paragraph, Adams shall not be required to waive any claims against the Debtors in exchange for the Severance Payment; provided, however, that any claims asserted by Adams against the Debtors shall be (i) subject to the rights, defenses and limitations that may be asserted by any party in interest, including without limitation that such claims are time barred or otherwise subject to the statutory limitations set forth in section 502(b)(7) of the Bankruptcy Code, and (ii) to the extent allowed, prepetition general unsecured claims against the relevant Debtor whether or not such claims may be characterized appropriately as administrative claims (other than payments owing, if any, on account of Indemnification Claims). Any distribution that Adams is entitled to receive as a result of an allowed claim pursuant to this paragraph (other than payments owing, if any, on account of Indemnification Claims) shall be reduced in amount, dollar for dollar, by the amount of the Severance Payment; and it is further

ORDERED that Adams shall be entitled to assert claims for indemnification and reimbursement against the Debtors and under the applicable Debtors' insurance policies (collectively, the "Indemnification Claims") and no party in interest shall be entitled to assert that any such Indemnification Claims are time barred without further order of this Court upon appropriate notice to Adams; provided, however, that nothing herein shall be deemed to be an admission by the Debtors or a determination by this Court as to the validity, enforceability or characterization of any Indemnification Claim, all rights relating thereto being expressly reserved; and it is further

ORDERED that upon receipt of the Severance Payment, Adams shall be required to reasonably cooperate with the Debtors and each of the official committees appointed in these cases with respect to any inquiry arising out of or relating to Adams' past service for the Debtors, it being understood that Adams shall not be required to incur any out-of-pocket costs in connection with such reasonable cooperation; and it is further

ORDERED that the Motion, to the extent not granted herein, is hereby deemed withdrawn; and it is further

ORDERED that the Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order.

Dated: Fort Worth, Texas  
February 11, 2004.

  
\_\_\_\_\_  
HONORABLE D. MICHAEL LYNN  
UNITED STATES BANKRUPTCY JUDGE

**PREPARED BY:**

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**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363(b)  
AUTHORIZING THE DEBTORS TO PAY SEVERANCE TO  
EDWIN H. ADAMS AND GRANTING RELATED RELIEF**

MIAMI 439543 v4 (2K)