



Illinois Workers' Compensation Commission

100 W. Randolph St., Suite 8-200
Chicago, IL 60601
312-814-6500

Bruce Rauner, Governor

Joann M. Fratianni, Chairman

TO: Commissioners, Arbitrators and
All Other Interested Parties

FROM: Chairman Joann M. Fratianni

A handwritten signature in blue ink, appearing to be "J. Fratianni", written over the printed name.

DATE: April 19, 2016

RE: Peabody Energy Corporation

Please be advised that Peabody Energy Corporation, parent of former self-insured company Peabody Investments Corporation, filed for Chapter 11 protection on April 13, 2016. The case was filed with the U.S. Bankruptcy Court in the Eastern District of Missouri.

Peabody Investments Corporation and its subsidiaries were self-insured for various periods during 10/1/1991 – 2/14/2010.

The Bankruptcy court has modified the automatic stay allowing workers' compensation claims to proceed and granted interim approval for the employer to continue honoring its pre-petition workers' compensation claims. (See attached Order)

Questions regarding the workers' compensation claims may be directed to:

Ms. Suzanne Carich, Sr. Analyst, Insurance & Surety
Peabody Energy Corporation
701 Market Street, Suite 700
St. Louis, MO 63101
314/342-3469

Questions regarding this notice may be directed to:

Ms. Maria Sarli-Dehlin,
IWCC - Office of Self-Insurance Manager
312/814-6065 or maria.dehlin@Illinois.gov

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:

Peabody Energy Corporation, et al.
Debtors.

Case No. 16-42529-399
CHAPTER 11

(Jointly Administered)

Related to Docket No. 53

**INTERIM ORDER, PURSUANT TO SECTIONS 105(a), 363 AND 364 OF THE
BANKRUPTCY CODE, AUTHORIZING THEM TO: (I) MAINTAIN, CONTINUE AND
RENEW THEIR PROPERTY, CASUALTY, LIABILITY, WORKERS'
COMPENSATION AND OTHER INSURANCE PROGRAMS, POLICIES AND
AGREEMENTS; (II) HONOR CERTAIN PREPETITION OBLIGATIONS IN RESPECT
THEREOF; AND (III) SCHEDULING A FINAL HEARING**

This matter coming before the Court on the Motion of the Debtors and Debtors in Possession, Pursuant to Sections 105(a), 363 and 364 of the Bankruptcy Code, for Interim and Final Orders Authorizing them to: (I) Maintain, Continue and Renew Their Property, Casualty, Liability, Workers' Compensation and Other Insurance Programs, Policies and Agreements; and (II) Honor Certain Prepetition Obligations in Respect Thereof (the "Motion");¹ the Court having reviewed the Motion and the First Day Declaration and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the "Hearing"); and the Court having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; (ii) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Motion.



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§ 157(b); (iv) the Debtors having represented that adequate and proper notice of the Motion has been given and that no other or further notice need be given; (v) the relief requested in the Motion is in the best interests of the Debtors and their estates and creditors; (vi) the relief requested in the Motion is an exercise of the Debtors' reasonable business judgment; (vii) sound business reasons exist justifying the relief granted herein, including the payment, in the Debtors' discretion, of the Insurance Obligations and the Workers' Compensation Liabilities, and such payments are necessary and appropriate to prevent immediate and irreparable harm to the Debtors' business operations and will serve to preserve and maximize the Debtors' estates for the benefit of stakeholders; (viii) there is good cause to waive the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent it is applicable; and (ix) the legal and factual bases set forth in the Motion, First Day Declaration and at the Hearing establish just cause for the relief granted herein;

ORDERED that, pursuant to sections 105(a), 363 and 364 of the Bankruptcy Code, that the Motion is GRANTED on an interim basis in that:

1. The Debtors are authorized, but not directed, in their reasonable discretion to maintain, obtain, continue, supplement, amend, extend, renew and/or replace their Insurance Policies and Workers' Compensation Program.

2. The Debtors are authorized, but not directed, in their reasonable discretion to pay the following amounts owed as of the Petition Date: (a) the Insurance Obligations and (b) the Workers' Compensation Liabilities (including, but not limited to, the Workers' Compensation Insurance Premiums, the Workers' Compensation Claims and the Workers' Compensation Administrative Fees).

3. The Debtors are authorized, but not directed, in their reasonable discretion to enter into insurance policy premium financing arrangements pursuant to section 364 of the Bankruptcy Code.

4. The automatic stay under section 362 of the Bankruptcy Code is modified solely to the extent necessary to permit employees to proceed with claims under the Workers' Compensation Program so that such claims may be assessed, determined and satisfied, where appropriate, by the Debtors.

5. The Debtors' Banks are authorized, when requested by the Debtors, in the Debtors' discretion, to receive, process, honor and pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtors related to, the Insurance Obligations and the Workers' Compensation Liabilities, whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date, provided that sufficient funds are available and standing in the Debtors' credit in the Debtors' accounts to cover such checks and fund transfers. The Banks are authorized to rely on the Debtors' designation of any particular check or funds transfer as approved by this Interim Order, and shall have no duty of further inquiry nor any liability for relying on such representations following the Debtors instructions.

6. Nothing contained in the Motion or this Interim Order is intended or should be construed as: (a) an admission as to the validity or priority of any claim against the Debtors; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any claim on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim is a claim covered by any Insurance Policy; or (e) a request to assume or reject any executory contract or unexpired lease, pursuant to section 365 of the Bankruptcy Code. The Debtors' or any other party in interest's right to contest any claims related to the Insurance

Policies and the Workers' Compensation Program under applicable non-bankruptcy law is expressly preserved.

7. Any objection to the granting of the relief requested by the Motion on a final basis shall be filed with the Court on or before 5:00 p.m. Central Time on May 12, 2016 (the "Objection Deadline"), and served, by the Objection Deadline, upon: (a) the Office of the United States Trustee for the Eastern District of Missouri, 111 South 10th Street, Suite 6.353, St. Louis, MO 63102 (Attn: Leonora S. Long, Esq.); (b) (i) the Debtors, c/o Peabody Energy Corporate Headquarters, Peabody Plaza, 701 Market St., St. Louis, MO 63101-1826 (Attn: Scott T. Jarboe, Esq., Vice President and Deputy General Counsel Corporate and Capital Markets); (ii) Jones Day, North Point, 901 Lakeside Avenue, Cleveland, OH 44114 (Attn: Heather Lennox, Esq.); (iii) Jones Day, 51 Louisiana Avenue, N.W., Washington, D.C. 20001 (Attn: Amy Edgy, Esq. and Daniel T. Moss, Esq.); (iv) Armstrong Teasdale LLP, 7700 Forsyth Boulevard, Suite 1800, St. Louis, MO, 63105 (Attn: Steven N. Cousins, Esq. and Susan K. Ehlers, Esq.); (c) (i) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq. and Angela M. Libby, Esq.) and (ii) Bryan Cave LLP, 211 N. Broadway, Suite 3600, St. Louis, Missouri 63102 (Attn: Laura Uberti Hughes, Esq.), as counsel to Citibank, N.A. as Administrative Agent for the First Lien Secured Credit Facility and the Debtors' proposed debtor in possession secured credit facility; (d) Brown Rudnick LLP, as counsel to Wilmington Savings Fund Society, FSB as prospective trustee and collateral agent for the Secured Second Lien Notes; (e) Foley & Lardner LLP, as counsel to Wilmington Trust Company as prospective Indenture Trustee for the Unsecured Notes;² (f) Robinson & Cole LLP,

² These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; and the (iv) 7.875% Senior Notes due November 2026.

as counsel to U.S. Bank as resigning trustee and collateral agent for the Second Lien Notes, the Unsecured Notes and the Convertible Notes;³ (g) Mayer Brown LLP, as counsel to PNC Bank, N.A., as Administrator under the Debtors' prepetition accounts receivable securitization facility; (h) counsel to any ad hoc committees; and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002 as of the time of service.

8. A final hearing on the Motion (the "Final Hearing") will be held on May 17, 2016 at 10:00 a.m. Central Time in the United States Bankruptcy Court for the Eastern District of Missouri, Thomas F. Eagleton Federal Building, 5th Floor, North Courtroom, 111 S. 10th Street, St. Louis, MO 63102. The Claims and Noticing Agent shall, within two days of the date of entry of this Interim Order, serve by United States mail, first class postage prepaid, copies of the Motion and this Interim Order on (a) the parties having been given notice of the Hearing, (b) any official committee appointed as of the time of service and (c) any party that has requested notice pursuant to Bankruptcy Rule 2002 as of the time of service. No later than 24 hours after such service, the Debtors shall file a certificate of service with the Court.

9. A reply to any objection may be filed by no later than 12:00 p.m. (Central Time) on the date that is two days prior to the date of the Final Hearing.

10. For the avoidance of doubt, nothing herein shall modify, alter or otherwise affect the rights or remedies of the agent or the lenders under the Debtors' postpetition debtor in possession financing facility or be deemed to authorize the Debtors to violate any terms of such financing facility.

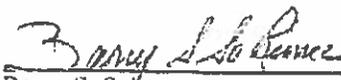
³ These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; (iv) 7.875% Senior Notes due November 2026; and the (v) Convertible Junior Subordinated Debentures due December 2066.

11. Notwithstanding any Bankruptcy Rule (including, but not limited to, Bankruptcy Rule 6004(h)) or Local Bankruptcy Rule that might otherwise delay the effectiveness of this Interim Order, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

12. No later than two days after the date this Interim Order is entered on the docket, the Claims and Noticing Agent is directed to serve a copy of this Interim Order and is directed to file a certificate of service no later than 24 hours after such service.

DATED: April 15, 2016
St. Louis, Missouri

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Barry S. Schermer
United States Bankruptcy Judge

Submitted by:

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