

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
MALIBU LIGHTING CORPORATION, et al.,¹)
Debtors.) Case No. 15-12080 (KG)
)
) (Jointly Administered)

Re: Docket No. 8

**INTERIM ORDER AS TO DEBTOR NATIONAL CONSUMER
OUTDOORS CORPORATION F/K/A DALLAS MANUFACTURING
COMPANY, INC. (A) AUTHORIZING POST-PETITION FINANCING
AND USE OF CASH COLLATERAL, (B) GRANTING §§ 363(c) AND
364(d) LIENS, A SUPERPRIORITY ADMINISTRATIVE CLAIM, AND
ADEQUATE PROTECTION, (C) APPROVING AGREEMENTS WITH
COMERICA BANK, AND (D) SETTING A FINAL HEARING**

Upon consideration of the Motion (the "Motion²") filed by National Consumer Outdoors Corporation f/k/a Dallas Manufacturing Company, Inc. (the "Debtor"), one of the above-captioned debtors and debtors in possession, seeking, inter alia, (a) authority pursuant to sections 105, 363, and 364(c)(1), (c)(2), (c)(3) & (d) of the title 11 of the United States Code (the "Bankruptcy Code") and Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure, for the Debtor to obtain post-petition loans, advances and other credit accommodations from Comerica Bank (the "Lender"), on a roll-up basis, and to use Cash Collateral (as defined below), pursuant to which the Lender will be granted, subject to the Carve-Out (as defined in paragraph 23 below), (i) a superpriority administrative claim pursuant to 11 U.S.C. § 364(c)(1); and (ii) first priority security interests in and liens upon substantially all property of the Debtor's estate

¹ The Debtors, together with the last four digits of each Debtor's tax identification number, are: Malibu Lighting Corporation (8205); Outdoor Direct Corporation (9246) f/k/a The Brinkmann Corporation; National Consumer Outdoors Corporation (1153) f/k/a Dallas Manufacturing Company, Inc.; Q-Beam Corporation (1560); Smoke 'N Pit Corporation (9951); Treasure Sensor Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors' headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.

² Capitalized terms not defined in this Interim Order shall have the same meaning as set forth in the Motion.



pursuant to 11 U.S.C. §§ 364(c)(2) and 364(d); (b) approval of the terms and conditions of the *Senior Secured Revolving Note* by and between the Lender and the Debtor dated October 7, 2015 (the “DIP Loan Note”) and the *Senior Secured, Superpriority Debtor-in-Possession Credit Agreement* by and between the Lender and the Debtor dated October 7, 2015 (the “DIP Financing Agreement”), and (c) modification of the automatic stay solely to the extent necessary to enter into the proposed financing and effectuate the terms thereof (and for other purposes described herein); and the Lender and the Debtor having agreed and stipulated as follows, which stipulations this Court hereby approves and adopts:

A. Filing of Petition. On October 7, 2015 (the “Petition Date”), the Debtor, along with certain affiliates, filed its voluntary chapter 11 petition under the Code. Pursuant to sections 1107 and 1108 of the Code, the Debtor is authorized to operate its business as debtor in possession. To date, no official committee of unsecured creditors has been appointed in this case.

B. Jurisdiction: Core Proceeding. Consideration of the Motion constitutes a “core proceeding” as defined in 28 U.S.C. § 157(b)(2)(A), (D), (G), (K), (M) and (O). This Court has jurisdiction over this proceeding and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District.

C. Need for Funding. The Debtor has requested immediate entry of this Interim Order (as defined below) pursuant to Bankruptcy Rule 4001(c)(2) and Local Rule 4001-2(c). The relief sought in the Motion is necessary and in the best interests of the Debtor’s estate in order to prevent immediate and irreparable harm to the Debtor’s estate which would result in the absence of the proposed financing. The Debtor believes that, without the proposed financing, the Debtor will not have the funds necessary (a) to pay overhead and other expenses necessary for

the continued operation of the Debtor's business, including the administrative costs associated with the case, (b) to implement a sale process that will maximize recovery by creditors, and (c) to manage and preserve the Debtor's assets and properties. The Debtor has requested that the Lender make loans and advances to the Debtor in order to provide funds to be used by the Debtor for its general operating, working capital and other business purposes in the ordinary course of the Debtor's business.

D. Good Cause. All such loans, advances and other financial accommodations by the Lender will benefit the Debtor, its creditors and its estate. The Lender is willing to make such loans and advances and provide such other credit accommodations pursuant to section 364(c) of the Bankruptcy Code during the interim period, as more particularly described herein and in the DIP Financing Agreement. Among other things, entry of this Interim Order will: (i) minimize disruption of the Debtor's business, (ii) preserve and maintain the assets of this estate, (iii) increase the possibility of a successful conclusion of the case through the proposed sale process or otherwise, and (iv) avoid immediate and irreparable harm to, and is in the best interests of, the Debtor, its creditors and its estate.

E. Unavailability of Alternative Financing. Despite diligent efforts, the Debtor has been unable to procure financing other than the proposed financing by the Lender from any alternative prospective lender or group of lenders on more favorable terms and conditions than those for which approval is sought herein. The interest rate under the DIP Financing Agreement is at or below the range of market rates for entities having a credit profile similar to the Debtor and is fair and reasonable given the risks associated with the Debtor's chapter 11 case. The DIP Financing Agreement reflects the proper exercise of sound business judgment by the Debtor.

F. Notice. The Debtor has provided notice of the terms of the Motion and the relief requested to (i) the United States Trustee, (ii) all creditors known to Debtor who may have liens against the Debtor's assets, (iii) the United States Internal Revenue Service, (iv) the thirty-five (35) largest unsecured creditors of the Debtor and its jointly administered affiliates, and (v) all other creditors and parties in interest requesting notice under Bankruptcy Rule 2002(i). The expedited notice pursuant to Bankruptcy Rule 4001(c) to such parties in interest is necessary to avoid immediate and irreparable harm to the Debtor's estate pending a final hearing for permanent financing.

G. Business Judgment and Good Faith Under Section 364(e). The terms of the DIP Financing Agreement and this Interim Order between the Debtor and the Lender pursuant to which post-petition loans, advances and other credit accommodations may be made or provided to the Debtor by the Lender have been negotiated in good faith and at arms' length within the meaning of section 364(e) of the Bankruptcy Code, are in the best interests of the Debtor, its creditors and the estate, are fair and equitable under the circumstances, and are enforceable pursuant to their terms. The relief granted by this Court pursuant to this Interim Order is necessary to avoid immediate and irreparable harm to the Debtor and its bankruptcy estate. The terms of the proposed financing are (i) fair and reasonable; (ii) reflect prudent exercise of business judgment consistent with the Debtor's fiduciary duties; (iii) constitute reasonably equivalent value and fair consideration; and (iv) are essential and appropriate for the continued operation and management of the Debtor's business and the preservation of its assets and properties. This Interim Order is subject to, and the Lender is entitled to the benefits of, the provisions of section 364(e) of the Bankruptcy Code.

H. Without prejudice to the rights of any other party (but subject to the limitations thereon described herein in paragraph 21 and subject to entry of the Final Order), the Debtor hereby forever waives and releases any and all Claims (as defined in section 101(5) of the Bankruptcy Code), counterclaims, causes of action, defenses or setoff rights against the Lender, whether arising at law or in equity, including, without limitation, any recharacterization, subordination, avoidance or other claim arising under or pursuant to section 105 or Chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law. The admissions, stipulations, agreements and releases set forth in paragraph 21 of this Interim Order are based upon and consistent with the Debtor's investigation of the Lender's liens and claims and determination that subject to the rights reserved in paragraph 21 of this Interim Order, the Debtor has no Claims (as defined in section 101(5) of the Bankruptcy Code), defenses or counterclaims with respect thereto.

I. The Debtor represents that the Lender is a secured creditor of the Debtor and its estate in connection with the Lender Pre-Petition Debt (as defined below in paragraph 7), holding valid, enforceable, perfected and unavoidable security interests and liens (collectively, the "Lender Pre-Petition Liens") in substantially all of the Debtor's assets (collectively, the "Pre-Petition Collateral").

J. The Debtor represents that the Pre-Petition Collateral secures the Lender Pre-Petition Debt, which is not less than \$25,801,582.89 in principal obligations as of October 5, 2015.³ The Debtor represents that the Lender Pre-Petition Debt arises from and is secured by, among other things, the following documents and instruments (all such documents and

³ This amount excludes interest, fees, and expenses. The Debtor and the Lender reserve their respective rights with respect to the Lender's entitlement to default rate interest.

instruments evidencing the Lender Pre-Petition Debt, including all amendments thereto, are referred to as the “Lender Pre-Petition Loan Documents”):

- (i) Amended and Restated Credit Agreement dated June 30, 2013, executed by and between the Debtor and the Lender;
- (ii) First Amendment to Amended and Restated Credit Agreement dated September 30, 2014, executed by and between the Debtor and the Lender;
- (iii) Second Amendment to Amended and Restated Credit Agreement dated December 31, 2014, executed by and between the Debtor and the Lender;
- (iv) Forbearance Agreement and Third Amendment dated June 26, 2015 by and between the Debtor and the Lender;
- (v) Amended and Restated Master Revolving Note dated September 30, 2014, executed by the Debtor and payable to the order of the Lender, in the maximum principal amount of \$30,000,000;
- (vi) Security Agreement dated July 21, 1995, executed by the Debtor for the benefit of the Lender;
- (vii) First Amendment to Security Agreement dated October 1, 2002, executed by and between the Debtor and the Lender; and
- (viii) Amended and Restated Advance Formula Agreement dated September 30, 2014, executed by and between the Debtor and the Lender.

K. The Debtor represents that all proceeds of the Collateral, and all Cash from the product, offspring, rents or profits from such Collateral, constitute cash collateral as defined 11 U.S.C. § 363 (the “Cash Collateral”). The Debtor represents that it has no cash other than Cash Collateral.

L. Guaranty Agent. The Debtor represents that Bank of America, N.A., as Administrative Agent for the Guaranty Lenders identified in paragraph N below (the "Guaranty Agent"), is a secured creditor of the Debtor and its estate, holding valid, enforceable, perfected and unavoidable security interests and liens in, substantially all of the Debtor's assets (collectively, the "Guaranty Collateral").

M. Guaranty Indebtedness. The Debtor represents that the Guaranty Collateral secures all indebtedness owed by the Debtor to the Agent and the Lenders under the Guaranty Loan Documents (as defined below) as of the Petition Date. Such indebtedness is referred to as the "Guaranty Indebtedness." The Debtor represents that the Guaranty Indebtedness, as of October 7, 2015, is not less than \$44,413,950.20, consisting of principal in the amount of \$44,060,185.37 and accrued and unpaid interest in the amount of \$353,764.83.

N. Guaranty Loan Documents. The Debtor represents that the Guaranty Indebtedness arises from and is secured by, among other things, the following documents (all documents and instruments evidencing the Guaranty Indebtedness, including all amendments thereto, are referred to as the "Guaranty Loan Documents"):

- i. That certain *Amended and Restated Guaranty* dated as of March 9, 2012, executed by the Debtor and certain of its affiliates in favor of Bank of America, N.A., as Administrative Agent, and Bank of America, N.A., Comerica Bank, and Texas Capital Bank, N.A., as Lenders (the "Guaranty Lenders");
- ii. That certain *Amended and Restated Pledge and Security Agreement* dated as of March 9, 2012, executed by the Debtor and certain of its affiliates; and
- iii. That certain *Amended and Restated Intellectual Property Security Interest Agreement* dated as of March 9, 2012, executed by the Debtor and certain of its affiliates.

O. No Claims or Defenses. Without prejudice to the rights of any other party (but subject to the limitations described in paragraph 21 and subject to entry of the Final Order), the Debtor hereby admits, stipulates and agrees to the amount of the Guaranty Indebtedness and Lender Pre-Petition Debt as set forth in paragraphs M and J above and forever waives and releases any and all Claims (as defined in section 101(5) of the Bankruptcy Code), counterclaims, causes of action, defenses or setoff rights against (i) the Guaranty Agent and the Guaranty Lenders, the Guaranty Indebtedness, or the Guaranty Agent's security interests in and liens upon the Guaranty Collateral, and (ii) the Lender, the Lender Pre-Petition Debt, Lender Pre-Petition Liens, or the Pre-Petition Collateral, whether arising at law or in equity, including, without limitation, any recharacterization, subordination, avoidance or other claim arising under or pursuant to section 105 or Chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law. The admissions, stipulations, agreements and releases set forth in paragraphs I, J, and L through O of this Interim Order are based upon and consistent with the Debtor's investigation of the Lender's liens and claims and the Guaranty Agent's liens and claims and determination that, subject to the rights reserved in paragraph 21 of this Interim Order, the Debtor has no Claims (as defined in section 101(5) of the Bankruptcy Code), defenses or counterclaims with respect thereto.

P. Factual Findings/Legal Conclusions. Each of the foregoing findings by the Court will be deemed a finding of fact if and to the full extent that it makes and contains factual findings and a conclusion of law if and to the full extent that it makes and contains legal conclusions.

THEREFORE, IT IS HEREBY ORDERED THAT:

1. Authorization to Incur Indebtedness and Enter Into DIP Loan Note and DIP Financing Agreement. The Motion is hereby granted and approved as set forth herein on an

interim basis pending the Final Hearing (as defined below). This order is referred to herein as the “Interim Order”. Pursuant to sections 364(c) and (d) of the Bankruptcy Code, the Debtor is hereby authorized and empowered to borrow from the Lender, pursuant to the terms of this Interim Order and the terms and conditions set forth in the DIP Loan Note and DIP Financing Agreement, up to \$11,000,000.00 in original principal obligations on an interim basis. The Debtor is authorized to execute, deliver, perform and comply with the terms and covenants of the DIP Loan Note, the DIP Financing Agreement and this Interim Order. The terms and conditions of the DIP Loan Note and the DIP Financing Agreement are approved pending entry of the Final Order, and, together with this Interim Order, shall be sufficient and conclusive evidence of the borrowing arrangements between the Debtor and the Lender and of the terms and conditions of the DIP Loan Note and DIP Financing Agreement, for all purposes pending entry of the Final Order. Notwithstanding anything to the contrary in this Interim Order or the DIP Loan Note or DIP Financing Agreement, the DIP Loan fee payable to the Lender shall be \$50,000 upon entry of this Interim Order and the remaining \$50,000 shall be subject to entry of the Final Order.

2. DIP Loan Advance Formula. Advances under the DIP Loan Note shall be made pursuant to the following formula after including all indebtedness owed by the Debtor to the Lender as of the Petition Date:

- 85% of eligible accounts receivable
- 100% of accounts receivable backed by letters of credit from reputable financial institutions
- 60% of eligible inventory
- \$5,000,000.00 over formula

3. Use of Advances Made Under this Interim Order/Use of Cash Collateral. The Debtor is authorized to use proceeds of the loans and advances made, and other credit accommodations provided, by the Lender to the Debtor, and to use Cash Collateral, for the

payment of its actual and necessary post-petition obligations including, without limitation, actual and necessary general operating and working capital expenses incurred in the ordinary course of the Debtor's business and in accordance with the terms and conditions of the DIP Loan Note, the DIP Financing Agreement and the budget attached hereto as Exhibit A (the "Budget"), subject to the Permitted Variances (as defined below). The Budget may be modified or amended with the written approval of the Lender. The Budget includes specified amounts to fund an escrow to pay the administrative costs associated with the case, including, without limitation, to pay the budgeted fees of the Debtor's attorneys, accountants, and other professionals employed by the Debtor in this case and, if one is formed, to pay the budgeted fees of the Committee's (as defined below) professionals. In addition, the Debtor is hereby authorized to use the proceeds of the loans and advances made, and other financial accommodations provided by Lender to Debtor, and to use Cash Collateral, to pay the fees and expenses of the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6). The "Permitted Variances" are defined as the aggregate of the Debtor's actual cash disbursements (excluding interest and professional fees) during any consecutive four-week period that is less than or equal to 110% of the Debtor's budgeted cash disbursements on a line item basis (excluding interest and professional fees) during the same four-week period as set forth in the Budget.

4. Grant of Liens and Superpriority Administrative Claim. Effective on and after the date of this Interim Order, to secure the prompt payment and performance of any and all post-petition obligations, liabilities and indebtedness (the "DIP Facility Obligations") of the Debtor to the Lender of whatever kind or nature or description arising under the DIP Loan Note and DIP Financing Agreement and any related post-petition documents and instruments (collectively, the "Lender DIP Loan Documents"), Lender shall have and is hereby granted: (y) a superpriority

administrative claim pursuant to 11 U.S.C. § 364(c)(1) (the “DIP Facility Superpriority Claim”); and (z) valid and perfected security interests and liens, senior to all other creditors of the Debtor’s estate, excluding all liens (if any) that were existing, duly perfected and otherwise unavoidable as of the Petition Date and that were senior to the Lender Pre-Petition Liens as of the Petition Date, in and upon all now existing and hereafter acquired personal and real property and fixtures of the Debtor and its bankruptcy estate, of whatever kind or nature, whether acquired prior to or subsequent to the Petition Date (collectively, the “Post-Petition Collateral” and together with the Pre-Petition Collateral, the “Collateral”), pursuant to 11 U.S.C. §§ 364(c)(2) and 364(d); (clause (z) is referred to as the “DIP Facility Liens”); provided, however, that the DIP Facility Superpriority Claim and the DIP Facility Liens shall be subject to the payment of the Carve-Out and shall not include any claims or causes of action arising under chapter 5 of the Bankruptcy Code or applicable state fraudulent transfer law and any proceeds thereof (together, “Avoidance Actions”) until the entry of the final order on the Motion (the “Final Order”). For the avoidance of doubt, in the event of the occurrence of an event of default or similar event under the DIP Loan Note or DIP Financing Agreement (an “Event of Default”), or an event that would constitute an Event of Default with the giving of notice or lapse of time or both (a “Default”), the DIP Facility Superpriority Claim and the DIP Facility Liens shall be subject to the payment of the Carve-Out.

5. Limitation on Use of DIP Loan Proceeds. Notwithstanding the foregoing, no funds shall be paid or made available, whether from the DIP Facility or the Carve-Out, for any fees, disbursements or expenses of any party, including the Debtor or any official committee in this case (the “Committee”), or any professional employed by any party, in connection with (i) the initiation or prosecution of (but excluding any investigation into) any claims, causes of action,

adversary proceedings, or other litigation against the Lender or the Guaranty Agent (directly or indirectly), including, without limitation, challenging the amount, validity, extent, perfection, priority, or enforceability of, or asserting any defense, counterclaim, or offset to the Lender Pre-Petition Liens, the Lender Pre-Petition Debt, the DIP Facility Obligations, the DIP Facility Superpriority Claim, the DIP Facility Liens, the Guaranty Indebtedness, or the Guaranty Agent's security interests in the Guaranty Collateral; provided, however, that the Committee shall be permitted to use such funds in an amount not to exceed \$20,000.00 to investigate the factual and legal matters relevant to the Debtor's admissions and releases contained in paragraphs H through O, and (ii) after a Default or an Event of Default, asserting any claims or causes of action against the Lender or the Guaranty Agent, including, without limitation, claims or actions to hinder or delay the Lender's assertion, enforcement or realization on the Collateral in accordance with the Lender DIP Loan Documents or this Interim Order.

6. Limitation on Charging Expenses Against Collateral. Subject to entry of the Final Order, all rights to surcharge any Collateral or Guaranty Collateral under section 506(c) of the Bankruptcy Code or any other applicable principle or equity or law is irrevocably waived, and such waiver shall be binding upon the Debtor and all parties in interest in this case and any subsequent Chapter 7 case.

7. Application of Collateral Proceeds/Roll-Up. All proceeds of the Lender's pre-petition collateral and post-petition collateral, including without limitation ordinary receipts from the operation of the Debtor's business, shall be applied first to the indebtedness owed by the Debtor to the Lender as of the Petition Date under that certain *Amended and Restated Credit Agreement* dated as of June 30, 2013, as amended (the "Lender Pre-Petition Debt"). After payment in full of the Lender Pre-Petition Debt, the remaining proceeds of the Lender's

Collateral, including without limitation ordinary receipts from the operation of the Debtor's business, shall next be applied to the DIP Facility Obligations until they are paid in full. The Debtor may re-borrow under the DIP facility to the extent of any repayments, subject to the terms of the DIP Loan Note and DIP Financing Agreement.

8. Adequate Protection.

(a) The Lender is hereby granted the following forms of adequate protection for the Lender's Pre-Petition Debt and the Lender Pre-Petition Liens, solely to the extent there is diminution in value of the Pre-Petition Collateral from and after the Petition Date which is as a result of, or arises from, or is attributable to, the imposition of the automatic stay, borrowings or advances under the DIP Loan Note or DIP Financing Agreement or imposition of the DIP Facility Liens or DIP Facility Superpriority Claim, or the use, sale, lease or grant of such Pre-Petition Collateral (the "Lender Adequate Protection"): (i) replacement liens and security interests on the Collateral, and the proceeds, income and profits and offspring of the Collateral; (ii) super-priority claims pursuant to 11 U.S.C. § 507(b); (iii) monthly payments of interest on the Lender Pre-Petition Debt in the amounts set forth in the Budget, and (iv) payment of all of the Lender's pre-petition and post-petition reasonable costs, fees (including reasonable attorneys' fees), charges and expenses incurred in connection with this case.

(b) The Guaranty Agent is hereby granted the following forms of adequate protection of its interests in the Guaranty Collateral, solely to the extent there is diminution in value of the Guaranty Collateral from and after the Petition Date which is as a result of, or arises from, or is attributable to, the imposition of the automatic stay, borrowings or advances under the DIP Loan Note or DIP Financing Agreement or imposition of the DIP Facility Liens or DIP Facility Superpriority Claim, or the use, sale, lease or grant of such Guaranty Collateral (the

“Guaranty Agent Adequate Protection”): (i) replacement liens and security interests on the Collateral, and the proceeds, income and profits and offspring of the Collateral junior to the Lender Adequate Protection; (ii) super-priority claims pursuant to 11 U.S.C. § 507(b) junior to the Lender Adequate Protection; (iii) the Debtor shall timely deposit all post-petition taxes (whether federal, state or local) with the appropriate taxing authorities and timely file appropriate tax returns; (iv) the Debtor shall timely pay all U.S. Trustee fees; (v) the Debtor shall pay all reasonable fees, costs and expenses for the professionals of the Guaranty Agent and the Guaranty Lenders incurred in connection with the Debtor’s case (whether incurred before or after the Petition Date); and (vi) the Debtor shall maintain insurance with respect to all of the Collateral for all the purposes and in the amounts maintained by the Debtor in accordance with the requirements of the Guaranty Loan Documents, as is currently in place. The Guaranty Agent Adequate Protection shall secure the Guaranty Agent and the Guaranty Lenders against the subordination of the Guaranty Agent’s liens on and security interests in the Guaranty Collateral to the DIP Facility Liens, the Debtor’s use of Cash Collateral, and any other diminution in the value of the Guaranty Agent’s interest in the Guaranty Collateral from and after the Petition Date.

(c) The Lender Adequate Protection and the Guaranty Agent Adequate Protection granted herein (i) are subordinate only to the Carve-Out (as defined below), the DIP Facility Superpriority Claim, the DIP Facility Liens, and any prior existing and validly perfected liens and security interests in the Debtor’s assets, (ii) shall attach in the same order of priority that existed with respect to the Lender Pre-Petition Debt and the Guaranty Indebtedness under applicable non-bankruptcy law as of the Petition Date, (iii) are automatically perfected, and (iv) until entry of the Final Order, exclude any Avoidance Actions.

9. Fees and Expenses of the Lender. The Debtor shall reimburse the Lender for its reasonable costs, fees (including reasonable attorneys' fees), charges, and expenses incurred in connection with the case whether incurred pre-petition or post-petition. In this connection, the Lender shall transmit summary invoices (subject to confidentiality and applicable claims of privilege) to the Debtor, counsel to any Committee and the United States Trustee, each of whom shall have ten (10) calendar days from receipt thereof to review and object to such invoices. At the expiration of such ten (10) calendar day period, the Debtor shall promptly pay such invoices, except those costs, fees, charges and/or expenses as to which an objection has been timely made in writing. In the event of an objection, the parties shall confer with one another and attempt to reach agreement regarding the payment to be made. If agreement cannot be reached between the parties, the matter shall be promptly submitted to this Court in the form of a written objection setting forth the precise nature of the objection and the monetary amount at issue. Thereafter, this Court will consider and rule on the objection. Absent a timely written objection to any summary invoice, none of the Lender's costs, fees, charges or expenses reflected in the applicable invoice shall be subject to Court approval, and the Lender shall not be required to file any interim or final fee application(s) with the Court, provided that the Court shall have jurisdiction to determine any disputes concerning the Lender's summary invoices.

10. Automatic Perfection. With respect to the debt incurred by the Debtor under the DIP Loan Note and DIP Financing Agreement, this Interim Order shall be sufficient and conclusive evidence of the priority, perfection and validity of all of the security interests in and liens upon the property of the Debtor's estate granted to the Lender as set forth herein, without the necessity of filing, recording or serving any financing statements, or other documents which may otherwise be required under federal or state law in any jurisdiction or the taking of any other

action to validate or perfect the security interests and liens granted to the Lender in this Interim Order and the DIP Financing Agreement. If the Lender shall, in its discretion, elect for any reason to file any such financing statements or other documents with respect to such security interests and liens, the Debtor is authorized to execute, or cause to be executed, all such financing statements or other documents upon the Lender's reasonable request and the filing, recording or service thereof (as the case may be) of such financing statements or similar documents shall be deemed to have been made at the time of and on the Petition Date. The Lender may, in its discretion, file a certified copy of this Interim Order in any filing or recording office in any county or other jurisdiction in which the Debtor has real or personal property and, in such event, the subject filing or recording officer is authorized and directed to file or record such certified copy of this Interim Order.

11. Further Acts by the Debtor. The Debtor is hereby authorized to perform all acts, and execute and comply with the terms of such other documents, instruments, and agreements in addition to the above DIP Financing Agreement as the Lender may reasonably require and as evidence of and for the protection of the DIP Facility Obligations and the Collateral or which may be otherwise deemed necessary by the Lender to effectuate the terms and conditions of this Interim Order, the DIP Loan Note and the DIP Financing Agreement.

12. No Control of the Debtor. In determining to make any extensions of credit under the DIP Financing Agreement, and in negotiating and consummating the transactions authorized by this Interim Order, the Lender shall not be deemed to have been in control of the operation of the Debtor solely by virtue of making the DIP loans.

13. Limited Modification of Automatic Stay. The automatic stay provisions of section 362 of the Bankruptcy Code are vacated and modified solely to the extent necessary to

permit the Lender to exercise, upon the occurrence and during the continuance of any Event of Default, all rights and remedies provided for in the Lender DIP Loan Documents, subject to payment of the Carve-Out; provided, however, that prior to the exercise of any enforcement or liquidation remedies against the Collateral, the Lender shall be required to give five (5) business days written notice to the Debtor, its bankruptcy counsel, the Committee's counsel, if any, and the U.S. Trustee (the "Default Notice"). Notwithstanding the occurrence of an Event of Default or the Commitment Termination Date (as defined below), all of the rights, remedies, benefits, and protections provided to the Lender under the Lender DIP Loan Documents and this Interim Order shall survive the Commitment Termination Date.

14. Access to the Debtor. Without limiting the rights of access and information afforded the Lender under the Lender DIP Loan Documents, the Debtor shall permit representatives, agents and/or employees of the Lender to have reasonable access to its premises and records during normal business hours (without unreasonable interference with the proper operation of the Debtor's business) and shall cooperate, consult with, and provide to such representatives, agents and/or employees all such non-privileged information as they may reasonably request.

15. Reporting. On a weekly basis, the Debtor shall provide to the Lender the following: (i) a rolling 13 week cash flow statement, (ii) a budget to actual comparison, due each Tuesday for the prior week, (iii) a borrowing base report (combining the Lender Pre-Petition Debt and the DIP Facility Obligations) in a form reasonably acceptable to the Lender, and (iv) any other financial information reasonably requested by the Lender to be provided within 3 days of receipt by the Debtor following a written request for same. Items (i) – (iii) herein shall be certified as true and correct by an officer of the Debtor.

16. Insurance Policies. Upon entry of this Interim Order, the Lender shall be, and shall be deemed to be, without any further action or notice, named as an additional insured and loss payee on each insurance policy maintained by the Debtor which in any way relates to the Collateral. The Debtor is authorized and directed to take any action necessary to have the Lender added as an additional insured and loss payee on each insurance policy.

17. Survival of Provisions. The provisions of this Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered dismissing the case, converting the Debtor's Chapter 11 case to a Chapter 7 case, or any order which may be entered confirming or consummating any Chapter 11 plan, and the terms and provisions of this Interim Order as well as the priorities in payment, liens, and security interests granted pursuant to this Interim Order and the DIP Financing Agreement shall continue in this or any superseding case under the Bankruptcy Code, and such priorities in payment, liens and security interests shall maintain their priority as provided by this Interim Order until all DIP Facility Obligations are indefeasibly satisfied and discharged; provided, that, all obligations and duties of the Lender hereunder, under the DIP Loan Note, the DIP Financing Agreement or otherwise with respect to any future loans and advances shall terminate immediately upon the earlier of any of the following ("Commitment Termination Date"): (a) any Event of Default, (b) the date that a Chapter 11 plan of the Debtor becomes effective, (c) the date of dismissal of this Chapter 11 case or conversion of this Chapter 11 case to a case under Chapter 7, (d) the appointment in this case of a Chapter 11 trustee or an examiner with expanded powers, (e) the entry of any order granting relief under section 506(c) of the Bankruptcy Code with respect to any of the Collateral, (f) the filing by the Debtor, without Lender's prior written consent, of any motion to obtain financing under section 364 of the Bankruptcy Code from any other person or entity other than the Lender,

or otherwise to grant a lien or security interest on any of the Collateral in favor of any person or entity other than the Lender, (g) the Debtor's failure to comply with any provision of this Interim Order, (h) the closing and funding of a sale of all or substantially all of the Debtor's assets, or (i) December 31, 2015; provided, however, that if the Lender has given its express prior written consent to a different date (no such consent will be implied from any other action, inaction or acquiescence by the Lender) then that different date shall apply; and provided further that the Lender shall be required to provide written notice to the Debtor of the occurrence of item (g) above and the Debtor shall have five (5) business days to cure any such default.

18. Automatic Stay Termination. Following the Commitment Termination Date, and upon five (5) business days' written notice (which may be delivered by electronic mail) to the Debtor, its counsel, the United States Trustee, and counsel for the Committee, unless the Debtor obtains an order from the Court maintaining the automatic stay in effect within such five (5) business day notice period, the automatic stay of section 362(a) of the Bankruptcy Code shall be deemed terminated (and the fourteen (14) day stay provided by Federal Rule of Bankruptcy Procedure 4001(a)(3) shall be deemed waived) without the necessity of any further action by the Lender or any further authorization by this Court in order to permit the Lender to exercise all rights and remedies provided for in this Interim Order, the DIP Loan Documents, the Lender Pre-Petition Loan Documents, and applicable law, including but not limited to the Lender's right to apply the Cash Collateral and any other proceeds of the Collateral first to the Lender Pre-Petition Debt (in accordance with the terms of the Lender Pre-Petition Loan Documents) and next to the DIP Facility Obligation (in accordance with the Lender DIP Loan Documents) and applicable law, subject to amounts eligible to be paid from the Carve-Out that are in excess of any pre-

petition retainers or trust account funds or the Expense Reserve Account otherwise available to pay such eligible amounts.

19. Resolution of Any Conflicting Terms. To the extent the terms and conditions of the DIP Loan Note or the DIP Financing Agreement are in conflict with the terms and conditions of this Interim Order, the terms and conditions of this Interim Order shall control.

20. Order Binding on Successors. The provisions of this Interim Order shall be binding upon and inure to the benefit of the Lender, the Guaranty Agent, the Guaranty Lenders, the Debtor, and their respective successors and assigns (including any trustee or other estate representative appointed as a representative of the Debtor's estates or of any estate in any successor case). Except as otherwise explicitly set forth in this Interim Order, no third parties are intended to be or shall be deemed to be third party beneficiaries of this Interim Order, the DIP Loan Note or the DIP Financing Agreement.

21. Reservation of Certain Third Party Rights and Bar of Challenge and Claims. The Debtor's admissions contained in paragraphs H through O of this Interim Order: (i) shall be binding upon the Debtor for all purposes; and (ii) shall be binding upon all other parties in interest, including any committee appointed, for all purposes unless (1) a party (subject in all respects to any agreement or applicable law which may limit or affect such entity's right or ability to do so) has properly filed an adversary proceeding or contested matter (a "Challenge") by no later than the date that is seventy-five (75) days from the date of entry of this Interim Order (and, in the case of any committee appointed within such 75-day period, sixty (60) days from the appointment of the committee (the "Challenge Period")), (x) challenging the amount, validity, enforceability, priority or extent of the Lender Pre-Petition Debt, the Lender's security interests in and liens upon the Collateral, the Guaranty Indebtedness, or the Guaranty Agent's

security interests in the Guaranty Collateral, or (y) otherwise asserting any claims or causes of action against the Lender or the Guaranty Agent on behalf of the Debtor's estate, and (2) the Court rules in favor of the plaintiff in any such timely and properly filed adversary proceeding or contested matter. If no such adversary proceeding or contested matter is properly filed as of such dates or the Court does not rule in favor of the plaintiff in any such proceeding, then: (a) the Debtors' admissions and releases contained in paragraphs H through O of this Interim Order shall be binding on all parties in interest, including any committee; (b) the obligations of the Debtor under loan documents relating to the Lender Pre-Petition Debt and the obligations of the Debtor under the Guaranty Loan Documents shall constitute allowed claims for all purposes in this case, and any subsequent Chapter 7 case; (c) the Lender's security interests in and liens upon the Collateral shall be deemed to have been, as of the Petition Date, legal, valid, binding, and perfected first priority security interests and liens, not subject to recharacterization, subordination or otherwise avoidable; and (d) the Guaranty Agent's security interests in and liens upon the Guaranty Collateral shall be deemed to have been, as of the Petition Date, legal, valid, binding, and perfected second-priority security interests and liens, not subject to recharacterization, subordination (except as to the Lender Pre-Petition Debt and the DIP Facility Liens) or otherwise avoidable; (e) the Lender Pre-Petition Debt and the Guaranty Indebtedness shall not be subject to any other or further Challenge by any committee or any other party in interest seeking to exercise the rights of the Debtor's estate, including, without limitation, any successor thereto. If any such adversary proceeding or contested matter is properly filed as of such dates, the Debtor's admissions and releases contained in paragraphs H through O of this Interim Order shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) except to the extent that such admissions and releases were expressly challenged in such

adversary proceeding or contested matter. Nothing contained in this Interim Order shall be deemed to grant standing to any committee or any other party to commence any such adversary proceeding or contested matter. For the avoidance or doubt, in the event the case is converted to chapter 7 or a chapter 11 trustee is appointed prior to the expiration of the Challenge Period described in this Paragraph 21, the Challenge Period shall not expire until 60 days after the trustee's appointment. In the event the Committee or any other party in interest has commenced a Challenge prior to the conversion to chapter 7 or appointment of a chapter 11 trustee, the trustee shall be entitled to assume the prosecution of any pending Challenge. In either event, until the later of the expiration of the Challenge Period without commencement of a challenge or the entry of a final, non-appealable order or judgment on account of any Challenge, the trustee shall not be bound by the Debtor's acknowledgments, admissions, confirmations, stipulations and waivers in this Interim Order. In the event of a successful Challenge as determined by final order of a court of competent jurisdiction, any amounts distributed to the Lender or the Guaranty Agent on account of prepetition obligations will be subject to disgorgement and refund to the Debtor's estate in an amount to be determined.

22. Subsequent Reversal. If any or all of the provisions of this Interim Order, the DIP Loan Note or the DIP Financing Agreement are hereafter modified, vacated, amended, or stayed by subsequent order of this Court or any other court without the consent of the Lender: (i) such modification, vacatur, amendment, or stay shall not affect the validity of any obligation of the Debtor to the Lender that is or was incurred prior to the effective date of such modification, vacatur, amendment, or stay (the "Effective Date"), or the DIP Facility Superpriority Claim and DIP Facility Liens authorized or created by this Interim Order and the Lender DIP Loan Documents; and (ii) the DIP Facility Obligations arising prior to the Effective Date shall be

governed in all respects by the original provisions of this Interim Order and the Lender DIP Loan Documents, and the validity of any such credit extended or security interest granted pursuant to this Interim Order and the Lender DIP Loan Documents is and shall be protected by section 364(e) of the Bankruptcy Code.

23. Carve-Out.

(a) The DIP Facility Superpriority Claim, the DIP Facility Liens, the Lender Pre-Petition Debt, the DIP Facility Obligations, the Collateral, the Guaranty Indebtedness, the Guaranty Collateral, the Lender Adequate Protection, and the Guaranty Agent Adequate Protection shall be subject in all cases to payment of the following expenses (the “Carve-Out”):

(i) unpaid post-petition fees and expenses of the Clerk of the Court and the U.S. Trustee pursuant to 28 U.S.C. § 1930 as determined by agreement of the U.S. Trustee or by final order of the Court, together with the statutory rate of interest;

(ii) accrued, but unpaid post-petition obligations of the Debtor up to the amounts set forth in the Budget (prorated on a daily basis) through the date of the Default Notice (as defined in paragraph 13 above), plus any accrued but unpaid prepetition paid time off owed to the Debtor’s employees as of such date;

(iii) the Debtor’s obligation, if any, to pay the Break-Up Fee and Expense Reimbursement (as such terms are defined in the *Asset Purchase Agreement* dated October 7, 2015, by and between the Debtor, as seller, and DMC Acquisition Holdings, LLC, as purchaser), which obligation is subject to approval of this Court and, once approved, shall be *pari passu* with the payment of estate professional fees as contemplated by paragraph 23(a)(iv) and (v) below;

(iv) unpaid post-petition fees and expenses of professionals of the Debtor and professionals of any Committee, which are retained by an order of the Court pursuant to sections 327, 328, 363 or 1103(a) of the Bankruptcy Code (the "Professionals"), but only to the extent such fees and expenses are (1) reflected in the Budget, (2) incurred prior to the giving of the Default Notice by the Lender, (3) allowed by the Bankruptcy Court under sections 330, 331, or 363 of the Bankruptcy Code, and (4) not otherwise paid from retainers or the Expense Reserve Account (as defined below); and

(v) post-petition fees and expenses of the Professionals incurred after service of the Default Notice in an aggregate amount not to exceed \$100,000.00, to the extent such fees and expenses are (i) allowed by the Bankruptcy Court under sections 330, 331, or 363 of the Bankruptcy Code, and (ii) not otherwise paid from retainers or the Expense Reserve Account.

(b) Following entry of this Interim Order, so long as the Debtor is entitled to make draws under the DIP facility and no Event of Default or Commitment Termination Date shall have occurred, the Debtor shall be authorized to transfer funds to the Pachulski Stang Ziehl & Jones LLP Client Trust Account (the "Expense Reserve Account") on a weekly basis, the amounts that the Professionals may be paid pursuant to the Budget for such week. Such funds shall be held for the benefit of the Professionals, to be applied to the fees and expenses of such Professionals that are approved for payment pursuant to one or more orders of this Court. Any fees and expenses payable to Professionals shall be paid first out of the Expense Reserve Account, and all amounts deposited in the Expense Reserve Account shall reduce, on a dollar-for-dollar basis, the Carve-Out. Any excess amounts in the Expense Reserve Account after

payment of Professional Fees, and the obligations, if any, owed to the purchaser under paragraph 23(a)(iii), shall be remitted to the Lender.

24. Credit Bidding and Sale Proceeds. In the event of the sale of any of the Collateral pursuant to section 363 of the Bankruptcy Code or under a plan of reorganization or liquidation, the Lender shall have the right (at an auction or otherwise) to credit-bid an amount equal to all or any portion of the Lender Pre-Petition Debt and the DIP Facility Obligations; provided however that the Lender shall not have the right to Credit Bid for any sale in an amount that will result in payment in full of the Lender Pre-Petition Debt and the DIP Facility Obligations. Upon the closing of the sale of any of the Collateral, the net proceeds (i.e., net of the costs associated with such closing that the Debtor is obligated to pay) of such sale shall be paid to the Lender for immediate application to the Lender Pre-Petition Debt and the DIP Facility Obligations up to the full amount outstanding, subject to the Carve-Out. *Notwithstanding the foregoing, The committee of unsecured creditors shall*

25. Section 506(c) Waiver. Subject to entry of the Final Order, the Debtor, on behalf of itself and its bankruptcy estate, waives any and all claims, rights and powers to surcharge the Lender, the Guaranty Agent, the Guaranty Lenders, the Collateral, the Guaranty Collateral and any other property or assets of the Debtor subject in any manner whatsoever to any of the liens and security interests of the Lender, pursuant to section 506(c) or section 105(a) of the Bankruptcy Code. The foregoing waiver shall be binding upon any trustee or examiner with expanded powers appointed for the Debtor's estate or with respect to its property. *have the right to object to A Lender's right to credit bid, so long as such objection is filed prior to October 26, 2015, at 9:00 a.m. (ET).*

26. Automatic Stay Enabling Waiver. The automatic stay of section 362(a) of the Bankruptcy Code is hereby vacated and modified to the extent necessary to permit the Lender and the Guaranty Agent to take all actions necessary to implement this Interim Order prior to the occurrence of the Commitment Termination Date.

27. Miscellaneous. The Debtor and the Lender shall in good faith negotiate the terms of a wind-down budget for the period following the going concern disposition of the Debtor's operating assets. Notwithstanding anything to the contrary herein or in the Budget, to the extent that Piper Jaffray & Co., as investment banker, becomes entitled to a sale fee under its Court-approved engagement agreement with the Debtor in connection with a sale of the Debtor's assets, then such fee shall be payable at closing of the sale, subject to allowance of such fee by this Court, notwithstanding any liens, claims, or interests of the Lender or the Guaranty Agent.

28. Subsequent Hearing: Procedure for Objections and Entry of Final Order. The Motion is set for a final hearing before this Court at 10:00 A.m. on December 27, 2015 (the "Final Hearing"), at which time any party in interest may present any timely filed objections to the entry of a final order approving the DIP Loan Note and DIP Financing Agreement. The Debtor shall promptly serve a copy of this Interim Order and notice of the Final Hearing as set forth therein, by regular mail, upon (a) the United States Trustee, (b) all creditors known to Debtor who may have liens against the Debtor's assets, (c) the United States Internal Revenue Service, (d) the thirty-five (35) largest unsecured creditors of the Debtor and its jointly administered affiliates, and (e) all other creditors and parties in interest requesting notice under Bankruptcy Rule 2002(i). Objections to the entry of the Final Order on the Motion shall be in writing and shall be filed with the United States Bankruptcy Clerk for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, DE 19801, no later than Dec. 22, 2015, at 4pm which objections shall be served so that the same are received on or before 4:00 p.m. EST of such date by (i) counsel to the Debtor, Pachulski Stang Ziehl & Jones LLP, 919 N. Market St., 17th Floor, P.O. Box 8705, Wilmington, DE 19899 (Attn: Jeffrey N. Pomerantz, jpomerantz@pszjlaw.com and Michael R. Seidl, mseidl@pszjlaw.com), (ii) counsel to the

Lender, Buchanan Ingersoll & Rooney, PC, 919 N. Market St., Suite 1500, Wilmington, DE 19801 (Attn: Peter J. Duhig, peter.duhig@bipc.com), (iii) counsel to the Guaranty Agent, Buchanan Ingersoll & Rooney, PC, 919 N. Market St., Suite 1500, Wilmington, DE 19801 (Attn: Kathleen A. Murphy, kathleen.murphy@bipc.com), (iv) counsel to any official committee that has been appointed, and (v) the Office of the United States Trustee, Attn., J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, linda.casey@usdoj.gov). Any objections by creditors or other parties in interest to any of the provisions of this Interim Order may be deemed waived unless filed and served in accordance with this paragraph.

29. Objections Overruled. All objections to the entry of this Interim Order are hereby overruled.

30. Order Effective. This Interim Order shall be effective as of the date of signature by the Court. This Court has and will retain jurisdiction to enforce this Interim Order according to its terms.

IT IS SO ORDERED.

Dated: October 9, 2015

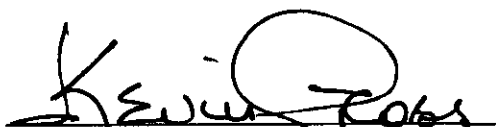

Honorable Kevin Gross
United States Bankruptcy Judge

EXHIBIT A

Budget

National Consumer Outdoors Corporation f/k/a Dallas Manufacturing, Inc.
 DIP Cash Flow Budget
 (\$000)

	9-Oct	16-Oct	23-Oct	30-Oct	6-Nov	13-Nov	20-Nov	27-Nov	4-Dec	11-Dec	18-Dec	25-Dec	1-Jan	total
	1	2	3	4	5	6	7	8	9	10	11	12	13	13 weeks
Draws - DIP Facility	1,086	2,798	3,217	3,147	2,042	2,726	2,295	3,600						20,911
Operating Disbursements														
Inventory Purchases	(577)	(1,605)	(1,935)	(1,846)	(1,159)	(1,523)	(1,613)	(1,827)						(12,086)
Freight (inbound/outbound)	(120)	(232)	(282)	(232)	(232)	(267)	(267)	(224)						(1,856)
U.S. Customs	-	-	(475)	-	-	-	-	(400)						(875)
Packaging	-	(140)	(140)	(160)	(125)	(125)	(125)	(140)						(955)
Payroll, Benefits & Taxes	-	(471)	-	(516)	-	(516)	-	(516)						(2,019)
Occupancy Costs	-	(10)	-	-	(45)	-	(10)	-						(65)
Intercompany Shared Expenses	(35)	(35)	(35)	(35)	(35)	(35)	(35)	(35)						(280)
Other Operating Disbursements	(4)	(35)	(110)	(93)	(74)	(35)	(35)	(93)	(35)	(35)	(35)	(35)	(35)	(654)
Operating Disbursements	(737)	(2,528)	(2,977)	(2,882)	(1,670)	(2,501)	(2,085)	(3,235)	(35)	(35)	(35)	(35)	(35)	(18,790)
Non-Operating Disbursements														
Interest Expense	-	-	-	-	(152)	-	-	(140)						(292)
Bank Fees	-	(10)	-	-	-	(10)	-	-	-	(10)	-	-	-	(30)
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Disbursements	-	(10)	-	-	(152)	(10)	-	(140)	-	(10)	-	-	-	(322)
Restructuring Disbursements														
Professional Fees	(235)	(260)	(240)	(265)	(220)	(215)	(210)	(225)	(175)	(115)	(110)	(80)	(75)	(2,425)
DIP Fees	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
Utility Deposits	(14)	-	-	-	-	-	-	-	-	-	-	-	-	(14)
Restructuring Disbursements	(349)	(260)	(240)	(265)	(220)	(215)	(210)	(225)	(175)	(115)	(110)	(80)	(75)	(2,539)
Total Disbursements	(1,086)	(2,798)	(3,217)	(3,147)	(2,042)	(2,726)	(2,295)	(3,600)	(210)	(160)	(145)	(115)	(110)	(21,651)
Weekly Net Cash Flow	-	-	-	-	-	-	-	-	(210)	(160)	(145)	(115)	(110)	(740)

National Consumer Outdoors Corporation f/k/a Dallas Manufacturing, Inc.
 DIP Cash Flow Budget
 (\$000)

total
13 weeks

9-Oct	16-Oct	23-Oct	30-Oct	6-Nov	13-Nov	20-Nov	27-Nov	4-Dec	11-Dec	18-Dec	25-Dec	1-Jan
1	2	3	4	5	6	7	8	9	10	11	12	13

Cash	84	84	84	84	84	84	84	7,627	7,417	7,257	7,112	6,997
Beginning Balance												
Cash Receipts							7,543					
Draws on DIP Facility	1,086	2,798	3,217	3,147	2,042	2,295	3,600	-	-	-	-	-
Cash Outflow	(1,086)	(2,798)	(3,217)	(3,147)	(2,042)	(2,295)	(3,600)	(210)	(160)	(145)	(115)	(110)
Ending Balance	84	84	84	84	84	84	7,627	7,417	7,257	7,112	6,997	6,887

DIP Financing - Comerica												
Beginning Balance												
Borrowings	1,086	2,798	3,217	3,147	2,042	2,295	3,600	-	-	-	-	-
Repayments	-	-	-	-	-	-	(20,911)	-	-	-	-	-
Ending Balance	1,086	3,884	7,101	10,248	12,290	15,016	17,311	-	-	-	-	-

Pre-Petition Secured Lender Debt - Comerica												
Beginning Balance												
Cash Receipts	(1,101)	(1,537)	(2,733)	(2,793)	(1,455)	(3,289)	(3,032)	-	-	-	-	-
Repayments							(7,146)					
Ending Balance	25,920	24,383	21,650	18,857	17,402	14,113	10,178	-	-	-	-	-

Total Debt Roll Up - Comerica	27,006	28,267	28,751	29,105	29,692	29,129	27,489	-	-	-	-	-
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Notes:
 Week 1 is a partial week consisting of October 8 - 9, 2015.
 Transaction date for sale of NCOC is assumed to be November 27, 2015, with net proceeds of \$35.6 million.
 DIP financing fee is assumed to be \$100,000.
 Interest at 6.25% is assumed on the total of the pre and post petition bank debt
 Inventory purchases include pre and post petition purchases in bonded storage, in transit and assigned to financial institutions.
 Freight disbursements include both pre and post petition payments required by freight companies to continue to service the business.
 Intercompany shared expenses represent the net cost of services used by NCOC payable to ODC.
 No capital expenditures are anticipated during period covered by the DIP budget
 Utility deposits are equal to one half month's average cost.

National Consumer Outdoors Corporation f/k/a Dallas Manufacturing, Inc.
Professional Fees
(\$000)

	10-Oct	17-Oct	24-Oct	31-Oct	7-Nov	14-Nov	21-Nov	28-Nov	5-Dec	12-Dec	19-Dec	26-Dec	2-Jan	total	
	1	2	3	4	5	6	7	8	9	10	11	12	13	13 weeks	
Professional Fees Incurred															
Pachulski Stang Ziehl & Jones LLP	105	105	105	105	85	85	85	85	85	50	35	35	35	1,000	
Aurora Management Partners	75	75	75	75	60	60	60	60	60	35	25	25	20	705	
Katten Muchin Rosenman LLP	20	20	20	10	10	10	5	5	5	5	5	5	5	125	
Epiq Systems	10	10	15	15	10	5	5	5	-	-	-	-	-	75	
Piper Jaffray & Co.	-	-	-	15	-	-	-	1,265	-	-	-	-	-	-	1,280
Eisch & Associates	-	25	-	-	-	-	-	-	-	-	-	-	-	25	
Committee Counsel	-	-	-	10	10	10	10	10	5	5	5	5	5	75	
Committee Financial Advisor	-	-	-	10	10	10	10	10	10	10	10	10	10	50	
Lender Professionals	25	25	25	25	25	25	25	25	10	10	30	30	30	220	
U.S. Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-	30	
Claim Agent	-	-	-	-	10	10	10	10	10	10	10	10	10	90	
Total Fees Incurred	235	260	240	265	220	215	210	1,475	175	115	110	80	75	3,675	
Professional Fee Payments															
Pachulski Stang Ziehl & Jones LLP	-	-	-	-	-	-	-	-	-	-	(336)	-	-	(336)	
Aurora Management Partners	-	-	-	-	-	-	-	-	-	-	(240)	-	-	(240)	
Katten Muchin Rosenman LLP	-	-	-	-	-	-	-	-	-	-	(56)	-	-	(56)	
Epiq Systems	-	-	-	-	-	-	-	-	-	-	(48)	-	-	(48)	
Piper Jaffray & Co.	-	-	-	-	-	-	-	-	-	-	(15)	-	-	(15)	
Eisch & Associates	-	-	-	-	-	-	-	-	-	-	(25)	-	-	(25)	
Committee Counsel	-	-	-	-	-	-	-	-	-	-	(8)	-	-	(8)	
Committee Financial Advisor	-	-	-	-	-	-	-	-	-	-	(8)	-	-	(8)	
Lender Professionals	-	-	-	-	-	-	-	-	-	-	(80)	-	-	(80)	
U.S. Trustees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claim Agent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Professional Payments	-	-	-	-	-	-	-	-	-	-	(816)	-	-	(816)	
Professional Fee Escrow Account															
Beginning Balance	-	235	495	735	1,000	1,220	1,435	1,645	1,870	2,045	2,160	1,454	1,534	-	
Deposits	235	260	240	265	220	215	210	225	175	115	110	80	75	2,425	
Payments	-	-	-	-	-	-	-	-	-	-	(816)	-	-	(816)	
Ending Balance	235	495	735	1,000	1,220	1,435	1,645	1,870	2,045	2,160	1,454	1,534	1,609	1,609	

Notes:
Assumes fee escrow account is established for professional fees with weekly estimated deposits as noted above.
Payment of fees will occur by the 15th of the month following presentation of professional fee invoices.
Monthly payment of fees will be at 80% of the invoiced amount and 100% of out of pocket expenses incurred.
U.S. Trustee fee is paid in January 2016
Budget assumes minimum sale fee of \$1,250,000 payable to Piper Jaffray & Co. based on anticipated proceeds of stalking horse sale transaction consistent with that firm's engagement letter.