

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

DDMG Estate, *et al.*,

Debtors.¹

Chapter 11

Case No.: 12-12568 (BLS)

(Jointly Administered)

Related Docket Nos. 471, 710, 834, 862, 891,
968, 1014, 1056, 1071, 1115, 1158, 1217, 1232,
1250, 1256, 1274, 1337, 1397, 1445, 1480, 1515, 1568,
1610, 1649, 1681, 1717, 1734

TWENTY-SEVENTH AMENDMENT TO THE FINAL ORDER (I) AUTHORIZING DEBTORS TO OBTAIN POSTPETITION FINANCING AND USE CASH COLLATERAL, (II) GRANTING ADEQUATE PROTECTION, (III) SCHEDULING FINAL HEARING, AND (IV) GRANTING CERTAIN RELATED RELIEF

Upon the motion dated September 11, 2012 (the "Motion"), seeking entry of interim and final order (I) authorizing Debtors to obtain postpetition financing and use cash collateral; (II) granting adequate protection, (III) scheduling a final hearing, and (IV) granting certain related relief; and the final hearing on the Motion (the "Final Hearing") having been held on November 6, 2012; the Court having heard and resolved or overruled any and all other objections to the relief requested in the Motion; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, and creditors; and the Court having entered the Final DIP Order on November 7, 2012 [Docket No. 471] (the "Final DIP Order"); the Court having entered the First Amendment to the Final DIP Order on December 20, 2012 [Docket No. 710] (the "First Amendment"); and the Court having entered the Second

¹ The Debtors in these proceedings and the last four digits of each Debtor's federal or foreign taxpayer identification number, if any, are as follows: D2 Software, Inc. (5602); DDH Land Holdings, LLC; DDH Land Holdings II, LLC; DD Estate (8392); DDI Estate (6275); DDInt Estate (9344); DDMG Estate (9505); DDPI Estate (5757); DDPVC Estate (6450); DDSG Estate (4526); DDT Estate (6809); DDMI Estate (2113); Tradition Studios, Inc. (4883); Tembo Productions, Inc. (7634). The Debtors' mailing address is 1001 17th Street, Ste. 1100, Denver, CO 80202.



Amendment to the Final DIP Order on February 7, 2013 [Docket No. 834] (the "Second Amendment"); and the Court having entered the Third Amendment to the Final DIP Order on February 27, 2013 [Docket No. 862] (the "Third Amendment"); and the Court having entered the Fourth Amendment to the Final DIP Order on April 10, 2013 [Docket No. 891] (the "Fourth Amendment"); and the Court having entered the Fifth Amendment to the Final DIP Order on July 22, 2013 [Docket No. 968] (the "Fifth Amendment"); and the Court having entered the Fifth Amendment to the Final DIP Order on July 22, 2013 [Docket No. 1015] (the "Sixth Amendment"); and the Court having entered the Seventh Amendment to the Final DIP Order on October 21, 2013 [Docket No. 1056] (the "Seventh Amendment"); and the Court having entered the Eight Amendment to the Final DIP Order on November 8, 2013 [Docket No. 1071] (the "Eighth Amendment"); and the Court having entered the Ninth Amendment to the Final DIP Order on December 11, 2013 [Docket No. 1115] (the "Ninth Amendment"); and the Court having entered the Tenth Amendment to the Final DIP Order (the "Tenth Amendment") on January 17, 2014 [Docket No. 1159]; and the Court having entered the Eleventh Amendment to the Final DIP Order (the "Eleventh Amendment") on March 11, 2014 [Docket No. 1217]; and the Court having entered the Twelfth Amendment to the Final DIP Order (the "Twelfth Amendment") on April 2, 2014 [Docket No. 1232]; and the Court having entered the Thirteenth Amendment to the Final DIP Order (the "Thirteenth Amendment") on May 7, 2014 [Docket No. 1250]; and the Court having entered the Fourteenth Amendment to the Final DIP Order (the "Fourteenth Amendment") on May 30, 2014 [Docket No. 1256]; and the Court having entered the Fifteenth Amendment to the Final DIP Order (the "Fifteenth Amendment") on July 7, 2014 [Docket No. 1274]; and the Court having entered the Sixteenth Amendment to the Final DIP Order (the "Sixteenth Amendment") on September 11, 2014 [Docket No. 1337]; and the Court

having entered the Seventeenth Amendment to the Final DIP Order (the "Seventeenth Amendment") on November 12, 2014 [Docket No. 1397]; and the Court having entered the Eighteenth Amendment to the Final DIP Order (the "Eighteenth Amendment") on January 8, 2015 [Docket No. 1445]; and the Court having entered the Nineteenth Amendment to the Final DIP Order (the "Nineteenth Amendment") on February 18, 2015 [Docket No. 1480]; and the Court having entered the Twentieth Amendment to the Final DIP Order (the "Twentieth Amendment") on March 26, 2015 [Docket No. 1515]; and the Court having entered the Twenty-First Amendment to the Final DIP Order (the "Twenty-First Amendment") on May 27, 2015 [Docket No. 1568]; and the Court having entered the Twenty-Second Amendment to the Final DIP Order (the "Twenty-Second Amendment") on July 1, 2015 [Docket No. 1610]; and the Court having entered the Twenty-Third Amendment to the Final DIP Order (the "Twenty-Third Amendment") on August 21, 2015 [Docket No. 1649]; and the Court having entered the Twenty-Fourth Amendment to the Final DIP Order (the "Twenty-Fourth Amendment") on October 13, 2015 [Docket No. 1681]; and the Court having entered the Twenty-Fifth Amendment to the Final DIP Order (the "Twenty-Fifth Amendment") on November 23, 2015 [Docket No. 1713]; and the Court having entered the Twenty-Sixth Amendment to the Final DIP Order (the "Twenty-Sixth Amendment") on January 6, 2016 [Docket No. 1734]; and

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT the Final DIP Order, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, the Ninth Amendment, the Tenth Amendment, the Eleventh Amendment, the Twelfth Amendment, the Thirteenth Amendment, the Fourteenth Amendment, the Fifteenth Amendment, the Sixteenth Amendment, the Seventeenth Amendment, the Eighteenth Amendment, the Nineteenth Amendment, the Twentieth Amendment, the Twenty-First Amendment, the Twenty-Second Amendment, the Twenty-Third Amendment, the Twenty-Fourth Amendment, the Twenty-Fifth Amendment and the Twenty-Sixth Amendment shall be, and hereby are, amended and modified as follows:

1. Notwithstanding the occurrence of a Termination Event², the expiration of the Remedies Notice Period and the termination of the automatic stay under section 362(a) to allow the DIP Agent to exercise any and all default remedies, the DIP Agent and DIP Lenders shall forebear from exercising their remedies under the Final DIP Order, DIP Term Sheet Documentation and applicable bankruptcy law and nonbankruptcy law through and until the earlier of (i) April 1, 2016 or (ii) the occurrence of a Termination Event (other than the occurrence of the Maturity Date) (the "Forbearance Period").

2. During the Forbearance Period, the Debtors may incur indebtedness and use Cash Collateral in accordance with the terms and conditions of the Final DIP Order, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, the Ninth Amendment, the Tenth Amendment, the Eleventh Amendment, the Twelfth Amendment, the Thirteenth Amendment, the Fourteenth Amendment, the Fifteenth Amendment, Sixteenth Amendment, the Seventeenth Amendment, the Eighteenth Amendment, the Nineteenth Amendment, the Twentieth Amendment, the Twenty-First Amendment, the Twenty-Second Amendment, the Twenty-Third Amendment, the Twenty-Fourth Amendment and the Twenty-

² Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Final DIP Order.

Fifth Amendment which shall remain in full force and effect, except as specifically amended or modified by this order.

3. The Approved Budget shall, for the period from January 29, 2016 to April 1, 2016, be replaced with the Approved Budget attached hereto as Exhibit A.

Dated: Wilmington, Delaware
February 26, 2016



HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

Approved Budget

DDMG Estate (f/k/a Digital Domain Media Group, Inc.)
 Revised DIP Budget
 02/03/16

Week Ending	Actual	Actual	Actual	Actual	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst	Total	Cumulative Total		
	1/1/2015	1/8/2016	1/15/2016	1/22/2016	1/29/2016	2/5/2016	2/12/2016	2/19/2016	2/26/2016	3/4/2016	3/11/2016	3/18/2016		3/25/2016	4/1/2016
Operating Receipts															
Florida	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94
California	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,122
Total Operating Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,216
Operating Disbursements															
Payroll and Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,099)
Lease and Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(202)
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(97)
Technology and Communications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(212)
Legal and Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(83)
Consulting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(945)
A/P and Other Expenses	(0)	-	(14)	-	-	-	(1)	-	-	-	(14)	-	-	-	(32)
Wind Down Expenses	-	-	-	-	-	-	(0)	-	-	-	(0)	-	-	-	(30)
Contingency	-	-	-	-	-	-	(3)	-	-	-	(3)	-	-	-	(60)
Total Operating Disbursements	(0)	-	(14)	-	-	-	(4)	-	-	-	(4)	-	-	-	(9,719)
[Net Operating Cash Flow	(0)	-	(14)	-	-	-	(4)	-	-	-	(4)	-	-	-	(6,503)
Other Non-Operating															
DIP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Senior Note Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,764)
Sales Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Non-Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,764)
Bankruptcy Costs															
Debtor Professional Fees	-	-	(47)	-	-	(98)	-	-	-	-	(95)	-	22	-	(5,711)
DIP Lender Counsel Professional Fees	-	-	(2)	-	-	(5)	-	-	-	-	(5)	-	-	-	(4,724)
UCC Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	(100)	-	(1,891)
Ordinary Course Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(352)
Critical Vendor Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)
Utility and Telecom Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35)
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43)
Accrued Vacation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)
Key Employee Incentive Plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(109)
Completion Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(64)
Total Bankruptcy Costs	-	-	(50)	-	-	(103)	-	-	-	-	(115)	-	22	-	(1,450)
[Net Cash Flow	(0)	-	(64)	-	-	(103)	(4)	-	-	-	(119)	(4)	5	-	(22,898)
Cash															
Beginning Cash Balance (Book Basis)	76	76	76	12	12	122	19	15	15	11	11	3	3	8	201
Net Cash Flow	(0)	-	(64)	-	-	(103)	(4)	-	-	-	(119)	(4)	5	-	(22,898)
Float Adjustment (Pre-Petition Outstanding Checks)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77
Currency Translation (USD to CAD)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32)
UCC Professional Fee Add-Back Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,285
DIP Borrowings (Repayments) - Lender Legal Fee Reimb	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,488
DIP Borrowings (Repayments)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,870
Ending Cash Balance (Book Basis)	76	76	12	12	122	19	15	15	11	11	3	3	8	2	2

Notes

(1a) Budgeted amounts set forth by the Pachtulski Firm are for 1) general case administrative services including fee and employment applications, United States Trustee compliance and general case inquiries and 2) services related to the sale of a 4 acre parcel of real estate and de minimis asset sales. As such, the budgeted amounts are exclusive of services rendered and related disbursements incurred in connection with any other matters, including the "Additional Matters" which are defined to include the following:

- *Any reasonable and necessary work for Debtor in connection with D&O investigation (e.g., production of documents and attendance at depositions) and Debtor insurance coverage provided that the Debtors/PSZJ will cooperate and promptly seek reimbursement for those services under the applicable insurance policies and any insurance reimbursement shall be paid over the DIP Lenders.
- *Any reasonable and necessary work related to closing the Patent sale to Real D (or back-up bidder) or post -closing matters including any appeal of the Patent Sale Orders to the extent such costs are not the Buyers' responsibility under the APA and sale order.
- *Any reasonable and necessary work related to closing personal property sales or post -closing matters related to personal property sales.
- *Any reasonable and necessary post-closing work related to the VFX sale.
- *Any reasonable and necessary work related to the sale or transfer of any asset other than the 4 acre undeveloped parcel and de minimis asset sales.
- *Any reasonable and necessary work related to the Canadian proceeding
- *Any reasonable and necessary litigation (contested matter or adversary proceeding) related to the PSL County Tax claims and the release of the remaining funds in escrow.
- *Any reasonable and necessary work related to the PBC Adversary Proceeding.
- *Any reasonable and necessary work related to or in connection with newly filed motions or stipulations for relief from stay.
- *Any reasonable and necessary work related to the WARN Adversary proceeding.
- *Any reasonable and necessary work related to the characterization of the PSL Lease and the implementation of the settlement reached in connection therewith (other than negotiations with PSL City and PSL County) to release the remaining funds from the tax escrow).
- *Any newly instituted contested matters or adversary proceedings.

As to Additional Matters, in addition to the budgeted amounts, the DIP Lenders will provide funding to pay for the reasonable and necessary fees and expenses incurred in connection therewith. The DIP Lenders and Prepetition Lenders reserve their respective rights to object to the reasonableness and necessity of fees and expenses incurred by PSZJ, including any fees and expenses incurred in connection with any "Additional Matters." PSZJ will provide notice to the DIP Lenders' counsel before it provides any services or incurs expenses related to any Additional Matter. No DIP funds allocable to 2013, 2014, 2015 or 2016 shall be used to pay any budget shortfall for any period in 2012. Nothing in this Budget shall be deemed an agreement with respect to how any Additional Matters would be funded after April 1, 2016. All rights are reserved by the Lenders and the Debtors in that respect.

(1b) Budgeted amounts set forth for FTI do not include any fees or expenses related to any discovery, deposition or witness testimony in any legal action (contested matter or adversary proceeding) or discovery brought against the Company. Budgeted amounts set forth for FTI also do not include any fees or expenses associated with informal or formal information requests in connection with investigations. The DIP Lenders will provide funding to pay for the reasonable and necessary fees and expenses incurred in connection therewith.

(2) The DIP Lenders shall pay all reasonable fees and expenses of the counsel to the DIP Agent and DIP Lenders as contemplated by section 5 of the Final DIP Order and page 15 of the DIP Term Sheet Documentation and such amounts shall be added to the outstanding amount of the DIP Loans. Counsel to the DIP Agent and DIP Lenders shall deliver a summary invoice (redacted for privilege) to the Debtors, who shall provide a copy to the US Trustee and Committee as contemplated by section 5 of the Final DIP Order.

(3) Amounts payable pursuant to an agreement between the DIP Lender Parties and the Unsecured Creditors Committee.