



Diane Davis
United States Bankruptcy Judge

So Ordered.

Signed this 20 day of September, 2013.

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK**

_____)	
In re:)	
)	
)	Chapter 11
Endicott Interconnect Technologies, Inc., <i>et al.</i> , ¹)	Case No. 13-61156
)	
)	Jointly Administered
Debtors.)	
)	
_____)	

**FOURTH INTERIM ORDER AUTHORIZING THE DEBTORS' USE OF
CASH COLLATERAL, (B) GRANTING ADEQUATE PROTECTION
PURSUANT TO SECTIONS 105, 361 AND 363 OF THE BANKRUPTCY
CODE, AND (C) SCHEDULING A FINAL HEARING FOR APPROVAL OF
THE DEBTORS' CONTINUED USE OF CASH COLLATERAL**

Upon consideration of the motion (*Docket No. 9*, the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) authorizing the Debtors' use of cash collateral on an interim basis, (b) granting

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Endicott Interconnect Technologies, Inc. (2350) and EI Transportation Company, LLC (4961).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

adequate protection pursuant to sections 105, 361 and 363 of title 11 of the United States Code (11 U.S.C. §§ 101 *et seq.*, the “Bankruptcy Code”), and (c) scheduling further hearings to consider entry of a final order approving the Debtors’ continued use of cash collateral (the “Final Order”); and upon the *Affidavit of David W. Van Rossum In Support of Chapter 11 Petitions and First Day Motions (Docket No. 4)*; and upon the entry of an Emergency Order (A) Authorizing the Debtors’ Use of Cash Collateral, (B) Granting Adequate Protection Pursuant to Sections 105, 361 and 363 of the Bankruptcy Code and (C) Scheduling Interim and Final Hearings for Approval of the Debtors’ Continued Use of Cash Collateral dated July 11, 2013, an Interim Order (A) Authorizing the Debtors’ Use of Cash Collateral, (B) Granting Adequate Protection Pursuant to Sections 105, 361 and 363 of the Bankruptcy Code and (C) Scheduling Final Hearing for Approval of the Debtors’ Continued Use of Cash Collateral dated August 2, 2013, a Second Interim Order (A) Authorizing the Debtors’ Use of Cash Collateral, (B) Granting Adequate Protection Pursuant to Sections 105, 361 and 363 of the Bankruptcy Code and (C) Scheduling Final Hearing for Approval of the Debtors’ Continued Use of Cash Collateral dated August 23, 2013, and a Third Interim Order (A) Authorizing the Debtors’ Use of Cash Collateral, (B) Granting Adequate Protection Pursuant to Sections 105, 361 and 363 of the Bankruptcy Code and (C) Scheduling Final Hearing for Approval of the Debtors’ Continued Use of Cash Collateral dated September 11, 2013; and the Debtor, the Creditors’ Committee and Pre-Petition Secured Lenders having consented to the adjournment of the Final Hearing to September 26, 2013; and after due deliberation and cause appearing therefor;

THE COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:

A. Petition Date. On July 10, 2013 (the “Petition Date”) each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code commencing the Debtors’ chapter 11 cases (the “Chapter 11 Cases”).

B. Debtors in Possession. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for a trustee or examiner has been made in these Chapter 11 Cases.

C. Jurisdiction and Venue. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and rule-based predicates for the relief requested herein are sections 105, 361 and 363 of the Bankruptcy Code and Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

D. Debtors’ Acknowledgements and Agreements. Subject to and without prejudice to the rights of the Official Committee of Unsecured Creditors (the “Creditors Committee”) and other parties in interest, and subject in all respects to the Creditors Committee’s right to assert any Claims and Defenses (as defined in paragraph 9 of this Order), the Debtors, after consultation with their attorneys and financial advisors, admit, stipulate, acknowledge and agree as follows (collectively paragraphs D(i) through D(iii) below shall be referred to herein as the “Debtors’ Stipulations”):

(i) Prepetition Loan Documents. As of the Petition Date, EIT is indebted to secured creditors Integrian Holdings, LLC (“Integrian”), M&T Bank (“M&T”) and William and David Maines (“Maines,” and together with Integrian and M&T, the “Prepetition Secured Lenders”), pursuant to the following transactions and documents (collectively, the Prepetition Loan Documents):

a. On February 10, 2012, EIT executed and delivered a Revolving Credit Note and Revolving Credit and Security Agreement (together with all related transaction documents, the “PNC Revolver”) to PNC, pursuant to which PNC made a line of credit available to EIT in the amount of \$50,000,000.00. Repayment of the amounts loaned under the PNC Revolver was secured by a first position security interest and lien (the “PNC Lien”) upon substantially all of EIT’s assets (the “Prepetition Collateral”) and was guaranteed by Transportation, among other entities. On March 6, 2013, Integrian as successor in interest to PNC, obtained a complete assignment of the PNC Revolver by paying PNC the full amount of the outstanding balance due under the PNC Revolver in the amount of \$3,954,385.54 and PNC assigned all of its right, title and interest under the PNC Revolver to Integrian. As of the Petition Date, EIT’s obligations owed to Integrian as successor in interest to PNC under the PNC Revolver included \$4,981,262.19 in unpaid principal together with accrued and unpaid interest of at least \$1,149.42 and certain fees, expenses and other amounts due.

b. On March 13, 2013, certain members of the Matthews family³ borrowed \$6,405,000.00 from M&T. On that same day, the Matthews loaned the sum of \$6,405,000.00 to Integrian pursuant to a Term Note and Credit Agreement dated March 13, 2013. Integrian, in turn, loaned the sum to EIT pursuant to a Term Note and Credit Agreement dated March 18, 2013 (the “Integrian Term Note”). The loan to the Matthews was guaranteed by, among others, EIT and Transportation, and EIT granted to M&T a security interest covering all of the Prepetition Collateral. A portion of the funds totaling \$1,405,000.00 were paid to M&T to satisfy EIT’s obligations under certain equipment leases, and the balance of \$5,000,000.00 was used by EIT as working capital. Repayment of the \$6,405,000.00 loaned under the Integrian Term Note is secured by the first position security interest granted to M&T.⁴ As of the Petition Date, EIT’s obligations under the Integrian Term Note included \$6,084,750.00 in unpaid principal together with accrued and unpaid interest of at least \$17,113.36 and certain fees, expenses and other amounts due.

c. On June 13, 2013, Maines loaned the sum of \$5,000,000.00 to EIT for working capital purposes pursuant to the terms of a Term Note (the “Maines Term Note”), Security Agreement and Restated and Amended Subordination Agreement (the “Subordination Agreement”) dated as of June 13, 2013 (collectively, the “Maines Loan Documents”). Repayment of the Maines Term Note is secured by a second position security interest and lien covering all of EIT’s personal property. Under the terms of the

³ The Matthews family includes James T. Matthews, Douglas G. Matthews, Theresa Matthews, John W. Matthews and Robert P. Matthews (collectively, the “Matthews”).

⁴ The funds paid by EIT under the Integrian Term Note are, in turn, paid by Integrian to the Matthews, who then pay the funds to M&T under their loan with M&T.

Restated and Amended Subordination Agreement, repayment of the amounts due Integrian under the PNC Revolver are subordinated to the repayment of the Maines Term Note. As of the Petition Date, EIT's obligations under the Maines Loan Documents included \$5,000,000.00. in unpaid principal together with accrued and unpaid interest of at least \$9,895.83 and certain fees, expenses and other amounts due.

(ii) Validity and Priority of the Prepetition Liens. In the final order approving use of cash collateral, subject only to the Creditors Committee's rights, if any, to challenge or contest in any way the validity, extent, priority, seniority, avoidability, perfection, validation or enforceability of the liens and obligations under the Prepetition Loan Documents, the Debtors will seek to acknowledge that the liens of the Prepetition Secured Lenders (the "Prepetition Liens") are valid, binding, enforceable, and perfected liens that have priority over any and all other security interests in the Prepetition Collateral and that the Prepetition Liens are not subject to avoidance, recharacterization or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law, and the Debtors' obligations pursuant to the Prepetition Loan Documents (the "Prepetition Obligations") constitute legal, valid, binding and non-avoidable obligations of the Debtors that, except for the stay of enforcement arising from section 362 of the Bankruptcy Code, are enforceable in accordance with the terms of the Prepetition Loan Documents.

(iii) No Offsets or Defenses. In the final order approving use of cash collateral, the Debtors will seek to acknowledge that there are no offsets, defenses, challenges, claims, or counterclaims of any kind or nature to any of the Prepetition Obligations exist, and no portion of the Prepetition Obligations is subject to avoidance, recharacterization or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law and that the Debtors and their estates have no offsets, defenses, claims,

objections, challenges or causes in action, including without limitation, claims under chapter 5 of the Bankruptcy Code, against the Prepetition Secured Lenders in connection with the Prepetition Loan Documents, the Prepetition Liens, the Prepetition Obligations or any payments made in satisfaction of the Prepetition Obligations. Any payments made or to be made on account of the Prepetition Obligations (i) have been or will be payments out of the Prepetition Collateral, and (ii) have not or will not diminish any property otherwise available for distribution to unsecured creditors; provided, however, that nothing herein shall prejudice the Creditors Committee's rights, if any, to challenge or contest in any way the validity, extent, priority, seniority, avoidability, recharacterization, subordination, perfection, validation or enforceability of the liens and obligations under the Prepetition Loan Documents.

E. Adequate Protection. As adequate protection, but subject to the rights, if any, of the Creditors Committee and other parties in interest, M&T shall continue to receive payments of principal and interest in accordance with the terms of its Prepetition Loan Documents as outlined in footnote 4 of this Order (the "M&T Adequate Protection Payments"). Until the expiration of the Challenge Period (and if a Challenge is filed within such Challenge Period, until such Challenge is resolved, unless otherwise ordered by the Court), the Prepetition Secured Lenders, excluding M&T, will not receive adequate protection payments. If a Challenge results in a finding adverse to the entity filing the Challenge, such Prepetition Secured Lender may receive Adequate Protection Payments as may be approved by the Court.

F. Good Cause. Good cause has been shown for the entry of this Order. Among other things, entry of this Order will minimize disruption of the Debtors' business and operations and permit the Debtors to meet payroll and other operating expenses, obtain needed supplies and

retain customer and supplier confidence by demonstrating the ability to maintain normal operations.

G. Good Faith. The Debtors represent and it appears that the adequate protection arrangements authorized hereunder have been negotiated in good faith and the terms of such adequate protection are fair and reasonable under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties and are supported by reasonably equivalent value and fair consideration.

H. Best Interests of the Debtors and Their Estates. The Debtors have requested interim relief pursuant to Bankruptcy Rule 4001. The authority granted hereby to use Cash Collateral and to enter into the adequate protection arrangements set forth herein is vital to avoid irreparable harm to the Debtors and their estates. This Court concludes that entry of this Order is in the best interests of the Debtors and their estates and creditors as its implementation will, among other things, allow for the continued operation of the Debtors' existing business.

I. Notice. Under the circumstances, due and sufficient notice of the Motion was given.

THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. Motion Granted. The Motion is granted on an interim basis with respect to the matters set forth herein.

2. Authorization to use Cash Collateral. The Debtors are authorized, pursuant to the terms of this Order, to use Cash Collateral in accordance with the budget attached hereto (the "Budget"). The Debtors shall not, without the prior written consent of the Prepetition Secured Lenders, use Cash Collateral in an amount that exceeds any particular authorized line item on the Budget by more than 10%. The Debtors shall provide written notice to counsel for the Creditors Committee within five (5) business days of any Budget variance of 10% or greater.

3. Adequate Protection Liens. M&T shall continue to receive the M&T Adequate Protection Payments. Until the expiration of the Challenge Period (and if a Challenge is filed within such Challenge Period, until such Challenge is resolved, unless ordered otherwise by the Court), the Prepetition Secured Lenders (other than M&T) will not receive adequate protection payments. If a filed Challenge results in a finding that is adverse to the party filing the Challenge, such Prepetition Secured Lender may receive Adequate Protection Payments as may be approved by the Court. In order to provide the Prepetition Secured Lenders with adequate protection, the Debtors shall and hereby do grant to the Prepetition Secured Lenders, effective as of the Petition Date and in accordance with their relative priority, perfected replacement security interests in and valid, binding, enforceable and perfected liens, but only to the extent of any diminution in value of the Prepetition Secured Lenders' respective interests in the Prepetition Collateral (as defined herein) (the "Adequate Protection Liens") on all Postpetition Collateral (as defined below). The Adequate Protection Liens shall be subject only to a carve out for (i) the quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) and (ii) the fees and expenses of up to \$25,000 incurred by a chapter 7 trustee allowed under section 503(b) and payable under section 726(b) of the Bankruptcy Code. The term "Postpetition Collateral" means all of the Debtors' assets (real and personal), including, without limitation, all of each Debtor's cash, accounts, inventory, equipment, fixtures, general intangibles, documents, instruments, chattel paper, deposit accounts, letter-of-credit rights, commercial tort claims, investment property, and books and records relating to any assets of a Debtor and all proceeds (including insurance proceeds) and products of the foregoing, whether in existence on the Petition Date or thereafter created, acquired or arising and wherever located, provided, however, the Adequate Protection Liens shall not attach to, and the Postpetition Collateral shall not

include, any liens on the Debtors' and their estates' claims and causes of action under sections 502(d), 544, or 547 through 551 of the Bankruptcy Code or any avoidance actions under applicable state law (the "Avoidance Actions") and any proceeds or property recovered, unencumbered or otherwise, with respect to the Avoidance Actions (collectively, the "Avoidance Proceeds"); and provided, further, that such Adequate Protection Liens shall only attach to such collateral that the Prepetition Secured Lenders had valid, non-avoidable and enforceable security interests in as of the Petition Date. Except for the Adequate Protection Liens or as otherwise provided in this Order, pursuant to section 552(a) of the Bankruptcy Code, all property acquired by the Debtors after the Petition Date is not and shall not be subject to any lien of any person resulting from any security agreement entered into by the Debtors prior to the Petition Date, except to the extent that such property constitutes proceeds of property of the Debtors that is subject to a valid, enforceable, perfected and unavoidable lien existing as of the Petition Date.

4. Fees and Expenses. In the final order approving use of cash collateral, the Debtors will seek to provide as additional adequate protection, subject to section 506(c) of the Bankruptcy Code and ten (10) days after the Debtors and the Creditors Committee's Counsel receive invoices thereof, payment of the reasonable fees, costs and expenses (whether incurred prior to, on or after the Petition Date) of M&T in accordance with the applicable Prepetition Loan Documents; provided, however, that the Debtors and the Creditors Committee shall have ten (10) days from receipt of any invoice to object thereto, and if a written objection is made, then no payment of such fees, costs or expenses may be made by the Debtors absent entry of an order of this Court authorizing the payment of such fees, costs or expenses. Until the expiration of the Challenge Period (and, if a Challenge is filed within such Challenge Period, until such

Challenge is resolved), the Prepetition Secured Lenders, other than M&T, shall not be entitled to payment of any fees, costs or expenses under the Prepetition Loan Documents without further order of this Court.

5. Postpetition Lien Perfection. This Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of the Adequate Protection Liens without the necessity of filing or recording any financing statement or other instrument or document (including, without limitation any mortgages or leasehold mortgages), or the taking of any other action whatsoever which may otherwise be required under the law of any jurisdiction to validate or perfect the Adequate Protection Liens or to entitle the Prepetition Secured Lenders to the protections and priorities granted herein; provided, however, that the Adequate Protection Liens granted herein are limited to the extent and priority of such Liens as they existed during the pre-petition period.

6. Payment of Sale Proceeds. Subject to the rights, if any, of any pre-Petition Date lien holder, all proceeds from the sale, collection or other disposition of Prepetition Collateral (other than the Cash Collateral that is permitted to be used hereunder) out of the ordinary course of the Debtors' business shall be held by the Debtors in escrow, for the benefit of the Prepetition Secured Lenders, in accordance with their relative priority, pending entry of the Final Order.

7. Professional Fee Account. Subject to the rights of the Prepetition Secured Lenders, if any, the Debtors shall establish a separate account (the "Professional Fee Account") at M&T for the payment of all unpaid fees, costs and expenses (the "Professional Fees") incurred by persons or firms retained by the Debtors (the "Debtors' Professionals") and the Creditors Committee (the "Creditors Committee's Professionals") under sections 327 or 328 of the

Bankruptcy Code (collectively, “Professional Persons”) to the extent such Professional Fees are allowed pursuant to a subsequent order of the Court. The Debtors shall deposit an amount not to exceed \$500,000 into the Professional Fee Account pursuant to, and as reflected in, the Budget. The funds deposited in the Professional Fee Account shall be governed by section 345 of the Bankruptcy Code.

8. Modification of Automatic Stay. The automatic stay imposed by section 362(a) of the Bankruptcy Code shall be, and it hereby is, modified to the extent necessary (i) to permit the Prepetition Secured Lenders to receive, collect and apply Cash Collateral and payments and proceeds in respect of the Prepetition Obligations and Prepetition Collateral and payments and proceeds in respect of the Adequate Protection Obligations and the Postpetition Collateral as provided herein and in subsequent orders of the Court and (ii) to permit the Debtors to grant the Adequate Protection Liens and make the Adequate Protection Payments, all in accordance with the terms and conditions of this Order.

9. Termination. In the absence of a further order of the Court, and notwithstanding anything herein to the contrary, the Debtors’ authorization to use Cash Collateral shall cease after the earlier to occur of (i) September 27, 2013, and (ii) the date upon which any of the following events occurs (such date being a “Termination Date,” and each event being a “Termination Event”):

- (i) the Debtors' failure to comply with any of the terms or provisions of this Order, and the failure of the Debtors to cure such breach within 10 days of receiving notice of same as provided in paragraph 12 of this Order;
- (ii) any stay, reversal, vacatur or rescission of the terms of this Order;
- (iii) entry of an order by this Court or any other Court having jurisdiction over these Chapter 11 Cases approving any post-petition financing;
- (iv) entry of an order by this Court dismissing any of the Debtors’ Chapter 11 Cases or converting any of the Debtors’ Chapter 11 Cases to cases under

chapter 7 of the Bankruptcy Code;

- (v) the appointment of a trustee or the appointment of an examiner with enlarged powers in any of the Debtors' Chapter 11 Cases unless such appointment is approved by the Prepetition Secured Lenders; or
- (vi) any liens pursuant to the Prepetition Financing Documents or Adequate Protection Replacement Liens with respect to the Prepetition Collateral or Postpetition Collateral that were valid, binding and perfected, first priority liens on the Petition Date or any liens granted pursuant to this Order shall cease to be valid, binding and perfected, first priority liens.

After the Termination Date, the Debtors shall be permitted to seek Court authority, after notice and a hearing, to use the Cash Collateral or other property of the Debtors; provided, however, that the Prepetition Secured Lenders shall have the right to object to such use.

10. Claims and Defenses; Challenge Period. Notwithstanding anything herein to the contrary, no Prepetition Collateral or Postpetition Collateral or proceeds of either is authorized hereunder to be used by any of the Debtors, the Creditors Committee or any other person or entity who has proper standing, if any, to act on behalf of the Debtors' estates to commence and/or prosecute any adversary proceeding or contested matter ("Challenge") to object to or contest in any manner, or to raise any defenses to, the validity, perfection, priority or enforceability of the Prepetition Obligations or liens pursuant to the Prepetition Loan Agreements or to prosecute any action for preferences, fraudulent conveyances, other Avoidance Actions, equitable subordination, to recover or seek reallocation of payments made pursuant to the authority provided herein, or any other claims or causes of action against the Prepetition Secured Lenders or their counsel and/or financial advisor(s) with respect to the Prepetition Obligations or the liens pursuant to the Prepetition Loan Documents (collectively, the "Claims and Defenses") and only reasonable fees incurred by the Creditors' Committee (as expressly determined by the Court) may be incurred and paid in respect of the investigation of any such Claims and Defenses. Without limitation of the foregoing, (i) the Creditors Committee, or any

other party in interest who has proper standing, if any, shall have the right to assert Claims and Defenses only in an action or other appropriate proceeding commenced in this Court on or before 5:00 p.m. on September 26, 2013 in the event the sale of substantially all of the Debtors' assets is not approved on that date (the "Challenge Period"), (ii) if no such Challenge is commenced with respect to a particular Prepetition Secured Lender prior to the expiration of the Challenge Period, then with respect to each such Prepetition Secured Lender against which a Challenge is not commenced, (a) the liens pursuant to the Prepetition Loan Documents shall be deemed to be, as of the Petition Date, legal, valid, binding, perfected, not subject to recharacterization, subordination and otherwise unavoidable, (b) the Prepetition Obligations shall be deemed to be allowed in full and, to the extent of the value of the Prepetition Collateral on the Petition Date, shall be deemed to be allowed as fully secured claims within the meaning of section 506 of the Bankruptcy Code for all purposes in connection with these Chapter 11 Cases and any Successor Case, and the Debtors' Stipulations shall be binding on all creditors, interest holders and parties in interest in the Chapter 11 Cases or any Successor Case and (c) all Claims and Defenses shall be deemed to have been forever relinquished and waived as to the Creditors Committee and each other party in interest in these cases, and (iii) if such an action or proceeding is commenced on or before such dates, all Claims and Defenses shall be deemed to have been forever relinquished and waived as to the Debtors, the Creditors' Committee and other person or entity, except with respect to Claims and Defenses that are specifically asserted in such action or proceeding. The Debtors and their estates shall have no right to assert any such Claims and Defenses. The Creditors Committee is hereby provided with and granted authority, power and standing to assert and prosecute a Challenge and to assert Claims and Defenses on behalf of the Debtors and their estates without further order of this Court. If a Challenge is timely filed during the Challenge

Period, the findings contained in this Order shall nonetheless be binding and preclusive except to the extent that such findings are vacated pursuant to a final order rendered by a court of competent jurisdiction.

11. No Additional Waivers or Consents. Except as expressly provided for herein or by the Bankruptcy Code, nothing contained herein shall:

(a) constitute a waiver by the Prepetition Secured Lenders of any rights which may exist under the Prepetition Loan Documents including, without limitation, (i) the right to exercise the rights and remedies of a secured party thereunder and under applicable law, or (ii) the right to seek additional adequate protection or to challenge any impairment of their respective claims or liens;

(b) constitute a waiver by the Prepetition Secured Lenders of the right (i) to seek to dismiss or convert this Case, (ii) to move for the appointment of a chapter 11 trustee or examiner (with or without expanded powers), or (iii) to seek relief from the automatic stay or to exercise any other rights which they may have under the Bankruptcy Code;

(c) constitute consent by the Prepetition Secured Lenders to the use of Cash Collateral other than as specifically provided herein; or

(d) obligate the Prepetition Secured Lenders to permit the use of the Cash Collateral other than as specifically provided herein or to advance funds to the Debtors for any reason, including, without limitation, for the payment of expenses of administration under the Bankruptcy Code.

12. Notice of Default. Any one or more of the Prepetition Secured Lenders shall provide the Debtors, counsel for the Debtors, counsel for the Creditors Committee and the

United States Trustee with written notice of the occurrence of a Termination Event described in paragraph 9(i). No notice shall be required to be given with respect to any other Termination Event described in paragraph 9.

13. No Other Liens. Unless otherwise provided by further order of the Court, and except as otherwise expressly provided herein, the Debtors shall be enjoined and prohibited from at any time during their Chapter 11 Cases granting liens in the Prepetition Collateral, the Postpetition Collateral or any portion thereof to any other parties pursuant to section 364(d) of the Bankruptcy Code or otherwise.

14. Further Assurances. The Debtors shall execute and deliver to the Prepetition Secured Lenders all agreements, financing statements, instruments and other documents as the Prepetition Secured Lenders may reasonably request to evidence, confirm, validate or perfect the liens granted pursuant hereto. The Debtors are authorized to do and to perform all acts, to make, execute and deliver all instruments and documents (including, without limitation, the execution of additional security agreements, mortgages and financing statements) which may be required or necessary for the Debtors' performance under this Order.

15. Financial Reports and Other Information. The Debtors shall furnish to the Prepetition Secured Lenders and the Creditors Committee's counsel and financial advisors copies of all financial and other reports, notices and other financial analyses required to be delivered under the Prepetition Loan Documents, and such other financial statements, information and reports that the Prepetition Secured Lenders shall reasonably request, in each case subject to any confidentiality provisions in the applicable Prepetition Loan Documents.

16. No Filings Required. All liens granted herein to secure repayment of the Adequate Protection Obligations, but only to the extent of any diminution in the value of the

Prepetition Secured Lenders' interest in the Prepetition Collateral (as defined herein), shall pursuant to this Order be, and they hereby are, deemed perfected effective as of the Petition Date, and no further notice, filing or other act shall be required to effect such perfection.

17. Survival; Successors and Assigns. The provisions of this Order shall be binding upon and inure to the benefit of the Prepetition Secured Lenders, the Debtors and their respective successors and assigns (including, to the extent permitted by applicable law, any chapter 7 or chapter 11 trustee or other fiduciary hereafter appointed or elected for the estate or as a legal representative of the Debtors or with respect to the property of the estates of the Debtors). If an order dismissing any of these Chapter 11 Cases under section 1112 of the Bankruptcy Code or otherwise is at any time entered, such order shall provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that the replacement security interests and liens and other protections afforded or granted to the Prepetition Secured Lenders pursuant to this Order as of the date of such dismissal shall continue in full force and effect and shall maintain their priorities as provided in this Order until all obligations in respect thereof shall have been paid and satisfied in full (and that such replacement liens and other protections, shall, notwithstanding such dismissal, remain binding on all parties in interest). Notwithstanding any reversal, stay, modification or vacatur of this Order, any use of the Cash Collateral prior to such reversal, stay, modification or vacatur shall be governed in all respects by the original provisions of this Order, and the Prepetition Secured Lenders shall be entitled to all the rights, remedies, privileges and benefits granted herein with respect to such use. The Adequate Protection Liens shall not be discharged by the entry of an order confirming a chapter 11 plan in any of the Debtors' Chapter 11 Cases.

18. No Effect on Intercreditor Rights. No part of this or any other order entered by the Court on an interim basis or without the conduct of a final hearing shall in any way affect or impair the relative priority, rights, claims or interests of any Prepetition Secured Lender with respect to any other Prepetition Secured Lender.

19. Immediate Effect. This Order shall constitute the Court's findings of fact and conclusions of law and shall take effect immediately upon execution hereof.

20. Final Hearing. A final hearing (the "Final Hearing") on the Motion shall be held on September 26, 2013 at 9:00 a.m. prevailing Eastern Time. Any objections or responses to the Motion or to entry of a final order granting the relief requested in the Motion (the "Final Order") shall be filed and served no later than **seven days before** the Final Hearing and shall be served upon the Court and the following parties: (a) the Debtors, c/o Endicott Interconnect Technologies, Inc., Building 258, 1093 Clark Street, Endicott, New York 13760, Attn: David Van Rossum; (b) counsel to the Debtors, Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York 13202, Attn: Stephen A. Donato, Esq., Camille W. Hill, Esq. and Grayson T. Walter, Esq.; (c) counsel to M&T Bank, Coughlin & Gerhart, L.L.P. 99 Corporate Drive, Binghamton, New York 13904, Attn: Mark S. Gorgos, Esq.; (d) counsel to William and David Maines, McNamee, Lochner, Titus & Williams, P.C., 677 Broadway, P.O. Box 459, Albany, New York, 12201-0459, Attn: Peter A. Pastore, Esq.; (e) counsel to Integrian Holdings, LLC, Menter, Rudin & Trivelpiece, P.C., 308 Maltbie Street, Suite 200, Syracuse, New York 13204, Attn: Jeffrey A. Dove, Esq.; (f) counsel to the Creditors Committee, Arent Fox LLP, 1675 Broadway, New York, New York 10019, Attn: Robert M. Hirsh, Esq. and George V. Utlik, Esq.; and (g) the Office of the United States Trustee for the Northern District of New York, 10 Broad Street, Room 105, Utica, New York 13501, Attn: Guy A. Van Baalen, Esq. In the event no

objections or responses are timely filed and served in accordance with the foregoing, the Court may enter the Final Order without need for the Final Hearing.

21. Retention of Jurisdiction. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

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