UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

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FILED
JAMES J. WALDRON, CLERK
MAR 1 2010
U.S. BANKRUPTCY COURT
TRENTON, N.J.
BY _____ DEPUTY

In re:

EPV SOLAR, INC.,

Debtor.

Chapter 11

Case No. 10-15173 (MBK)

AGREED INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL, PROVIDING ADEQUATE PROTECTION AND SETTING A FINAL HEARING

The relief set forth on the following pages, numbered two (2) through five (5), is hereby **ORDERED**.

DATED: 3/1/2010

Michael B Kaplan
MICHAEL B. KAPLAN
U.S.B.J.

THIS MATTER having come before the Court on the motion (the "Motion")[1] of EPV Solar, Inc. (the "Debtor") for entry of an interim order pursuant to 11 U.S.C. §§ 105, 361, 362 and 363 and Fed.R.Bankr.P. 4001 (i) approving the use of cash collateral, (ii) providing adequate protection, and (iii) setting a final hearing pursuant to Fed.R.Bankr.P. 4001; and the Court finding that (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interest of the Debtor, its estate and creditors; (iv) proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and (v) upon the record herein, after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein, it is hereby

ORDERED:

1. **Use of Cash Collateral**. The Debtor is authorized, solely for the purposes and in the amounts set forth in the cash collateral budget (the "Budget") attached hereto as **Exhibit "A"** through March 19, 2010, to use the Prepetition Secured Lenders' cash collateral until the Final Hearing. The Debtor may amend, alter, revise or supplement the Budget after the date of this Order with the written consent of the Senior Lenders or, if the Senior Lenders' claims have been satisfied, the Subordinated Notes Trustee. The Debtor is authorized to retain all cash receipts collected during any week to the extent necessary to fund the disbursements contained in the Budget. For the purposes of this Order, the term "cash receipts" means all funds collected by the Debtor whether on account of accounts receivable, asset sales or otherwise.

2. **Adequate Protection**. As adequate protection for use of cash collateral, the Prepetition Secured Lenders are hereby granted:

[1] All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

a. **Superpriority Claims.** A superpriority administrative expense claim under Section 507(b) of the Bankruptcy Code to the extent of any diminution in the value of the Prepetition Secured Lenders' collateral after the Petition Date with the same respective priority in the Debtor's post-petition collateral, and proceeds thereof, that the Prepetition Secured Lenders held in the prepetition collateral.

b. **Replacement Lien**. A replacement perfected security interest under Section 361(2) of the Bankruptcy Code in all of the Debtor's assets to the extent the Prepetition Secured Lenders' cash collateral is used by the Debtor, and solely to the extent of any diminution in the value of the Prepetition Secured Lenders' collateral, with the same respective priority in the Debtor's post-petition collateral, and proceeds thereof, that the Prepetition Secured Lenders held in the Debtor's pre-petition collateral. Nothing herein shall be deemed to alter or affect any valid, pre-petition security interests in or liens on the Debtor's assets held by any secured creditor other than the Prepetition Secured Lenders. The replacement liens granted herein shall not prime, alter or affect the priority of any valid, pre-petition security interests in or liens on the Debtor's assets held by any secured creditor.

c. **Deemed Perfected**. The replacement liens granted herein are automatically deemed perfected upon entry of this Order without the necessity of the Prepetition Secured Lenders' taking possession, filing financing statements, mortgages or other documents. Such perfection shall survive termination of this Order. Although not required, upon request by the Prepetition Secured Lenders, the Debtor shall execute and deliver to the Prepetition Secured Lenders any and all UCC Financing Statements, UCC Continuation Statements, or other instruments or documents considered by the Prepetition Secured Lenders to be reasonably necessary in order to perfect the security interests and liens in the Debtor's post-petition collateral and proceeds granted by this Order, and the Prepetition Secured Lenders are authorized

to receive, file and record the foregoing, which actions shall not be deemed a violation of the automatic stay embodied in Section 362(a) of the Bankruptcy Code.

d. Default Hearing. In the event the Debtor defaults or violates this Order, the Prepetition Secured Lenders are entitled to request a hearing within five (5) days (or if immediate and irreparable injury, loss or damage may occur, an emergency hearing within 48 hours).

3. **Creditor's Rights of Inspection and Audit**. Upon reasonable notice by the Prepetition Secured Lenders, the Debtor shall permit the Prepetition Secured Lenders and any of their agents reasonable access to the Debtor's records and place of business during normal business hours to verify the existence, condition and location of collateral in which the Prepetition Secured Lenders hold a security interest and to audit the Debtor's cash receipts and disbursements.

4. **Reservation of Rights**.

(a) By granting the Prepetition Secured Lenders the adequate protection specified herein, the Debtor does not waive, and expressly reserves, its rights to subsequently contest the validity, extent, priority and/or perfection of the Prepetition Secured Lenders' liens and security interests in the Debtor's property and to assert any other claims.

(b) Nothing contained herein shall be deemed or construed to: (a) limit the Prepetition Secured Lenders to the relief granted herein; (b) bar the Prepetition Secured Lenders from seeking other and further relief (including without limitation relief from the terms of this Order) for cause shown on appropriate notice to the Debtor and other parties-in-interest entitled to notice of same; (c) require the Prepetition Secured Lenders to make any loans or advances to the Debtor; or (d) alter or effect the rights of the Senior Lenders, Subordinated Noteholders or the Indenture Trustee under the Subordination Agreement.

5. **Final Hearing**. A final hearing on the Motion shall be held on March 17,

2010 in Courtroom 3C of the United States Bankruptcy Court, 51 Walnut Street, Newark, New Jersey 07102 at 10:00 a.m. All objections to the Motion and the entry of a final order granting the Motion shall be filed and served on March 15, 2010 at 4:00 p.m. In the event no objections are timely filed, this Order shall continue in full force and effect and shall be deemed a final order without further notice or hearing in accordance with Federal Rules of Bankruptcy Procedure 4001(d)(3).

6. **Notice of Order.** Within two (2) business days of the entry of this Order, the Debtor shall serve, or caused to be served, a copy of this Order by first class mail on: (i) the Office of the United States Trustee; (ii) the Senior Agent; (iii) the Subordinated Notes Trustee; (iv) all known secured creditors; and, (v) counsel to any committee appointed under section 1102 of the Bankruptcy Code, if one has been appointed, and if not, to Debtor's twenty (20) largest unsecured creditors.

7. **Immediate Effect.** Order shall be effective immediately upon its entry.

EPV Solar Inc. Cash Plan

February 2010 - May 2010

$ (000) omitted

	Forecast W/E 2-26	Forecast W/E 3-5	Forecast W/E 3-12	Forecast W/E 3-19	Forecast W/E 3-26	Forecast W/E 4-2	Forecast W/E 4-09	Forecast W/E 4-16	Forecast W/E 4-23	Forecast W/E 4-30	Forecast W/E 5-7	Forecast W/E 5-14	Forecast W/E 5-21
Begining Cash	$ 685	$ 592	$ 464	$ 400	$ 786	$ 484	$ 233	$ 93	$ 301	$ 227	$ 122	$ 188	$ 132
Miscellaneous Receipts													
	0	-			-								
RAI		-											
NJ BPU	-	8	-	-	-			7	-	-	-	-	-
NREL	-	-	-	-					-	143			-
Misc inventory sales (1.6 mw avail)	-	-				-	-	275	-	-		48	-
Solar Plus	-			450		-	-	-	-	-	-		-
MedSolar				-		-				-			
Misc inventory sales		-				-	-						
Other Direct Expenses		-		-		-	-						
Total Receipts	-	8	-	450	3	-	-	282	-	143	-	48	-
Total In	$ -	$ 8	$ -	$ 450	$ 3	$ -	$ -	$ 282	$ -	$ 143	$ -	$ 48	$ -
Cash Out:													
COBRA & Stimulus		(10)		(10)		(10)		(10)		(10)			(10)
Payroll	52	50		50		50		50		50			50
payroll taxes	12	12		12		12		12		12			12
		-											
Expense reports (intl travel to potential buyers)		3		3		3				3			3
Payroll, PR taxes, EE	61	61	61	61	61	61	61	61	61	61	61	61	61
Rt 130 Rent	-	-	-	-	14	14	-			14	-	-	-
Hamilton Rent	-	-	-	-	90	73	-			73	-	-	-
Lawrenceville Rent	-	-	-	-	17	18	-	-	-	18	-	-	-
Security Deposits	2	-											
Utilities, Tele, Leases		-		-	30	-	30			-	30	-	-
Rent / utilities / leases	2	-	-	-	151	105	30	-	-	105	30	-	-
General/product/prop & casualty ins		-		-	-	-	36	-	-				
Blue Cross Health Benefits		35	-	-		35				35			
Delta Dental	-	10	-	-		10				10		-	-
Transamerica (Hospital rider)	-	10				10				10			
UNUM (life/LTD)	-	1				1	-			1			
Express scripts (RX)	-	15	-	-	-	15	-	-		15	-	-	-
Key benefits (eye care)	-	1	-	-	-	1	-	-	-	1	-	-	-
Benefits, Insurance	-	72	-	-	-	72	36	-	-	69	-	-	-
Patriarch/Akart legal-Banking	10	-	-	-	60	10	10	10	10	10	10	40	10
Interest Patriarch/D-I-P													
Investment banking fee-retainer					50								
Acctg (GT Ireland/WSB)													
Chapter 11 / Legal / Accounting Expenses	10	-	-	-	90	10	10	10	10	10	10	40	10
Miscellaneous	20	3	3	3	3	3	3	3	3	3	3	3	3
Investments in Subsidiary	-	-	-	-	-	-	-	-	-	-	(170)	-	-
Total Out	$ 93	$ 136	$ 64	$ 64	$ 305	$ 251	$ 140	$ 74	$ 74	$ 248	$ (66)	$ 104	$ 74
Ending Cash	$ 592	$ 464	$ 400	$ 786	$ 484	$ 233	$ 93	$ 301	$ 227	$ 122	$ 188	$ 132	$ 58

Notes

Comments-Risk factors:

German operations are separate

Akart closing and cash implications not shown here--if closing occurs:

$40 million in

payments to vendors to procure IMS parts to begin in earnest

Payments to Patriarch and Bond holders total $13.8 million

Budget does not include non-inventory asset sales

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