

ORIGINAL

IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:

Event Rentals, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 14-10282 (PJW)

Jointly Administered
Related Docket Nos. 14, 28, 48, 60,
122, 173 & 188

**FINAL ORDER (I) AUTHORIZING DEBTORS TO OBTAIN POSTPETITION
FINANCING PURSUANT TO SECTION 364 OF THE BANKRUPTCY CODE;
(II) AUTHORIZING THE USE OF CASH COLLATERAL PURSUANT TO SECTION 363
OF THE BANKRUPTCY CODE; (III) GRANTING ADEQUATE PROTECTION TO THE
PREPETITION SECURED PARTIES PURSUANT TO SECTIONS 361, 362, 363, AND 364
OF THE BANKRUPTCY CODE; (IV) GRANTING LIENS AND SUPERPRIORITY
CLAIMS; AND (V) MODIFYING THE AUTOMATIC STAY**

Upon the motion dated February 13, 2014 (the "DIP Motion") of the debtors and debtors in possession (collectively, the "Debtors") in the above-referenced chapter 11 cases (the "Cases") seeking entry of an interim order and a final order (this "Final Order") pursuant to sections 105, 361, 362, 363(b), 363(c)(2), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e), 507, and 552 of title 11 of the United States Code (as amended, the "Bankruptcy Code"), Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 4001-2 of the Local Rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), that, among other things:

(i) authorizes the Debtor designated as the "Borrower" under, and as defined in, the DIP Credit Agreement (as defined below) (the "DIP Borrower") to obtain, and the Parent (as defined below) and the other guarantors (collectively, the "DIP Guarantors") under the DIP Loan

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Classic Midwest, Inc. (9934); Classic Northeast, Inc. (9871); Classic Panache, Inc. (1237); Classic Party Rentals, Inc. (3911); Classic Party Rentals LP (0583); Classic/Prime, Inc. (7149); Classic Southeast, Inc. (0700); DBO Acquisition Corp. (1923); DUBO Acquisition Corp. (8795); Event Rentals, Inc. (9443); Grand Events & Party Rentals, Inc. (7940); Special Event Holding, Inc. (5659); and Unique Tabletop Rentals, Inc. (4327). The list of the Debtors' alternate names is located on the docket for Case No. 14-10282 [D.I. 3] and is also available at <http://kccilc.net/CPR>.

Documents (as defined below) to unconditionally guaranty, jointly and severally, the DIP Borrower's obligations in respect of, senior secured priming and superpriority postpetition financing, consisting of revolving credit loans in an aggregate principal amount not to exceed \$20,000,000 at any time outstanding (the "DIP Facility") pursuant to the terms of (x) this Final Order, (y) that certain *Senior Secured and Superpriority Financing Agreement*, dated as of February 18, 2014 (as the same may be amended, restated, supplemented, or otherwise modified from time to time in accordance with its terms and the terms of this Final Order, the "DIP Credit Agreement"),² by and among the DIP Borrower, the DIP Guarantors, Ableco Finance LLC, as administrative agent for the DIP Lenders (in such capacity, the "DIP Agent"), and the other financial institutions party to the DIP Credit Agreement as "Lenders" under, and as defined in, the DIP Credit Agreement (the "DIP Lenders," and together with the DIP Agent and any other party to which DIP Obligations (as defined below) are owed, the "DIP Secured Parties"), and (z) any and all other Loan Documents (as defined in the DIP Credit Agreement, and together with the DIP Credit Agreement, the "DIP Loan Documents"), to: (A) fund, among other things, ongoing working capital, general corporate expenditures, and other financing needs of the Debtors, (B) fund certain payments required to provide adequate protection to the Prepetition Secured Parties (as defined below) as described below, (C) pay certain transaction fees and other costs and expenses of administration of the Cases, (D) repay administrative agent advances made by the Prepetition Secured Agent (as defined below) to facilitate the orderly filing of the Cases (the "Administrative Agent Advances"), and (E) pay fees and expenses (including, without limitation, reasonable attorneys' fees and expenses) owed to the DIP Agent and the DIP Lenders under the DIP Loan Documents and this Final Order;

² All capitalized terms used but not otherwise defined in this Final Order shall have the respective meanings given to such terms in the DIP Credit Agreement. A copy of the DIP Credit Agreement is attached hereto as Exhibit C.

(ii) approves the terms of the DIP Credit Agreement and the other DIP Loan Documents, authorizes the Debtors to execute and deliver, perform under, and be bound by the DIP Credit Agreement and the other DIP Loan Documents, and authorizes the Debtors to perform such other and further acts as may be required in connection with the DIP Loan Documents and this Final Order;

(iii) grants (x) to the DIP Agent, for the benefit of itself and the other DIP Secured Parties, secured, binding, continuing, enforceable, fully perfected, and unavoidable first priority senior priming security interests in, and Liens (as defined in the DIP Credit Agreement) on, all of the DIP Collateral (as defined below) pursuant to sections 364(c)(2), 364(c)(3), and 364(d) of the Bankruptcy Code, which Liens shall be senior to the Primed Liens (as defined below) and shall be junior solely to any valid, enforceable, and non-avoidable liens that are (A) in existence on the Petition Date, (B) either perfected as of the Petition Date or perfected subsequent to the Petition Date solely to the extent permitted by section 546(b) of the Bankruptcy Code, and (C) senior in priority to the Prepetition Liens (as defined below) after giving effect to any intercreditor or subordination agreement (all such liens, collectively, the "Prepetition Prior Liens"); and (y) to the DIP Secured Parties pursuant to section 364(c)(1) of the Bankruptcy Code superpriority administrative claims having recourse to all prepetition and postpetition property of the Debtors' estates, now owned or hereafter acquired, including, without limitation, any Debtors' rights under section 506(c) of the Bankruptcy Code and the proceeds thereof;

(iv) authorizes the Debtors to use "cash collateral," as such term is defined in section 363 of the Bankruptcy Code (the "Cash Collateral"), including, without limitation, Cash Collateral in which the Prepetition Secured Parties (as defined below) and/or the DIP Secured Parties have a Lien or other interest, in each case whether existing on the Petition Date, arising

pursuant to this Final Order or otherwise, and grants and provides the Prepetition Secured Parties (as defined below) the Prepetition Secured Parties' Adequate Protection (as defined below) as set forth herein;

(v) modifies the automatic stay imposed by section 362(a) of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the DIP Loan Documents and this Final Order;

(vi) authorizes the DIP Borrower to borrow up to all amounts available under the DIP Facility, and authorizes the DIP Guarantors to unconditionally guaranty such obligations jointly and severally; and

(vii) waives any applicable stay (including, without limitation, under Bankruptcy Rule 6004) and provides for immediate effectiveness of this Final Order.

Having considered the DIP Motion, the DIP Credit Agreement, the Declaration of Richard Klein in support of the DIP Motion (the "Klein Declaration"), the *Declaration of Jeffery M. Black in Support of First Day Motions and Applications*, the evidence submitted or proffered at the hearing on the Interim Order (as defined below) (the "Interim Hearing"), and the evidence submitted or proffered at the hearing on this Final Order (the "Final Hearing"); in accordance with Bankruptcy Rules 2002, 4001, and 9014 and all applicable Local Rules, adequate notice of the DIP Motion, the Final Hearing, and this Final Order having been provided; the Interim Hearing having been held and concluded on February 18, 2014; the Final Hearing having been held and concluded on April 1, 2014; and it appearing that approval of the relief requested in the DIP Motion is fair and reasonable and in the best interests of the Debtors, their creditors, their estates, and all parties in interest, and is essential for the continued operation of the Debtors'

business; and after due deliberation and consideration, and for good and sufficient cause appearing therefor:

THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:³

A. **Petition Date.** On February 13, 2014 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (this "Court"). The Debtors have continued in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. On February 24, 2014, the Office of the United States Trustee for the District of Delaware (the "United States Trustee") appointed an official committee of unsecured creditors in the Cases (the "Committee"). No trustee or examiner has been appointed in the Cases.

B. **Jurisdiction and Venue.** This Court has core jurisdiction over the Cases, the DIP Motion, and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue for the Cases and proceedings on the DIP Motion is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory or other predicates for the relief sought herein are sections 105, 361, 362, 363, 364, 507, and 552 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and the Local Rules.

C. **Interim Order.** On February 18, 2014, this Court entered an interim order approving the relief requested in the DIP Motion as set forth therein [Docket No. 48] (the "Interim Order"). On March 14, 2014, this Court entered the *Order Extending Interim Period Outside Date and Certain Deadlines Under the Interim Order (I) Authorizing Debtors to Obtain*

³ Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact, as appropriate, pursuant to Bankruptcy Rule 7052.

Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Use of Cash Collateral Pursuant to Section 363 of the Bankruptcy Code; (III) Granting Adequate Protection to the Prepetition Secured Parties Pursuant to Sections 361, 362, 363, and 364 of the Bankruptcy Code; (IV) Granting Liens and Superpriority Claims; (V) Modifying the Automatic Stay; and (VI) Scheduling a Final Hearing [Docket No. 173].

D. **Notice.** The Final Hearing is being held pursuant to the authorization of Bankruptcy Rule 4001. Notice of the Final Hearing and the relief requested in the DIP Motion has been provided by the Debtors, whether by facsimile, electronic mail, overnight courier, or hand delivery, to certain parties in interest, including: (i) the United States Trustee, (ii) those entities or individuals included on the Debtors' list of 30 largest unsecured creditors on a consolidated basis, (iii) the Prepetition Secured Agent (as defined below), (iv) counsel to the Prepetition Secured Agent, (v) the DIP Agent, (vi) counsel to the DIP Agent, (vii) each of the financial institutions listed in the *Motion of Event Rentals, Inc. and Its Affiliated Debtors for Order Authorizing (I) the Continued Use of Existing Bank Accounts, (II) the Continued Use of Existing Checks and Business Forms, and (III) Waiving Investment and Deposit Requirements*, and (viii) all known parties asserting a lien against the DIP Collateral (as defined below), as reflected on Schedule 8.2(a) of the DIP Credit Agreement. Under the circumstances, such notice of the DIP Motion, the relief requested therein, and the Final Hearing complies with Bankruptcy Rule 4001 and the Local Rules, and no other notice need be provided for entry of this Final Order.

E. **Debtors' Stipulations Regarding the Prepetition Secured Credit Facility.** Without prejudice to the rights of parties in interest that are specifically set forth in Paragraph 6

of this Final Order, the Debtors admit, stipulate, acknowledge, and agree (Paragraphs E and F hereof shall be referred to collectively as the "Debtors' Stipulations") as follows:

(i) Prepetition Secured Credit Facility. Pursuant to that certain Financing Agreement, dated as of December 20, 2006 (as amended, restated, or otherwise modified from time to time prior to the Petition Date, the "Prepetition Secured Credit Agreement," and collectively with any other agreements and documents executed or delivered in connection therewith, including, without limitation, the "Loan Documents" as defined therein, each as may be amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition Loan Documents"), by and among Special Event Holding, Inc., a Delaware corporation (the "Parent"), Event Rentals, Inc., a Delaware corporation and successor by merger to Special Event Acquisition, Inc. (the "Borrower"), the entities from time to time party thereto as guarantors (such entities together with the Parent, the "Guarantors"), the lenders party thereto (collectively, the "Prepetition Secured Lenders"), and Ableco Finance LLC, as successor in interest to Dymas Funding Company, LLC and as administrative agent for the Prepetition Secured Lenders (in such capacity, the "Prepetition Secured Agent" and, together with the Prepetition Secured Lenders and any other party to which Prepetition Secured Obligations (as defined below) are owed, the "Prepetition Secured Parties"), the Prepetition Secured Parties agreed to extend loans and other financial accommodations to the Borrower pursuant to the Prepetition Secured Credit Agreement. All obligations of the Debtors arising under the Prepetition Secured Credit Agreement (including, without limitation, the "Obligations" as defined therein) or the other Prepetition Loan Documents shall collectively be referred to herein as the "Prepetition Secured Obligations."

(ii) Prepetition Liens and Prepetition Collateral. Pursuant to certain Prepetition Loan

Documents (as such documents were amended, restated, supplemented, or otherwise modified from time to time prior to the Petition Date, the "Prepetition Collateral Documents"), by and among the Borrower, the Parent, the Guarantors, and the Prepetition Secured Agent, each of the Borrower, the Parent, and the other Guarantors granted to the Prepetition Secured Agent, for the benefit of itself and the Prepetition Secured Lenders, to secure the Prepetition Secured Obligations, a first priority security interest in and continuing lien (the "Prepetition Liens") on substantially all of such entity's assets and properties (which, for the avoidance of doubt, includes Cash Collateral) and all proceeds, products, accessions, rents, and profits thereof, in each case whether then owned or existing or thereafter acquired or arising. All "Collateral" as defined in the Prepetition Secured Credit Agreement granted or pledged pursuant to any Prepetition Collateral Document or any other Prepetition Loan Document shall collectively be referred to herein as the "Prepetition Collateral." As of the Petition Date, (I) the Prepetition Liens (a) are legal, valid, binding, enforceable, and perfected liens, (b) were granted to, or for the benefit of, the Prepetition Secured Parties for fair consideration and reasonably equivalent value, (c) are not subject to avoidance, disallowance, impairment, recharacterization, or subordination pursuant to the Bankruptcy Code or any applicable non-bankruptcy law (except for the priming contemplated herein), and (d) are subject and subordinate only to (A) the DIP Liens (as defined below), (B) the Carve-Out (as defined below), (C) the Adequate Protection Replacement Liens (as defined below), (D) the Wind-Down Amounts (as defined below), and (E) the Prepetition Prior Liens; and (II) (x) the Prepetition Secured Obligations constitute legal, valid, and binding obligations of each of the applicable Debtors, enforceable in accordance with the terms of the applicable Prepetition Loan Documents (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code), (y) no setoffs, recoupments, offsets, objections,

defenses, or counterclaims to any of the Prepetition Secured Obligations exist, and (z) no portion of the Prepetition Secured Obligations or any payments made to any or all of the Prepetition Secured Parties are subject to avoidance, disallowance, impairment, recharacterization, recovery, disgorgement, subordination, attack, setoff, offset, recoupment, counterclaim, defense, or "claim" (as defined in the Bankruptcy Code) of any kind pursuant to the Bankruptcy Code or any applicable non-bankruptcy law.

(iii) Amounts Owed under Prepetition Loan Documents. As of the Petition Date, the applicable Debtors owed the Prepetition Secured Parties, pursuant to the Prepetition Loan Documents, without defense, counterclaim, reduction, or offset of any kind, in respect of loans made by the Prepetition Secured Parties, (a) revolving loans in the principal amount of not less than \$16,138,662.39, (b) term loans in the principal amount of not less than \$122,998,367.46, (c) an acquisition loan in the principal amount of not less than \$29,187,863.03, and (d) the Administrative Agent Advances in the amount of not less than \$6,500,000.00 (approximately \$200,000 of which consists of unfunded commitments), *plus* all accrued and hereafter accruing and unpaid interest thereon and any additional fees, expenses (including, without limitation, any reasonable attorneys', accountants', appraisers', and financial advisors' fees and expenses that are chargeable or reimbursable under the Prepetition Loan Documents), and other amounts now or hereafter due under the Prepetition Secured Credit Agreement and the other Prepetition Loan Documents.

(iv) Release of Claims. Subject to the reservation of rights set forth in Paragraph 6 of this Final Order, each Debtor and its respective estate shall be deemed to have forever waived, discharged, and released each of the Prepetition Secured Parties and their respective affiliates and each of their respective members, managers, equity holders, agents, attorneys, financial

advisors, consultants, officers, directors, and employees (all of the foregoing, collectively, the "Prepetition Secured Party Releasees") of any and all "claims" (as defined in the Bankruptcy Code), counterclaims, causes of action (including, without limitation, causes of action in the nature of so-called "lender liability" claims), defenses, setoff, recoupment, other offset rights, or other asserted rights of disgorgement or recovery against any and all of the Prepetition Secured Party Releasees, whether arising at law or in equity, relating to and/or otherwise in connection with the Prepetition Secured Obligations, the Prepetition Liens, or the debtor-creditor relationship between any of the Prepetition Secured Parties, on the one hand, and the Borrower or any of the Guarantors, on the other hand, including, without limitation, (I) any avoidance, disallowance, recharacterization, subordination, 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 federal law, state law, or municipal law and (II) any right, basis, or action to challenge or object to the amount, validity, or enforceability of the Prepetition Secured Obligations or any transfers made on account of the Prepetition Secured Obligations, or the validity, enforceability, priority, or non-avoidability of the Prepetition Liens securing the Prepetition Secured Obligations.

F. Findings Regarding the DIP Facility.

(i) Request for Postpetition Financing. The Debtors have requested from the DIP Agent and the DIP Lenders, and the DIP Agent and the DIP Lenders are willing to extend, certain loans, advances, and other financial accommodations on the terms and conditions set forth in this Final Order and the DIP Loan Documents.

(ii) Need for Postpetition Financing. The Debtors do not have sufficient available sources of working capital, including Cash Collateral, to operate their businesses in the ordinary

course of their business without the financing requested under the DIP Motion. Rather, the Debtors have an immediate need to obtain the DIP Facility and use Cash Collateral to, among other things, permit the orderly continuation of the operation of their businesses, to maintain business relationships with vendors, suppliers, and customers, to make payroll, to make capital expenditures, to satisfy other working capital and operation needs, to complete the Debtors' marketing and sale process, and to otherwise preserve the value of the Debtors' estates. The Debtors' access to sufficient working capital and liquidity through the use of Cash Collateral and borrowing under the DIP Facility is vital to a successful sale and/or to otherwise preserve the enterprise value of the Debtors' estates. Immediate and irreparable harm will be caused to the Debtors and their estates if immediate financing is not obtained and permission to use Cash Collateral is not granted, in each case in accordance with the terms of this Final Order and the DIP Loan Documents.

(iii) No Credit Available on More Favorable Terms. As set forth in the DIP Motion and in the Klein Declaration in support thereof, the Debtors have determined, at the time hereof, that no acceptable financing on more favorable terms from sources other than the DIP Secured Parties under the DIP Loan Documents and this Final Order is available. The Debtors are unable to obtain unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors are also unable to obtain secured credit on terms acceptable to the Debtors allowable only under sections 364(c)(1), 364(c)(2), or 364(c)(3) of the Bankruptcy Code. The Debtors have been unable to procure the necessary financing on terms more favorable than the financing offered by the DIP Agent and the DIP Lenders pursuant to the DIP Credit Agreement. Accordingly, the Debtors are unable to obtain secured credit under section 364(d)(1) of the Bankruptcy Code without (a) granting to the DIP Secured Parties the rights,

remedies, privileges, benefits, and protections provided herein and in the DIP Loan Documents, including, without limitation, the DIP Liens and the DIP Superpriority Claims (each as defined below), (b) allowing the DIP Secured Parties to provide the loans and other financial accommodations under the DIP Facility on the terms set forth herein and in the DIP Loan Documents (all of the foregoing described in clauses (a) and (b) above, including, without limitation, the DIP Liens and the DIP Superpriority Claims, collectively, the “DIP Protections”), and (c) providing the Prepetition Secured Parties the adequate protection more fully described in Paragraph 4 of this Final Order.

G. **Adequate Protection for Prepetition Secured Parties.** The Prepetition Secured Agent has negotiated in good faith regarding the Debtors’ use of the Prepetition Collateral (including, without limitation, the Cash Collateral) to fund the administration of the Debtors’ estates and continued operation of their businesses. The Prepetition Secured Agent has agreed to permit the Debtors to use the Cash Collateral and other Prepetition Collateral, subject to the terms and conditions set forth herein, including, without limitation, the protections afforded a party acting in “good faith” under section 364(e) of the Bankruptcy Code. In addition, the DIP Facility contemplated hereby provides for a priming of the Prepetition Liens pursuant to section 364(d) of the Bankruptcy Code. The Prepetition Secured Parties are entitled to the adequate protection as set forth herein pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code. Furthermore, in light of the subordination of their Liens and superpriority administrative claims to the Carve-Out, the Wind-Down Amounts, and the DIP Liens and the use of Cash Collateral and Prepetition Collateral as set forth herein, the Prepetition Secured Parties are entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code and the “equities of the case” exception shall not apply. Based on the DIP Motion and on the record

presented to the Court at the Interim Hearing and the Final Hearing, the terms of the proposed adequate protection arrangements, use of the Cash Collateral, and the DIP Facility contemplated hereby are fair and reasonable, reflect the Debtors' prudent exercise of business judgment consistent with their fiduciary duties, and constitute reasonably equivalent value and fair consideration for the consent of the respective Prepetition Secured Parties.

H. Business Judgment and Good Faith Pursuant to Section 364(e).

(i) The DIP Secured Parties have indicated a willingness to provide postpetition secured financing via the DIP Facility to the Debtors in accordance with the DIP Loan Documents and this Final Order.

(ii) The terms and conditions of the DIP Facility as set forth in the DIP Loan Documents and this Final Order, and the fees, expenses, and other charges paid and to be paid thereunder or in connection therewith, are fair, reasonable, and the best available under the circumstances, and the Debtors' agreement to the terms and conditions of the DIP Loan Documents and to the payment of such fees reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties. Such terms and conditions are supported by reasonably equivalent value and fair consideration.

(iii) The DIP Facility and the DIP Loan Documents were negotiated in good faith and at arms' length among the Debtors and the DIP Secured Parties with the assistance and counsel of their respective advisors, and all of the DIP Obligations shall be deemed to have been extended by the DIP Secured Parties and their affiliates for valid business purposes and uses and in good faith, as that term is used in section 364(e) of the Bankruptcy Code, and in express reliance upon the protections offered by section 364(e) of the Bankruptcy Code or this Final Order, and the DIP Liens, the DIP Superpriority Claims (as defined below), and the other DIP

Protections shall be entitled to the full protection of section 364(e) of the Bankruptcy Code and this Final Order in the event this Final Order or any other order or any provision hereof or thereof is vacated, reversed, amended, or modified, on appeal or otherwise.

I. **Relief Essential; Best Interests.** Absent granting the relief set forth in this Final Order, the Debtors' estates, their businesses and properties, and their ability to successfully sell their assets or otherwise preserve the enterprise value of the Debtors' estates will be immediately and irreparably harmed. Authorization for the Debtors to borrow up to all amounts available under the DIP Facility and to use Cash Collateral in accordance with this Final Order and the DIP Loan Documents is therefore in the best interests of the Debtors' estates and consistent with their fiduciary duties.

NOW, THEREFORE, based on the DIP Motion and the record before this Court with respect to the DIP Motion, and with the consent of the Debtors, the Prepetition Secured Agent (on behalf of the Prepetition Secured Parties), and the DIP Agent (on behalf of the DIP Secured Parties) to the form and entry of this Final Order, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. **Motion Granted.** The DIP Motion is hereby granted in accordance with the terms and conditions set forth in this Final Order and the DIP Loan Documents. Any objections to the DIP Motion with respect to the entry of this Final Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby denied and overruled.

2. **DIP Loan Documents and DIP Protections.**

(a) **Approval of DIP Loan Documents.** The Debtors are expressly and immediately authorized to establish the DIP Facility, to execute, deliver, and perform under the DIP Loan Documents and this Final Order, to incur the DIP Obligations (as defined below) in accordance with, and subject to, the terms of this Final Order and the DIP Loan Documents, and to execute, deliver, and perform under all other instruments, certificates, agreements, and documents as may be required or necessary for the performance by the applicable Debtors under the DIP Loan Documents and the creation and perfection of the DIP Liens described in, and provided for, by this Final Order and the DIP Loan Documents. The Debtors are hereby authorized to and shall perform all acts and pay the principal, interest, commissions, fees, expenses, and other amounts described in the DIP Loan Documents as such become due pursuant to the DIP Loan Documents and this Final Order, including, without limitation and whenever incurred, the Administrative Agent Advances, all closing fees, administrative fees, commitment fees, and reasonable attorneys', financial advisors', and accountants' fees, and disbursements arising under the DIP Loan Documents and this Final Order, which amounts shall not be subject to further approval of this Court and shall be non-refundable and shall not otherwise be subject to Challenge (as defined below) pursuant to Paragraph 6 of this Final Order or otherwise. Upon their execution and delivery, the DIP Loan Documents shall represent valid and binding obligations of the applicable Debtors enforceable in accordance with their terms. Each officer of a Debtor acting singly is hereby authorized to execute and deliver each of the DIP Loan Documents, such execution and delivery to be conclusive evidence of such officer's respective authority to act in the name of and on behalf of the Debtors.

(b) DIP Obligations. For purposes of this Final Order, the term “DIP Obligations” shall mean all amounts and other obligations and liabilities owing by the Debtors under the DIP Credit Agreement and other DIP Loan Documents (including, without limitation, all “Obligations” as defined in the DIP Credit Agreement) and shall include, without limitation, the principal of, interest on, fees, costs, expenses, and other charges owing in respect of, such amounts (including, without limitation, any reasonable attorneys’, accountants’, financial advisors’, and other fees, costs, and expenses that are chargeable or reimbursable under the DIP Loan Documents and/or this Final Order), and any obligations in respect of indemnity claims, whether contingent or otherwise.

(c) Authorization to Incur DIP Obligations. Subject to the terms and conditions of this Final Order and the DIP Loan Documents, including, without limitation, the Budget Covenants as defined and contained in Paragraph 2(e) of this Final Order, the DIP Borrower is hereby authorized to use Cash Collateral and borrow up to all amounts available under the DIP Facility to fund the Debtors’ working capital and other general corporate needs and pay such other amounts required or allowed to be paid pursuant to the DIP Loan Documents, this Final Order, and any other orders of this Court as may be acceptable to the DIP Agent and the DIP Lenders constituting “Required Lenders” under the DIP Credit Agreement (the “Required DIP Lenders”). All DIP Obligations shall be unconditionally guaranteed, on a joint and several basis, by the DIP Guarantors, as further provided in the DIP Loan Documents.

(d) Budget. Attached hereto as Exhibit A is a thirteen-week rolling cash flow forecast (such forecast, together with any forecast for a period beyond the end of such forecast that is subsequently approved by the DIP Agent, the Required DIP Lenders, the Prepetition Secured Agent, and the Required Prepetition Lenders, the “Approved Budget”), which reflects

on a line-item basis (i) the Debtors' weekly projected cash receipts, (ii) all weekly projected disbursements, such as ordinary course operating expenses, bankruptcy-related expenses under the Cases, capital expenditures, asset sales, estimated fees and expenses of the DIP Agent and the DIP Lenders (including, without limitation, counsel and financial advisors therefor) and the Prepetition Secured Agent (including, without limitation, counsel and financial advisors therefor), and any other fees and expenses relating to the DIP Facility), (iii) the sum of weekly unused availability under the DIP Facility plus unrestricted cash on hand (collectively, "Aggregate Liquidity"), and (iv) the weekly outstanding principal balance of the loans made under the DIP Facility. Commencing on February 28, 2014, and continuing every Friday thereafter (*i.e.*, every week), the Debtors shall prepare and deliver simultaneously to the DIP Agent, the DIP Lenders, and the Prepetition Secured Agent a variance report/reconciliation report certified by the Chief Financial Officer or Vice President of Finance of the Debtors, in form acceptable to the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent, setting forth (1) the actual cash receipts, expenditures, disbursements, and outstanding revolving loan balance of the Debtors for the immediately preceding four-week period on a line-item basis and the Aggregate Liquidity as of the end of such four-week period, and (2) on a line-item basis, the variance in dollar amounts of the actual expenditures, disbursements, and outstanding revolving loan balance for each four-week period from those budgeted amounts for the corresponding period reflected in the Approved Budget.

(e) Budget Covenants. The Debtors shall incur DIP Obligations and expend Cash Collateral and other DIP Collateral proceeds only in accordance with the specific purposes, and at the specific time periods, set forth in the Approved Budget, subject to the following permitted variances, which shall be tested on and as of the Sunday of each week:

(i) the variance between actual disbursements made by the Debtors and such amounts set forth in the Approved Budget shall not be greater than (1) twenty percent (20%) for any line item (excluding fees and expenses of Professionals (as defined below), which shall not be subject to any permitted upward variance, other than solely as a result of delays in timing in the allowance or payment of amounts previously incurred within the parameters of the Approved Budget) in any given week and (2) ten percent (10%) in the aggregate (including a line item for actual usage under the DIP Facility versus the amount set forth in the Approved Budget) in any given week, *provided* that any unused amounts contained in a line item for a given week (without giving effect to the 20% variance set forth in subclause (1) above) may be expended for the expenditures in that same line item in the next three successive weekly periods;

(ii) (1) in each of the first three weeks after the Petition Date, there shall not be an unfavorable variance greater than twenty percent (20%) between actual cash receipts and such amount set forth in the Approved Budget regarding the applicable Measurement Period (as defined in the DIP Credit Agreement), and (2) in the fourth week after the Petition Date and in each week thereafter, there shall not be an unfavorable variance greater than ten percent (10%) between actual cash receipts and such amount set forth in the Approved Budget regarding the applicable Measurement Period (as defined in the DIP Credit Agreement);

(iii) a one-time general contingency disbursement line item of \$500,000 shall be included in the Approved Budget, which line item amount (1) shall be permanently reduced (and not available for renewal over the entire term of DIP Obligations) on a dollar-for-dollar basis upon the application of any disbursement amounts that would

otherwise have caused non-compliance with the variance tests set forth in this Paragraph 2(e), and (2) in no event may be utilized to fund any fees and expenses of Professionals (as defined below); and

(iv) the variance between actual outstanding DIP Obligations during any Measurement Period (as defined in the DIP Credit Agreement) shall not be greater than 10% of the amount of the DIP Obligations projected to be outstanding in the Approved Budget for such Measurement Period (as defined in the DIP Credit Agreement).

The Debtors and the DIP Agent (with the consent of the Required DIP Lenders) may modify the foregoing limitations by written agreement. The foregoing budget-related covenants are collectively referred to herein as the "Budget Covenants." Notwithstanding anything to the contrary in this Final Order, the reasonable professional fees, costs, and expenses of the DIP Agent's and DIP Lenders' advisors and the Prepetition Secured Agent's and Prepetition Secured Lenders' advisors, respectively, shall be due, payable, and paid in accordance with the terms of this Final Order notwithstanding any budgeted amounts for such fees, costs, and expenses set forth in the Approved Budget, provided that any variance in such amounts shall not be included when determining the Debtors' compliance with the Budget Covenants.

(f) Termination Events. The occurrence of any of the following events, unless waived in writing by each of the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent, in their sole and absolute discretion, shall constitute a termination event under this Final Order and the DIP Loan Documents (each, a "Termination Event"):

(i) any (a) stay, amendment, reversal, vacatur, or modification of the Interim Order or this Final Order without the express prior written consent of the DIP Agent and the Required DIP Lenders, in their sole and absolute discretion, or (b)

stay, amendment, reversal, vacatur, or modification of any provision of the Interim Order or this Final Order directly and adversely affecting the rights of the Prepetition Secured Parties without the express prior written consent of the Prepetition Secured Agent and the Prepetition Secured Lenders constituting "Required Lenders" under the Prepetition Secured Credit Agreement (the "Required Prepetition Secured Lenders"), in their sole and absolute discretion;

(ii) dismissal of any of the Cases or conversion of any of the Cases to chapter 7 cases, or appointment of a chapter 11 trustee, examiner with enlarged powers, or other responsible person in any of the Cases;

(iii) the entry of an order of the Court granting relief from the automatic stay to the holder of any claim against one or more of the Debtors equal to or exceeding \$250,000;

(iv) any other superpriority administrative expense claim or lien senior to or *pari passu* with the DIP Obligations, the DIP Liens, the Adequate Protection Superpriority Claims (as defined below), or the Adequate Protection Replacement Liens (as defined below) shall be granted, approved, imposed, or otherwise created;

(v) any chapter 11 plan shall be confirmed in any of the Cases which does not provide for the DIP Obligations to be Paid in Full on the effective date of such plan, or any order shall be entered dismissing any of the Cases but not providing for the DIP Obligations to be Paid in Full as of such dismissal;

(vi) the Debtors' exclusive period to file a chapter 11 plan or plans in the Cases shall be terminated;

(vii) any material contract is rejected or otherwise terminated (other than in accordance with its terms as a result of a specified or scheduled termination date) or any material property of the Debtors or their respective estates is sold, in each instance, without the express prior written consent of the DIP Agent and the Required DIP Lenders;

(viii) any of the Debtors seeks to obtain additional financing under section 364(c) or 364(d) of the Bankruptcy Code or to grant any lien other than liens permitted under the DIP Credit Agreement without the prior written consent of the DIP Agent and the Required DIP Lenders;

(ix) any Debtor files or any representative of any Debtor's estate seeks leave to file or files an action challenging the validity, perfection, priority, extent, or enforceability of the DIP Loan Documents or the liens and claims granted thereunder;

(x) any Debtor commences any action against any of the Prepetition Secured Agent or the Prepetition Secured Lenders with respect to the Prepetition Obligations including, without limitation, any action to avoid, modify, dispute, challenge, or subordinate any of the Prepetition Obligations or any Prepetition Liens, or entry of an order in any action by any other party granting such relief;

(xi) any DIP Collateral becoming subject to surcharge or marshaling;

(xii) the Debtors shall take any action, including, without limitation, the filing of any motion, application, or other request, directly or indirectly supporting the occurrence of any of the events described in the preceding clauses (i) through (xi), or any person other than the Debtors shall do so and such motion, application, or

request is not contested in good faith by the Debtors;

(xiii) the Debtors make any disbursements not contemplated by the Approved Budget;

(xiv) the occurrence of any other Event of Default (as defined in the DIP Credit Agreement), or the occurrence of any Default following the passage of any applicable notice or cure period set forth in the DIP Credit Agreement regardless of any acts or omissions of the DIP Secured Parties that would otherwise have resulted in such Default not becoming an Event of Default by virtue of such passage of any applicable notice or cure period;

(xv) the failure by the Debtors to timely perform any of the terms, provisions, conditions, covenants, or other obligations under this Final Order;

(xvi) the failure of the Debtors to obtain the prior written consent of the DIP Agent, the Required DIP Lenders, the Prepetition Secured Agent, and the Required Prepetition Secured Lenders to the Debtors' (a) entering into or seeking authority from the Court to enter into any stalking horse bid or similar agreement to purchase all or a material portion of the Debtors' assets, and/or (b) agreeing to provide any proposed stalking horse bidder with a break-up fee, expense reimbursement, or any other bid protections;

(xvii) the failure of the Debtors to timely comply with any of the following sale process milestones (collectively, the "Sale Process Deadlines") or the failure of the Debtors to incorporate such milestones into a bid procedures motion and order that designates the Prepetition Secured Agent, an entity formed by the Prepetition Secured Agent, and/or certain of the Prepetition Secured Lenders, as applicable,

as the “stalking horse” bidder for a sale of substantially all of the Debtors’ assets pursuant to section 363 of the Bankruptcy Code (the “Bid Procedures Motion” and “Bid Procedures Order,” respectively):

1. the Bankruptcy Court having conducted a hearing on the Bid Procedures Motion on or prior to March 14, 2014;
2. entry by the Bankruptcy Court of the Bid Procedures Order within three (3) Business Days after the conclusion of the hearing on the Bid Procedures Motion;
3. on or prior to April 14, 2014 at 4:00 p.m. (prevailing Pacific time), all qualified bids other than the “stalking horse” bid (which bids, among other things, shall not contain any financing or diligence conditions) shall be due (which bid deadline shall not be extended without the written consent of each of the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent, except as otherwise provided below) (the “Qualified Bid Deadline”);
4. an auction shall, if necessary, be conducted on or prior to April 21, 2014 at 10:00 a.m. (prevailing Eastern time), which shall not be extended without the prior written consent of each of the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent;
5. the Bankruptcy Court having conducted a hearing to approve the sale to the winning bidder on or prior to April 29, 2014, which shall not be extended without the prior written

consent of each of the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent, it being understood that, if the winning bidder is a bidder other than the “stalking horse” bidder, the proceeds of such sale shall be paid and applied in accordance with Paragraph 12 of this Final Order (a sale containing such terms and otherwise acceptable to the DIP Agent, the Required DIP Lenders, and the Prepetition Secured Agent is a “Qualifying Cash Sale”; for the avoidance of doubt, any sale to the Prepetition Secured Agent, an entity formed by the Prepetition Secured Agent, and/or certain of the Prepetition Secured Lenders, as applicable, shall not constitute a Qualifying Cash Sale); and

6. on or prior to May 29, 2014, either the “stalking horse” sale transaction or a Qualifying Cash Sale shall have been consummated.

(g) Interest, Fees, Costs, and Expenses. The DIP Obligations shall bear interest at the rates, and be due and payable (and paid), as set forth in, and in accordance with the terms and conditions of, this Final Order and the DIP Loan Documents, in each case without further notice, motion, or application to, order of, or hearing before, this Court. The Debtors shall pay currently all fees, costs, expenses (including, without limitation, reasonable out-of-pocket legal and other professional fees and expenses of the DIP Agent and the DIP Lenders), and other charges payable under the terms of the DIP Loan Documents whether or not budgeted in the Approved Budget, whenever incurred, and without further notice (except as provided in Paragraph 18(a) of this Final Order), motion, or application to, order of, or hearing before, this Court, and such fees,

costs, expenses, and other charges shall be non-refundable and, except as provided in Paragraph 18(a) of this Final Order, not subject to challenge in any respect.

(h) Use of DIP Facility Proceeds and Proceeds of DIP Collateral. The DIP Borrower shall use the proceeds of all DIP Collateral (as defined below) solely in accordance with this Final Order and the applicable provisions of the DIP Loan Documents. Without limiting the foregoing, the Debtors shall not be permitted to make any payments (from the DIP Collateral, the proceeds of loans under the DIP Facility, or otherwise) on account of any prepetition debt or obligation prior to the effective date of a chapter 11 plan or plans with respect to any of the Debtors, except (a) with respect the Prepetition Secured Obligations as set forth in the Interim Order and this Final Order; (b) as provided in the orders granting the relief requested in the various motions filed by the Debtors on the Petition Date, which orders shall be in form and substance acceptable to the DIP Agent and the Required DIP Lenders; (c) as provided in other motions, orders, and requests for relief, each in form and substance acceptable to the DIP Agent and the Required DIP Lenders prior to such motion, order, or request for such relief being filed; or (d) as otherwise expressly provided in the DIP Credit Agreement.

(i) Conditions Precedent. The DIP Secured Parties and Prepetition Secured Parties each have no obligation to extend credit under the DIP Facility or permit use of any DIP Collateral proceeds, including Cash Collateral, as applicable, unless and until all conditions precedent to the extension of credit and/or use of DIP Collateral or proceeds thereof under the DIP Loan Documents and this Final Order have been satisfied in full or waived by the requisite DIP Secured Parties and the Prepetition Secured Agent in accordance with the DIP Loan Documents and this Final Order.

(j) DIP Liens. To secure the prompt payment and performance of any and all obligations of the Debtors to the DIP Agent and the DIP Lenders of whatever kind, nature or description, absolute or contingent, now existing or hereafter arising, the following security interests and liens, which shall immediately and without any further action by any Person, be valid, binding, permanent, perfected, continuing, enforceable, and non-avoidable upon and after entry of the Interim Order and effective as of the Petition Date, are hereby granted by the Debtors to the DIP Agent, for its own benefit and the benefit of the DIP Secured Parties and without the necessity of execution by the Debtors or the filing or recordation of mortgages, security agreements, lockbox agreements, financing statements, or otherwise, on all tangible and intangible assets and property of the Debtors, now existing or hereinafter acquired, including, without limitation, all cash and cash equivalents (whether maintained with the DIP Agent or otherwise), and any investment in such cash or cash equivalents, money, inventory, goods, accounts receivable, other rights to payment, intercompany loans and other investments, investment property, contracts, contract rights, securities (whether or not marketable), properties, plants, equipment, machinery, general intangibles, payment intangibles, accounts, bank accounts, deposit accounts, documents, instruments, chattel paper, documents of title, letters of credit, letter of credit rights, supporting obligations, leases and other interests in leaseholds (*provided, however, that to the extent that any lease prohibits the granting of a lien thereon, or otherwise prohibits hypothecation of the leasehold interest, then in such event the DIP Agent shall be granted a lien only on the economic value of, proceeds of sale or other disposition of, and any other proceeds and products of such leasehold interests*), real property, fixtures, patents, copyrights, trademarks, trade names, other intellectual property, intellectual property licenses, permits, franchise rights, capital stock and other equity interests of subsidiaries, tax and other

refunds, insurance or other proceeds, commercial tort claims, causes of action, any actions that could be brought by the Debtors or other representative of their respective estates under any section within chapter 5 of the Bankruptcy Code ("Avoidance Actions") and proceeds relating thereto, rights under section 506(c) of the Bankruptcy Code, all other Collateral (as defined in the DIP Loan Documents), and all other property or "property of the estate" (as defined in section 541 of the Bankruptcy Code) of any kind or nature, real or personal, or mixed, now existing or hereafter acquired or created, and all rents, products, substitutions, accessions, profits, replacements, and cash and non-cash proceeds of all of the foregoing, wherever located (all of the foregoing collateral collectively referred to as the "DIP Collateral," and all such Liens granted to the DIP Agent for the benefit of all the DIP Secured Parties pursuant to this Final Order and the DIP Loan Documents, the "DIP Liens");

- (i) pursuant to section 364(c)(2) of the Bankruptcy Code, a perfected, binding, continuing, enforceable, and non-avoidable first priority Lien on all unencumbered DIP Collateral;
- (ii) pursuant to section 364(c)(3) of the Bankruptcy Code, a perfected, binding, continuing, enforceable, and non-avoidable junior Lien on all DIP Collateral that is subject to the Prepetition Prior Liens, provided that such Lien shall be junior solely to and solely to the extent of any Prepetition Prior Liens; and
- (iii) pursuant to section 364(d)(1) of the Bankruptcy Code, a perfected, binding, continuing, enforceable, and non-avoidable first priority, senior priming lien on all DIP Collateral (including, without limitation, Cash Collateral) that is senior to the Adequate Protection Replacement Liens (as defined below) and

senior and priming to (x) the Prepetition Liens and (y) any Liens that are junior to the Prepetition Liens and the Adequate Protection Replacement Liens, after giving effect to any intercreditor or subordination agreements (the liens referenced in clauses (x) and (y), collectively, the "Primed Liens"); *provided, however*, that the liens described in this clause (iii) shall be junior solely to the Carve-Out and the Prepetition Prior Liens.

(k) DIP Lien Priority. Notwithstanding anything to the contrary contained in this Final Order or the DIP Loan Documents, for the avoidance of doubt, the DIP Liens granted to the DIP Agent for the benefit of the DIP Secured Parties shall in each and every case be first priority senior security interests and liens that (i) are subject only to the Prepetition Prior Liens, and to the extent provided in the provisions of this Final Order, shall also be subject to the Carve-Out, and (ii) except as provided in sub-clause (i) of this Paragraph 2(k), are senior to all prepetition and postpetition liens or other interests of every kind, nature, and description of any other person or entity, whether created consensually, by an order of a court, or otherwise (including, without limitation, the Primed Liens and the Adequate Protection Replacement Liens). The DIP Liens and the DIP Superpriority Claims (as defined below) (A) shall not be subject to sections 506, 510, 542, 549, 550, or 551 of the Bankruptcy Code or otherwise or the "equities of the case" exception of section 552 of the Bankruptcy Code, (B) shall be senior in priority and right of payment to (x) any lien that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or otherwise or (y) any intercompany or affiliate liens or claims of the Debtors, and (C) shall be valid and enforceable against any trustee or any other estate representative appointed or elected in the Cases, upon the conversion of any of the Cases to a case under chapter 7 of the Bankruptcy Code, or in any other

proceedings related to any of the foregoing (each, a "Successor Case"), and/or upon the dismissal of any of the Cases.

(l) Enforceable Obligations. The DIP Loan Documents shall constitute and evidence the valid and binding DIP Obligations of the Debtors, which DIP Obligations shall be enforceable against the Debtors, their estates and any successors thereto (including, without limitation, any trustee or other estate representative in any Successor Case), and their creditors, in accordance with their terms. No obligation, payment, transfer, or grant of security under the DIP Credit Agreement, the other DIP Loan Documents, or this Final Order shall be stayed, restrained, voidable, avoidable, disallowable, or recoverable under the Bankruptcy Code or under any applicable law (including, without limitation, under sections 502(d), 542, 544, 547, 548, 549, or 550 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law), or subject to any avoidance, disallowance, impairment, reduction, setoff, offset, recoupment, recharacterization, disgorgement, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, surcharge, or any other challenge under the Bankruptcy Code or any applicable law or regulation by any person or entity.

(m) Superpriority Administrative Claim Status. In addition to the DIP Liens granted herein, effective immediately upon and after entry of the Interim Order, all of the DIP Obligations shall constitute allowed superpriority administrative claims pursuant to section 364(c)(1) of the Bankruptcy Code, which shall have priority, subject only to the payment of the Carve-Out, over any and all administrative expense claims, adequate protection, and other diminution claims (including, without limitation, the Adequate Protection Superpriority Claims (as defined below)), unsecured claims, and all other claims against the Debtors or their estates,

now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses or other claims of the kinds specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c), 507(a), 507(b), 546, 726, 1113, and 1114 or any other provision of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy, or attachment (the "DIP Superpriority Claims"). The DIP Superpriority Claims shall, for purposes of section 1129(a)(9)(A) of the Bankruptcy Code, be considered administrative expenses allowed under section 503(b) of the Bankruptcy Code, shall be against each Debtor on a joint and several basis, and shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof. Other than as expressly provided in the DIP Credit Agreement and this Final Order with respect to the Carve-Out, no costs or expenses of administration, including, without limitation, professional fees allowed and payable under sections 328, 330, or 331 of the Bankruptcy Code, or otherwise, that have been or may be incurred in these proceedings, or in any Successor Case, and no priority claims are, or will be, senior to, prior to, or on a parity with the DIP Superpriority Claims or the DIP Obligations, or with any other claims of the DIP Secured Parties arising hereunder.

3. Authorization to Use Cash Collateral and Proceeds of the DIP Facility.

Subject to the terms and conditions of this Final Order and the DIP Loan Documents, including, without limitation, the Approved Budget, which shall at all times be subject to the satisfaction of the DIP Agent and the Required DIP Lenders, (a) the Debtors are authorized to use proceeds of credit extended under the DIP Facility, and (b) the Debtors are authorized to use Cash Collateral; *provided, however*, that each Debtor shall be prohibited from at any time using proceeds of DIP Collateral (including Cash Collateral) or advances under the DIP Facility, in each case, except in

accordance with the terms and conditions of this Final Order and the DIP Loan Documents. To fund the Debtors' working capital and other general corporate needs, in accordance with the terms of this Final Order, the DIP Loan Documents, and the Approved Budget, the Debtors may request advances and other financial accommodations under the DIP Facility. The DIP Agent, at the direction of the Required DIP Lenders, may terminate the applicable Debtors' right to use proceeds of extensions of credit under the DIP Facility, DIP Collateral, Prepetition Collateral, and Cash Collateral without further notice, motion, or application to, order of, or hearing before, the Court, except as provided in Paragraph 13 of this Final Order, immediately upon notice to such effect by the DIP Agent to the Debtors after the occurrence and during the continuance of any Termination Event. Upon the occurrence and during the continuance of a Termination Event (subject to Paragraph 13 of this Final Order), the Prepetition Secured Agent (on behalf of the Prepetition Secured Parties) may terminate the consensual Cash Collateral use arrangement contained herein without further notice, motion, or application to, order of, or hearing before, the Court; *provided, however*, that the rights of the DIP Agent, the DIP Lenders, the Prepetition Secured Agent, and the Prepetition Secured Lenders under this Final Order or otherwise shall not be affected by the waiver of any Termination Event by any other party. The earliest date upon which the consensual Cash Collateral use arrangement described in this Final Order is terminated pursuant to this Paragraph 3 shall be referred to herein as the "Cash Collateral Termination Date."

4. **Adequate Protection for Prepetition Secured Parties.** In consideration for the Debtors' use of Cash Collateral and other Prepetition Collateral and the priming of the Prepetition Liens, the Prepetition Secured Parties shall receive the following forms of adequate protection (collectively referred to as the "Prepetition Secured Parties' Adequate Protection"):

(a) Adequate Protection Replacement Liens. To the extent there is a decrease in value of the interests of the Prepetition Secured Parties in the Prepetition Collateral (including Cash Collateral) from and after the Petition Date resulting from the use, sale, or lease by the Debtors of the applicable Prepetition Collateral (including Cash Collateral), the granting of the DIP Superpriority Claims, the granting of the DIP Liens, the subordination of the Prepetition Liens thereto and to the Carve-Out and the Wind-Down Amounts, the imposition or enforcement of the automatic stay of section 362(a) of the Bankruptcy Code, or otherwise ("Decrease in Prepetition Collateral Value"), the Prepetition Secured Agent, for the benefit of all the Prepetition Secured Parties, is hereby granted, subject to the terms and conditions set forth below, pursuant to sections 361, 363(e), and 364 of the Bankruptcy Code, replacement security interests and liens on all of the DIP Collateral (such adequate protection replacement security interests and liens, the "Adequate Protection Replacement Liens"), which Adequate Protection Replacement Liens shall be subject and subordinate only to the DIP Liens, the Prepetition Prior Liens, the Carve-Out, and the Wind-Down Amounts and shall be senior in priority to the Prepetition Liens. The Adequate Protection Replacement Liens and the Adequate Protection Superpriority Claims (as defined below) (A) shall not be subject to sections 506, 510, 542, 549, 550, or 551 of the Bankruptcy Code or the "equities of the case" exception of section 552 of the Bankruptcy Code, (B) shall be senior in priority and right of payment to (x) any lien that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or otherwise or (y) any intercompany or affiliate liens or claims of the Debtors, and (C) shall be continuing, binding, valid, perfected, unavoidable, and enforceable against any trustee or any other estate representative appointed or elected in the Cases or any Successor Case, and/or upon the dismissal of any of the Cases. Notwithstanding the foregoing, the

Adequate Protection Replacement Liens shall not include, or attach to, any Avoidance Actions other than Avoidance Actions arising under section 549 of the Bankruptcy Code.

(b) Adequate Protection Superpriority Claims. To the extent of any Decrease in Prepetition Collateral Value, the Prepetition Secured Parties are hereby further granted allowed superpriority administrative claims in each of the Cases and any Successor Case (such adequate protection superpriority claims, the "Adequate Protection Superpriority Claims"), pursuant to section 507(b) of the Bankruptcy Code, with priority over all administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kind specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c), 507(a), 507(b), 546(c), 546(d), 726, 1113, and 1114 and any other provision of the Bankruptcy Code, junior only to the DIP Superpriority Claims, the Carve-Out, and the Wind-Down Amounts to the extent provided herein, and payable from and having recourse to all of the DIP Collateral; *provided, however*, that the Prepetition Secured Parties shall not receive or retain any payments, property, or other amounts in respect of the Adequate Protection Superpriority Claims unless and until all DIP Obligations have been Paid in Full (as defined below). Subject to the relative priorities set forth above, the Adequate Protection Superpriority Claims against each Debtor shall be allowed and enforceable against each Debtor and its respective estate on a joint and several basis. For purposes of this Final Order, the terms "Paid in Full," "Pay in Full," and "Payment in Full" shall mean, with respect to any referenced DIP Obligations, (i) the indefeasible payment in full in cash of such obligations and (ii) the termination of all credit commitments under the DIP Loan Documents. Notwithstanding the foregoing, the Adequate Protection Superpriority Claims shall not be payable from any Avoidance Actions other than Avoidance Actions arising under

section 549 of the Bankruptcy Code.

(c) Further Adequate Protection. As further adequate protection, the Debtors (A) have committed, as set forth in this Final Order, to adhere to the Sale Process Deadlines and (B) shall simultaneously provide copies of any reports sent to the DIP Agent as may be required under this Final Order or the DIP Credit Agreement to the Prepetition Secured Agent (both before and after Payment in Full of the DIP Obligations).

(d) Certain Payments. As further adequate protection, and without limiting any rights of the Prepetition Secured Agent and the other Prepetition Secured Parties under section 506(b) of the Bankruptcy Code, all of which rights are hereby preserved, and in consideration, and as a requirement, for obtaining the consent of the Prepetition Secured Parties to the entry of this Final Order and the Debtors' consensual use of Cash Collateral as provided herein, the Debtors shall (i) repay in full in cash the Administrative Agent Advances, (ii) promptly following receipt of a written summary invoice, pay or reimburse currently the Prepetition Secured Agent and the Prepetition Secured Lenders for any and all of their accrued and past-due reasonable fees, costs, expenses, and charges (including, without limitation, the fees, costs, and expenses of counsel and financial advisors for the Prepetition Secured Agent and the Prepetition Secured Lenders) to the extent, and at the times, payable under the Prepetition Loan Documents and whether accrued before or after the Petition Date, and (iii) pay currently all reasonable out-of-pocket fees, costs, and expenses of the Prepetition Secured Agent and the Prepetition Secured Lenders (including, without limitation, the fees, costs, and expenses of counsel and financial advisors for the Prepetition Secured Agent and the Prepetition Secured Lenders), including those incurred in connection with the sale of all or substantially all of the Debtors' assets, whether incurred prior to or after the Petition Date, in the case of each of sub-clauses (i), (ii), and (iii) above, all whether

or not budgeted in the Approved Budget, whenever incurred, and without further notice (except as provided in Paragraph 18(a) of this Final Order), motion, or application to, order of, or hearing before, this Court. The foregoing payments must be indefeasibly paid in full in cash and satisfied on or before the effective date of any chapter 11 plan; *provided, however*, that in the event this Court determines that the Prepetition Secured Parties are not entitled to such payments on account of their secured claims or as adequate protection for the diminution in the value of the Prepetition Secured Parties' interests in the Prepetition Collateral, any such payments shall be applied as a payment made to the principal amount of the Prepetition Secured Obligations.

(e) Consent to Priming and Adequate Protection. The Prepetition Secured Agent, on behalf of the other Prepetition Secured Parties, is authorized to consent to the Prepetition Secured Parties' Adequate Protection and the priming provided for herein under the Prepetition Loan Documents and has consented to the Prepetition Secured Parties' Adequate Protection and the priming provided for herein; *provided, however*, that such consent of the Prepetition Secured Agent to the priming of the Prepetition Liens and the use of Cash Collateral provided for herein is expressly conditioned on the entry of this Final Order, and such consent shall not be deemed to extend to any other Cash Collateral usage or other replacement financing or debtor in possession financing other than the DIP Facility provided under the DIP Loan Documents; and *provided, further*, that such consent shall be of no force and effect in the event this Final Order is not entered or is entered and subsequently reversed, modified, stayed, or amended (unless such reversal, modification, stay, or amendment is acceptable to the Prepetition Secured Agent and the Required Prepetition Secured Lenders) or the DIP Loan Documents and DIP Facility as set forth herein are not approved; and *provided, further*, that in the event of the occurrence of the Maturity Date (as defined in the DIP Credit Agreement), nothing herein shall alter the burden of proof set

forth in the applicable provisions of the Bankruptcy Code at any hearing concerning the continued use of Prepetition Collateral (including Cash Collateral) by the Debtors.

(f) Right to Credit Bid. Each of the DIP Agent (on behalf of the DIP Secured Parties) and the Prepetition Secured Agent (on behalf of the Prepetition Secured Parties) or their respective assignees, designees, or successors, shall automatically be deemed a “qualified bidder” with respect to any disposition of DIP Collateral and shall have the right to “credit bid” up to the full amount of the DIP Obligations and the Prepetition Secured Obligations (including, without limitation, the DIP Superpriority Claims and the Adequate Protection Superpriority Claims to the extent such claims have any value) during any sale or other disposition of all or any portion of the DIP Collateral, including, without limitation, sales occurring pursuant to section 363 of the Bankruptcy Code.

(g) Section 507(b) Reservation. Under the circumstances and given that the above-described adequate protection is consistent with the Bankruptcy Code, the Court finds that the adequate protection provided herein is reasonable to protect the interests of the respective Prepetition Secured Parties. Nothing in this Final Order shall impair or modify the application of section 507(b) of the Bankruptcy Code, or preclude the granting of additional forms of adequate protection, in the event that the adequate protection provided herein to the Prepetition Secured Parties is insufficient to compensate for any Decrease in Prepetition Collateral Value during the Cases or any Successor Case; *provided, however*, that any such additional section 507(b) claims shall be subject to the same relative priority as such party’s Adequate Protection Superpriority Claims, as provided in this Final Order.

5. Automatic Postpetition Lien Perfection. This Final Order shall be sufficient and conclusive evidence of the validity, enforceability, perfection, priority, and non-avoidability

of the DIP Liens and the Adequate Protection Replacement Liens without the necessity of (a) filing or recording any financing statement, deed of trust, mortgage, control agreement, or other instrument or document which may otherwise be required under the law of any jurisdiction or (b) taking any other act or action to validate or perfect the DIP Liens and the Adequate Protection Replacement Liens or to entitle the DIP Liens and the Adequate Protection Replacement Liens to the priorities granted herein. Notwithstanding the foregoing, each of the DIP Agent and the Prepetition Secured Agent (in the latter case, solely with respect to the Adequate Protection Replacement Liens) may, each in their sole and absolute discretion, enter into and file, as applicable, financing statements, mortgages, security agreements, notices of liens, and other similar documents, and is hereby granted relief from the automatic stay of section 362 of the Bankruptcy Code in order to do so, and all such financing statements, mortgages, security agreements, notices, and other agreements or documents shall be deemed to have been filed or recorded at the time of and on the Petition Date. The applicable Debtors shall execute and deliver to the DIP Agent or the Prepetition Secured Agent, as applicable, all such financing statements, mortgages, notices, and other documents as such parties may reasonably request to evidence and confirm the contemplated validity, perfection, and priority of, the DIP Liens and the Adequate Protection Replacement Liens, as applicable, granted pursuant hereto. Without limiting the foregoing, each of the DIP Agent and the Prepetition Secured Agent, each in its sole and absolute discretion, may file a photocopy of this Final Order as a financing statement with any recording officer designated to file financing statements or with any registry of deeds or similar office in any jurisdiction in which any Debtor has real or personal property, and in such event, the subject filing or recording officer shall be authorized and directed to file or record such copy of this Final Order. Any provision of any lease, loan document, easement, use

agreement, proffer, covenant, license, contract, organizational document, or other instrument or agreement that requires the payment of any fees or obligations to any non-governmental entity in order for the Debtors to pledge, grant, mortgage, sell, assign, or otherwise transfer any fee or leasehold interest or the proceeds thereof or other DIP Collateral, is and shall be deemed to be inconsistent with the provisions of the Bankruptcy Code, and shall have no force or effect with respect to the Liens on such leasehold interests or other applicable DIP Collateral or the proceeds of any assignment and/or sale thereof by any Debtor, in favor of the DIP Secured Parties in accordance with the terms of the DIP Loan Documents and this Final Order or in favor of the Prepetition Secured Parties in accordance with this Final Order. To the extent that the Prepetition Secured Agent is the secured party under any security agreement, mortgage, leasehold mortgage, landlord waiver, financing statement, or account control agreements, listed as loss payee under any of the Debtors' insurance policies, or is the secured party under any of the Prepetition Loan Documents, the DIP Agent shall also be deemed to be the secured party under such account control agreements, loss payee under the Debtors' insurance policies, and the secured party under each such Prepetition Secured Loan Document, shall have all rights and powers attendant to that position (including, without limitation, rights of enforcement), and shall act in that capacity and distribute any proceeds recovered or received first, for the benefit of the DIP Secured Parties in accordance with the DIP Loan Documents, and second, subsequent to Payment in Full of all DIP Obligations, for the benefit of the Prepetition Secured Parties. To the extent necessary, the Prepetition Secured Agent shall serve as agent for the DIP Agent for purposes of perfecting its respective liens on all DIP Collateral that is of a type such that perfection of a lien therein under otherwise applicable nonbankruptcy law may be accomplished only by possession or control by a secured party.

6. **Reservation of Certain Third Party Rights and Bar of Challenges and**

Claims. The Debtors' Stipulations became binding upon the Debtors and their estates in all circumstances upon entry of the Interim Order. The Debtors' Stipulations shall be binding on each other party in interest, including the Committee, unless the Committee or any other party in interest (including, without limitation, any chapter 7 or chapter 11 trustee appointed) other than the Debtors, *first*, commences, solely as to the Committee, on or before, May 23, 2014, and as to every other party in interest, on or before April 25, 2014 (each such deadline, as the same may be extended in accordance with this Paragraph 6, shall be referred to as the "Challenge Period," and the date that is the next calendar day after the termination of the Challenge Period in the event that either (i) no Challenge (as defined below) is properly raised during the Challenge Period or (ii) with respect only to those parties who properly file a Challenge (as defined below), such Challenge is fully and finally adjudicated, shall be referred to as the "Challenge Period Termination Date"), (A) a contested matter, adversary proceeding, or other action or "claim" (as defined in the Bankruptcy Code) challenging or otherwise objecting to the admissions, stipulations, findings, or releases included in the Debtors' Stipulations, or (B) a contested matter, adversary proceeding, or other action against any or all of the Prepetition Secured Parties in connection with or related to the validity or extent of Prepetition Secured Obligations or the Prepetition Liens, or the actions or inactions of any of the Prepetition Secured Parties arising out of or related to the Prepetition Secured Obligations or the Prepetition Liens (clauses (i) and (ii) collectively, the "Challenges" and, each individually, a "Challenge"), and *second*, obtains a final, non-appealable order in favor of such party in interest sustaining any such Challenge in any such timely-filed contested matter, adversary proceeding, or other action. If a chapter 7 trustee or a chapter 11 trustee is appointed during the Challenge Period, then the Challenge Period

Termination Date with respect to such trustee only, shall be the later of (i) the last day of the Challenge Period and (ii) the date that is sixty (60) calendar days after the date on which such trustee is appointed. Except as otherwise expressly provided in this Paragraph 6, upon the Challenge Period Termination Date and for all purposes in these Cases and any Successor Case, (i) all payments made to or for the benefit of the Prepetition Secured Parties pursuant to, or otherwise authorized by, this Final Order or otherwise (whether made prior to, on, or after the Petition Date) shall be indefeasible and not be subject to avoidance, disallowance, impairment, recharacterization, recovery, disgorgement, subordination, attack, setoff, offset, recoupment, counterclaim, defense, or "claim" (as defined in the Bankruptcy Code) of any kind, (ii) any and all such Challenges by any party in interest shall be deemed to be forever released, waived, and barred; (iii) the Prepetition Secured Obligations shall be deemed to be a fully allowed secured claim within the meaning of section 506 of the Bankruptcy Code, and (iv) the Debtors' Stipulations, including, without limitation, the release provisions therein, shall be binding on all parties in interest. Notwithstanding the foregoing, to the extent any Challenge is timely asserted, the Debtors' Stipulations and the other provisions in clauses (i) through (iv) in the immediately preceding sentence shall nonetheless remain binding and preclusive on the Committee and on any other party in interest from and after the Challenge Period Termination Date, except to the extent that such Debtors' Stipulations or the other provisions in clauses (i) through (iv) of the immediately preceding sentence were expressly challenged in such Challenge. The Challenge Period may be extended only with the prior written consent of the Prepetition Secured Agent and the Required Prepetition Secured Lenders, in their sole and absolute discretion. Provided that the Committee notifies the Prepetition Secured Agent in writing at least seven (7) calendar days prior to the assertion of a Challenge, the Committee is hereby granted standing as a

representative of the Debtors' estates for the purpose of asserting such Challenge, and the Committee shall not be required to seek any further order or approval of this Court in order to assert such Challenge. Notwithstanding any provision to the contrary herein, (i) nothing in this Final Order shall be construed to grant standing on any party in interest other than the Committee to bring any Challenge on behalf of the Debtors' estates and (ii) each of the Prepetition Secured Parties' and the Debtors' rights to challenge the standing of any party in interest to commence any such action is reserved. The failure of any party in interest other than the Committee to obtain an order of this Court granting standing to bring any Challenge on behalf of the Debtors' estates shall not be a defense to failing to commence a Challenge prior to the Challenge Period Termination Date as required under this Paragraph 6.

7. **Carve-Out and the Wind-Down Amounts.** Subject to the terms and conditions contained in this Paragraph 7, each of the DIP Liens, the DIP Superpriority Claims, the Prepetition Liens, the Adequate Protection Replacement Liens, and the Adequate Protection Superpriority Claims shall be subject and subordinate to payment of the Carve-Out (as defined below). Subject to the terms and conditions contained in this Paragraph 7 and subject to the consummation of a Qualifying Cash Sale,⁴ each of the Prepetition Liens, the Adequate Protection Replacement Liens, and the Adequate Protection Superpriority Claims shall be subject and subordinate to payment of the Wind-Down Amounts (as defined below).

(a) **Carve-Out.** For purposes of this Final Order, "Carve-Out" means, collectively:

- (i) statutory fees payable to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6), in such amounts as are determined by agreement with

⁴ For the avoidance of doubt, in the event that the purchaser in any sale is the Prepetition Secured Agent, an entity formed by the Prepetition Secured Agent, and/or certain of the Prepetition Secured Lenders, as applicable, the funding of any wind-down payments will be governed by the asset purchase agreement for such transaction and no Wind-Down Amounts will exist for purposes of this Final Order.

the Office of the United States Trustee or by final order of the Court;

(ii) fees payable to the Clerk of this Court; and

(iii) subject to the terms and conditions of this Final Order, (X) the unpaid and outstanding reasonable fees and expenses actually incurred on or after the Petition Date and prior to the earlier of the Termination Declaration Date (as defined below) or the Cash Collateral Termination Declaration Date (as defined below), so long as approval is sought and allowed by the applicable deadline set by the Court and by a final order of the Court pursuant to sections 326, 328, 330, or 331 of the Bankruptcy Code by attorneys, accountants, and other professionals retained by the Debtors and the Committee under sections 327, 328, 363, or 1103(a) of the Bankruptcy Code (collectively, the "Professionals"), in an aggregate amount not to exceed the amounts set forth in the Approved Budget (after application of any unapplied retainers) for each such Professional beginning on the Petition Date through the Termination Declaration Date or the Cash Collateral Termination Declaration Date, and (Y) the reasonable fees and expenses actually incurred, and approved and allowed by the applicable deadline set by the Court and by a final order of this Court pursuant to sections 326, 328, 330, or 331 of the Bankruptcy Code, by the Professionals on and after the earlier of the Termination Declaration Date or the Cash Collateral Termination Declaration Date, after application of any unapplied retainers, in an aggregate sum not to exceed the lesser of: (1) \$500,000 and (2) the amounts provided for the Professionals in the Approved Budget after the earlier of the Termination Declaration Date or the Cash Collateral Termination Declaration Date (items (1)

and (2) collectively, the "Professional Expense Carve-Out Cap"). Any payments made after the earlier of the Termination Declaration Date or the Cash Collateral Termination Declaration Date shall reduce the Professional Expense Carve-Out Cap on a dollar-for-dollar basis, *provided* that the Professional Expense Carve-Out Cap shall not be reduced by payment of any fees, or reimbursement of expenses, that were incurred prior to the earlier of the Termination Declaration Date or the Cash Collateral Termination Date.

(b) Wind-Down Categories. For purposes of this Final Order, "Wind-Down Amounts" means, with respect to each category of expenses set forth in the budget attached hereto as Exhibit B, which budget has been approved by the Prepetition Secured Agent and the Required Prepetition Secured Lenders (the "Wind-Down Budget"), the specified amounts set forth for such category in the Wind-Down Budget, subject to the following modifications:

(i) The Wind-Down Amounts with respect to fees and expenses of any Professionals (subject to the sentence immediately following this sentence), the Key Employee Incentive Program, the Key Employee Retention Program, and A&G Realty Partners (collectively, the "Excluded Categories") shall equal the lesser of (1) the specific applicable line item with respect to each Excluded Category in the Wind-Down Budget (except with respect to the Key Employee Incentive Program, to the extent amounts are payable under such program resulting from increased sale proceeds as a result of overbidding) and (2) the actual amounts due and payable in such categories, and any unused amounts in one line item of any Excluded Category may not be applied or carried over to any other line item; *provided* that any unused amounts in the line items for the

Debtors' Professionals that are incurred after the closing of a Qualifying Cash Sale may be applied or carried over to any other line item for any other of the Debtors' Professionals that are incurred after the closing of a Qualifying Cash Sale. The Wind-Down Amounts shall not include any professional fees and expenses of any Professionals accrued or incurred before the closing of a Qualifying Cash Sale (such fees and expenses shall, to the extent consistent with the limitations set forth in the definition of the term "Carve-Out", be part of the Carve-Out that is funded pursuant to Paragraph 7(c) of this Final Order).

(ii) Except as set forth above, disbursements to be made in connection with wind-down activities shall not be limited to the specific applicable line item in the Wind-Down Budget so long as there remains unused amounts from other line items in the Wind-Down Budget.

(iii) If and to the extent that the buyer in a Qualifying Cash Sale agrees to assume any of the categories of expenses set forth in the Wind-Down Budget, the Wind-Down Budget shall be adjusted to remove any such categories, and there shall be no Wind-Down Amounts with respect to such categories.

(c) Wind-Down Payment Procedures. The Wind-Down Amounts shall be payable only if a Qualifying Cash Sale is consummated and solely from the cash proceeds of such Qualifying Cash Sale after (x) the DIP Obligations have been Paid in Full and (y) any unpaid components of the Carve-Out have been paid or deposited in a cash reserve (such cash proceeds are "Remaining Sale Proceeds"). Upon the consummation of a Qualifying Cash Sale, Remaining Sale Proceeds equal to the sum of all Wind-Down Amounts shall be deposited in a segregated account (all other Remaining Sale Proceeds shall be applied pursuant to Paragraph 12 of this

Final Order), which segregated account shall thereafter be utilized by the Debtors to pay (and only to pay) specific Wind-Down Amounts as and when such amounts become due and payable in accordance with the Wind-Down Budget; *provided, however*, that in no event shall the sum of all Wind-Down Amounts exceed \$7,199,000, as adjusted pursuant to Paragraph 7(b) of this Final Order. No later than the 20th day of every month after the first full month after consummation of a Qualifying Cash Sale, the Debtors shall provide the Prepetition Secured Parties with an accounting of all Wind-Down Amounts paid during the immediately preceding month (with the first accounting to include any partial month after the consummation of the Qualifying Cash Sale), which accounting shall be certified by an officer of the Debtors. Subject to any application among different categories of expenses that are permitted pursuant to Paragraph 7(b) of this Final Order, to the extent that the actual amount paid on account of any category of expenses is less than the amount set forth in the applicable line item in the Wind-Down Budget for any reason, such unspent amount shall remain subject to the Prepetition Liens, the Adequate Protection Replacement Liens, and the Adequate Protection Superpriority Claims in all respects, and, within three (3) Business Days after the end of each month, shall be remitted to the Prepetition Secured Agent for application to the Prepetition Obligations. The Debtors shall maintain detailed records of all payments made after consummation of a Qualifying Cash Sale, such that all payments and transactions shall be adequately and promptly documented in, and readily ascertainable from, the Debtors' books and records.

(d) No Direct Obligation to Pay Professional Fees; No Waiver of Right to Object to Fees. The DIP Agent, the other DIP Secured Parties, the Prepetition Secured Agent, and the other Prepetition Secured Parties shall not be responsible for the direct payment or reimbursement of any fees or disbursements of any of the Debtors' Professionals or the

Committee's Professionals incurred in connection with the Cases or any Successor Case under any chapter of the Bankruptcy Code. Nothing in this Final Order or otherwise shall be construed (i) to obligate the Prepetition Secured Agent or any other Prepetition Secured Parties in any way to pay compensation to, or to reimburse expenses of, any of the Debtors' Professionals or the Committee's Professionals, or to guarantee that the Debtors or their estates have sufficient funds to pay such compensation or reimbursement or (ii) to increase the Carve-Out or the Wind-Down Amounts if actual allowed fees and expenses of any of the Debtors' Professionals or the Committee's Professionals are higher in fact than the amounts set forth in the Approved Budget, the Wind-Down Budget, or the Professional Expense Carve-Out Cap. Notwithstanding any provision in this Paragraph 7 to the contrary, no portion of the Carve-Out, Wind-Down Amounts, Cash Collateral, Prepetition Collateral, DIP Collateral, or proceeds of the DIP Facility shall be utilized for the payment of professional fees and disbursements to the extent restricted under Paragraph 14 of this Final Order. Nothing in this Final Order shall be construed as consent to the allowance of any professional fees or expenses of any of the Debtors, the Committee, any other official or unofficial committee in the Cases or any Successor Case, or of any other person or entity, or shall affect the right of any DIP Secured Party or any Prepetition Secured Party to object to the allowance and payment of any such fees and expenses.

8. **Waiver of Section 506(c) Claims.** No costs or expenses of administration which have or may be incurred in the Cases or any Successor Case at any time shall be charged against or recovered from or against any of the Prepetition Secured Agent, the Prepetition Secured Lenders, their respective claims or interests, and/or the Prepetition Collateral pursuant to section 506(c) of the Bankruptcy Code or otherwise without the prior written consent of the Prepetition Secured Agent in its sole and absolute discretion, and no such consent shall be implied from any

other action, inaction, or acquiescence by the Prepetition Secured Agent or any Prepetition Secured Lender.

9. **Other Protection of Secured Parties' Rights.**

(a) Unless the DIP Agent and the Required DIP Lenders shall have provided their prior written consent or all DIP Obligations have been Paid in Full, there shall not be entered in these proceedings, or in any Successor Case, any order which authorizes any of the following: (i) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other Lien on all or any portion of the DIP Collateral and/or that is entitled to administrative priority status, in each case which is superior to or *pari passu* with the DIP Liens, the DIP Superpriority Claims, and the other DIP Protections granted pursuant to this Final Order to the DIP Secured Parties; or (ii) the use of Cash Collateral for any purpose other than to Pay in Full the DIP Obligations or as otherwise permitted in the DIP Loan Documents and this Final Order. Unless the Prepetition Secured Agent and the Required Prepetition Secured Lenders shall have provided their prior written consent or all Prepetition Obligations have been paid in full in cash, there shall not be entered in these proceedings, or in any Successor Case, any order which authorizes any of the following: (i) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other Lien on all or any portion of the DIP Collateral and/or that is entitled to administrative priority status, in each case which is superior to or *pari passu* with the Prepetition Liens, or the Adequate Protection Replacement Liens, the Adequate Protection Superpriority Claims, and the other Prepetition Secured Parties' Adequate Protection granted pursuant to this Final Order; or (ii) the use of Cash Collateral for any purpose other than to pay the Prepetition Obligations or as otherwise permitted in this Final Order.

(b) The Debtors (and/or their legal and financial advisors in the case of clauses (ii) through (iv) below) will, whether or not Payment in Full of the DIP Obligations has occurred, (i) maintain books, records, and accounts to the extent and as required by the DIP Loan Documents, (ii) reasonably cooperate, consult with, and provide to the DIP Agent and the Prepetition Secured Agent all such information and documents as required or allowed under the DIP Loan Documents, the Prepetition Loan Documents, or the provisions of this Final Order, (iii) permit representatives of each of the DIP Agent and the Prepetition Secured Agent such rights to visit and inspect any of the Debtors' respective properties, to examine and make abstracts or copies from any of their respective books and records, to conduct a collateral audit and analysis of their respective inventory and accounts, to perform any appraisals of the DIP Collateral, to tour the Debtors' business premises and other properties, and to discuss, and provide advice with respect to, their respective affairs, finances, properties, business operations, and accounts with their respective officers, employees, and independent public accountants as and to the extent required by the DIP Loan Documents or the Prepetition Loan Documents, and (iv) permit the DIP Agent, the Prepetition Secured Agent, and their respective representatives to consult with the Debtors' management and advisors on matters concerning the general status of the Debtors' businesses, financial condition, and operations.

10. **Proceeds of Subsequent Financing.** Without limiting the provisions and protections of Paragraph 9 of this Final Order, if at any time prior to the Payment in Full of all the DIP Obligations (including, without limitation, subsequent to the confirmation of any chapter 11 plan or plans with respect to any of the Debtors), the Debtors' estates, any trustee, any examiner with enlarged powers, or any responsible officer subsequently appointed shall obtain credit or incur debt pursuant to sections 364(b), 364(c), 364(d), or any other provision of the

Bankruptcy Code in violation of the DIP Loan Documents, then all of the cash proceeds derived from such credit or debt and all Cash Collateral shall immediately be turned over to the DIP Agent until Payment in Full of the DIP Obligations and then, subject to Challenge pursuant to Paragraph 6 of this Final Order, to the Prepetition Secured Agent for application to the Prepetition Obligations.

11. **Cash Collection.** The Debtors shall maintain their existing cash management system to the extent set forth in the DIP Loan Documents unless the DIP Agent, in its sole and absolute discretion, consents in writing to any proposed modification to such cash management system, or as otherwise ordered by the Court. From and after the date of entry of the Interim Order, all collections and proceeds of any DIP Collateral or Prepetition Collateral or services provided by any Debtor and all Cash Collateral which shall at any time come into the possession, custody, or control of any Debtor, or to which any Debtor is now or shall become entitled at any time, shall be promptly deposited in the same bank accounts into which the collections and proceeds of the Prepetition Collateral were deposited under the Prepetition Loan Documents (or in such other accounts as are designated by the DIP Agent from time to time). The DIP Agent and, after Payment in Full of the DIP Obligations, the Prepetition Secured Agent, shall be deemed, without any further action of any kind, to have "control" over all of the Debtors' bank accounts within the meaning of Sections 8-106, 9-104, 9-105, 9-106, 9-107, and 9-314 of the New York Commercial Code.

12. **Disposition of DIP Collateral.** Unless the DIP Obligations are Paid in Full upon the closing of a sale or similar transaction, whether under a chapter 11 plan or otherwise, the Debtors shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the DIP Collateral (or enter into any binding agreement to do so) without the prior written consent of the

DIP Agent and the Required DIP Lenders (and no such consent shall be implied from any other action, inaction, or acquiescence by any DIP Secured Party or any order of this Court), except as permitted in the DIP Loan Documents and this Final Order. Without limiting any power of this Court, the Debtors shall not, without the prior written consent of the DIP Agent and the Required DIP Lenders, in their sole and absolute discretion, (a) enter into any agreement to return any goods to any of their creditors for application against any prepetition indebtedness under any applicable provision of section 546 of the Bankruptcy Code, or (b) consent to any creditor taking any setoff against any of its prepetition indebtedness based upon any such return pursuant to section 553(b)(1) of the Bankruptcy Code or otherwise. In the event that the Debtors sell or otherwise dispose of any of the DIP Collateral other than in the ordinary course of business, the Debtors are authorized and directed to have all cash and other proceeds of any such sale, less amounts, if any, (a) authorized to be deducted therefrom under the Carve-Out, the Approved Budget, or the Wind-Down Budget, or (b) required to satisfy the amount owed by the Debtors (as agreed among the Debtors, the DIP Agent (with the consent of the Required DIP Lenders), the Prepetition Secured Agent (with the consent of the Required Prepetition Secured Lenders), and the claimant, or as adjudicated by the Court) with respect to any Prepetition Prior Lien as to which such DIP Collateral will be sold or disposed of free and clear, (i) until all DIP Obligations are Paid in Full, paid directly to the DIP Agent for application to the DIP Obligations, and (ii) after the DIP Obligations have been Paid in Full, paid directly to the Prepetition Secured Agent for application to the Prepetition Secured Obligations; *provided, however*, that such payment or application shall be without prejudice to (x) any timely Challenge asserted before or after such payment or application of proceeds and (y) any rights under section 506(b) of the Bankruptcy Code with respect to whether the Prepetition Secured Obligations are oversecured or

undersecured. Unless the DIP Obligations have been Paid in Full, no other party may foreclose or otherwise seek to enforce any junior lien or claim in any DIP Collateral (other than the Carve-Out).

13. Rights and Remedies Upon Termination Event.

(a) Any automatic stay otherwise applicable to the DIP Secured Parties is hereby modified, without requiring prior notice to or authorization of this Court, to the extent necessary to permit the DIP Secured Parties to exercise the following remedies upon the occurrence and during the continuance of any Termination Event: (i) immediately cease making advances under the DIP Facility; (ii) declare a termination, reduction, or restriction on the ability of the Debtors to use any Cash Collateral (except as permitted in Paragraph 13(b) of this Final Order), including Cash Collateral derived solely from the proceeds of DIP Collateral (any such declaration to be made to the Debtors, the Prepetition Secured Agent, the lead counsel to the Committee, and the United States Trustee shall be referred to herein as a "Termination Declaration" and the date which is the earliest to occur of any such Termination Declaration being herein referred to as the "Termination Declaration Date"); and (iii) absent the granting of relief in favor of the Debtors as set forth in Paragraph 13(b) of this Final Order, (X) declare the principal amount then outstanding of, and the accrued interest on, the DIP Obligations and all other amounts payable by the Debtors under the DIP Loan Documents to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest, or other formalities of any kind, all of which are hereby expressly waived by the Debtors; (Y) terminate the DIP Facility and any DIP Loan Document as to any future liability or obligation of the DIP Secured Parties, but without affecting any of the DIP Obligations or the DIP Liens securing the

DIP Obligations; and/or (Z) take any act or action permitted to be taken by the DIP Loan Documents during the continuance of any Termination Event.

(b) Five (5) calendar days following a Termination Declaration Date, the DIP Agent shall have relief from the automatic stay and may foreclose on all or any portion of the DIP Collateral, collect accounts receivable, and apply the proceeds thereof to the DIP Obligations, occupy the Debtors' premises to sell or otherwise dispose of the DIP Collateral, or otherwise exercise remedies against the DIP Collateral permitted by applicable nonbankruptcy law. Solely during the 5-day period after a Termination Declaration Date, the Debtors, the DIP Agent, the Required DIP Lenders, the Prepetition Secured Agent, the Required Prepetition Secured Lenders, and the Committee shall be entitled to an emergency hearing before the Court for the sole purpose of contesting whether a Termination Event has occurred. Unless during such period the Court determines that a Termination Event has not occurred and/or is not continuing, the automatic stay, as to the DIP Secured Parties, shall automatically terminate at the end of such 5-day period, without further notice or order. During such 5-day period, the Debtors may not request further advances on the DIP Facility and may not use Cash Collateral or any amounts previously advanced under the DIP Credit Facility except to pay payroll and other expenses critical to keep the business of the Debtors operating in accordance with the Approved Budget.

(c) Upon the occurrence and during the continuance of a Termination Event, the Prepetition Secured Agent may declare a termination, reduction, or restriction on the ability of the Debtors to use any Cash Collateral by providing notice of such Termination Event to the Debtors, the DIP Agent, the lead counsel to the Committee, and the United States Trustee (a "Cash Collateral Termination Declaration," and the date on which such notice is given shall be referred to as the "Cash Collateral Termination Declaration Date"). Subject to Paragraph 13(d)

of this Final Order, on the Cash Collateral Termination Declaration Date, the Debtors' right to use Cash Collateral shall automatically cease.

(d) Solely within five (5) calendar days following a Cash Collateral Termination Declaration Date, the Debtors and the Committee shall be entitled to seek an emergency hearing before the Court (to be held on the first available date on the Court's calendar) to request use of Cash Collateral without the consent of the Prepetition Secured Parties in accordance with the Bankruptcy Code. Unless and until the Court determines that the Debtors may use Cash Collateral at such emergency hearing, the Debtors may not use Cash Collateral or any amounts under the DIP Facility except to pay payroll and other expenses critical to keep the business of the Debtors operating in accordance with the Approved Budget.

(e) All proceeds realized in connection with the exercise of the rights and remedies of the DIP Secured Parties or the Prepetition Secured Parties shall be turned over to the DIP Agent for application to the DIP Obligations under, and in accordance with, the provisions of the DIP Loan Documents until Payment in Full of the DIP Obligations; *provided, however*, that in the event of the liquidation or other disposition (whether as a going concern or otherwise) of all or substantially all of the property of the Debtors' estates after the occurrence and during the continuance of a Termination Event, the Carve-Out shall be funded into a segregated account exclusively (i) first, from proceeds of any unencumbered assets of the Debtors, and (ii) then from Cash Collateral received by the DIP Agent subsequent to the date of termination of the DIP Obligations and prior to the distribution of any such Cash Collateral to any other parties in interest.

(f) Notwithstanding anything contained herein to the contrary, and without limiting any other rights or remedies of the DIP Agent or the other DIP Secured Parties contained in this

Final Order or the DIP Loan Documents, or otherwise available at law or in equity, and subject to the terms of the DIP Loan Documents, upon five (5) calendar days' written notice, to the Debtors and any landlord, lienholder, licensor, or other third party owner of any leased or licensed premises or intellectual property, that a Termination Event has occurred and is continuing, the DIP Agent (i) may, unless otherwise provided in any separate agreement by and between the applicable landlord or licensor and the DIP Agent (the terms of which shall be reasonably acceptable to the parties thereto), enter upon any leased or licensed premises of the Debtors for the purpose of exercising any remedy with respect to any DIP Collateral located thereon and (ii) shall be entitled to all of the Debtors' rights and privileges as lessee or licensee under the applicable license and to use any and all trademarks, trade names, copyrights, licenses, patents, or any other similar assets of the Debtors, which are owned by or subject to a Lien of any third party and which are used by Debtors in their businesses, in either the case of subparagraph (i) or (ii) of this Paragraph 13(f) without interference from lienholders or licensors thereunder, subject to such lienholders' or licensors' rights under applicable law. Nothing in this Final Order shall require the Debtors, the DIP Agent, or the other DIP Secured Parties to assume any lease, license, or other contract under section 365(a) of the Bankruptcy Code as a precondition to the rights afforded to the DIP Agent and the other DIP Secured Parties in this Paragraph 13(f).

(g) The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified pursuant to the terms of this Final Order and the DIP Loan Documents as necessary to (i) permit the Debtors to grant the Adequate Protection Replacement Liens and the DIP Liens and to incur all liabilities and obligations to the Prepetition Secured Parties and the DIP Secured Parties under the DIP Loan Documents, the DIP Facility, and this Final Order; (ii)

authorize the DIP Secured Parties and the Prepetition Secured Parties to retain and apply payments hereunder; (iii) permit the DIP Agent, acting on behalf of itself and the DIP Lenders, and the Required DIP Lenders to perform any act authorized or permitted under or by virtue of this Final Order or the DIP Loan Documents; (iv) permit the Prepetition Secured Agent, acting on behalf of itself and the Prepetition Secured Lenders, and the Required Prepetition Secured Lenders to perform any act authorized or permitted under or by virtue of this Final Order; and (v) otherwise to the extent necessary to implement and effectuate the provisions of this Final Order.

14. **Restriction on Use of Proceeds.** Notwithstanding anything in this Final Order to the contrary, no loans and/or proceeds from the DIP Facility, DIP Collateral, Cash Collateral (including, without limitation, any prepetition retainer held by any professionals for the below-referenced parties), Prepetition Collateral, or any portion of the Carve-Out or the Wind-Down Amounts may be used by (a) any of the Debtors, the Committee, any other official or unofficial committee in the Cases or any Successor Case, any trustee or other estate representative appointed in the Cases or any Successor Case, or any other person, party, or entity to (or to pay any professional fees and disbursements incurred in connection therewith) investigate or prosecute any Challenge or any other litigation in connection with the value of the Prepetition Collateral or the DIP Collateral; and (b) any of the Debtors, the Committee, any other official or unofficial committee in the Cases or any Successor Case, any trustee or other estate representative appointed in the Cases or any Successor Case, or any other person, party, or entity to (or to pay any professional fees and disbursements incurred in connection therewith): (i) request authorization to obtain postpetition loans or other financial accommodations pursuant to section 364(c) or (d) of the Bankruptcy Code, or otherwise, other than from the DIP Secured Parties; (ii) investigate (except as set forth below), assert, join, commence, support, or prosecute

any action for any claim, counter-claim, action, proceeding, application, motion, objection, defense, or other contested matter seeking any order, judgment, determination, or similar relief against, or adverse to the interests of, in any capacity, any or all of the DIP Secured Parties, the Prepetition Secured Parties, or their respective affiliates, successors, or assigns or any of their respective officers, directors, employees, agents, attorneys, affiliates, assigns, or successors, with respect to any transaction, occurrence, omission, action, or other matter (including formal discovery proceedings in anticipation thereof), including, without limitation, (A) any Challenges and any Avoidance Actions or other actions arising under chapter 5 of the Bankruptcy Code; (B) any action with respect to the validity, enforceability, priority, and extent of the DIP Obligations and/or the Prepetition Secured Obligations, or the validity, extent, and priority of the DIP Liens, the Prepetition Liens, or the Adequate Protection Replacement Liens (including, with respect to the Prepetition Secured Parties only, the value of the DIP Collateral); (C) any action seeking to invalidate, set aside, avoid, or subordinate, in whole or in part, the DIP Liens, the other DIP Protections, the Prepetition Liens, the Adequate Protection Replacement Liens, or the other Prepetition Secured Parties' Adequate Protection; (D) except to contest in good faith the occurrence or continuance of any Termination Event as permitted in Paragraph 13 of this Final Order, any action seeking, or having the effect of, preventing, hindering, or otherwise delaying any or all of the DIP Secured Parties' (and, after the Payment in Full of the DIP Obligations, the Prepetition Secured Parties') assertion, enforcement, or realization on the Cash Collateral or the DIP Collateral in accordance with the DIP Loan Documents or the Prepetition Loan Documents, as applicable, or this Final Order; and/or (E) any act or action seeking to modify any of the rights, remedies, priorities, privileges, protections, and benefits granted to any or all of the DIP Secured Parties and the Prepetition Secured Parties hereunder or under the DIP Loan Documents

or the Prepetition Loan Documents, as applicable, or any payments made thereunder or respect thereto; *provided, however*, that up to \$25,000 in the aggregate of the Carve-Out, any DIP Collateral, any Prepetition Collateral, any Cash Collateral, or proceeds of the DIP Facility may be used by the Committee to investigate (but not to prosecute) the validity, perfection, priority, extent, or enforceability of the Prepetition Secured Obligations or the Prepetition Liens so long as such investigation occurs within the Challenge Period; (iii) pay any fees or similar amounts to any person (other than the Prepetition Secured Parties) who has proposed or may propose to purchase interests in any of the Debtors without the prior written consent of the DIP Agent and the Required DIP Lenders; or (iv) use or seek to use Cash Collateral or sell or otherwise dispose of DIP Collateral, unless otherwise permitted hereby, without the prior written consent of the DIP Agent and the Required DIP Lenders or the Prepetition Secured Agent and the Required Prepetition Secured Lenders, as applicable.

15. **Proofs of Claim.** The Prepetition Secured Agent and the other Prepetition Secured Parties are not required to file proofs of claim in any of the Cases or Successor Cases for any claim described herein. The Debtors' Stipulations are hereby deemed to constitute a timely filed proof of claim for all the Prepetition Secured Parties in respect of all Prepetition Obligations. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in any of the Cases or Successor Cases to the contrary, the Prepetition Secured Agent for the benefit of itself and the Prepetition Secured Lenders is hereby authorized and entitled, in its sole and absolute discretion, but not required, to file (and amend and/or supplement, as it sees fit) a proof of claim and/or aggregate proofs of claim in each of the Cases or Successor Cases for any claim described herein.

16. Preservation of Rights Granted Under the Final Order.

(a) No Non-Consensual Modification or Extension of Final Order. Subject to any exercise of rights under Paragraph 13 of this Final Order, the Debtors irrevocably waive any right to seek any amendment, modification, or extension of this Final Order (including, without limitation, through any chapter 11 plan) without the prior written consent of the DIP Agent, the Required DIP Lenders, the Prepetition Secured Agent, and the Required Prepetition Secured Lenders, and no such consent shall be implied by any other action, inaction, or acquiescence of the DIP Secured Parties or any of the Prepetition Secured Parties. In the event any or all of the provisions of this Final Order are hereafter modified, amended, or vacated by a subsequent order of this Court or any other court, such modification, amendment, or vacatur shall not affect the validity, perfection, priority, allowability, enforceability, or non-avoidability of any advances, payments, or use of cash whether previously or hereunder, or lien, claim, or priority authorized or created hereby. Based on the findings set forth in this Final Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the DIP Facility contemplated by this Final Order, in the event any or all of the provisions of this Final Order are hereafter reversed, modified, vacated, or stayed by a subsequent order of this Court or any other court, the DIP Secured Parties and the Prepetition Secured Parties shall be entitled to the protections provided in section 364(e) of the Bankruptcy Code, and no such reversal, modification, vacatur, or stay shall affect (i) the validity, perfection, priority, allowability, enforceability, or non-avoidability of any DIP Protections and the Prepetition Secured Parties' Adequate Protection granted or incurred prior to the actual receipt of written notice by the DIP Agent or the Prepetition Secured Agent, as the case may be, of the effective date of such reversal, modification, vacatur, or stay or (ii) the validity, perfection, priority, enforceability, or non-

avoidability of any lien, interest, or priority authorized or created hereby or pursuant to the DIP Loan Documents with respect to any DIP Obligations and the Prepetition Secured Parties' Adequate Protection. Notwithstanding any such reversal, modification, vacatur, or stay, any use of Cash Collateral or any DIP Obligations or Prepetition Secured Parties' Adequate Protection incurred or granted by the Debtors prior to the actual receipt of written notice by the DIP Agent or the Prepetition Secured Agent, as applicable, of the effective date of such reversal, modification, vacatur, or stay shall be governed in all respects by the original provisions of this Final Order, and the DIP Secured Parties and the Prepetition Secured Parties shall be entitled to all of the DIP Protections and Prepetition Secured Parties' Adequate Protection, as the case may be, and all other rights, remedies, liens, priorities, privileges, protections, and benefits granted in section 364(e) of the Bankruptcy Code, this Final Order, and pursuant to the DIP Loan Documents with respect to all uses of Cash Collateral and all DIP Obligations and Prepetition Secured Parties' Adequate Protection.

(b) Dismissal. If any order dismissing any of the 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 and to the fullest extent permitted by law, that (i) the DIP Protections, the Prepetition Secured Parties' Adequate Protection, and all other protections afforded by this Final Order, shall continue in full force and effect and shall maintain their priorities as provided in this Final Order until all DIP Obligations have been Paid in Full and all Prepetition Secured Obligations have been paid in full in cash (and that all DIP Protections, the Prepetition Secured Parties' Adequate Protection, and all other protections afforded by this Final Order, shall, notwithstanding such dismissal, remain binding on all parties in interest), and (ii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the

purposes of enforcing such DIP Protections and the Prepetition Secured Parties' Adequate Protection.

(c) Survival of Final Order. The provisions of this Final Order and the DIP Loan Documents, any actions taken pursuant hereto or thereto, and all of the DIP Protections, the Prepetition Secured Parties' Adequate Protection, and all other rights, remedies, interests, liens, priorities, privileges, protections, and benefits granted to any or all of the DIP Secured Parties and the Prepetition Secured Parties shall survive, and shall not be altered, modified, impaired, or discharged by, the entry of any order confirming any chapter 11 plan in any Case, converting any Case to a case under chapter 7, dismissing any of the Cases, withdrawing of the reference of any of the Cases or any Successor Case, providing for abstention from handling or retaining of jurisdiction of any of the Cases in this Court, or terminating the joint administration of these Cases, or by any other act or omission. The terms and provisions of this Final Order, including, without limitation, all of the DIP Protections, the Prepetition Secured Parties' Adequate Protection, and all other rights, remedies, interests, liens, priorities, privileges, protections, and benefits granted to any or all of the DIP Secured Parties and/or the Prepetition Secured Parties, shall continue in full force and effect notwithstanding the entry of any such order, and such DIP Protections and Prepetition Secured Parties' Adequate Protection and all other rights, remedies, interests, liens, priorities, privileges, protections, and benefits granted to any and all of the DIP Secured Parties and the Prepetition Secured Parties shall continue in these proceedings and in any Successor Case and after dismissal thereof, and shall maintain their respective priorities as provided by this Final Order.

17. Insurance Policies. Upon and after entry of the Interim Order, the DIP Agent, the DIP Lenders, the Prepetition Secured Agent, and the Prepetition Secured Lenders shall be,

and shall be deemed to be, without any further action or notice, named as additional insureds and loss payees on each insurance policy maintained by the Debtors which in any way relates to the DIP Collateral. The Debtors are authorized to, and upon the written request of the DIP Agent or the Prepetition Secured Agent shall, take all acts necessary to have the DIP Agent, on behalf of the DIP Lenders, or the Prepetition Secured Agent, on behalf of the Prepetition Secured Lenders, added as an additional insured or loss payee, as applicable, on each such insurance policy maintained by the Debtors which in any way relates to the DIP Collateral.

18. Other Rights and Obligations.

(a) Certain Payments. Except as provided below, professionals for the DIP Secured Parties and the Prepetition Secured Parties (collectively, the "Lender Professionals") shall not be required to submit invoices to the Court, United States Trustee, the Committee, or any other party-in-interest absent further court order. Copies of summary invoices submitted to the Debtors by such Lender Professionals shall be forwarded by the Debtors to the United States Trustee, counsel for the Committee, and such other parties as the Court may direct. The summary invoices shall be sufficiently detailed to enable a determination as to the reasonableness of such fees and expenses; *provided, however*, that such summary invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such summary invoices shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine. If the Debtors, United States Trustee, or the Committee object to the reasonableness of the fees and expenses of any of the Lender Professionals and cannot resolve such objection within five (5) calendar days after receipt of such invoices, then the Debtors, United States Trustee, or the Committee, as the

case may be, shall file with the Court and serve on such Lender Professionals an objection no later than ten (10) calendar days after receipt of such invoices (the "Fee Objection") limited to the issue of the reasonableness of such fees and expenses. The Debtors shall timely pay in accordance with the terms and conditions of this Final Order the undisputed fees and expenses reflected on any invoice to which a Fee Objection has been timely filed or as to which no Fee Objection is timely made. The Debtors shall indemnify the DIP Agent and the DIP Lenders (and other applicable parties) to the extent set forth in the DIP Loan Documents, including, without limitation, as provided in Section 12.14 of the DIP Credit Agreement. All unpaid fees and expenses of any of the Lender Professionals that have not been disallowed by this Court on the basis of an objection filed by the United States Trustee or the Committee (or any subsequent trustee of the Debtors' estates) in accordance with the terms hereof shall constitute DIP Obligations and shall be secured by the DIP Collateral as specified in this Final Order.

(b) Binding Effect. Subject only to Paragraph 6 of this Final Order, the provisions of this Final Order, including all findings herein, and the DIP Loan Documents shall be binding on all parties in interest in these Cases, including, without limitation, the Debtors, the DIP Secured Parties, the Prepetition Secured Parties, the Committee, and their respective estates, successors, and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Debtors, an examiner appointed pursuant to section 1104 of the Bankruptcy Code, or any other fiduciary or responsible person hereafter appointed as a legal representative of any of the Debtors or with respect to the property of the estate of any of the Debtors), whether in any of the Cases, in any Successor Case, or upon dismissal of any such Case or Successor Case; *provided, however*, that the DIP Secured Parties and the Prepetition Secured Parties shall have no obligation to permit the use of Cash Collateral or to extend any financing to any chapter

7 or chapter 11 trustee or other responsible person appointed for the estates of the Debtors in any Case or Successor Case.

(c) No Waiver. Neither the failure of the Prepetition Secured Parties to seek relief or otherwise exercise their rights and remedies under this Final Order, the Prepetition Loan Documents, or otherwise (or any delay in seeking or exercising same), nor the failure of the DIP Secured Parties to seek relief or otherwise exercise their respective rights and remedies under this Final Order, the DIP Loan Documents, or otherwise (or any delay in seeking or exercising same), shall constitute a waiver of any of such parties' rights hereunder, thereunder, or otherwise. Nothing contained in this Final Order (including, without limitation, the authorization of the use of any Cash Collateral) shall impair or modify any rights, claims, or defenses available in law or equity to any Prepetition Secured Party or any DIP Secured Party, including, without limitation, rights of a party to a swap agreement, securities contract, commodity contract, forward contract, or repurchase agreement with a Debtor to assert rights of setoff or other rights with respect thereto as permitted by law (or the right of a Debtor to contest such assertion). Except as prohibited by this Final Order, the entry of this Final Order is in addition to, without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair, any rights or abilities of the Prepetition Secured Parties or the DIP Secured Parties under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request conversion of the Cases to cases under chapter 7, dismissal of the Cases, or the appointment of a trustee or examiner in the Cases or any Successor Case or to oppose the use of Cash Collateral in any Successor Case; (ii) propose, subject to the provisions of section 1121 of the Bankruptcy Code, any chapter 11 plan or plans with respect to any of the Debtors or seek to terminate the Debtors' exclusive rights to propose a plan under the Bankruptcy Code; or (iii)

except as expressly provided in this Final Order, exercise any of the other rights, claims, or privileges (whether legal, equitable, or otherwise) of the DIP Secured Parties or the Prepetition Secured Parties, respectively. Except to the extent otherwise expressly provided in this Final Order, neither the commencement of the Cases nor the entry of this Final Order shall limit or otherwise modify the rights and remedies of the Prepetition Secured Parties under the Prepetition Loan Documents or with respect to any non-Debtor entities or their respective assets, whether such rights and remedies arise under the Prepetition Loan Documents, applicable law, or equity.

(d) No Third Party Rights. Except as explicitly provided for herein, this Final Order does not create any rights for the benefit of any third party, creditor, equity holder, or any direct, indirect, or incidental beneficiary. In determining to make any loan (whether under the DIP Credit Agreement or otherwise) or to permit the use of Cash Collateral or in exercising any rights or remedies as and when permitted pursuant to this Final Order or the DIP Loan Documents, the DIP Secured Parties and the Prepetition Secured Parties shall not (i) be deemed to be in control of the operations of the Debtors or to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601 et seq., as amended, or any similar federal, state, or local statute or regulation); or (ii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders, or estates.

(e) No Marshaling. Neither the DIP Secured Parties nor the Prepetition Secured Parties shall be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral or the Prepetition Collateral, as applicable, and all proceeds thereof shall be received and used in accordance with this Final Order. The Prepetition

Secured Agent and the Prepetition Secured Lenders shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to the Prepetition Secured Agent or the Prepetition Secured Lenders with respect to any proceeds, products, offspring, or profits of any of the Prepetition Collateral.

(f) Amendments. Subject to the terms and conditions of the DIP Credit Agreement and the other DIP Loan Documents, the Debtors are authorized and empowered, without further notice and hearing or approval of this Court, to amend, modify, supplement, or waive any provision of the DIP Loan Documents in accordance with the provisions thereof, in each case unless such amendment, modification, supplement, or waiver (i) increases the interest rate (other than as a result of the imposition of the default rate), (ii) increases the aggregate lending commitments of all of the DIP Lenders in respect of the DIP Facility, (iii) changes the Maturity Date (as defined in the DIP Credit Agreement), or (iv) adds or amends (in any respect unfavorable to the Debtors) any Event of Default; *provided, however*, that notice of any material modification or amendment of the DIP Loan Documents shall be provided to the United States Trustee and to the Committee (through its lead counsel), each of which shall have five (5) Business Days from the date of such notice within which to object in writing to such material modification or amendment. If the Committee or the United States Trustee timely objects to any material modification or amendment to the DIP Loan Documents, such modification or amendment shall be permitted only pursuant to an order of this Court unless such objection is otherwise resolved among the parties. No waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by or on behalf of all the Debtors and the DIP Agent (after having obtained the approval of the Required DIP Lenders)

and, except as provided herein, approved by this Court. Notwithstanding the foregoing, no waiver, modification, or amendment of any of the provisions of this Final Order or the DIP Loan Documents that would directly and adversely affect the rights or interests of the Prepetition Secured Parties shall be effective unless also consented to in writing by the Prepetition Secured Agent (after having obtained the approval of the Required Prepetition Secured Lenders) on behalf of the Prepetition Secured Parties.

(g) Inconsistency. In the event of any inconsistency between the terms and conditions of the DIP Loan Documents and of this Final Order, the provisions of this Final Order shall govern and control. In the event of any inconsistency between the terms and conditions of any other order entered by this Court regarding the use of Cash Collateral or expenditures by the Debtors and of this Final Order, the provisions of this Final Order shall govern and control. In the event of any inconsistency between the terms and conditions of the Interim Order and of this Final Order, the provisions of this Final Order shall govern and control.

(h) Enforceability. Subject only to Paragraph 6 of this Final Order, this Final Order shall constitute findings of fact and conclusions of law pursuant to the Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon execution hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, or 9024 or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Final Order shall be immediately effective and enforceable upon its entry, and there shall be no stay of execution or effectiveness of this Final Order.

(i) Reservation of Rights. Nothing in this Final Order shall be deemed to constitute the consent of the DIP Secured Parties or the Prepetition Secured Parties, and each of the foregoing expressly reserve the right to object, to entry of any order of the Bankruptcy Court that

provides for the sale of all or substantially all of the assets of the Debtors (or any other sale of assets of the Debtors outside the ordinary course of business) to any party unless, in connection and concurrently with any such event, the proceeds of such sale are or will be sufficient to Pay in Full the DIP Obligations, satisfy all of the Prepetition Secured Obligations and the Prepetition Secured Parties' Adequate Protection, and all of the foregoing are in fact paid in full in cash on the closing date of such sale.

(j) Headings. Paragraph headings used herein are for convenience only and are not to affect the construction of, or to be taken into consideration in, interpreting this Final Order.

(k) General Cooperation From Debtors; Access to Information. Without limiting any of the Debtors' other obligations in this Final Order or the DIP Loan Documents, each Debtor shall, and shall cause its senior officers, directors, counsel, and financial advisors to, reasonably cooperate with the DIP Agent and the Prepetition Secured Agent in furnishing documents and information as and when reasonably requested by such parties regarding the DIP Collateral or the Debtors' financial affairs, finances, financial condition, business, and operations. Notwithstanding anything to the contrary contained in this Final Order, the Debtors do not waive any right to attorney-client, work product, or similar privilege, and the Debtors shall not be required to provide the DIP Agent, the Prepetition Secured Agent, or their respective financial advisors with any information subject to attorney-client privilege or consisting of attorney work product.

19. Committee Professional Fees. Notwithstanding anything to the contrary in this Final Order, the Approved Budget, or the Wind-Down Budget, but subject to Paragraph 7(d) of this Final Order, the provisions of this Paragraph 19 shall govern the funding of fees and expenses of the Committee's Professionals, and the Approved Budget and/or the Wind-Down

Budget shall be deemed amended to the extent necessary to give effect to this Paragraph 19.

(a) The aggregate amount of the Carve-Out for all Committee Professionals for the duration of the Cases and any Successor Case shall be \$700,000 (the "Committee Professional Capped Amount"), which Committee Professional Capped Amount shall be allocated equally as between Pachulski Stang Ziehl & Jones LLP and Conway MacKenzie, Inc.

(b) In the event of a Qualifying Cash Sale, an amount equal to the Committee Professional Capped Amount minus any amounts actually paid to any Committee Professionals prior to the closing of such Qualifying Cash Sale shall be funded as an unpaid component of the Carve-Out pursuant to clause (y) of the first sentence of Paragraph 7(c) of this Final Order, and no Wind-Down Amounts shall be funded or be payable in respect of any fees or expenses of any Committee Professionals.

(c) In the event that the purchaser in any sale is the Prepetition Secured Agent, an entity formed by the Prepetition Secured Agent, and/or certain of the Prepetition Secured Lenders, as applicable, the asset purchase agreement regarding such sale shall be modified to provide for the funding of fees and expenses of the Committee's Professionals in a fashion consistent with Paragraph 19(b) of this Final Order.

(d) The payment of fees and expenses of Committee Professionals shall in all events be limited to those amounts representing reasonable fees and expenses that are actually incurred, and are approved and allowed by the applicable deadline set by the Court and by a final order of this Court pursuant to sections 326, 328, 330, or 331 of the Bankruptcy Code. In the event that the aggregate amount of the actual fees and expenses payable to all Committee Professionals pursuant to this Paragraph 19(d) is less than the Committee Professional Capped Amount, any excess shall be (i) in the event of a Qualifying Cash Sale, paid directly to the Prepetition Secured

Agent for application to the Prepetition Secured Obligation; and (ii) in the event that the purchaser in any sale is the Prepetition Secured Agent, an entity formed by the Prepetition Secured Agent, and/or certain of the Prepetition Secured Lenders, as applicable, paid to the purchasing entity in such sale.

20. **Retention of Jurisdiction.** This Court has and will retain jurisdiction and power to interpret and enforce this Final Order according to its terms. This Court shall have exclusive jurisdiction with respect to any and all disputes or matters under, or arising out of or in connection with, this Final Order, the DIP Facility, any of the DIP Loan Documents, the DIP Protections, or the Prepetition Secured Parties' Adequate Protection.

Dated: April 1, 2014
Wilmington, Delaware



THE HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

APPROVED BUDGET

(see attached)

DIP Cash Budget
Classic Party Rentals
Dollar Amounts in Millions

<i>Week Ended:</i>	2/23	3/2	3/9	3/16	3/23	3/30	4/6	4/13	4/20	4/27	5/4	5/11	5/18	5/25	Total
Beginning Cash Balance	\$ 2.4	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 2.4
Customer Receipts	3.1	3.2	3.2	3.7	3.7	3.7	5.0	5.4	5.4	5.4	5.2	5.2	5.2	5.5	52.9
Wages & Benefits	(2.4)	(2.3)	(2.5)	(2.3)	(2.4)	(2.3)	(2.3)	(2.2)	(2.8)	(2.0)	(2.7)	(2.4)	(3.0)	(2.8)	(24.3)
Vendor Payments	(0.4)	(0.6)	(1.1)	(1.1)	(1.5)	(1.7)	(1.6)	(1.7)	(1.7)	(1.7)	(1.6)	(1.7)	(1.7)	(1.9)	(20.0)
Essential Provider / Utility Deposits	(1.7)	(1.0)	-	-	-	-	-	-	-	-	-	-	-	-	(2.7)
Rent & Utilities	(0.1)	(1.4)	(0.0)	(0.0)	(0.0)	(0.0)	(1.4)	(0.1)	(0.1)	(0.1)	(1.4)	(0.1)	(0.1)	(0.1)	(4.8)
Other	(0.5)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.3)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(1.3)
Contingency	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.5)
Operating Cash Flow	(1.9)	(2.2)	(0.4)	0.2	(0.4)	(0.4)	(0.5)	1.4	0.5	1.5	(0.6)	1.0	0.4	0.5	(0.3)
Funded Capital Expenditures	-	(0.3)	(1.0)	(1.0)	(1.0)	(1.0)	(0.8)	-	-	-	-	-	-	-	(5.0)
Trust Taxes	-	-	(0.7)	-	-	(0.7)	-	-	-	-	-	-	-	-	(1.4)
Professional Fees	-	-	(0.3)	(0.2)	-	-	-	(2.0)	(0.2)	-	-	(1.6)	(0.2)	(0.5)	(5.1)
Interest and Financing Fees	(0.4)	(0.0)	-	-	(0.0)	-	(0.1)	-	-	-	(0.1)	-	-	-	(0.7)
DIP Loan Draw	7.7	3.5	3.4	2.0	2.4	3.1	2.3	1.6	1.0	1.0	1.7	1.6	1.0	1.1	33.4
DIP Loan Repayment	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.3)	(2.5)	(1.0)	(1.0)	(1.2)	(1.0)	(16.0)
Agent Advance Repayment	(6.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	(6.3)
Ending Cash Balance	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5
End of Week DIP Loan Balance	\$ 6.7	\$ 9.2	\$ 11.6	\$ 12.5	\$ 13.9	\$ 16.0	\$ 17.3	\$ 18.0	\$ 17.6	\$ 16.1	\$ 16.8	\$ 17.4	\$ 17.3	\$ 17.4	\$ 17.4

Note: The above forecast doesn't contemplate wind-down costs or other expenses to be paid by the Debtor after the sale is completed

Professional Fee Accruals (Pre-Sale)
 Classic Party Rentals
 Dollar Amounts in Thousands

Name of Professional	Role	Feb-14	Mar-14	Apr-14	May-14	Total	Paid	Remaining
White & Case	Debtor's Counsel	\$ 563	\$ 963	\$ 765	\$ 466	\$ 2,745	\$ (1,670)	\$ 1,075
Jefferies	Debtor's Investment Banker	-	140	140	1,590	1,870	(230)	1,640
Klee Tuchin	Agent's Counsel	160	365	265	265	1,055	(1,055)	-
CDG	Lender's Financial Advisor	101	165	165	204	635	(635)	-
FTI Consulting	Debtor's FA / CRO	-	200	200	200	600	(600)	-
KCC	Notice & Claims Agent	125	125	125	125	500	(300)	200
TBD	Committee Advisors	83	165	83	58	388	(203)	185
Lender's Counsel	Lender's Counsel	65	65	65	80	275	(275)	-
Fox Rothschild	Debtor's Local Counsel	-	75	75	75	225	(120)	105
FTI Consulting	Debtor's PR Firm	-	18	18	35	70	(29)	41
US Trustee	n/a	-	-	-	35	35	-	35
Total		\$ 1,096	\$ 2,270	\$ 1,900	\$ 3,131	\$ 6,397	\$ (5,116)	\$ 1,281

EXHIBIT B

WIND-DOWN BUDGET

(see attached)

Wind-Down Budget
Classic Party Rentals
Dollar Amounts in Millions

	Total
<i>Incurred Pre-Sale and Paid Post-Sale</i>	
Professional Fees	\$ 3.3
KEIP / KERP	1.1
Real Estate Consultants	0.5
Total Pre-Sale Expenses Paid	4.9
<i>Incurred Post-Sale, Pre-Effective Date</i>	
Wind-Down Costs	0.4
Professional Fees	1.2
Total Pre-Effective Date Wind-Down	1.6
Post-Effective Date Costs	0.7
Total Post-Sale Payments	\$ 7.2

Privileged and Confidential

DRAFT - Subject to Change

Wind-Down Budget (Cash Basis)
Classic Party Rentals
Dollar Amounts in Thousands

	Plan Fido 01/6/15		Effective 01/6/15		Jul-14	Aug-14	Sep-14	Post-Sept	Total	Comments
	Jun-14									
Wind-Down Cost Detail										
Tax Return Prep and Tax Audit Support	\$	10	\$	10	\$	10	\$	45	\$	175
Insurance		100		-		-		50		150
Franchise, Income, and Other Taxes		30		30		30		30		150
Other Costs		40		25		20		10		100
Misc Legal (non-BK)		-		25		25		15		75
Contingency		10		10		10		10		50
Total Wind-Down Costs		\$ 190		\$ 100		\$ 95		\$ 110		\$ 700
Fees Paid in the month after incurred (with the exception of holdbacks)										
Fees Incurred and Paid Post-Sale										
White & Case	\$	-	\$	72	\$	138	\$	78	\$	475
FTI Consulting		200		200		200		15		615
KCC		-		60		40		40		175
Liquidating Trustee / Other Post-Effective		-		-		-		-		125
Fox Rothschild		-		24		24		24		90
Committee Advisors (Counsel & FA)		-		20		20		20		75
US Trustee		-		-		-		35		58
Other		-		16		8		4		35
Total Post-Sale Professional Fees		\$ 200		\$ 392		\$ 430		\$ 216		\$ 1,048
Costs Incurred Prior to Sale (Paid After)										
Professional Fees	\$	827	\$	1,993	\$	-	\$	-	\$	3,281
KEIP / KERF Cost		1,070		-		-		-		1,070
A&G Realty Partners		-		-		-		-		500
Total Costs Incurred Prior to Sale		\$ 1,897		\$ 1,993		\$ -		\$ -		\$ 4,851
Total Post-Sale Disbursements		\$ 2,287		\$ 2,485		\$ 525		\$ 326		\$ 1,576
										\$ 7,199

Agreement reached with Company and Agent/Lender Steering Committee

Professional Fee Accruals (Post-Sale)
Classic Party Rentals
Dollar Amounts In Thousands

Name of Professional	Role	Jun-14	Jul-14	Aug-14	Sep-14	Post-Conf	Total
FTI Consulting	Debtor's FA / CRO	\$ 200	\$ 200	\$ 200	\$ 15	-	\$ 615
White & Case	Debtor's Counsel	150	150	100	75	-	475
KCC	Notice & Claims Agent	75	50	50	-	-	175
TBD	Other / Liquidating Trustee	20	10	5	25	100	160
Fox Rothschild	Debtor's Local Counsel	30	30	30	-	-	90
TBD	Committee Advisors	25	25	25	-	-	75
US Trustee	n/a	-	-	35	-	23	58
Jefferies	Debtor's Investment Banker	-	-	-	-	-	-
Klee Tuchin	Agent's Counsel	-	-	-	-	-	-
CDG	Lender's Financial Advisor	-	-	-	-	-	-
Lender's Counsel	Lender's Counsel	-	-	-	-	-	-
FTI Consulting	Debtor's PR Firm	-	-	-	-	-	-
Total		\$ 500	\$ 465	\$ 445	\$ 115	\$ 123	\$ 1,648

EXHIBIT C

DIP CREDIT AGREEMENT

(see attached)

EXECUTION VERSION

SENIOR SECURED AND SUPERPRIORITY FINANCING AGREEMENT

Dated as of February 18, 2014

by and among

EVENT RENTALS, INC.,

as a debtor and debtor in possession,

as Borrower,

**SPECIAL EVENT HOLDING, INC. AND THE OTHER GUARANTORS FROM TIME
TO TIME PARTY HERETO,**

each as a debtor and debtor in possession,

as Guarantors,

THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO,

as Lenders

and

ABLECO FINANCE LLC,

as Administrative Agent

TABLE OF CONTENTS

ARTICLE I DEFINITIONS; CERTAIN TERMS.....	6
Section 1.1 Definitions.....	6
Section 1.2 Terms Generally.....	31
Section 1.3 Certain Matters of Construction	32
Section 1.4 Accounting and Other Terms	32
Section 1.5 Time References.....	33
ARTICLE II THE LOANS.....	33
Section 2.1 Commitments	33
Section 2.2 Making the Loans	34
Section 2.3 Repayment of Loans; Evidence of Debt.....	37
Section 2.4 Interest	37
Section 2.5 Reduction of Commitment; Prepayment of Loans	38
Section 2.6 Fees.....	40
Section 2.7 LIBOR Option.....	41
Section 2.8 Funding Losses	42
Section 2.9 Taxes.....	42
Section 2.10 Increased Costs and Reduced Return	45
Section 2.11 Changes in Law; Impracticability or Illegality	47
ARTICLE III [RESERVED]	48
ARTICLE IV SECURITY AND ADMINISTRATIVE PRIORITY.....	48
Section 4.1 Collateral; Grant of Lien and Security Interest.....	48
Section 4.2 Administrative Priority	49
Section 4.3 Grants, Rights and Remedies.....	49
Section 4.4 No Filings Required	49

Section 4.5	Survival	50
Section 4.6	Further Assurances.....	51
ARTICLE V APPLICATION OF PAYMENTS; DEFAULTING LENDERS; REPLACEMENT LENDERS		51
Section 5.1	Payments; Computations; and Statements.....	51
Section 5.2	Sharing of Payments; Defaulting Lenders, Etc.....	52
Section 5.3	Apportionment of Payments	53
Section 5.4	Replacement of Lenders	54
ARTICLE VI CONDITIONS TO LOANS		54
Section 6.1	Conditions Precedent to Interim Facility Effectiveness	54
Section 6.2	Conditions Precedent to Final Facility Effectiveness	58
Section 6.3	Conditions Precedent to All Loans.....	59
ARTICLE VII REPRESENTATIONS AND WARRANTIES		60
Section 7.1	Representations and Warranties	60
ARTICLE VIII COVENANTS OF THE LOAN PARTIES		69
Section 8.1	Affirmative Covenants.....	69
Section 8.2	Negative Covenants.....	80
Section 8.3	Financial Covenants.....	86
ARTICLE IX EVENTS OF DEFAULT		87
Section 9.1	Events of Default	87
ARTICLE X AGENT		93
Section 10.1	Appointment.....	93
Section 10.2	Nature of Duties	94
Section 10.3	Rights, Exculpation, Etc.	95
Section 10.4	Reliance.....	96
Section 10.5	Indemnification.....	96

Section 10.6	Administrative Agent Individually.....	96
Section 10.7	Successor Agent.....	97
Section 10.8	Collateral Matters.....	97
Section 10.9	Agency for Perfection.....	99
Section 10.10	No Reliance on the Administrative Agent's Customer Identification Program.....	99
Section 10.11	No Third Party Beneficiaries.....	99
Section 10.12	No Fiduciary Relationship.....	99
Section 10.13	Reports; Confidentiality; Disclaimers.....	100
ARTICLE XI GUARANTY.....		100
Section 11.1	Guaranty.....	100
Section 11.2	Guaranty Absolute.....	101
Section 11.3	Waiver.....	102
Section 11.4	Continuing Guaranty; Assignments.....	103
Section 11.5	Subrogation.....	103
ARTICLE XII MISCELLANEOUS.....		104
Section 12.1	Notices, Etc.....	104
Section 12.2	Amendments, Etc.....	106
Section 12.3	Expenses; Taxes; Attorneys' Fees.....	107
Section 12.4	Right of Set-off.....	108
Section 12.5	Severability.....	109
Section 12.6	Assignments and Participations.....	109
Section 12.7	Counterparts.....	113
Section 12.8	GOVERNING LAW.....	113
Section 12.9	CONSENT TO JURISDICTION; SERVICE OF PROCESS AND VENUE.....	113

Section 12.10	WAIVER OF JURY TRIAL, ETC.....	114
Section 12.11	Consent by the Administrative Agent and Lenders.....	114
Section 12.12	No Party Deemed Drafter.	114
Section 12.13	Reinstatement; Certain Payments.....	114
Section 12.14	Indemnification.	115
Section 12.15	Records.....	116
Section 12.16	Binding Effect.....	116
Section 12.17	Interest.	116
Section 12.18	Confidentiality.....	118
Section 12.19	Integration.	118
Section 12.20	USA PATRIOT Act.	118
Section 12.21	Public Disclosure.....	119
Section 12.22	Parties Including Trustees; Bankruptcy Court Proceedings.....	119

SCHEDULE AND EXHIBITS

Schedule 1.1(A)	Lenders and Lenders' Commitments
Schedule 1.1(B)	Prepetition Credit Facilities
Schedule 7.1(e)	Capitalization; Subsidiaries
Schedule 7.1(f)	Commercial Tort Claims
Schedule 7.1(i)	ERISA
Schedule 7.1(o)	Real Property
Schedule 7.1(q)	Environmental Matters
Schedule 7.1(r)	Insurance
Schedule 7.1(t)	Bank Accounts
Schedule 7.1(u)	Intellectual Property
Schedule 7.1(v)	Material Contracts
Schedule 7.1(z)	Name; Jurisdiction of Organization; Organizational ID Number; Chief Place of Business; Chief Executive Office; FEIN
Schedule 7.1(aa)	Locations of Collateral
Schedule 8.2(a)	Existing Liens
Schedule 8.2(b)	Existing Indebtedness
Schedule 8.2(e)	Existing Investments
Schedule 8.2(h)	Transactions with Affiliates
Schedule 8.2(i)	Limitations on Dividends and Other Payment Restrictions
Exhibit A	Form of Notice of Borrowing
Exhibit B	Form of Interim Bankruptcy Court Order
Exhibit C	Form of Assignment and Acceptance
Exhibit D	Form of LIBOR Notice
Exhibit E	Form of Joinder to Guaranty

SENIOR SECURED AND SUPERPRIORITY FINANCING AGREEMENT

This **SENIOR SECURED AND SUPERPRIORITY FINANCING AGREEMENT**, dated as of February 18, 2014, by and among Special Event Holding, Inc., a Delaware corporation (the "**Parent**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code (as defined herein), Event Rentals, Inc., a Delaware corporation (the "**Borrower**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, each subsidiary of the Parent listed as a "**Guarantor**" on the signature pages hereto, each as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code (and together with the Parent, the "**Guarantors**" and each a "**Guarantor**"), the financial institutions and other lenders from time to time party hereto (each a "**Lender**" and collectively, the "**Lenders**"), and Ableco Finance LLC ("**Ableco**"), as administrative agent for the Lenders (in such capacity, together with its successors and assigns in such capacity in accordance with Section 10.7, the "**Administrative Agent**").

RECITALS

WHEREAS, the Borrower and the Guarantors have commenced cases (the "**Chapter 11 Cases**") under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"), and the Borrower and the Guarantors have retained possession of their assets and are authorized under the Bankruptcy Code to continue the operation of their businesses as debtors-in-possession.

WHEREAS, the Borrower and the Guarantors have asked the Lenders to make post-petition loans and advances to the Borrower consisting of senior secured priming and superpriority revolving credit loans in an aggregate principal amount not to exceed \$20,000,000 at any time outstanding as provided herein. The proceeds of the revolving credit loans shall be used, subject to the other terms and conditions of this Agreement, to (a) repay in full in cash the Existing Senior Secured Agent Advances, (b) pay fees and expenses related to this Agreement and the Chapter 11 Cases, (c) repay the Loan or any other Obligations and (d) fund working capital in the ordinary course of business of the Loan Parties consistent with the Budget. The Lenders are severally, and not jointly, willing to extend such credit to the Borrower subject to the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, the parties hereto agree as follows:

ARTICLE I DEFINITIONS; CERTAIN TERMS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

"**Ableco**" has the meaning specified therefor in the preamble hereto.

"**Action**" has the meaning specified therefor in Section 12.11.

“Additional Amount” has the meaning specified therefor in Section 2.9(a).

“Adequate Protection Replacement Liens” has the meaning specified therefor in the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as applicable.

“Administrative Agent” has the meaning specified therefor in the preamble hereto.

“Administrative Agent Advances” has the meaning specified therefor in Section 10.8(a).

“Administrative Agent’s Account” means the following account or such other account designated by the Administrative Agent from time to time as the account into which the Loan Parties shall make all payments to the Administrative Agent for the benefit of the Administrative Agent and the Lenders under this Agreement and the other Loan Documents:

Bank Name:	JPMorgan Chase Bank N.A.
ABA Number:	021-000-021
Account Name:	JPMorgan Clearing Corp.
Account Number:	066001633
Sub-Account Name:	Ableco Finance LLC
Sub-Account Number:	102-45492
Reference:	Classic Party/Event Rentals

“Affected Lender” has the meaning specified therefor in Section 5.4.

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the Capital Stock having ordinary voting power for the election of directors (or similar Persons) of such Person or (b) direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Notwithstanding anything herein to the contrary, in no event shall Administrative Agent or any Lender be considered an “Affiliate” of any Loan Party.

“After Acquired Property” has the meaning specified therefor in Section 8.1(k).

“Agreement” means this Financing Agreement, including all amendments, restatements, modifications and supplements and any exhibits or schedules to any of the foregoing, and shall refer to this Agreement as the same may be in effect at the time such reference becomes operative.

“Anti-Terrorism Laws” means any laws relating to terrorism or money laundering, including (a) the Money Laundering Control Act of 1986 (i.e., 18 U.S.C. §§ 1956 and 1957), as amended, (b) the Bank Secrecy Act, as amended by the USA PATRIOT Act, as amended, (c) the laws, regulations and Executive Orders administered by the United States Department of the Treasury's Office of Foreign Assets Control (“OFAC”), (d) the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 and implementing

regulations by the United States Department of the Treasury, (e) any law prohibiting or directed against terrorist activities or the financing of terrorist activities (e.g., 18 U.S.C. §§ 2339A and 2339B), or (f) any similar laws enacted in the United States or any other jurisdictions in which the parties to this agreement operate, as any of the foregoing laws may from time to time be amended, renewed, extended, or replaced and all other present and future legal requirements of any Governmental Authority governing, addressing, relating to, or attempting to eliminate, terrorist acts and acts of war and any regulations promulgated pursuant thereto.

"Asset Purchase Agreement" means that certain Asset Purchase Agreement approved by the Bankruptcy Court as the stalking-horse purchase agreement (or other purchase agreement approved by the Bankruptcy Court pursuant to Section 363 of the Bankruptcy Code) for a sale of all, or substantially all, of the Debtors' assets, as may be amended or otherwise modified from time to time with the consent of the Administrative Agent and the Required Lenders.

"Assignment and Acceptance" means an assignment and acceptance entered into by an assigning Lender and an assignee, and accepted by the Administrative Agent, in accordance with Section 12.6 hereof and substantially in the form of Exhibit C hereto or such other form acceptable to the Administrative Agent.

"Authorized Officer" means, with respect to any Person, the chief executive officer, chief financial officer, president or executive vice president of such Person.

"Available Revolving Loan Commitment" means, (a) prior to the repayment in full in cash of the Existing Senior Secured Agent Advances, the amount by which, from time to time, (i) the Total Revolving Loan Commitment applicable at such time, exceeds (ii) the sum of (A) the aggregate outstanding principal amount of all Revolving Loans at such time and (B) the outstanding Existing Senior Secured Agent Advances at such time and (b) after the repayment in full in cash of the Existing Senior Secured Agent Advances, the amount by which, from time to time, (i) the Total Revolving Loan Commitment applicable at such time, exceeds (ii) the aggregate outstanding principal amount of all Revolving Loans at such time.

"Avoidance Actions" means all causes of action arising under Sections 510, 542, 544, 545, 547, 548, 549, 550, 551, 553(b) or 724(a) of the Bankruptcy Code, or any similar state or federal law, and any proceeds therefrom.

"Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. § 101, et seq.) and any successor statute.

"Bankruptcy Court" has the meaning specified therefor in the recitals hereto, or any other court having jurisdiction over the Chapter 11 Cases from time to time.

"Bankruptcy Court Orders" means the Interim Bankruptcy Court Order and the Final Bankruptcy Court Order.

"Base Rate" means the greatest of (a) 3.50% per annum, (b) the Federal Funds Rate plus 0.50% per annum, (c) the LIBOR Rate (which rate shall be calculated based on an Interest Period of 3 months and shall be determined on a daily basis) plus 1.00% per annum, and

(d) the rate of interest publicly announced by the Reference Bank in New York, New York from time to time as its base rate, reference rate, or prime rate (it being understood and agreed that (x) the base rate, reference rate, or prime rate is determined from time to time by the Reference Bank as a means of pricing some loans to its borrowers and neither is tied to any external rate of interest or index nor necessarily reflects the lowest rate of interest actually charged by the Reference Bank to any particular class or category of customers and (y) each change in the Reference Rate shall be effective from and including the date such change is publicly announced as being effective).

"Base Rate Loans" means those Loans as to which the rate of interest is based on the Base Rate.

"Blocked Person" has the meaning assigned to such term in Section 7.1(dd).

"Board of Governors" means the Board of Governors of the Federal Reserve System of the United States.

"Borrower" has the meaning set forth therefor in the preamble.

"Budget" means (a) the thirteen-week cash requirements forecast setting forth cash receipts and disbursements and Revolving Loans of the Loan Parties, delivered by the Loan Parties to the Administrative Agent and the Lenders on or before the Interim Facility Effective Date pursuant to Section 6.1(e)(ix), and (b) the updated Budget delivered to the Administrative Agent pursuant to and in accordance with Section 8.1(a)(v).

"Business Day" means (a) any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required to close, and (b) with respect to the borrowing, payment or continuation of, or determination of interest rate on, LIBOR Rate Loans, any day that is a Business Day described in clause (a) above and on which dealings in Dollars may be carried on in the interbank Eurodollar markets in New York City and London.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate of all cash expenditures by such Person and its Subsidiaries during such period for the acquisition, construction, replacement, repair, substitution or improvement of fixed or capital assets or additions to equipment, in each case required to be capitalized under GAAP, plus reserve deposits made in such period in respect of any such items and minus reserve releases made in such period in respect of any such items.

"Capital Stock" means (a) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, and (b) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person including, in each instance in clauses (a) and (b) above, options, warrants, convertible securities and other equity securities.

"Capitalized Lease" means, with respect to any Person, any lease of real or personal property by such Person as lessee which is (a) required under GAAP to be capitalized

on the balance sheet of such Person or (b) a transaction of a type commonly known as a "synthetic lease" (i.e., a lease transaction that is treated as an operating lease for accounting purposes but with respect to which payments of rent are intended to be treated as payments of principal and interest on a loan for Federal income tax purposes).

"Capitalized Lease Obligations" means, with respect to any Person, obligations of such Person and its Subsidiaries under Capitalized Leases, and for purposes hereof, the amount of any such obligation shall be the capitalized amount thereof determined in accordance with GAAP. .

"Carve-Out Expenses" means:

(a) payment of fees to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6)), in such amounts as are determined by agreement with the Office of the United States Trustee or by final order of the Bankruptcy Court;

(b) fees payable to the Clerk of the Bankruptcy Court; and

(c) subject to the terms and conditions of the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as applicable, (i) the unpaid and outstanding reasonable fees and expenses actually incurred on or after the Petition Date and prior to the Carve-Out Trigger Date, so long as approval is sought and allowed by the deadline set by the Bankruptcy Court and by a final order of the Bankruptcy Court pursuant to Sections 326, 328, 330 or 331 of the Bankruptcy Code by the Professionals, in an aggregate amount not to exceed the amounts set forth in the Budget (after application of any unapplied retainers) for each such Professional beginning on the Petition Date through the Carve-Out Trigger Date, and (ii) the reasonable fees and expenses actually incurred, and approved and allowed by the deadline set by the Bankruptcy Court and by a final order of the Bankruptcy Court pursuant to Sections 326, 328, 330 or 331 of the Bankruptcy Code, by the Professionals on and after the Carve-Out Trigger Date, after application of any unapplied retainers, in an aggregate sum not to exceed the Professional Expense Carve-Out Cap.

"Carve-Out Trigger Date" shall mean the date on which written notice is delivered by the Administrative Agent to the Loan Parties' lead counsel, the U.S. Trustee, and lead counsel to any Committee notifying them of the occurrence and continuation of an Event of Default; provided that delivery of such notice by the Administrative Agent shall not preclude any requirement for any Loan Party to provide notice to the Administrative Agent of any Default or any Event of Default hereunder.

"Cash Equivalents" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case, maturing within six months from the date of acquisition thereof; (b) commercial paper, maturing not more than 270 days after the date of issue rated at least P 1 by Moody's or A 1 by Standard & Poor's; (c) certificates of deposit maturing not more than 270 days after the date of issue, issued by commercial banking institutions and money market or demand deposit accounts maintained at commercial banking institutions, each of which is a member of the Federal Reserve System and

has a combined capital and surplus and undivided profits of not less than \$500,000,000; (d) repurchase agreements having maturities of not more than 90 days from the date of acquisition which are entered into with major money center banks included in the commercial banking institutions described in clause (c) above and which are secured by readily marketable direct obligations of the United States Government or any agency thereof included in the obligations described in clause (a) above; (e) money market accounts maintained with mutual funds having assets in excess of \$2,500,000,000 substantially all of the assets of which consist of obligations of the type described in clauses (a) through (d) or (f), of this definition; and (f) marketable tax exempt securities rated A or higher by Moody's or A+ or higher by Standard & Poor's, in each case, maturing within six months from the date of acquisition thereof.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case, pursuant to Basel III, shall, in each case, be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Change of Control" means the occurrence of any one or more of the following:

(a) the acquisition, directly or indirectly, by any person or group (within the meaning of Section 13(d)(3) of the Exchange Act), other than Sponsor and its Controlled Investment Affiliates, of beneficial ownership of more than 25% (on a fully diluted basis) of the aggregate outstanding voting or economic power of the Capital Stock of the Parent (or its direct or indirect ultimate parent holding company); or

(b) the Parent shall cease to have registered and beneficial ownership (as defined in Rule 13d-3 under the Exchange Act) of 100% of the aggregate voting or economic power of the Capital Stock of the Borrower (other than in connection with any transaction permitted pursuant to Section 8.2(c)), free and clear of all Liens (other than Permitted Liens); or

(c) subject to the provisions of Section 8.2(c), Borrower ceases to beneficially own and control, directly or indirectly 100% of the issued and outstanding Capital Stock of any other Loan Party (other than Parent), free and clear of all Liens (other than Permitted Liens).

"Chapter 11 Cases" has the meaning specified therefor in the recitals hereto.

"CIP Regulations" has the meaning specified therefor in Section 10.10.

"Closing Fee" has the meaning specified therefor in Section 2.6(a).

"Collateral" has the meaning specified therefor in Section 4.1(a), and includes all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any other Person upon which a Lien is granted or purported to be granted by such Person as security for all or any part of the Obligations.

"Committee" means, collectively, any official committee of unsecured creditors and any other official committee appointed or approved in any of the Chapter 11 Cases under Sections 105, 327, 328, 363, or 1102(a) of the Bankruptcy Code.

"Commitments" means, with respect to each Lender, such Lender's Revolving Loan Commitment.

"Contingent Obligation" means, with respect to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including (a) the direct or indirect guaranty, endorsement (other than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of a primary obligor, (b) the obligation to make take-or-pay or similar payments, if required, regardless of nonperformance by any other party or parties to an agreement, or (c) any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, assets, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the holder of such primary obligation against loss in respect thereof; provided, however, that the term "Contingent Obligation" shall not include any product warranties extended in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation with respect to which such Contingent Obligation is made (or, if less, the maximum amount of such primary obligation for which such Person may be liable pursuant to the terms of the instrument evidencing such Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability with respect thereto (assuming such Person is required to perform thereunder), as determined by such Person in good faith.

"Control Agreement" means a control agreement, in form and substance satisfactory to Administrative Agent, executed and delivered by the applicable Loan Party, Administrative Agent, and the securities intermediary with respect to a securities account or a bank with respect to a deposit account.

"Controlled Investment Affiliate" means, with respect to the Sponsor, any Person (other than a natural Person) that (a) is organized by the Sponsor or an Affiliate of the Sponsor for the purpose of making equity or debt investments in one or more companies and (b) is controlled by, or is under common control with, the Sponsor. For purposes of this definition

“control” means the power to direct or cause the direction of management and policies of a Person, whether by contract or otherwise.

“Default” means an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

“Defaulting Lender” shall mean any Lender that (a) has failed to fund any portion of the Loans required to be funded by it hereunder within one Business Day of the date required to be funded by it hereunder and has not cured such failure prior to the date of determination, (b) has otherwise failed to pay over to the Administrative Agent or any Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute, and has not cured such failure prior to the date of determination or (c) has been deemed insolvent or has become the subject of an Insolvency Proceeding.

“Disposition” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person, excluding any sales of inventory and rental inventory in the ordinary course of business.

“Dollar,” “Dollars” and the symbol “\$” each means lawful money of the United States of America.

“Employee Plan” means an employee benefit plan (other than a Multiemployer Plan) covered by Title IV of ERISA and maintained (or that was maintained at any time during the six (6) calendar years preceding the date of any borrowing hereunder) for employees of any Loan Party or any of its ERISA Affiliates.

“Environmental Actions” means any complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter or other communication from any Person or Governmental Authority involving violations of Environmental Laws or Releases of Hazardous Materials (a) from any assets, properties or businesses owned or operated by any Loan Party or any of its Subsidiaries or any predecessor in interest; (b) from adjoining properties or businesses; or (c) onto any facilities which received Hazardous Materials generated by any Loan Party or any of its Subsidiaries or any predecessor in interest.

“Environmental Laws” means the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 1801, *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901, *et seq.*), the Federal Clean Water Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*) and the Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), as such laws may be amended or otherwise modified from time to time, and any other present or future federal, state, local or foreign statute, ordinance, rule, regulation, order, judgment, decree, permit, license or

other binding determination of any Governmental Authority imposing liability or establishing standards of conduct for protection of the environment or other government restrictions relating to the protection of the environment or the Release, deposit or migration of any Hazardous Materials into the environment.

“Environmental Liabilities and Costs” means all liabilities, monetary obligations, Remedial Actions, Response Actions, losses, damages, punitive damages, consequential damages, treble damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions and interest incurred as a result of or in response to any adverse environmental condition or a Release of Hazardous Materials at, on, under or from (a) any property or facility presently or formerly owned or operated by any Loan Party or any of its Subsidiaries or (b) any property or facility which received Hazardous Materials generated, transported, stored or disposed of by any Loan Party or any of its Subsidiaries.

“Environmental Lien” means any Lien in favor of any Governmental Authority for Environmental Liabilities and Costs.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case, as in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

“ERISA Affiliate” means, with respect to any Person, any trade or business (whether or not incorporated) which is a member of a group of which such Person is a member and which would be deemed to be a “controlled group” within the meaning of Sections 414(b), (c), (m) and (o) of the Internal Revenue Code.

“Event of Default” means any of the events set forth in Section 9.1.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Executive Order No. 13224” means the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

“Existing Senior Secured Agent” means the “Administrative Agent” under the Existing Senior Secured Credit Facility.

“Existing Senior Secured Agent Advances” means, from time to time, the outstanding amount of “Administrative Agent Advances,” as defined in and under the Existing Senior Secured Financing Agreement, including all accrued and unpaid interest and fees thereon, whether or not same would be or is allowed or disallowed in whole or in part in the Chapter 11 Cases.

“Existing Senior Secured Credit Facility” means the credit facilities under the Existing Senior Secured Financing Agreement and the other Existing Senior Secured Loan Documents.

"Existing Senior Secured Financing Agreement" means that certain Financing Agreement dated as of December 20, 2006 by and among Event Rentals, Inc., as Borrower, each of the "Guarantors" party thereto, Dymas Funding Company, LLC, in its capacity as administrative agent, as succeeded thereto by Ableco, and each of the Existing Senior Secured Lenders party thereto, as amended, restated, supplemented or otherwise modified from time to time.

"Existing Senior Secured Lenders" means the "Lenders" under the Existing Senior Secured Credit Facility.

"Existing Senior Secured Loan Documents" means "Loan Documents" as defined in the Existing Senior Secured Financing Agreement.

"Existing Senior Secured Obligations" means "Obligations" as defined in the Existing Senior Secured Financing Agreement.

"Extraordinary Receipts" means any cash received by the Parent or any of its Subsidiaries in respect of, (a) proceeds of casualty insurance to the extent not reinvested as permitted pursuant to Section 2.5(c)(iii), (b) condemnation awards (and payments in lieu thereof), and (c) in accordance with the Bankruptcy Court Orders, as applicable, proceeds of Avoidance Actions.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal to, for each day during such period, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Final Bankruptcy Court Order" means the final order of the Bankruptcy Court with respect to the Loan Parties, substantially in the form of the Interim Bankruptcy Court Order and otherwise in form and substance satisfactory to the Administrative Agent and the Required Lenders, as the same may be amended, modified or supplemented from time to time with the express written joinder or consent of the Required Lenders and the Borrower.

"Final Bankruptcy Court Order Entry Date" means the date on which the Final Bankruptcy Court Order shall have been entered by the Bankruptcy Court.

"Final Facility Effective Date" has the meaning specified therefor in Section 6.2.

"Final Maturity Date" means the date which is the earliest of (a) the date that is six (6) months after the Petition Date, (b) the effective date or the substantial consummation (as

defined in Section 1101(2) of the Bankruptcy Code) of any plan of reorganization or liquidation in the Chapter 11 Cases; (c) the date on which a sale of all or substantially all of the Loan Parties' assets and/or stock is consummated under Section 363 of the Bankruptcy Code, and (d) the date of termination of the Commitments and/or acceleration of any Revolving Loans or Obligations on or after the Carve-Out Trigger Date.

"Final Period" means the period commencing on the Final Facility Effective Date and ending on the Final Maturity Date.

"Financial Statements" means (a) the audited consolidated balance sheet of the Parent and its Subsidiaries for the Fiscal Year ended June 30, 2013, and the related consolidated statements of operations and cash flows for the Fiscal Year then ended, and (b) the unaudited consolidated balance sheet of the Parent and its Subsidiaries, and the related consolidated statements of operations and cash flows for each of the fiscal months ended July 31, 2013, August 31, 2013, September 30, 2013, October 31, 2013, November 30, 2013 and December 31, 2013.

"Fiscal Year" means the fiscal year of the Parent and its Subsidiaries ending on June 30 of each year.

"Funding Losses" has the meaning specified therefor in Section 2.8.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States, applied on a consistent basis, provided that for the purpose of Section 8.3 hereof and the definitions used therein, "GAAP" shall mean generally accepted accounting principles in effect on the date hereof and consistent with those used in the preparation of the Financial Statements, provided, further, that if there occurs after the date of this Agreement any change in GAAP that affects in any respect the calculation of any covenant contained in Section 8.3 hereof, the Administrative Agent and the Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to the calculation of such covenant with the intent of having the respective positions of the Lenders and the Borrower after such change in GAAP conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, the covenants in Section 8.3 hereof shall be calculated as if no such change in GAAP has occurred.

"Governmental Authority" means any nation or government, any Federal, state, city, town, municipality, county, local or other political subdivision thereof or thereto and any department, commission, board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guaranteed Obligations" has the meaning specified therefor in Section 11.1.

"Guarantor" means (a) Parent and each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto, and (b) each other Person which guarantees, pursuant to Section 8.1(j) or otherwise, all or any part of the Obligations.

"Guaranty" means (a) the guaranty of each Guarantor party hereto contained in Article 11 hereof, and (b) each guaranty made by any other Guarantor in favor of the Administrative Agent for the benefit of the Administrative Agent and the Lenders by execution of a Joinder to Guaranty in the form of Exhibit E pursuant to Section 8.1(j) or otherwise.

"Hazardous Material" means (a) any element, compound or chemical that is defined, listed or otherwise classified as a contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance or chemical, hazardous waste, special waste, or solid waste under Environmental Laws or that is likely to cause immediately, or at some future time, harm to or have an adverse effect on, the environment or risk to human health or safety, including any pollutant, contaminant, waste, hazardous waste, toxic substance or dangerous good which is defined or identified in any Environmental Law and which is present in the environment in such quantity or state that it contravenes any Environmental Law; (b) petroleum and its refined products; (c) polychlorinated biphenyls; (d) any substance exhibiting a hazardous waste characteristic, including corrosivity, ignitability, toxicity or reactivity as well as any radioactive or explosive materials; and (e) any raw materials, building components (including asbestos-containing materials) and manufactured products containing hazardous substances listed or classified as such under Environmental Laws.

"Hedging Agreement" means any interest rate, foreign currency, commodity or equity swap, collar, cap, floor or forward rate agreement, or other agreement or arrangement designed to protect against fluctuations in interest rates or currency, commodity or equity values (including any option with respect to any of the foregoing and any combination of the foregoing agreements or arrangements), and any confirmation executed in connection with any such agreement or arrangement.

"Highest Lawful Rate" means, with respect to Administrative Agent or any Lender, the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Obligations under laws applicable to Administrative Agent or such Lender which are currently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

"Holdout Lender" has the meaning specified therefor in Section 12.2(c).

"Indebtedness" means, with respect to any Person, without duplication, (a) all indebtedness of such Person for borrowed money; (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables or other accounts payable incurred in the ordinary course of such Person's business and not outstanding for more than 180 days after the date such payable was created unless such payables are subject to a *bona fide* dispute), including earnouts and other similar obligations; (c) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments or upon which interest payments are customarily made; (d) all reimbursement, payment or other obligations and liabilities of such Person created or arising under any conditional sales or other title retention agreement with respect to property used and/or acquired by such Person, even though the rights and remedies of the lessor, seller and/or lender thereunder may be limited to repossession or sale of such property; (e) all Capitalized Lease Obligations of such Person; (f) all obligations and

liabilities, contingent or otherwise, of such Person, in respect of letters of credit, acceptances and similar facilities; (g) all obligations and liabilities, calculated on a basis satisfactory to the Administrative Agent and in accordance with accepted practice, of such Person under Hedging Agreements; (h) all monetary obligations under any receivables factoring, receivable sales or similar transactions and all monetary obligations under any synthetic lease, tax ownership/operating lease, off-balance sheet financing or similar financing; (i) all Contingent Obligations; (j) liabilities incurred under Title IV of ERISA with respect to any plan (other than a Multiemployer Plan) covered by Title IV of ERISA and maintained for employees of such Person or any of its ERISA Affiliates; (k) withdrawal liability incurred under ERISA by such Person or any of its ERISA Affiliates with respect to any Multiemployer Plan; and (l) all obligations referred to in clauses (a) through (k) of this definition of another Person secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien upon property owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness (provided, that, to the extent that such Indebtedness is non-recourse to such Person, the outstanding principal amount of such Indebtedness at any time of determination thereof shall be deemed to be an amount equal to the lesser at such time of (i) the then unpaid principal amount of such Indebtedness and (ii) the fair market value of the property subject to such Lien). The Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer, except to the extent that the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Indemnified Matters" has the meaning specified therefor in Section 12.14(a).

"Indemnitees" has the meaning specified therefor in Section 12.14(a).

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, or extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Interest Period" shall mean, with respect to any LIBOR Rate Loan,

(a) initially, the period commencing on the borrowing date or conversion date, as the case may be, with respect to such LIBOR Rate Loan and ending one, two or three months thereafter, as selected by the Borrower in the Notice of Borrowing or LIBOR Notice given with respect thereto; and

(b) thereafter, each period commencing on the last day of the immediately preceding Interest Period applicable to such LIBOR Rate Loan and ending one, two or three months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three (3) Business Days prior to the last day of the then current Interest Period with respect thereto;

provided that the foregoing provisions are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month;

(iii) any Interest Period in respect of any Loan that would otherwise extend beyond the final payment date for such Loan shall end on such payment date; and

(iv) no more than ten (10) LIBOR Loans may be in effect at any time.

"Interim Bankruptcy Court Order" means the order of the Bankruptcy Court with respect to the Loan Parties, substantially in the form of Exhibit B and otherwise in form and substance satisfactory to the Administrative Agent and the Required Lenders, as the same may be amended, modified or supplemented from time to time with the express written joinder or consent of the Required Lenders and the Borrower.

"Interim Bankruptcy Court Order Entry Date" means the date on which the Interim Bankruptcy Court Order shall have been entered by the Bankruptcy Court.

"Interim Facility Effective Date" has the meaning specified therefor in Section 6.1.

"Interim Period" means the period commencing on the Interim Facility Effective Date and ending on the earlier to occur of (a) the Final Facility Effective Date and (b) the Final Maturity Date.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended (or any successor statute thereto) and the regulations promulgated thereunder.

"Lease" means any lease of real property to which any Loan Party or any of its Subsidiaries is a party as lessor or lessee.

"Lender" or **"Lenders"** has the meaning specified therefor in the preamble hereto.

"LIBOR" means, with respect to each day during each Interest Period pertaining to a LIBOR Rate Loan, the greater of (a) 1.50% per annum and (b) the rate of interest published in The Wall Street Journal, Eastern Edition, two Business Days prior to such Interest Period as the "London Interbank Offered Rate" applicable to such Interest Period; provided that in the event that The Wall Street Journal, Eastern Edition is not published or such rate does not appear in The Wall Street Journal, Eastern Edition, LIBOR determined pursuant to this clause (b) shall be the rate determined by the Administrative Agent to be the rate at which deposits in Dollars are

offered to major banks in the London interbank market, two Business Days prior to the beginning of such Interest Period, in an amount approximately equal to the principal amount of the LIBOR Rate Loan to which such Interest Period is to apply and for a period of time comparable to such Interest Period, which determination shall be conclusive absent manifest error.

"LIBOR Deadline" has the meaning specified therefor in Section 2.7(a).

"LIBOR Notice" means a written notice substantially in the form of Exhibit D.

"LIBOR Option" has the meaning specified therefor in Section 2.7(a).

"LIBOR Rate" means, for each Interest Period for each LIBOR Rate Loan, the rate per annum determined by the Administrative Agent (rounded upwards if necessary, to the next 1/100%) by dividing (a) LIBOR for such Interest Period by (b) 100% minus the Reserve Percentage. The LIBOR Rate shall be adjusted on and as of the effective day of any change in the Reserve Percentage.

"LIBOR Rate Loans" means those Loans as to which the rate of interest is based on the LIBOR Rate.

"Lien" means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any Capitalized Lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

"Loan" means any Revolving Loan made by a Lender to the Borrower pursuant to this Agreement.

"Loan Account" means an account maintained hereunder by the Administrative Agent on its books of account at the Payment Office and, with respect to the Borrower, in which the Borrower will be charged with all Loans made to, and all other Obligations incurred by, the Borrower.

"Loan Documents" means this Agreement, any Mortgage, any Control Agreement, the Interim Bankruptcy Court Order, the Final Bankruptcy Court Order, any guaranty, any security agreement or any pledge agreement entered into by any Loan Party with respect to the Obligations, and any other agreement, instrument, certificate, report and other document executed and delivered pursuant hereto or thereto or otherwise evidencing, pertaining to or securing any Loan or any other Obligation.

"Loan Party" means the Borrower and/or any Guarantor.

"Loan Parties" means collectively the Borrower and each Guarantor.

"Material Adverse Effect" means a material adverse effect on any of (a) the operations, business, assets, properties or condition (financial or otherwise) of the Loan Parties taken as a whole (except for the commencement of the Chapter 11 Cases and events that

typically result from the commencement of cases under Chapter 11 of the Bankruptcy Code), (b) the ability of any Loan Party to perform any of its obligations under any Loan Document to which it is a party, (c) the legality, validity or enforceability of this Agreement or any other Loan Document, (d) the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or (e) the validity, perfection or priority of a Lien in favor of the Administrative Agent for the benefit of the Administrative Agent and the Lenders on any of the Collateral with an aggregate fair market value of more than \$100,000.

"Material Contract" means, with respect to any Loan Party, each contract or agreement to which such Loan Party or any of its Subsidiaries is a party involving aggregate consideration payable to or by such Loan Party or such Subsidiary of \$250,000 or more in any Fiscal Year (other than purchase orders in the ordinary course of business of such Person or such Subsidiary).

"Material Real Property" means (a) real property owned by any Loan Party having an aggregate fair market value in excess of \$250,000 and (b) real property leased by any Loan Party that is of strategic importance to the profitable conduct of the business of the Borrower and its Subsidiaries taken as a whole.

"Measurement Period" means the trailing four-week period ending on Sunday of each week; provided, that, with respect to the Measurement Periods ending on each of the first three Sundays following the Interim Facility Effective Date, the Measurement Period shall mean the trailing one-, two- or three-week period, as applicable.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" means a mortgage (including a leasehold mortgage), deed of trust or deed to secure debt, in form and substance satisfactory to the Administrative Agent, made by a Loan Party in favor of the Administrative Agent for the benefit of the Administrative Agent and the Lenders, securing the Obligations and delivered to the Administrative Agent.

"Mortgaged Property" means each parcel of real property in respect of which a Loan Party delivers a Mortgage.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which any Loan Party or any of its ERISA Affiliates has contributed to, or has been obligated to contribute, at any time during the preceding six (6) years.

"Net Cash Proceeds" means with respect to any Disposition by any Person or any of its Subsidiaries, the aggregate amount of cash received (directly or indirectly) from time to time (whether as initial consideration or through the payment or disposition of deferred consideration) by or on behalf of such Person or such Subsidiary, in connection therewith after deducting therefrom only, and in all instances subject to the limitations under and provisions of the Interim Bankruptcy Court Order or Final Bankruptcy Court Order, as applicable, (a) the amount of any Indebtedness secured by any Permitted Priority Lien on any asset (other than Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection with such Disposition (other than Indebtedness under this Agreement), (b) reasonable expenses related thereto incurred by such Person or such Subsidiary in connection therewith,

(c) transfer taxes paid to any taxing authorities by such Person or such Subsidiary in connection therewith, and (d) net income taxes to be paid in connection with such Disposition (after taking into account any tax credits or deductions and any tax sharing arrangements); in each case, to the extent that the amounts so deducted are (x) actually paid to a Person that, except in the case of reasonable out-of-pocket expenses, is not an Affiliate of such Person or any of its Subsidiaries and (y) properly attributable to such transaction or to the asset that is the subject thereof.

"New Lending Office" has the meaning specified therefor in Section 2.9(d).

"Non-U.S. Lender" has the meaning specified therefor in Section 2.9(d).

"Notice of Borrowing" has the meaning specified therefor in Section 2.2(a).

"Obligations" means all present and future indebtedness, obligations, and liabilities of each Loan Party to the Administrative Agent and the Lenders under the Loan Documents and, whether or not the right of payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured, unsecured, and whether or not such claim is discharged, stayed or otherwise affected by the Chapter 11 Cases. Without limiting the generality of the foregoing, the Obligations of each Loan Party under the Loan Documents include (a) the obligation to pay principal, interest, charges, expenses, fees, attorneys' fees and disbursements, indemnities and other amounts payable by such Person under the Loan Documents, and (b) the obligation of such Person pursuant to the Loan Documents to reimburse any amount in respect of any of the foregoing that the Administrative Agent or any Lender may elect to pay or advance on behalf of such Person.

"OFAC" has the meaning specified therefor in the definition of Anti-Terrorism Laws.

"OFAC Sanctions Programs" means the laws, regulations and Executive Orders administered by OFAC, including, Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as it has been or shall thereafter be renewed, extended, amended, or replaced, and the list of Specially Designated Nationals and Blocked Persons administered by OFAC, as such list may be amended from time to time.

"Organization Documents" means (a) for any corporation, the certificate or articles of incorporation, the bylaws, any certificate of designations or preferences or other instrument relating to the rights of preferred shareholders of such corporation, any shareholders or similar agreement, and all applicable resolutions of the board of directors (or any committee thereof) of such corporation, (b) for any partnership, the partnership agreement and, if applicable, certificate of limited partnership, (c) for any limited liability company, the operating or limited liability company agreement and articles or certificate of formation or (d) for any other entity, any similar agreement or instrument.

"Other Taxes" has the meaning specified therefor in Section 2.9(b).

"Parent" has the meaning specified therefor in the preamble hereto.

"Participant Register" has the meaning specified therefor in Section 12.6(g).

"Payment Office" means the Administrative Agent's office located at 875 Third Avenue, New York, NY 10022 or at such other office or offices of the Administrative Agent as may be designated in writing from time to time by the Administrative Agent to the Borrower.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Permitted Indebtedness" means:

(a) any Indebtedness owing to the Administrative Agent and any Lender under this Agreement and the other Loan Documents;

(b) any other Indebtedness (including Contingent Obligations) existing on the Petition Date;

(c) Indebtedness evidenced by Capitalized Lease Obligations and purchase money Indebtedness secured by Liens permitted by clause (e) of the definition of "Permitted Liens"; provided that the aggregate principal amount of all such Indebtedness does not exceed \$250,000 at any one time outstanding;

(d) intercompany Indebtedness permitted under Section 8.2(e);

(e) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business or other cash management services in the ordinary course of business;

(f) Contingent Obligations arising under indemnity agreements to title insurers to cause such title insurers to issue to the Administrative Agent any Title Insurance Policy;

(g) Contingent Obligations arising with respect to customary indemnification obligations incurred in connection with Dispositions permitted hereunder;

(h) Contingent Obligations arising under the Asset Purchase Agreement;

(i) Contingent Obligations incurred in the ordinary course of business with respect to surety and appeal bonds, performance and return-of-money bonds and other similar obligations; and

(j) other Contingent Obligations not permitted by clauses (f) through (i) above, not to exceed \$100,000 in the aggregate at any time outstanding.

"Permitted Liens" means:

(a) Liens securing the Obligations;

(b) Liens for taxes, assessments and governmental charges the payment of which is not required under Section 8.1(b);

(c) Liens imposed by law after the Petition Date, such as carriers', warehousemen's, mechanics', materialmen's and other similar Liens arising in the ordinary course of business as permitted under the Interim Bankruptcy Court Order and Final Bankruptcy Court Order and securing obligations (other than Indebtedness for borrowed money) that (i) are not overdue by more than thirty (30) days or are being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor or (ii) do not exceed \$250,000 in the aggregate;

(d) Liens existing on the Petition Date, as described on Schedule 8.2(a) (other than the Liens described in clause (h) below), but not the extension of coverage thereof to other property or the extension of maturity (other than the extension of maturity or renewal of letters of credit existing on the Petition Date), refinancing or other modification of the terms thereof or the increase of the Indebtedness secured thereby;

(e) after the Petition Date, purchase money Liens on equipment acquired by any Loan Party or any of its Subsidiaries in the ordinary course of its business, as permitted under the Interim Bankruptcy Court Order and Final Bankruptcy Court Order, to secure the purchase price of such equipment or Indebtedness incurred solely for the purpose of financing the acquisition of such equipment and permitted under clause (c) of the definition of Permitted Indebtedness; provided, however, that (i) no such Lien shall extend to or cover any other property of any Loan Party or any of its Subsidiaries and (ii) the aggregate principal amount of Indebtedness secured by any or all such Liens shall not exceed, when aggregated with the principal amount of all Indebtedness incurred under clause (c) of the definition of Permitted Indebtedness, \$250,000 at any one time outstanding;

(f) after the Petition Date, deposits and pledges of cash, as permitted under the Interim Bankruptcy Court Order and the Final Bankruptcy Court Order, made to secure (i) obligations incurred in respect of workers' compensation, unemployment insurance or other forms of governmental insurance or benefits, (ii) the performance of bids, tenders, leases, contracts (other than for the payment of money) and statutory obligations or (iii) obligations on surety or appeal bonds, but only to the extent such deposits or pledges are incurred or otherwise arise in the ordinary course of business and secure obligations not past due;

(g) easements, rights-of-way, encroachments, municipal and zoning ordinances, restrictions and similar charges or encumbrances on real property and minor irregularities in the title thereto that do not (i) secure obligations for the payment of money or (ii) materially impair the value of such property or its use by any Loan Party or any of its Subsidiaries in the normal conduct of such Person's business; and, with respect to each Mortgaged Property for which a Title Insurance Policy is delivered to Administrative Agent, the exceptions to title as are shown therein, all of which must be reasonably acceptable to the Administrative Agent;

(h) Liens securing the Indebtedness outstanding pursuant to the Existing Senior Secured Credit Facility; provided that, such Liens are and will remain junior and subordinate in all respects to the Liens securing the Obligations with respect to all Collateral pursuant to the Bankruptcy Court Orders;

(i) (i) licenses, sublicenses, leases or subleases granted by any Loan Party to other Persons not interfering in any material respect with the normal conduct of the business of such or any other Loan Party or the exercise by the Administrative Agent or any Lender of any of their respective rights or remedies hereunder or under any of the other Loan Documents, and (ii) any interest or title of a lessor, sublessor or licensor under any lease or license agreement permitted by this Agreement to which any Loan Party is a party;

(j) Liens arising from precautionary Uniform Commercial Code financing statement filings regarding operating leases entered into in the ordinary course of business;

(k) Liens arising out of the existence of judgments or awards that do not constitute an Event of Default under Section 9.1(g);

(l) statutory and common law landlords' liens in connection with real property leases to which any Loan Party is a party;

(m) Liens arising out of any conditional sale, title retention, consignment or other similar arrangements for the sale of goods entered into by any Loan Party in the ordinary course of business to the extent such Liens do not attach to any assets other than the goods subject to such arrangements;

(n) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(o) bankers' Liens, rights of setoff and other similar Liens with respect to Cash and Cash Equivalents on deposit in one or more accounts maintained by any Loan Party, in each case arising in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, to the extent securing amounts owing to such bank or banks with respect to cash management and operating account arrangements; and

(p) the Adequate Protection Replacement Liens.

"Permitted Priority Liens" means valid, perfected and non-avoidable Permitted Liens (a) existing on the Petition Date, (b) either perfected as of the Petition Date or perfected subsequent to the Petition Date solely to the extent permitted by Section 546(b) of the Bankruptcy Code, and (c) senior in priority to the Liens securing the Existing Senior Secured Loan Obligations after giving effect to any intercreditor or subordination agreement; provided, for the avoidance of doubt, that the Liens in clause (h) and (p) of the definition of "Permitted Liens" shall not be Permitted Priority Liens.

"Person" means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

"Petition Date" means February 13, 2014.

"Plan" means any Employee Plan or Multiemployer Plan.

"Post-Default Rate" means, with respect to any Obligation, a rate of interest per annum equal to the rate of interest otherwise in effect from time to time pursuant to the terms of this Agreement with respect to such Obligation plus two percent (2%) per annum, or, if a rate of interest is not otherwise in effect with respect to such Obligation, a rate of interest per annum equal to the sum of (a) the Base Rate plus (b) six and one half percent (6.50%) plus (c) two percent (2%) per annum.

"Prepetition Credit Facilities" means the credit facilities, loan agreements, note purchase agreements, notes, letter of credit and other debt instruments (including the Existing Senior Secured Credit Facility) entered into by the Loan Parties prior to the Petition Date, as set forth on Schedule 1.1(B).

"Prepetition Obligations" means all indebtedness, obligations (including obligations in respect of any letters of credit) and liabilities of the Loan Parties incurred prior to the Petition Date plus fees, expenses, and indemnities due thereunder and interest thereon accruing both before and after the Petition Date to the extent allowable under the Bankruptcy Code, whether such indebtedness, obligations or liabilities are direct or indirect, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising.

"Professional Expense Carve-Out Cap" means the lesser of: (a) \$500,000 and (b) the amounts provided for the Professionals in the Budget after the Carve-Out Trigger Date; provided that any payments made after the Carve-Out Trigger Date shall reduce the Professional Expense Carve-Out Cap on a dollar-for-dollar basis; provided, further, that the Professional Expense Carve-Out Cap shall not be reduced by payment of any fees, or reimbursement of expenses, that were incurred prior to the Carve-Out Trigger Date.

"Professionals" means the attorneys, accountants, and other professionals retained, with the approval of the Bankruptcy Court, by the Loan Parties and the Committee and each referred to herein as a "Professional."

"Pro Rata Share" means, subject to the terms and provisions hereof:

(a) with respect to a Lender's obligation to make Revolving Loans and receive payments of interest, fees, and principal with respect thereto, the percentage obtained by dividing (i) such Lender's Revolving Loan Commitment, by (ii) the Total Revolving Loan Commitment, provided, that, if the Total Revolving Loan Commitment has been reduced to zero or terminated, the numerator shall be the aggregate unpaid principal amount of such Lender's Revolving Loans and the denominator shall be the aggregate unpaid principal amount of all Revolving Loans, and

(b) with respect to all other matters (including indemnification obligations arising under Section 10.5), the percentage obtained by dividing (i) such Lender's Revolving Loan Commitment, by (ii) the Total Revolving Loan Commitment, provided, that if (i) such Lender's Revolving Loan Commitment shall have been reduced to zero or terminated, such Lender's Revolving Loan Commitment shall be deemed to be the aggregate unpaid principal amount of such Lender's Revolving Loans and (ii) the Total Revolving Loan Commitment shall have been reduced to zero, the Total Revolving Loan Commitment shall be deemed to be the aggregate unpaid principal amount of all Revolving Loans.

"Rating Agencies" has the meaning specified therefor in Section 12.6(j).

"Reference Bank" means JPMorgan Chase Bank, N.A., its successors or any other bank designated by the Administrative Agent to the Borrower from time to time.

"Register" has the meaning specified therefor in Section 12.6(d).

"Registered Loans" has the meaning specified therefore in Section 12.6(d).

"Regulation T," "Regulation U" and "Regulation X" mean, respectively, Regulations T, U and X of the Board of Governors or any successor, as the same may be amended or supplemented from time to time.

"Reinvestment Notice" has the meaning specified therefor in Section 2.5(d).

"Related Fund" means, with respect to any Person, an Affiliate of such Person, or a fund or account managed by such Person or an Affiliate of such Person.

"Related Party Assignment" has the meaning specified therefor in Section 12.6(b).

"Related Party Register" has the meaning specified therefor in Section 12.6(d).

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, seeping, migrating, dumping or disposing of any Hazardous Material (including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Material) into the indoor or outdoor environment, including the movement of Hazardous Materials through or in the ambient air, soil, surface or ground water, or property.

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way address Hazardous Materials in the indoor or outdoor environment; (b) prevent or minimize a Release or threatened Release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; (c) perform pre-remedial studies and investigations and post-remedial operation and maintenance activities; or (d) perform any other actions authorized by 42 U.S.C. § 9601.

"Replacement Lender" has the meaning specified therefor in Section 5.4.

"Reportable Event" means an event described in Section 4043 of ERISA (other than the commencement of the Chapter 11 Cases and any event not subject to the provision for thirty (30) day notice to the PBGC under the regulations promulgated under such Section).

"Required Lenders" means Lenders (other than Defaulting Lenders) having (a) more than fifty percent (50%) of the Total Revolving Loan Commitment of Lenders that are not Defaulting Lenders, or (b) if the Total Revolving Loan Commitment has been reduced to zero or terminated, more than fifty percent (50%) of the aggregate outstanding principal balance of the Revolving Loans held by all Lenders that are not Defaulting Lenders; provided that if one Lender by itself or with its Affiliates holds more than fifty percent (50%) of the Total Revolving Loan Commitment, or if the Total Revolving Loan Commitment has been terminated, more than fifty percent (50%) of the aggregate outstanding principal balance of the Revolving Loans held by all Lenders that are not Defaulting Lenders, Required Lenders shall include at least two other non-affiliated Lenders.

"Requirements of Law" means, with respect to any Person, collectively, the common law and all federal, state, provincial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Reserve Percentage" means, on any day, for any Lender, the maximum percentage prescribed by the Board of Governors (or any successor Governmental Authority) for determining the reserve requirements (including any basic, supplemental, marginal, or emergency reserves) that are in effect on such date with respect to eurocurrency funding (currently referred to as "eurocurrency liabilities") of that Lender, but so long as such Lender is not required or directed under applicable regulations to maintain such reserves, the Reserve Percentage shall be zero.

"Response Action" means any required or voluntary actions taken to (a) clean up, remove, remediate, correct, contain, manage, treat or otherwise address Hazardous Materials in the environment or (b) investigate, assess, evaluate, or monitor Hazardous Materials in the environment (including pre-remedial studies and investigations).

"Restricted Payment" means (a) any dividend or other distribution, direct or indirect, on account of any Capital Stock of any Loan Party or any of its Subsidiaries, now or hereafter outstanding; (b) any repurchase, redemption, retirement, defeasance, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Capital Stock of any Loan Party or any direct or indirect parent of any Loan Party, now or hereafter outstanding; (c) any payment to retire or to purchase, or to obtain the surrender of, any outstanding warrants, options or other rights for the purchase or acquisition of shares of any class of Capital Stock of any Loan Party, now or hereafter outstanding; (d) return any Capital Stock to

any shareholders or other equity holders of any Loan Party or any of its Subsidiaries or make any other distribution of property, assets, shares, Capital Stock, warrants, rights, options, obligations or securities thereto as such; (e) any payment or prepayment of interest on, principal of, premium, if any, fees, redemption, conversion, exchange, purchase, retirement, defeasance, sinking fund or similar payment with respect to, any Indebtedness under the Prepetition Credit Facilities; (f) payment of any management fees or any other fees or expenses (including the reimbursement thereof by any Loan Party or any of its Subsidiaries) pursuant to any management, consulting or other services agreement to any of the shareholders or other equityholders of any Loan Party or any of its Subsidiaries or other Affiliates, or to any other Subsidiary or Affiliate of any Loan Party (for the avoidance of doubt any ordinary course fees for directors of the Loan Parties shall not be deemed a "Restricted Payment"); or (g) make any payment to any Subsidiary or any Affiliate (except as permitted by Section 8.2(h)) that is not a debtor in possession in the Chapter 11 Cases.

"Revolving Loan" means a loan made by a Lender to the Borrower pursuant to Section 2.1(a).

"Revolving Loan Commitment" means, with respect to each Lender, the commitment of such Lender to make Revolving Loans to the Borrower in the amount set forth opposite such Lender's name in Schedule 1.1(A) hereto, as such amount may be terminated or changed from time to time in accordance with the terms of this Agreement.

"Revolving Loan Lender" means a Lender with a Revolving Loan Commitment (or, on and after any date on which the Revolving Loan Commitment shall have been terminated, a Lender at such time having an outstanding Revolving Loan).

"Sale Milestones" means the following milestones with respect to the sale of all or substantially all of the Loan Parties' assets or equity interests pursuant to Section 363 of the Bankruptcy Code, in each case, in a manner satisfactory to the Administrative Agent and the Required Lenders:

(a) on the Petition Date, file the bid procedures motion and proposed form of bid procedures order that designates the Existing Senior Secured Agent, an entity formed by the Existing Senior Secured Agent, and/or certain of the Existing Senior Secured Lenders (or an entity comprised of same) as the "stalking horse" bidder for a sale of substantially all of the Loan Parties' assets (the **"Bid Procedures Motion"** and **"Bid Procedures Order,"** respectively), each of which shall be in form and substance acceptable to Existing Senior Secured Agent and the Existing Senior Secured Lenders constituting "Required Lenders" under the Existing Senior Secured Financing Agreement;

(b) Bankruptcy Court hearing on the Bid Procedures Motion on or prior to 30 calendar days after the Petition Date;

(c) entry by the Bankruptcy Court of the Bid Procedures Order within three (3) Business Days after the conclusion of the hearing on the Bid Procedures Motion;

(d) on or prior to 60 calendar days after the Petition Date at 4:00 p.m. Pacific time, all qualified bids other than the "stalking horse" bid (which bids, among other things, shall not contain any financing or diligence conditions) shall be due (which bid deadline shall not be extended without the written consent of each of the Administrative Agent, the Existing Senior Secured Agent and the Required Lenders, except as otherwise provided in the Bankruptcy Court Orders (the "**Qualified Bid Deadline**");

(e) an auction shall, if necessary, be on or prior to sixty-seven (67) calendar days after the Petition Date at 10:00 a.m. Eastern time, which shall not be extended without the prior written consent of each of the Administrative Agent, the Required Lenders and the Existing Senior Secured Agent;

(f) the Bankruptcy Court having conducted a hearing to approve the sale to the winning bidder, as further provided in the Bankruptcy Court Orders, on or prior to 75 calendar days after the Petition Date, which shall not be extended without the prior written consent of each of the Administrative Agent, the Required Lenders and the Existing Senior Secured Agent; and

(g) on or prior to the date that is 105 calendar days after the Petition Date, either the "stalking horse" sale transaction or a "Qualifying Cash Sale" (as defined in the Bankruptcy Court Orders) shall have been consummated.

"SEC" means the Securities and Exchange Commission or any other similar or successor agency of the Federal government administering the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended, or any similar Federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect from time to time.

"Securitization" has the meaning specified therefor in Section 12.6(j).

"Settlement Period" has the meaning specified therefor in Section 2.2(d)(i).

"Sponsor" means Quad-C Management Inc., a Virginia corporation.

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

"Subsidiary" means, with respect to any Person at any date, any corporation, limited or general partnership, limited liability company, trust, estate, association, joint venture or other business entity (a) the accounts of which would be consolidated with those of such Person in such Person's consolidated financial statements if such financial statements were prepared in accordance with GAAP or (b) of which more than 50% of (i) the outstanding Capital Stock having (in the absence of contingencies) ordinary voting power to elect a majority of the board of directors or other managing body of such Person, (ii) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited liability company or (iii) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association or other entity business is, at the time of

determination, owned or controlled directly or indirectly through one or more intermediaries, by such Person.

"Taxes" has the meaning specified therefor in Section 2.9(a)

"Termination Event" means (a) a Reportable Event with respect to any Employee Plan, (b) any event that causes any Loan Party or any of its ERISA Affiliates to incur liability under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 4971 or 4975 of the Internal Revenue Code, (c) the filing of a notice of intent to terminate an Employee Plan or the treatment of an Employee Plan amendment as a termination under Section 4041 of ERISA, (d) the institution of proceedings by the PBGC to terminate an Employee Plan, or (e) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Employee Plan; provided, however, that no Termination Event shall be deemed to have occurred as a result of the commencement of the Chapter 11 Cases.

"Title Insurance Policy" means a mortgagee's loan policy, in form and substance satisfactory to the Administrative Agent, together with all endorsements made from time to time thereto, issued by or on behalf of a title insurance company satisfactory to the Administrative Agent, insuring the Lien created by a Mortgage in an amount and on terms satisfactory to the Administrative Agent, delivered to the Administrative Agent.

"Transferee" has the meaning specified therefor in Section 2.9(a).

"Total Revolving Loan Commitment" means the sum of the amounts of the Lenders' Revolving Loan Commitments; provided that (a) prior to the Final Facility Effective Date such amount shall not exceed \$17,000,000 and (b) on and after the Final Facility Effective date such amount shall not exceed \$20,000,000.

"U.S. Lender" has the meaning specified therefor in Section 2.9(d).

"Uniform Commercial Code" has the meaning specified therefor in Section 1.4(b).

"Unused Line Fee" has the meaning specified therefor in Section 2.6(b).

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (PATRIOT) Act of 2001 (Title III of Pub. L. 107-56, Oct. 26, 2001), as amended.

"WARN" has the meaning specified therefor in Section 7.1(x).

Section 1.2 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include" "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (a) any definition of or reference to any

agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

Section 1.3 Certain Matters of Construction. References in this Agreement to "determination" by the Administrative Agent include good faith estimates by the Administrative Agent (in the case of quantitative determinations) and good faith beliefs by the Administrative Agent (in the case of qualitative determinations). A Default or Event of Default shall be deemed to exist at all times during the period commencing on the date that such Default or Event of Default occurs to the date on which such Default or Event of Default is waived in writing pursuant to this Agreement or, in the case of a Default, is cured within any period of cure expressly provided for in this Agreement; and an Event of Default shall "continue" or be "continuing" until such Event of Default has been waived in writing by the Required Lenders. Any Lien referred to in this Agreement or any other Loan Document as having been created in favor of the Administrative Agent, any agreement entered into by the Administrative Agent pursuant to this Agreement or any other Loan Document, any payment made by or to or funds received by the Administrative Agent pursuant to or as contemplated by this Agreement or any other Loan Document, or any act taken or omitted to be taken by the Administrative Agent, shall, unless otherwise expressly provided, be created, entered into, made or received, or taken or omitted, for the benefit or account of the Administrative Agent and the Lenders. Wherever the phrase "to the knowledge of any Loan Party" or words of similar import relating to the knowledge or the awareness of any Loan Party are used in this Agreement or any other Loan Document, such phrase shall mean and refer to (i) the actual knowledge of a senior officer of any Loan Party or (ii) the knowledge that a senior officer would have obtained if such officer had engaged in good faith and diligent performance of such officer's duties, including the making of such reasonably specific inquiries as may be necessary of the employees or agents of such Loan Party and a good faith attempt to ascertain the existence or accuracy of the matter to which such phrase relates. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or otherwise within the limitations of, another covenant shall not avoid the occurrence of a default if such action is taken or condition exists. In addition, all representations and warranties hereunder shall be given independent effect so that if a particular representation or warranty proves to be incorrect or is breached, the fact that another representation or warranty concerning the same or similar subject matter is correct or is not breached will not affect the incorrectness of a breach of a representation or warranty hereunder.

Section 1.4 Accounting and Other Terms.

(a) Unless otherwise expressly provided herein, each accounting term used herein shall have the meaning given it under GAAP applied on a basis consistent with those used in preparing the Financial Statements.

(b) All terms used in this Agreement which are defined in Article 8 or Article 9 of the Uniform Commercial Code as in effect from time to time in the State of New York (the "Uniform Commercial Code") and which are not otherwise defined herein shall have the same meanings herein as set forth therein, provided that terms used herein which are defined in the Uniform Commercial Code as in effect in the State of New York on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as the Administrative Agent may otherwise determine.

Section 1.5 Time References. Unless otherwise indicated herein, all references to time of day refer to Eastern standard time or Eastern daylight saving time, as in effect in New York City on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding"; provided, however, that with respect to a computation of fees or interest payable to Administrative Agent or any Lender, such period shall in any event consist of at least one full day.

ARTICLE II THE LOANS

Section 2.1 Commitments.

(a) Subject to the terms and conditions hereof and the Bankruptcy Court Orders, as applicable, and relying upon the representations and warranties herein set forth, each Revolving Loan Lender severally agrees to make Revolving Loans to the Borrower at any time and from time to time from the Interim Facility Effective Date to the date immediately prior to the Final Maturity Date, or until the earlier reduction of its Revolving Loan Commitment to zero in accordance with the terms hereof, in an aggregate principal amount of Revolving Loans at any time outstanding not to exceed its Pro Rata Share of the Available Revolving Loan Commitment.

(b) Notwithstanding the foregoing:

(i) The aggregate principal amount of Revolving Loans outstanding at any time to the Borrower shall not exceed the Available Revolving Loan Commitment in effect at such time; provided, that, prior to the Final Facility Effective Date, any Notice of Borrowing that would result in the aggregate principal amount of Revolving Loans then outstanding exceeding the Available Revolving Loan Commitment, shall be funded only if and to the extent that the Administrative Agent and the Lenders consent to such Notice of Borrowing.

(ii) The Revolving Loan Commitment of each Lender shall automatically and permanently be reduced to zero on the Final Maturity Date. Within the limits set forth herein, the Borrower may borrow, repay and reborrow, on or after the Interim Facility Effective Date and prior to the Final Maturity Date, subject to the terms, provisions and limitations set forth herein.

Section 2.2 Making the Loans.

(a) The Borrower shall give the Administrative Agent prior telephonic notice (immediately confirmed in writing, in substantially the form of Exhibit A hereto (a "Notice of Borrowing")), (i) not later than 1:00 p.m. (New York City time) on the date which is one (1) Business Day prior to the date of borrowing of a Base Rate Loan) and (ii) not later than 1:00 p.m. (New York City time) on the date which is three (3) Business Days prior to the date of borrowing of a LIBOR Rate Loan. Such Notice of Borrowing shall be irrevocable and shall specify (A) the principal amount of the proposed Loan, (B) the proposed borrowing date, which must be a Business Day, (C) the Available Revolving Loan Amount as of the proposed borrowing date, (D) whether the proposed Loan shall be a Base Rate Loan or a LIBOR Rate Loan, or a combination thereof, and if a LIBOR Rate Loan, the Interest Period therefor, and (E) the disbursements to be funded with the proposed Loan, in accordance with the approved Budget, within 5 Business Days of such borrowing. The Administrative Agent and the Lenders may act without liability upon the basis of written, telecopied or telephonic notice believed by the Administrative Agent in good faith to be from the Borrower (or from any Authorized Officer). The Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of any such telephonic Notice of Borrowing. The Administrative Agent and each Lender shall be entitled to rely conclusively on any Authorized Officer's authority to request a Loan on behalf of the Borrower until the Administrative Agent receives written notice from the Borrower to the contrary. The Administrative Agent and the Lenders shall have no duty to verify the authenticity of the signature appearing on any written Notice of Borrowing.

(b) Each Notice of Borrowing pursuant to this Section 2.2 shall be irrevocable and the Borrower shall be bound to make a borrowing in accordance therewith. Each Revolving Loan shall be made in a minimum amount of \$100,000 and shall be in an integral multiple of \$10,000.

(c) (i) Except as otherwise provided in this Section 2.2(c), all Loans under this Agreement shall be made by the Lenders simultaneously and proportionately to their Pro Rata Shares of the Total Revolving Loan Commitment, it being understood that no Lender shall be responsible for any default by any other Lender in that other Lender's obligations to make a Loan requested hereunder, nor shall the Commitment of any Lender be increased or decreased as a result of the default by any other Lender in that other Lender's obligation to make a Loan requested hereunder, and each Lender shall be obligated to make the Loans required to be made by it by the terms of this Agreement regardless of the failure by any other Lender.

(ii) Notwithstanding any other provision of this Agreement, and in order to reduce the number of fund transfers among the Borrower, the Administrative Agent and the Lenders, the Borrower, the Administrative Agent and the Lenders agree that the Administrative Agent may (but shall not be obligated to), and the Borrower and the Lenders hereby irrevocably authorize the Administrative Agent to, fund, on behalf of the Revolving Loan Lenders, Revolving Loans pursuant to Section 2.1 and subject to the procedures for settlement set forth in Section 2.2(d)(i); provided, however, (A) the Administrative Agent shall in no event fund any such Loans if the Administrative Agent shall have received written notice from the Required Lenders on the Business Day prior

to the date of the proposed Revolving Loan that one or more of the conditions precedent contained in Sections 6.2 or 6.3, as applicable, will not be satisfied at the time of the proposed Loan, and (B) the Administrative Agent shall not otherwise be required to determine that, or take notice whether, the conditions precedent in Sections 6.2 or 6.3, as applicable, have been satisfied. If the Borrower gives a Notice of Borrowing requesting a Revolving Loan and the Administrative Agent elects not to fund such Loan on behalf of the Revolving Loan Lenders, then promptly after receipt of the Notice of Borrowing requesting such Loan, the Administrative Agent shall notify each such Lender of the specifics of the requested Loan and that it will not fund the requested Loan on behalf of the Revolving Loan Lenders. If the Administrative Agent notifies the Revolving Loan Lenders that it will not fund a requested Revolving Loan on behalf of such Lenders, each such Lender shall, subject to the terms and conditions of this Agreement, make its Pro Rata Share of the applicable Loan available to the Administrative Agent, in immediately available funds, in the Administrative Agent's Account no later than 1:00 p.m. (New York City time) (provided that the Administrative Agent requests payment from such Revolving Loan Lender not later than 11:00 a.m. (New York City time)) on the date of the proposed Loan. The Administrative Agent will make the proceeds of such Loans available to the Borrower on the day of the proposed Loan by causing an amount, in immediately available funds, equal to the proceeds of all such Loans received by the Administrative Agent in the Administrative Agent's Account or the amount funded by the Administrative Agent on behalf of the Revolving Loan Lenders to be deposited in an account designated by the Borrower.

(iii) If the Administrative Agent has notified the Revolving Loan Lenders that the Administrative Agent, on behalf of the Revolving Loan Lenders will not fund a particular Revolving Loan pursuant to Section 2.2(c)(ii), the Administrative Agent may assume that each such Revolving Loan Lender has made such amount available to the Administrative Agent on such day and the Administrative Agent may, but shall not be obligated to, cause a corresponding amount to be made available to the Borrower on such day. If the Administrative Agent makes such corresponding amount available to the Borrower and such corresponding amount is not in fact made available to the Administrative Agent by any such Revolving Loan Lender, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Revolving Loan Lender, together with interest thereon, for each day from the date such payment was due until the date such amount is paid to the Administrative Agent, at the Federal Funds Rate for three (3) Business Days and thereafter at the Base Rate. During the period in which such Revolving Loan Lender has not paid such corresponding amount to the Administrative Agent, notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, the amount so advanced by the Administrative Agent to the Borrower shall, for all purposes hereof, be a Revolving Loan made by the Administrative Agent for its own account. Upon any such failure by a Revolving Loan Lender, to pay the Administrative Agent, the Administrative Agent shall promptly thereafter notify the Borrower of such failure and the Borrower shall immediately pay such corresponding amount to the Administrative Agent for its own account.

(iv) Nothing in this Section 2.2(c) shall be deemed to relieve any Revolving Loan Lender from its obligations to fulfill its Revolving Loan Commitment

hereunder or to prejudice any rights that the Administrative Agent or the Borrower may have against any Revolving Loan Lender as a result of any default by such Revolving Loan Lender hereunder. The obligations of the Revolving Loan Lenders to fund their Pro Rata Shares of Revolving Loans pursuant to the terms of this Agreement are several, and not joint, obligations, and, accordingly, no Revolving Loan Lender shall be obligated by the terms of this Agreement to fund any other Revolving Loan Lender's Pro Rata Share of any Revolving Loan.

(d) (i) With respect to all periods for which the Administrative Agent has funded Revolving Loans pursuant to Section 2.2(c), on Friday of each week, or if the applicable Friday is not a Business Day, then on the following Business Day, or such shorter period as the Administrative Agent may from time to time select (any such week or shorter period being herein called a "Settlement Period"), the Administrative Agent shall notify each Revolving Loan Lender of the unpaid principal amount of the Revolving Loans outstanding as of the last day of each such Settlement Period. In the event that such amount is greater than the unpaid principal amount of the Revolving Loans outstanding on the last day of the Settlement Period immediately preceding such Settlement Period (or, if there has been no preceding Settlement Period, the amount of the Revolving Loans made on the date of such Revolving Loan Lender's initial funding), each Revolving Loan Lender shall promptly (and in any event not later than 2:00 p.m. (New York City time) if the Administrative Agent requests payment from such Lender not later than 12:00 noon (New York City time) on such day) make available to the Administrative Agent in immediately available funds an amount necessary such that, after giving effect thereto, the outstanding Revolving Loans of such Revolving Loan Lender equals its Pro Rata Share. In the event that such amount is less than such unpaid principal amount, the Administrative Agent shall promptly pay over to each Revolving Loan Lender in immediately available funds an amount necessary such that, after giving effect thereto, the outstanding Revolving Loans of such Revolving Loan Lender equals its Pro Rata Share. In addition, if the Administrative Agent shall so request at any time when a Default or an Event of Default shall have occurred and be continuing, or any other event shall have occurred as a result of which the Administrative Agent shall determine that it is desirable to present claims against the Borrower for repayment, each Revolving Loan Lender shall promptly remit to the Administrative Agent or, as the case may be, the Administrative Agent shall promptly remit to each Revolving Loan Lender, sufficient funds to adjust the interests of the Revolving Loan Lenders in the then outstanding Revolving Loans to such an extent that, after giving effect to such adjustment, each such Revolving Loan Lender's interest in the then outstanding Revolving Loans will be equal to its Pro Rata Share thereof. The obligations of the Administrative Agent and each Revolving Loan Lender under this Section 2.2(d) shall be absolute and unconditional. Each Revolving Loan Lender shall only be entitled to receive interest on, and Unused Line Fees payable to a Revolving Loan Lender shall be calculated based upon, the Revolving Loans which have been funded by such Revolving Loan Lender.

(ii) In the event that any Revolving Loan Lender fails to make any payment required to be made by it pursuant to Section 2.2(d)(i), the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Revolving Loan Lender together with interest thereon, for each day from the date such payment was due until the date such amount is paid to the Administrative Agent, at the Federal Funds Rate for three (3) Business Days and thereafter at the Base Rate. During the period in

which such Revolving Loan Lender has not paid such corresponding amount to the Administrative Agent, notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, the amount so advanced by the Administrative Agent to the Borrower shall, for all purposes hereof, be a Revolving Loan made by the Administrative Agent for its own account. Upon any such failure by a Revolving Loan Lender to pay the Administrative Agent, the Administrative Agent shall promptly thereafter notify the Borrower of such failure and the Borrower shall immediately pay such corresponding amount to the Administrative Agent for its own account. Nothing in this Section 2.2(d)(ii) shall be deemed to relieve any Revolving Loan Lender from its obligation to fulfill its Revolving Loan Commitment hereunder or to prejudice any rights that the Administrative Agent or the Borrower may have against any Revolving Loan Lender as a result of any default by such Revolving Loan Lender hereunder.

Section 2.3 Repayment of Loans; Evidence of Debt

(a) The outstanding principal balance and all accrued and unpaid interest on the Revolving Loans and all other Obligations shall be due and payable on the Final Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraphs (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in a form furnished by the Administrative Agent and reasonably acceptable to the Borrower. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 12.6) be represented by one or more promissory notes in such form payable to the order of the payee named therein.

Section 2.4 Interest

(a) Revolving Loans. Subject to terms of this Agreement, each Revolving Loan shall bear interest as follows: (i) Base Rate Loans. During such periods as any Revolving Loans shall be Base Rate Loans, each such Base Rate Loan shall bear interest at a per annum rate equal to the sum of the Base Rate plus 6.50%; and

(ii) LIBOR Rate Loans. During such periods as any Revolving Loans shall be LIBOR Rate Loans, each such LIBOR Rate Loan shall bear interest at a per annum rate equal to the sum of LIBOR Rate plus 8.50% .

(b) Default Interest. To the extent permitted by law, at the request of the Administrative Agent or the Required Lenders and notice thereof to the Borrower (notwithstanding anything to the contrary in this Section), at any time upon the occurrence and during the continuance of an Event of Default, the principal of, and all accrued and unpaid interest on, all Loans, fees, indemnities, or any other Obligations of the Loan Parties under this Agreement and the other Loan Documents, shall bear interest, from the date such request until the date such Event of Default is waived in writing in accordance herewith, at a rate per annum equal at all times to the Post-Default Rate.

(c) Interest Payment. Interest on each Loan shall be payable monthly, in arrears, on the first day of each month, commencing on the first day of the month following the month in which such Loan is made and at maturity (whether upon demand, by acceleration or otherwise). Interest at the Post-Default Rate shall be payable on demand. The Borrower hereby authorizes the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account pursuant to Section 5.1 with the amount of any interest payment due hereunder.

(d) Computations. All interest shall be computed on the basis of a year of 360 days for the actual number of days, including the first day but excluding the last day, elapsed.

Section 2.5 Reduction of Commitment; Prepayment of Loans

(a) Reduction of Revolving Loan Commitments. The Total Revolving Loan Commitment shall terminate on the Final Maturity Date without further notice to or order of the Bankruptcy Court. The Borrower may, without premium or penalty, reduce the Total Revolving Loan Commitment to an amount (which may be zero) not less than the sum of (i) the aggregate unpaid principal amount of all Revolving Loans then outstanding, plus (ii) the aggregate principal amount of all Revolving Loans not yet made as to which a Notice of Borrowing has been given by the Borrower under Section 2.2, plus (iii) to the extent the Existing Senior Secured Agent Advances have not been repaid in full in cash, the amount of Existing Senior Secured Agent Advances then outstanding; Each such reduction (A) shall be in an amount which is an integral multiple of \$500,000 (unless the Total Revolving Loan Commitment in effect immediately prior to such reduction is less than \$500,000), (B) shall be made by providing not less than five (5) Business Days' prior written notice to the Administrative Agent, and (C) shall be irrevocable. Once reduced, the Total Revolving Loan Commitment may not be increased. Each such reduction of the Total Revolving Loan Commitment shall reduce the Revolving Loan Commitment of each Lender proportionately in accordance with its Pro Rata Share thereof.

(b) Optional Prepayment.

(i) The Borrower may prepay without penalty or premium (but subject to the payment of Funding Losses pursuant to Section 2.8)) the principal of any Revolving Loan, in whole or in part.

(ii) The Borrower may, upon at least thirty (30) days prior written notice to the Administrative Agent, terminate this Agreement by paying to the Administrative Agent, in cash, the Obligations, in full. If the Borrower has sent a notice of termination pursuant to this clause (ii), then the Lenders' obligations to extend credit hereunder shall terminate and the Borrower shall be obligated to repay the Obligations, in full, on the date set forth as the date of termination of this Agreement in such notice.

(c) Mandatory Prepayment.

(i) Overadvance. The Borrower will immediately prepay the Revolving Loans at any time when the aggregate principal amount of all Revolving Loans exceeds the Available Revolving Loan Commitment, to the full extent of any such excess.

(ii) Dispositions. Immediately upon any Disposition by any Loan Party or its Subsidiaries (other than Dispositions consisting of broken, damaged or missing inventory or rental inventory sold to customers who broke, damaged or lost such inventory), the Borrower shall prepay the outstanding principal amount of the Loans in accordance with Section 2.5(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection with such Disposition. Nothing contained in this subsection (ii) shall permit any Loan Party or any of its Subsidiaries to make a Disposition of any property other than in accordance with Section 8.2(c).

(iii) Extraordinary Receipts. Promptly upon the receipt by any Loan Party or any of its Subsidiaries of any Extraordinary Receipts and in any event within five (5) Business Days of such receipt, the Borrower shall prepay the outstanding principal amount of the Loans in accordance with Section 2.5(d) in an amount equal to 100% of such Extraordinary Receipts, net of any reasonable expenses incurred in collecting such Extraordinary Receipts and any taxes paid or required to be paid (and reserved for such purpose) in connection with such Extraordinary Receipts.

(iv) Available Cash. The Borrower shall calculate the aggregate balance of cash and Cash Equivalents (excluding any restricted cash collateralizing permitted letter of credit obligations, deposits on hold and outstanding checks) held by the Loan Parties as of the date of delivery of the variance report and certificate required to be delivered pursuant to Section 8.1(a)(vii) and if such balance exceeds \$2,500,000, then the amount of such excess shall be applied on the next Business Day to the prepayment of any outstanding Revolving Loans (without reduction of the Total Revolving Loan Commitment).

(v) Without limiting any other provision of this Agreement or any other Loan Document permitting or requiring prepayment of the Loans in whole or in part, the Borrower shall prepay the Obligations in full on the date which is forty (40) days following the entry of the Interim Facility Bankruptcy Court Order in the event that the Final Bankruptcy Court Order shall not have been entered on or before such date.

(d) Application of Payments. Each prepayment pursuant to Sections 2.5(c)(ii) and (c)(iii) shall be applied to Revolving Loans with a permanent dollar-for-dollar reduction to the Total Revolving Loan Commitment; provided that, prepayments up to \$250,000 in any six (6) month period made with the proceeds of Extraordinary Receipts described in clause (a) of the definition of Extraordinary Receipts shall not result in such dollar-for-dollar reduction, so long as the Borrower delivers a certificate (a "Reinvestment Notice") to the Administrative Agent within five (5) Business days after the date of such loss or destruction, as the case may be, stating that an amount equal to such prepayment amount shall be expended to replace, repair or restore such properties or assets within a period specified in such certificate not to exceed the earlier of (x) 45 days after the receipt of such proceeds and (y) the Final Maturity Date (which Reinvestment Notice shall set forth estimates of the proceeds to be so expended). If such amount (in whole or in part) is not expended in accordance with the preceding sentence within the period specified in the Reinvestment Notice furnished pursuant hereto, the Total Revolving Loan Commitment shall be reduced by such amount (in whole or in part) on a dollar-for-dollar basis on the last day of such specified period. Considering each type of Loan being prepaid separately, any such prepayment shall be applied first to Base Rate Loans of the type required to be prepaid before application to LIBOR Rate Loans of the type required to be prepaid, in each case, in a manner which minimizes any resulting Funding Losses.

(e) Interest and Fees. Any prepayment made pursuant to this Section 2.5 shall be accompanied by payment for any Funding Losses pursuant to Section 2.8 and other than with respect to prepayments made pursuant to Section 2.5(c)(i), accrued interest on the principal amount being prepaid to the date of prepayment.

(f) Cumulative Prepayments. Except as otherwise expressly provided in this Section 2.5, payments with respect to any subsection of this Section 2.5 are in addition to payments made or required to be made under any other subsection of this Section 2.5.

Section 2.6 Fees.

(a) Closing Fee. The Borrower shall pay to the Administrative Agent for the account of the Revolving Loan Lenders, in accordance with their Pro Rata Shares, a closing fee (the "Closing Fee") in an amount equal to two percent (2%) on the Total Revolving Loan Commitment (as applicable on the Final Facility Effective Date), which fee shall be fully earned, non-refundable and payable in full as follows: (i) one and one half percent (1.5%) of the Total Revolving Loan Commitment (as applicable on the Final Facility Effective Date) payable upon entry of the Interim Bankruptcy Court Order; and (ii) one half percent (0.5%) of the Total Revolving Loan Commitment (as applicable on the Final Facility Effective Date) payable upon entry of the Final Bankruptcy Court Order.

(b) Unused Line Fee. From and after the Interim Facility Effective Date and until the Final Maturity Date, the Borrower shall pay to the Administrative Agent for the account of the Revolving Loan Lenders, in accordance with their Pro Rata Shares, an unused line fee (the "Unused Line Fee"), which shall accrue at the rate per annum of 0.75% on the excess, if any, of the Total Revolving Loan Commitment in effect at such time over the average principal amount of all Revolving Loans outstanding from time to time and shall be payable monthly in arrears on the first day of each month.

(c) Audit and Collateral Monitoring Fee. From and after the Interim Facility Effective Date and until the later of (i) the Final Maturity Date and (ii) the date on which all Obligations are paid in full, the Borrower shall pay on demand the reasonable out-of-pocket costs and reasonable expenses of any examiner and/or any third party appraisers and/or professionals employed by the Administrative Agent, in each case, incurred in connection with any visit to any or all of the Loan Parties and/or conduct of audits, inspections, appraisals, valuations and/or field examinations of any or all of the Loan Parties at any time and from time to time, upon reasonable notice and during business hours, in a manner so as to not unduly disrupt the business of the Loan Parties.

(d) Administrative Agent Fees. The Borrower shall pay to the Administrative Agent an administrative agent fee in the amount of \$5,000 per month, which fee shall be fully earned and non-refundable and payable in full in advance each month, with the first \$5,000 payment due on the Interim Facility Effective Date and each subsequent payment due on the monthly anniversary thereof.

Section 2.7 LIBOR Option.

(a) The Borrower may, at any time and from time to time, so long as no Default or Event of Default has occurred and is continuing, elect to have interest on all or a portion of the Loans be charged at a rate of interest based upon the LIBOR Rate (the "LIBOR Option") by notifying the Administrative Agent prior to 11:00 a.m. (New York City time) at least three (3) Business Days prior to (i) the commencement of the proposed Interest Period or (ii) in the case of the conversion of a LIBOR Rate Loan into a Base Rate Loan, the last day of the then current Interest Period (the "LIBOR Deadline"). Notice of the Borrower's election of the LIBOR Option for a permitted portion of the Loans and an Interest Period pursuant to this Section 2.7(a) shall be made by delivery to the Administrative Agent of a LIBOR Notice received by the Administrative Agent before the LIBOR Deadline, or by telephonic notice received by the Administrative Agent before the LIBOR Deadline (to be confirmed by delivery to the Administrative Agent of a LIBOR Notice received by the Administrative Agent prior to 5:00 p.m. (New York City time) on the same day). Promptly upon its receipt of each such LIBOR Notice, the Administrative Agent shall provide a copy thereof to each of the Lenders. Each LIBOR Notice shall be irrevocable and binding on the Borrower.

(b) Interest on LIBOR Rate Loans shall be payable in accordance with Section 2.4(d). On the last day of each applicable Interest Period, unless the Borrower properly have exercised the LIBOR Option with respect thereto, the interest rate applicable to such LIBOR Rate Loans automatically shall convert to the rate of interest then applicable to Base Rate Loans of the same type hereunder. At any time that a Default or an Event of Default has

occurred and is continuing, the Borrower no longer shall have the option to request that any portion of the Loans bear interest at the LIBOR Rate and the Administrative Agent shall have the right to convert the interest rate on all outstanding LIBOR Rate Loans to the rate of interest then applicable to Base Rate Loans of the same type hereunder.

(c) The Borrower may prepay LIBOR Rate Loans at any time; provided, however, that in the event that LIBOR Rate Loans are prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any mandatory prepayment pursuant to Section 2.5(c) or any application of payments or proceeds of Collateral in accordance with Section 5.3(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, the Borrower shall indemnify, defend, and hold the Administrative Agent and the Lenders and their participants harmless against any and all Funding Losses in accordance with Section 2.8.

(d) Anything to the contrary contained herein notwithstanding, neither the Administrative Agent nor any Lender, nor any of their participants, is required actually to acquire Eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues at the LIBOR Rate. The provisions of this Article 2 shall apply as if each Lender or its participants had match funded any Obligation as to which interest is accruing at the LIBOR Rate by acquiring Eurodollar deposits for each Interest Period in the amount of the LIBOR Rate Loans.

Section 2.8 Funding Losses. In connection with each LIBOR Rate Loan, the Borrower shall indemnify, defend, and hold the Administrative Agent and the Lenders harmless against any loss, cost, or expense incurred by the Administrative Agent or any Lender as a result of (a) the payment of any principal of any LIBOR Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of a Default or an Event of Default), (b) the conversion of any LIBOR Rate Loan other than on the last day of the Interest Period applicable thereto (including as a result of a Default or an Event of Default), or (c) the failure to borrow, convert, continue or prepay any LIBOR Rate Loan on the date specified in any LIBOR Notice delivered pursuant hereto (such losses, costs, and expenses, collectively, "**Funding Losses**"). Funding Losses shall, with respect to the Administrative Agent or any Lender, be deemed to equal the amount reasonably determined by the Administrative Agent or such Lender to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such LIBOR Rate Loan had such event not occurred, at the LIBOR Rate that would have been applicable thereto, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period therefor), minus (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate which the Administrative Agent or such Lender would be offered were it to be offered, at the commencement of such period, Dollar deposits of a comparable amount and period in the London interbank market. A certificate of the Administrative Agent or a Lender delivered to the Borrower setting forth any amount or amounts that the Administrative Agent or such Lender is entitled to receive pursuant to this Section 2.8 shall be conclusive absent manifest error.

Section 2.9 Taxes.

(a) Except to the extent required by law, any and all payments by any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding (i) taxes imposed on or measured by net income, franchise taxes (generally imposed on business entities), and branch profits taxes of the Administrative Agent or any Lender (or any transferee or assignee thereof, including a participation holder (any such entity, a **"Transferee"**)), in each case, by the jurisdiction in which such Person is organized or has its principal lending office or imposed as a result of a present or former connection between the Administrative Agent or Lender and the jurisdiction imposing such tax (other than connections arising solely from having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document) or (ii) taxes imposed by FATCA (all such nonexcluded taxes, levies, imposts, deductions, charges withholdings and liabilities, collectively or individually, **"Taxes"**). If any Loan Party shall be required to deduct any Taxes from or in respect of any sum payable hereunder to the Administrative Agent or any Lender (or any Transferee), (i) the sum payable shall be increased by the amount (an **"Additional Amount"**) necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.9) the Administrative Agent or such Lender (or such Transferee) shall receive an amount equal to the sum it would have received had no such deductions been made, (ii) such Loan Party shall make such deductions and (iii) such Loan Party shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, each Loan Party agrees to pay to the relevant Governmental Authority in accordance with applicable law any present or future stamp, documentary, transfer, recording or filing taxes or fees or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any other Loan Document (**"Other Taxes"**). Each Loan Party shall deliver to the Administrative Agent and each Lender official receipts in respect of any Taxes or Other Taxes payable hereunder promptly after payment of such Taxes or Other Taxes.

(c) The Loan Parties hereby jointly and severally indemnify and agree to hold the Administrative Agent and each Lender harmless from and against Taxes and Other Taxes (including Taxes and Other Taxes imposed on any amounts payable under this Section 2.9) paid by such Person, whether or not such Taxes or Other Taxes were correctly or legally asserted. Such indemnification shall be paid within 10 days from the date on which any such Person makes written demand therefor specifying in reasonable detail the nature and amount of such Taxes or Other Taxes, together with relevant supporting documentation relating thereto.

(d) Each Lender that is a "United States person" as that term is defined in Section 7701(a)(30) of the Internal Revenue Code (a **"U.S. Lender"**) shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such U.S. Lender is legally entitled to do so) an original duly completed Internal Revenue Service Form W-9 (or any successor form). Each

Lender (or Transferee) that is not a "United States person" as that term is defined in Section 7701(a)(30) of the Internal Revenue Code (a "Non-U.S. Lender") agrees that it shall, no later than the Interim Facility Effective Date (or, in the case of a Lender which becomes a party hereto pursuant to Section 12.6 hereof after the Interim Facility Effective Date, promptly after the date upon which such Lender becomes a party hereto) deliver to the Borrower and the Administrative Agent a properly completed and duly executed copy of either U.S. Internal Revenue Service Form W-8BEN, W-8ECI or W-8IMY or other applicable form or documentation (or any subsequent versions thereof or successors thereto), in each case claiming complete exemption from, or reduced rate of, U.S. Federal withholding tax and payments of interest hereunder. In addition, in the case of a Non-U.S. Lender claiming exemption from U.S. Federal withholding tax under Section 871(h) or 881(c) of the Internal Revenue Code, such Non-U.S. Lender hereby represents to the Administrative Agent and the Borrower that such Non-U.S. Lender is not a bank for purposes of Section 881(c) of the Internal Revenue Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code) of the Parent and is not a controlled foreign corporation related to the Parent (within the meaning of Section 864(d)(4) of the Internal Revenue Code). Each Non-U.S. Lender agrees that it shall promptly notify the Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any such claimed exemption or reduction or form delivered by such Lender. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of a Transferee that is a participation holder, on or before the date such participation holder becomes a Transferee hereunder) and on or before the date, if any, such Non-U.S. Lender changes its applicable lending office by designating a different lending office (a "New Lending Office"). In addition, such Non-U.S. Lender shall deliver such forms within 20 days after receipt of a written request therefor from the Administrative Agent or the Borrower, the assigning Lender or the Lender granting a participation, as applicable. Notwithstanding any other provision of this Section 2.9, a Non-U.S. Lender shall not be required to deliver any form pursuant to this Section 2.9(d) that such Non-U.S. Lender is not legally able to deliver.

(e) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Loan Parties or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Loan Parties or the Administrative Agent as may be necessary for the Loan Parties and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(f) The Loan Parties shall not be required to indemnify the Administrative Agent, any Lender or Transferee or pay any Additional Amounts to the Administrative Agent any Lender or Transferee, in respect of United States Federal withholding tax pursuant to this Section 2.9 to the extent that (i) the obligation to withhold amounts with respect to United States

Federal withholding tax existed on the date the Administrative Agent, such Lender or Transferee became a party to this Agreement (or, in the case of a Transferee that is a participation holder, on the date such participation holder became a Transferee hereunder) or, with respect to payments to a New Lending Office, the date such Lender or Transferee designated such New Lending Office with respect to a Loan; provided, however, that this clause (i) shall not apply to the extent the indemnity payment or Additional Amounts any Transferee, or Lender (or Transferee) through a New Lending Office, would be entitled to receive (without regard to this clause (i)) do not exceed the indemnity payment or Additional Amounts that the Person making the assignment, participation or transfer to such Transferee, or Lender (or Transferee) making the designation of such New Lending Office, would have been entitled to receive in the absence of such assignment, participation, transfer or designation, or (ii) the obligation to indemnify or pay such Additional Amounts would not have arisen but for a failure by such Non-U.S. Lender to comply with the provisions of clause (d) above.

(g) The Administrative Agent or any Lender (or Transferee) claiming any indemnity payment or additional payment amounts payable pursuant to this Section 2.9 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document reasonably requested in writing by the Borrower or to change the jurisdiction of its applicable lending office if the making of such a filing or change would avoid the need for or reduce the amount of any such indemnity payment or additional amount that may thereafter accrue, would not require the Administrative Agent or such Lender (or Transferee) to disclose any information the Administrative Agent or such Lender (or Transferee) deems confidential and would not, in the sole determination of the Administrative Agent or such Lender (or Transferee), be otherwise disadvantageous to the Administrative Agent or such Lender (or Transferee).

(h) So long as no Event of Default has occurred and is continuing, if the Administrative Agent or any Lender determines that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 2.9, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by any Loan Party under this Section 2.9 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Administrative Agent or Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that each Loan Party, upon the request of the Administrative Agent or Lender, agrees to repay the amount paid over to any Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or Lenders in the event the Administrative Agent or Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(i) The obligations of the Loan Parties under this Section 2.9 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

Section 2.10 Increased Costs and Reduced Return.

(a) If any Lender or the Administrative Agent shall have determined that any Change in Law shall (i) subject the Administrative Agent or such Lender, or any Person controlling the Administrative Agent or such Lender to any tax, duty or other charge with respect to this Agreement or any Loan made by the Administrative Agent or such Lender, or change the basis of taxation of payments to the Administrative Agent, such Lender or any Person controlling the Administrative Agent or such Lender of any amounts payable hereunder (except for taxes of the Administrative Agent or such Lender or any Person controlling the Administrative Agent or such Lender that are subject to indemnification or excluded from indemnification under Section 2.9), (ii) impose, modify or deem applicable any reserve, special deposit or similar requirement against any Loan or against assets of or held by, or deposits with or for the account of, or credit extended by, the Administrative Agent or such Lender or any Person controlling the Administrative Agent or such Lender (excluding amounts included in the Reserve Percentage or Section 2.11(a)) or (iii) impose on the Administrative Agent or such Lender or any Person controlling the Administrative Agent or such Lender any other condition regarding this Agreement or any Loan, and the result of any event referred to in clauses (i), (ii) or (iii) above shall be to increase the cost to the Administrative Agent or such Lender of making any Loan, or agreeing to make any Loan or to reduce any amount received or receivable by the Administrative Agent or such Lender hereunder, then, upon demand by the Administrative Agent or such Lender, the Borrower shall pay to the Administrative Agent or such Lender such additional amounts as will compensate the Administrative Agent or such Lender for such increased costs or reductions in amount.

(b) If the Administrative Agent or any Lender shall have determined that any Change in Law either (i) affects or would affect the amount of capital required or expected to be maintained by the Administrative Agent or such Lender or any Person controlling the Administrative Agent or such Lender, and the Administrative Agent or such Lender determines that the amount of such capital is increased as a direct or indirect consequence of any Loans made or maintained, the Administrative Agent's or such Lender's or such other controlling Person's other obligations hereunder, or (ii) has or would have the effect of reducing the rate of return on the Administrative Agent's or such Lender's or such other controlling Person's capital to a level below that which the Administrative Agent or such Lender or such controlling Person could have achieved but for such circumstances as a consequence of any Loans made or maintained, or any agreement to make Loans, or the Administrative Agent's or such Lender's or such other controlling Person's other obligations hereunder (in each case, taking into consideration, the Administrative Agent's or such Lender's or such other controlling Person's policies with respect to capital adequacy), then, upon demand by the Administrative Agent or such Lender, the Borrower shall pay to the Administrative Agent or such Lender from time to time such additional amounts as will compensate the Administrative Agent or such Lender for such cost of maintaining such increased capital or such reduction in the rate of return on the Administrative Agent or such Lender's or such other controlling Person's capital

(c) All amounts payable under this Section 2.10 shall bear interest from the date that is ten (10) days after the date of demand by the Administrative Agent or any Lender until payment in full to the Administrative Agent or such Lender at the Base Rate. A certificate of the Administrative Agent or such Lender claiming compensation under this Section 2.10, specifying the event herein above described and the nature of such event shall be submitted by the Administrative Agent or such Lender to the Borrower, setting forth the additional amount

due and an explanation of the calculation thereof, and the Administrative Agent's or such Lender's reasons for invoking the provisions of this Section 2.10, and shall be final and conclusive absent manifest error.

(d) The obligations of the Loan Parties under this Section 2.10 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

Section 2.11 Changes in Law; Impracticability or Illegality.

(a) The LIBOR Rate may be adjusted by the Administrative Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any Eurodollar deposits or increased costs due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, including changes in tax laws (except for taxes that are subject to indemnification or excluded from indemnification under Section 2.9) and changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), excluding the Reserve Percentage, which additional or increased costs would increase the cost of funding loans bearing interest at the LIBOR Rate. In any such event, the affected Lender shall give the Borrower and the Administrative Agent notice of such a determination and adjustment and the Administrative Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, the Borrower may, by notice to such affected Lender require such Lender to furnish to the Borrower a statement setting forth the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment.

(b) In the event that any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation of application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain LIBOR Rate Loans or to continue such funding or maintaining, or to determine or charge interest rates at the LIBOR Rate, such Lender shall give notice of such changed circumstances to the Borrower and the Administrative Agent, and the Administrative Agent promptly shall transmit the notice to each other Lender and (i) in the case of any LIBOR Rate Loans of such Lender that are outstanding, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such LIBOR Rate Loans, and interest upon the LIBOR Rate Loans of such Lender thereafter shall accrue interest at the rate then applicable to Base Rate Loans of the same type hereunder, and (ii) the Borrower shall not be entitled to elect the LIBOR Option until such Lender determines that it would no longer be unlawful or impractical to do so.

(c) The obligations of the Loan Parties under this Section 2.11 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

**ARTICLE III
[RESERVED]**

**ARTICLE IV
SECURITY AND ADMINISTRATIVE PRIORITY**

Section 4.1 Collateral; Grant of Lien and Security Interest.

(a) As security for the full and timely payment and performance of all of the Obligations, upon entry of the Interim Bankruptcy Court Order but retroactive to the Petition Date, each of the Loan Parties hereby assigns, pledges and grants (or causes the assignment, pledge and grant in respect of any indirectly owned assets) to the Administrative Agent, for its benefit and the benefit of the Lenders, pursuant to Section 364(c)(2), Section 364(c)(3) and Section 364(d) of the Bankruptcy Code, under this Agreement, the other Loan Documents and the Bankruptcy Court Orders, as applicable, a fully perfected (i) first priority security interest in all tangible and intangible assets and property of the Loan Parties, now existing or hereinafter acquired, to the extent not subject to any Permitted Priority Liens, including all cash and Cash Equivalents (whether maintained with the Administrative Agent or otherwise), and any investment in such cash or Cash Equivalents, money, inventory, goods, accounts receivable, other rights to payment, intercompany loans and other investments, investment property, contracts, contract rights, securities (whether or not marketable), properties, plants, equipment, machinery, general intangibles, payment intangibles, accounts, bank accounts, deposit accounts, documents, instruments, chattel paper, documents of title, letters of credit, letter of credit rights, supporting obligations, leases and other interests in leaseholds, real property, fixtures, patents, copyrights, trademarks, trade names, other intellectual property, intellectual property licenses, permits, franchise rights, Capital Stock and other equity interests of Subsidiaries, tax and other refunds, insurance or other proceeds, commercial tort claims, causes of action, Avoidance Actions and proceeds relating thereto, rights under Section 506(c) of the Bankruptcy Code, and all other property or "property of the estate" (as defined in Section 541 of the Bankruptcy Code) of any kind or nature, real or personal, or mixed, now existing or hereafter acquired or created, and all rents, products, substitutions, accessions, profits, replacements, and cash and non-cash proceeds of all of the foregoing, wherever located (collectively, the "Collateral") and (ii) a junior security interest in all other tangible and intangible assets and property of the Loan Parties, now existing or hereinafter acquired, that are subject to Permitted Priority Liens pursuant to Section 364(c)(3) of the Bankruptcy Code (other than the primed liens of the Existing Senior Secured Loan Documents and the Adequate Protection Replacement Liens), but junior solely to the extent of such Permitted Priority Liens.

(b) Upon entry of the Interim Bankruptcy Court Order or Final Bankruptcy Court Order, as the case may be, the Liens and security interests in favor of the Administrative Agent referred to in Section 4.1(a) shall be valid and perfected Liens on, and security interests in, the Collateral, prior to all other Liens on, and security interests in, the Collateral, other than Permitted Priority Liens. Such Liens and security interests and their priority shall remain in effect until the Total Revolving Loan Commitment shall have been terminated and all Obligations shall have been repaid in cash in full.

(c) Notwithstanding anything herein to the contrary, all proceeds received by the Administrative Agent and the Lenders from the Collateral subject to the Liens granted in this Section 4.1(a) or in any other Loan Document or by the Bankruptcy Court Orders shall be subject to the prior payment of Carve-Out Expenses; provided, that no Person entitled to such Carve-Out Expenses shall be entitled to sell or otherwise dispose, or seek or object to the sale or other disposition, of any Collateral.

(d) Except for the Carve-Out Expenses, no costs or expenses of administration shall be imposed against the Administrative Agent, the Lenders or any of the Collateral or any of the Existing Senior Secured Agent or the Existing Senior Secured Lenders under the Existing Senior Secured Financing Agreement or the collateral (as defined in the Existing Senior Secured Financing Agreement) under Sections 105, 506(c) or 552 of the Bankruptcy Code, or otherwise, and the Loan Parties hereby waive for themselves and on behalf of each of their estates in bankruptcy, any and all rights under sections 105, 506(c) (subject to entry of the Final Bankruptcy Court Order) or 552 (upon entry of the Final Order), or otherwise, to assert or impose or seek to assert or impose, any such costs or expenses of administration against the Administrative Agent, the Lenders or any of the Collateral or any of the Existing Senior Secured Agent or the Existing Senior Secured Lenders under the Existing Senior Secured Financing Agreement.

Section 4.2 Administrative Priority.

Each of the Loan Parties agrees for itself that the Obligations of such Person shall constitute allowed administrative expenses in the Chapter 11 Cases, having priority over all administrative expenses of and unsecured claims against such Person now existing or hereafter arising, of any kind or nature whatsoever, including all administrative expenses of the kind specified in, or arising or ordered under, Sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (subject to entry of the Final Bankruptcy Court Order), 507(a), 507(b), 546, 726, 1113 and 1114 of the Bankruptcy Code, subject only to the prior payment of Carve-Out Expenses.

Section 4.3 Grants, Rights and Remedies.

The Liens and security interests granted pursuant to Section 4.1 and the administrative priority granted pursuant to Section 4.2 may be independently granted by the Loan Documents and by other Loan Documents hereafter entered into. This Agreement, the Bankruptcy Court Orders and such other Loan Documents supplement each other, and the grants, priorities, rights and remedies of the Administrative Agent and the Lenders hereunder and thereunder are cumulative.

Section 4.4 No Filings Required.

The Liens and security interests referred to herein shall be deemed valid and perfected solely by and upon entry of the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, and entry of the Interim Bankruptcy Court Order shall have occurred on or before the date of any Revolving Loan. Neither the Administrative Agent nor any Lender or other Person shall be required to file any financing statements, mortgages, certificates of title, notices of Lien or similar instruments in any jurisdiction or filing

office or to take any other action in order to validate or perfect any Lien and security interest granted by or pursuant to this Agreement, the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, or any other Loan Document; provided, that the Administrative Agent shall be permitted to file any financing statements, mortgages, certificates of title, notices of Lien or similar instruments in any jurisdiction or filing office and to take any other action with respect to the Lien and security interest granted by or pursuant to this Agreement, the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, or any other Loan Document.

Section 4.5 Survival.

The Liens, lien priority, administrative priorities and other rights and remedies granted to the Administrative Agent and the Lenders pursuant to this Agreement, the Bankruptcy Court Orders and the other Loan Documents (specifically including the existence, perfection and priority of the Liens and security interests provided herein and therein, and the administrative priority provided herein and therein) shall not be modified, altered or impaired in any manner by any other financing or extension of credit or incurrence of Indebtedness by any Loan Party (pursuant to Section 364 of the Bankruptcy Code or otherwise), or by any dismissal or conversion of any of the Chapter 11 Cases, or any successor bankruptcy case, or by any other act or omission whatsoever. Without limitation, notwithstanding any such order, financing, extension, incurrence, dismissal, conversion, successor bankruptcy case act or omission:

(a) except for the Carve-Out Expenses, no costs or expenses of administration which have been or may be incurred in the Chapter 11 Cases or any conversion of the same or in any other proceedings related thereto, and no priority claims, are or will be prior to or on parity with any claim of the Administrative Agent and the Lenders against any Loan Party in respect of any Obligation;

(b) upon entry of the Interim Bankruptcy Court Order, but retroactive to the Petition Date, or Final Bankruptcy Court Order, as the case may be, the Liens in favor of the Administrative Agent and the Lenders set forth in Section 4.1 shall constitute valid and perfected first priority Liens and security interests to which all other Liens and security interests shall be subordinate and junior, subject only to Permitted Priority Liens, and which Liens and security interests shall be prior to all other Liens and security interests, now existing or hereafter arising, in favor of any other creditor or any other Person whatsoever; and

(c) the Liens in favor of the Administrative Agent and the Lenders set forth herein, in the Bankruptcy Court Orders and in the other Loan Documents shall continue to be valid and perfected without the necessity that the Administrative Agent file financing statements, mortgages, certificates of title, notices of Lien or other similar instruments or otherwise perfect its Lien under applicable non-bankruptcy law.

(d) (i) the Obligations and all other rights, remedies, interests, liens, priorities, privileges, protections, and benefits granted hereunder shall not be altered, modified, impaired, or discharged by, the entry of any order confirming any chapter 11 plan (and each Loan Party pursuant to Section 1141(d)(4) of the Bankruptcy Code, waives any such discharge) and (ii) the super priority administrative claim granted to the Administrative Agent and the Lenders pursuant

to the Bankruptcy Orders and described in Article IV and the Liens granted to the Administrative Agent pursuant to the Bankruptcy Orders and described in Article IV shall not be altered, modified, impaired, or discharged by, the entry of any order confirming any chapter 11 plan.

Section 4.6 Further Assurances.

The Loan Parties shall take any other actions reasonably requested by the Administrative Agent or the Required Lenders from time to time to cause the attachment, perfection and first priority of, and the ability of the Administrative Agent and the Lenders to enforce, the security interest of the Administrative Agent and the Lenders in any and all of the Collateral, including, (a) executing and delivering any requested security agreement, pledge agreement or mortgage, (b) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code or other applicable law, to the extent, if any, that any Loan Party's signature thereon is required therefor, (c) causing the Administrative Agent's name to be noted as secured party on any certificate of title for a titled good if such notation would be a condition, if not for the Chapter 11 Cases, to attachment, perfection or priority of, or ability of the Administrative Agent to enforce, the security interest of the Administrative Agent in such Collateral, (d) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision would be a condition, if not for the Chapter 11 Cases, to attachment, perfection or priority of, or ability of the Administrative Agent to enforce, the security interest of the Administrative Agent in such Collateral, and (e) using commercially reasonable efforts to obtain the consent and approval of any Governmental Authority or third party, including any consent of any licensor, lessor or other Person obligated on Collateral, and taking all actions required by any earlier versions of the Uniform Commercial Code or by other law, as applicable in any relevant jurisdiction.

**ARTICLE V
APPLICATION OF PAYMENTS; DEFAULTING LENDERS; REPLACEMENT
LENDERS**

Section 5.1 Payments; Computations; and Statements..

(a) The Borrower shall make each payment under this Agreement not later than 1:00 p.m. (New York City time) on the day when due, in lawful money of the United States of America and in immediately available funds, to the Administrative Agent's Account. All payments received by the Administrative Agent after 1:00 p.m. (New York City time) on any Business Day will be credited to the Loan Account on the next succeeding Business Day. All payments shall be made by the Borrower without set-off, counterclaim, deduction or other defense to the Administrative Agent and the Lenders. Except as provided in Section 2.2, after receipt, the Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal ratably to the Lenders in accordance with their Pro Rata Shares thereof and like funds relating to the payment of any other amount payable to any Lender to such Lender, in each case to be applied in accordance with the terms of this Agreement. The Lenders and the Borrower hereby authorize the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account of the Borrower with any amount due and payable by the Borrower under any Loan Document. Any amount charged to the Loan

Account of the Borrower (other than an Administrative Agent Advance of the Administrative Agent as provided in Section 10.8(a)) shall be deemed a Revolving Loan hereunder made by the Revolving Loan Lenders to the Borrower, funded by the Administrative Agent on behalf of the Revolving Loan Lenders and subject to Section 2.2 of this Agreement. The Lenders and the Borrower confirm that any charges which the Administrative Agent may so make to the Loan Account of the Borrower as herein provided will be made as an accommodation to the Borrower and solely at the Administrative Agent's option. Whenever any payment to be made under any such Loan Document shall be stated to be due on a day other than a Business Day, then, except to the extent such amount is deemed paid on such day by charging the Loan Account, such payment shall be made on the next succeeding Business Day and such extension of time shall in such case be included in the computation of interest or fees, as the case may be. Each determination by the Administrative Agent of an interest rate or fees hereunder shall be conclusive and binding for all purposes in the absence of manifest error.

(b) The Administrative Agent shall provide the Borrower, promptly after the end of each calendar month, a summary statement (in the form from time to time used by the Administrative Agent) of the opening and closing daily balances in the Loan Account of the Borrower during such month, the amounts and dates of all Loans made to the Borrower during such month, the amounts and dates of all payments on account of the Loans to the Borrower during such month and the Loans to which such payments were applied, the amount of interest accrued on the Loans to the Borrower during such month, and the amount and nature of any charges to the Loan Account made during such month on account of fees, commissions, expenses, Administrative Agent Advances and other Obligations. All entries on any such statement shall be presumed to be correct and, thirty (30) days after the same is sent, shall be final and conclusive absent manifest error.

Section 5.2 Sharing of Payments; Defaulting Lenders, Etc..

(a) Except as provided in Section 2.2 hereof, if any Lender (other than the Administrative Agent in respect of Administrative Agent Advances or Existing Senior Secured Agent Advances) shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of any Obligation in excess of its ratable share of payments on account of similar obligations obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in such similar obligations held by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender of any interest or other amount paid by the purchasing Lender in respect of the total amount so recovered). The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 5.2 may, to the fullest extent permitted by law, exercise all of its rights (including such Lender's right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

(b) The Administrative Agent shall not be obligated to transfer to a Defaulting Lender any payments made by the Borrower to the Administrative Agent for the Defaulting Lender's benefit, and, in the absence of such transfer to the Defaulting Lender, the Administrative Agent shall transfer any such payments to each other non-Defaulting Lender ratably in accordance with their Commitments (but only to the extent that such Defaulting Lender's Loan was funded by the other Lenders) or, if so directed by the Borrower and if no Default or Event of Default has occurred and is continuing (and to the extent such Defaulting Lender's Loan was not funded by the other Lenders), retain the same to be re-advanced to the Borrower as if such Defaulting Lender had made such Loans to the Borrower. Subject to the foregoing, the Administrative Agent may hold and re-lend to the Borrower for the account of such Defaulting Lender the amount of all such payments received and retained by the Administrative Agent for the account of such Defaulting Lender.

(c) Any such failure to fund by any Defaulting Lender shall constitute a material breach by such Defaulting Lender of this Agreement and shall entitle the Borrower to replace the Defaulting Lender with one or more Replacement Lenders, as further set forth in Section 5.4.

(d) The operation of this Section shall not be construed to increase or otherwise affect the Commitment of any Lender, to relieve or excuse the performance by such Defaulting Lender or any other Lender of its duties and obligations hereunder, or to relieve or excuse the performance by the Borrower of its duties and obligations hereunder to the Administrative Agent or to the Lenders other than such Defaulting Lender.

Section 5.3 Apportionment of Payments. Subject to Section 2.2 hereof:

(a) All payments of principal and interest in respect of outstanding Loans, all payments of fees (other than the fees set forth in Sections 2.6(c) and (d) hereof) and all other payments in respect of any other Obligations, shall be allocated by the Administrative Agent among such of the Lenders as are entitled thereto, in proportion to their respective Pro Rata Shares or otherwise as provided herein or, in respect of payments not made on account of Loans, as designated by the Person making payment when the payment is made in each instance, subject to Section 5.3(b).

(b) After the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and upon the direction of the Required Lenders shall, apply all payments in respect of any Obligations and all proceeds of the Collateral, subject to the provisions of this Agreement, (i) first, ratably to pay the Obligations in respect of any fees, expense reimbursements, indemnities, Administrative Agent Advances, interest and other amounts then due to the Administrative Agent until paid in full; (ii) second, ratably to pay the Obligations in respect of any accrued fees and interest then due to the Lenders until paid in full; (iii) third, ratably to pay principal of the Loans until paid in full; and (iv) fourth, ratably to pay all other Obligations then due and payable. In the event that any such proceeds are insufficient to pay in full the items described in this Section 5.3(b), the Loan Parties shall remain liable, jointly and severally, for any deficiency.

(c) For purposes of Section 5.3(b), "paid in full" means payment in cash of all amounts owing under the Loan Documents according to the terms thereof, including loan fees, service fees, professional fees, interest (and specifically including interest accrued after the commencement of the Chapter 11 Cases), default interest, interest on interest, and expense reimbursements, whether or not same would be or is allowed or disallowed in whole or in part in the Chapter 11 Cases.

(d) In the event of a direct conflict between the priority provisions of this Section 5.3 and other provisions contained in any other Loan Document, it is the intention of the parties hereto that both such priority provisions in such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 5.3 shall control and govern.

Section 5.4 Replacement of Lenders. Within fifteen (15) days after (a) receipt by Borrower of written notice and demand from any Lender for payment pursuant to Section 2.10 (an "Affected Lender"), (b) the failure of any Holdout Lender to provide their consent, as further described and provided in Section 12.2(c), or (c) the failure to fund any Loan by any Defaulting Lender, the Borrower shall be entitled at its option, upon written notice from the Borrower to the Administrative Agent and any such Lender, to permanently replace such Affected Lender, Holdout Lender and/or Defaulting Lender with one or more substitute Lenders (each, a "Replacement Lender"), and such Affected Lender, Holdout Lender and/or Defaulting Lender shall have no right to refuse to be replaced hereunder. Such notice to replace such Affected Lender, Holdout Lender and/or Defaulting Lender shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given. Prior to the effective date of such replacement, such Affected Lender, Holdout Lender and/or Defaulting Lender, on one hand, and each Replacement Lender, on the other hand, shall execute and deliver an Assignment and Acceptance, subject only to such Affected Lender, Holdout Lender and/or Defaulting Lender being repaid its share of the outstanding Obligations without any premium or penalty of any kind whatsoever (other than payment by the Borrower of any Funding Losses incurred by such Lender under Section 2.8). If such Affected Lender, Holdout Lender and/or Defaulting Lender shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, the Affected Lender, Holdout Lender and/or Defaulting Lender shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Affected Lender, Holdout Lender and/or Defaulting Lender shall be made in accordance with the terms of Section 12.2(c).

ARTICLE VI CONDITIONS TO LOANS

Section 6.1 Conditions Precedent to Interim Facility Effectiveness. This Agreement shall become effective as of the Business Day (the "Interim Facility Effective Date") when each of the following conditions precedent shall have been satisfied or waived by the Administrative Agent and the Lenders:

(a) **Interim Bankruptcy Court Order.** The Interim Bankruptcy Court Order, shall have been entered by the Bankruptcy Court on or before February 19, 2014, and the

Administrative Agent and each Lender shall have received a true and complete copy of such order, and such order shall be in full force and effect and shall not have been reversed, modified, amended, stayed, vacated or subject to appeal, absent prior written consent of the Administrative Agent, the Required Lenders and the Borrower. The Interim Bankruptcy Court Order shall, among other things, (i) find and conclude that the Loan Documents were negotiated in good faith and that the Administrative Agent and the Lenders are entitled to the protections of Section 364(e) of the Bankruptcy Code and (ii) order that, during the Interim Period, the Liens and security interests in favor of the Administrative Agent referred to in Section 4.1 hereof shall be valid and perfected Liens and security interests in the Collateral, prior to all other Liens and security interests in the Collateral subject only to Permitted Priority Liens.

(b) Payment of Existing Senior Secured Agent Advances, Fees, Etc. The Borrower shall have paid in full in cash on or before the Interim Facility Effective Date (which payment may be made substantially simultaneously from the proceeds of the initial Loans hereunder), (i) the Existing Senior Secured Agent Advances and (ii) all fees, costs, expenses and taxes then due and payable pursuant to Section 2.6, Section 12.3 and the Interim Bankruptcy Court Order.

(c) Representations and Warranties; No Event of Default. The following statements shall be true and correct: (i) the representations and warranties contained in Article 7 and in each other Loan Document, certificate or other writing delivered to the Administrative Agent or any Lender pursuant hereto or thereto on or prior to the Interim Facility Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Interim Facility Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date) and (ii) no Default or Event of Default shall have occurred and be continuing on the Interim Facility Effective Date or would result from this Agreement or the other Loan Documents becoming effective in accordance with its or their respective terms or the making of the Loans on such date.

(d) Legality. The making of the initial Loans shall not contravene any law, rule or regulation applicable to the Administrative Agent or any Lender.

(e) Delivery of Documents. The Administrative Agent shall have received on or before the Interim Facility Effective Date the following, each in form and substance reasonably satisfactory to the Administrative Agent (except with respect to clause (ix) as set forth below) and, unless indicated otherwise, dated the Interim Facility Effective Date:

(i) to the extent not previously delivered to the Existing Senior Secured Agent, the original certificates representing all of the Capital Stock or other

certificated security of such Loan Party's subsidiaries and all intercompany promissory notes of such Loan Parties, accompanied by undated stock powers executed in blank and other proper instruments of transfer;

(ii) a copy of the resolutions of each Loan Party, certified as of the Interim Facility Effective Date by an Authorized Officer thereof, authorizing (A) the borrowings hereunder and the transactions contemplated by the Loan Documents to which such Loan Party is or will be a party, and (B) the execution, delivery and performance by such Loan Party of each Loan Document to which such Loan Party is or will be a party and the execution and delivery of the other documents to be delivered by such Person in connection herewith and therewith;

(iii) a certificate of an Authorized Officer of each Loan Party, certifying (A) the names and true signatures of the representatives of such Loan Party authorized to sign each Loan Document to which such Loan Party is or will be a party and the other documents to be executed and delivered by such Loan Party in connection herewith and therewith, together with evidence of the incumbency of such Authorized Officers and (B) the names and true signatures of the persons that are authorized to provide Notices of Borrowing, LIBOR Notices, and all other notices under this Agreement and the other Loan Documents;

(iv) a certificate of the appropriate official(s) of the jurisdiction of organization and each state of foreign qualification of each Loan Party, certifying as of a recent date not more than thirty (30) days prior to the Interim Facility Effective Date, as to the good standing of, and the payment of taxes by, such Loan Party in such jurisdictions;

(v) a true and complete copy of each publicly filed Organization Document of each Loan Party certified by an appropriate official of the state of organization of such Loan Party which shall set forth the same complete name of such Loan Party as is set forth herein and the organizational number of such Loan Party, if an organized number is issued in such jurisdiction;

(vi) a copy of the Organization Documents of each Loan Party, together with all amendments thereto, certified as of the Interim Facility Effective Date by an Authorized Officer of such Loan Party;

(vii) a certificate of an Authorized Officer of each Loan Party, certifying as to the matters set forth in subsection (c) of this Section 6.1;

(viii) [reserved];

(ix) a copy of the Budget, together with a certificate of an Authorized Officer of the Borrower stating that such Budget has been prepared on a reasonable basis and in good faith and is based on assumptions believed by the Loan Parties to be reasonable at the time made and from the best information then available to the Loan Parties, which Budget shall be in form and substance satisfactory to the Administrative Agent and the Lenders;

(x) evidence of the insurance coverage required by Section 8.1(g) and such other insurance coverage with respect to the business and operations of the Loan Parties as the Administrative Agent may reasonably request, together with evidence of the payment of all premiums due in respect thereof for such period as the Administrative Agent may request;

(xi) copies of all Prepetition Credit Facilities as in effect on the Interim Facility Effective Date, together with a certificate of an Authorized Officer of the Borrower, certifying such copies as true and correct copies thereof and that such agreements remain in full force and effect; and

(xii) such other agreements, instruments, approvals, and other documents, each satisfactory to the Administrative Agent in form and substance, as the Administrative Agent may reasonably request.

(f) Material Adverse Effect. The Administrative Agent and the Lenders shall have determined that no event or development shall have occurred since June 30, 2013, which could reasonably be expected to have a Material Adverse Effect.

(g) Priority. The Administrative Agent shall be satisfied that it has been granted, and holds for the benefit of the Administrative Agent and the Lenders, a perfected, first priority Lien on, and security interest in, all of the Collateral, subject only to Permitted Priority Liens.

(h) Approvals. All consents, authorizations and approvals of, and filings and registrations with, and all other actions in respect of, any Governmental Authority or other Person required in connection with the making of the Loans or the conduct of the Loan Parties' business shall have been obtained and shall be in full force and effect.

(i) First Day Motions and Orders. The Administrative Agent shall have received on or before the Petition Date, copies of all the "first day" motions to be filed by the Loan Parties with the Bankruptcy Court in the Chapter 11 Cases, each of which shall be in form and substance satisfactory to the Administrative Agent and the Required Lenders, and the orders of the Bankruptcy Court approving such motions shall have been entered by the Bankruptcy Court on or before the third (3rd) Business Day after the Petition Date, each of which shall be in form and substance satisfactory to the Administrative Agent and the Required Lenders.

(j) Cash Management. The Loan Parties shall have in place a cash management system substantially consistent with the existing cash management system of the Loan Parties.

(k) Litigation. (i) There shall exist no claim, action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or Governmental Authority, commenced by any Person or any Governmental Authority with respect to any Loan Party or which relates to this Agreement and the transactions contemplated hereby, the Obligations or the Liens securing the foregoing, and (ii) there shall exist no claim, action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or Governmental Authority, in each instance, commenced by any Loan Party

which relates to the Existing Senior Secured Loan Documents, the Existing Senior Secured Obligations or the Lien securing the foregoing, in each case, except as otherwise acceptable to the Administrative Agent and the Required Lenders.

(l) Commencement of Chapter 11 Cases. The Loan Parties shall have commenced the Chapter 11 Cases and no trustee, examiner, responsible person, or receiver shall have been appointed or designated with respect to the Loan Parties' business, properties or assets and no motion shall be pending seeking any relief from the stay or seeking any other relief in the Bankruptcy Court to exercise control over any Collateral with an aggregate value in excess of \$250,000.

(m) Compliance with Laws. The Loan Parties shall be in compliance with all applicable requirements of law, including Regulations T, U and X of the Board of Governors of the Federal Reserve System.

(n) Proceedings; Receipt of Documents. All proceedings in connection with the making of the initial Loans and the other transactions contemplated by this Agreement and the other Loan Documents, and all documents incidental hereto and thereto, shall be satisfactory to the Administrative Agent and its counsel, and the Administrative Agent and such counsel shall have received all such information and such counterpart originals or certified or other copies of such documents as the Administrative Agent or such counsel may reasonably request.

Section 6.2 Conditions Precedent to Final Facility Effectiveness. The obligation of the Administrative Agent or any Lender to make any Loan during the Final Period shall commence as of the Business Day (the "**Final Facility Effective Date**") when each of the following conditions precedent shall have been satisfied or waived by the Lenders, in each case, in a manner satisfactory to the Administrative Agent and the Lenders:

(a) Final Bankruptcy Court Order, Etc. The Final Bankruptcy Court Order shall have been signed and entered by the Bankruptcy Court on a date that is within forty (40) days following the Petition Date, and the Administrative Agent shall have received a true and complete copy of such order, and such order shall be in full force and effect and shall not have been reversed, modified, amended, stayed, vacated or subject to appeal, absent the prior written consent of Administrative Agent, the Required Lenders and the Borrower. The Final Bankruptcy Court Order shall, among other things, (i) find and conclude that the Loan Documents were negotiated in good faith and that the Administrative Agent and the Lenders are entitled to the protections of Section 364(e) of the Bankruptcy Code and (ii) order that, on the Final Facility Effective Date, the Liens and security interests in favor of the Administrative Agent referred to in Section 4.1 shall be valid and perfected Liens and security interests in the Collateral, prior to all other Liens and security interests in the Collateral subject only to Permitted Priority Liens.

(b) Payment of Fees, Etc. The Borrower shall have paid on or before such date all fees, costs, expenses and taxes then due and payable pursuant to Section 2.6, Section 12.3 and the Bankruptcy Court Orders.

(c) Representations and Warranties; No Event of Default. The following statements shall be true and correct: (i) the representations and warranties contained in Article 7

and in each other Loan Document, certificate or other writing delivered to the Administrative Agent or the Lenders pursuant hereto or thereto on or prior to the Final Facility Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Final Facility Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date) and (ii) no Default or Event of Default shall have occurred and be continuing on the Final Facility Effective Date or would result from the making of Loans on such date.

(d) Liens: Priority. The Administrative Agent shall be satisfied that it has been granted, and still continues to hold, as the case may be, for its own benefit and the benefit of the Lenders, a perfected, first priority Lien on and security interest in all of the Collateral, subject only to Permitted Priority Liens.

(e) Material Adverse Effect. The Administrative Agent and the Required Lenders shall have determined that no event or development shall have occurred since the Interim Facility Effective Date which could reasonably be expected to have a Material Adverse Effect.

(f) Litigation. There shall exist no claim, action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or Governmental Authority which relates to the Loans or which, in the opinion of the Administrative Agent or the Required Lenders, has any reasonable likelihood of having a Material Adverse Effect.

Section 6.3 Conditions Precedent to All Loans. The obligation of the Administrative Agent or any Lender to make any Loan after the Interim Facility Effective Date is subject to the fulfillment of each of the following conditions precedent:

(a) Payment of Fees, Etc. The Borrower shall have paid all fees, costs, expenses (to the extent invoiced to the Borrower prior to the relevant funding date) and taxes then payable by the Borrower pursuant to this Agreement and the other Loan Documents, including Sections 2.6 and 12.3 hereof.

(b) Representations and Warranties; No Event of Default. The following statements shall be true and correct, and the submission by the Borrower to the Administrative Agent of a Notice of Borrowing with respect to each such Loan, and the Borrower's acceptance of the proceeds of such Loan, shall each be deemed to be a representation and warranty by each Loan Party on the date of such Loan that: (i) the representations and warranties contained in Article 7 and in each other Loan Document, certificate or other writing delivered to the Administrative Agent or any Lender pursuant hereto or thereto on or prior to the date of such

Loan are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the date of such Loan as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date), (ii) at the time of and after giving effect to the making of such Loan and the application of the proceeds thereof, no Default or Event of Default has occurred and is continuing or would result from the making of the Loan to be made on such date and (iii) the conditions set forth in this Section 6.3 have been satisfied as of the date of such request.

(c) Legality. The making of such Loan shall not contravene any law, rule or regulation applicable to Administrative Agent or any Lender.

(d) Notices. The Administrative Agent shall have received a Notice of Borrowing pursuant to Section 2.2 hereof.

(e) Proceedings; Receipt of Documents. All proceedings in connection with the making of such Loan and the other transactions contemplated by this Agreement and the other Loan Documents, and all documents incidental hereto and thereto, shall be satisfactory to the Administrative Agent and its counsel, and the Administrative Agent and such counsel shall have received all such information and such counterpart originals or certified or other copies of such documents, in form and substance satisfactory to the Administrative Agent, as the Administrative Agent or such counsel may reasonably request.

ARTICLE VII REPRESENTATIONS AND WARRANTIES

Section 7.1 Representations and Warranties. Each Loan Party hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(a) Organization, Good Standing, Etc. Each Loan Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) subject to the entry and the terms of the Bankruptcy Court Orders, has all requisite power and authority to conduct its business as now conducted and as presently contemplated and, in the case of the Borrower, to make the borrowings hereunder, and to execute and deliver each Loan Document to which it is a party, and to consummate the transactions contemplated thereby, and (iii) is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification

necessary, except where the failure to be so qualified and in good standing could not have, either individually or in the aggregate, a Material Adverse Effect.

(b) Authorization, Etc. The execution, delivery and performance by each Loan Party of each Loan Document to which it is or will be a party, (i) have been duly authorized by all necessary action, (ii) do not and will not contravene its Organization Documents, or any applicable law or any contractual obligation binding on or otherwise affecting it or any of its properties, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, and (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties (other than conflicts, breaches and defaults, the enforcement of which will be stayed by virtue of the filing of the Chapter 11 Cases).

(c) Governmental Approvals. Except for the entry of the Bankruptcy Court Orders, no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Loan Party of any Loan Document to which it is or will be a party.

(d) Enforceability of Loan Documents. Subject to the entry of the Bankruptcy Court Orders, this Agreement is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms.

(e) Capitalization; Subsidiaries. Schedule 7.1(e) is a complete and correct description of the name, jurisdiction of incorporation and ownership of the outstanding Capital Stock of all Subsidiaries of the Parent in existence on the Interim Facility Effective Date. All of the issued and outstanding shares of Capital Stock of such Subsidiaries have been validly issued and are fully paid and nonassessable, and the holders thereof are not entitled to any preemptive, first refusal or other similar rights. Except as indicated on such Schedule, all such Capital Stock is owned by the Parent or one or more of its wholly-owned Subsidiaries, free and clear of all Liens other than Permitted Priority Liens and Liens securing the Obligations. There are no outstanding debt or equity securities of the Parent or any of its Subsidiaries and no outstanding obligations of the Parent or any of its Subsidiaries convertible into or exchangeable for, or warrants, options or other rights for the purchase or acquisition from the Parent or any of its Subsidiaries, or other obligations of any Subsidiary to issue, directly or indirectly, any shares of Capital Stock of any Subsidiary of the Parent.

(f) Litigation; Commercial Tort Claims. Except for the Chapter 11 Cases, (i) there is no pending or, to the best knowledge of any Loan Party, threatened action, suit or proceeding affecting any Loan Party or any of its properties before any court or other Governmental Authority or any arbitrator that (A) if adversely determined, could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect or (B) relates to this Agreement or any other Loan Document or any transaction contemplated hereby or thereby and (ii) except as set forth on Schedule 7.1(f), as of the Interim Facility Effective Date, none of the Loan Parties holds any commercial tort claims in respect of which a claim has been filed in a court of law or a written notice by an attorney has been given to a potential defendant.

(g) Financial Condition.

(i) The Financial Statements, copies of which have been delivered to Administrative Agent and each Lender, fairly present in all material respects the consolidated financial condition of the Parent and its Subsidiaries as at the respective dates thereof and the consolidated results of operations of the Parent and its Subsidiaries for the fiscal periods ended on such respective dates, all in accordance with GAAP, subject, in the case of unaudited financial statements, to the absence of footnotes and year-end adjustments.

(ii) The Budget, when delivered, and as from time to time updated, shall be believed by the Loan Parties at the time furnished to be reasonable, shall have been prepared on a reasonable basis and in good faith by the Loan Parties and their advisors, and shall have been based on assumptions believed by the Loan Parties and their advisors to be reasonable at the time made and upon the best information then reasonably available to the Loan Parties, and the Loan Parties shall not be aware of any facts or information that would lead it to believe that such Budget, as so updated, is incorrect or misleading in any material respect.

(iii) Since June 30, 2013, no event or development has occurred that has had or could reasonably be expected to have a Material Adverse Effect.

(h) Compliance with Law, Etc. No Loan Party is in violation of its Organization Documents in any material respect. No Loan Party is in violation of any law, rule, regulation, judgment or order of any Governmental Authority applicable to it or any of its property or assets, or any term of any agreement or instrument binding on or otherwise affecting it or any of its properties, which could be expected to have, either individually or in the aggregate, a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

(i) ERISA. Except as set forth on Schedule 7.1(i), (i) each Employee Plan is in substantial compliance with ERISA and the Internal Revenue Code, (ii) no Termination Event has occurred nor is reasonably expected to occur with respect to any Employee Plan, (iii) the most recent annual report (Form 5500 Series) with respect to each Employee Plan, including any required Schedule B (Actuarial Information) thereto, copies of which have been filed with the Internal Revenue Service and delivered to the Administrative Agent, is complete and correct and fairly presents the funding status of such Employee Plan, and since the date of such report, there has been no material adverse change in such funding status, (iv) copies of each agreement entered into with the PBGC, the U.S. Department of Labor or the Internal Revenue Service with respect to any Employee Plan have been delivered to the Administrative Agent which could result in material adverse liability to any Loan Party, (v) no Employee Plan had an accumulated or waived funding deficiency or permitted decrease which would create a material deficiency in its funding standard account or has applied for an extension of any amortization period within the meaning of Section 412 of the Internal Revenue Code at any time during the previous 60 months, and (vi) no Lien imposed under the Internal Revenue Code or ERISA exists or is likely to arise on account of any Employee Plan within the meaning of Section 412 of the Internal Revenue Code. Except as set forth on Schedule 7.1(i), no Loan Party or any of its ERISA

Affiliates has incurred any withdrawal liability under ERISA with respect to any Multiemployer Plan, or is aware of any facts indicating that it or any of its ERISA Affiliates may in the future incur any such withdrawal liability. No Loan Party or any of its ERISA Affiliates nor any fiduciary of any Employee Plan has (i) engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code, (ii) except as could not reasonably be expected to result in any material liability, failed to pay any required installment or other payment required under Section 412 of the Internal Revenue Code on or before the due date for such required installment or payment, (iii) engaged in a transaction within the meaning of Section 4069 of ERISA or (iv) incurred any material liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. There are no pending or, to the best knowledge of any Loan Party, threatened claims, actions, proceedings or lawsuits (other than claims for benefits in the normal course) asserted or instituted against (A) any Employee Plan or its assets, (B) to the best knowledge of any Loan Party, any fiduciary with respect to any Employee Plan, or (C) any Loan Party or any of its ERISA Affiliates with respect to any Employee Plan. Except as required by Section 4980B of the Internal Revenue Code, no Loan Party or any of its ERISA Affiliates maintains an employee welfare benefit plan (as defined in Section 3(1) of ERISA) which provides health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of any Loan Party or any of its ERISA Affiliates or coverage after a participant's termination of employment.

(j) Taxes, Etc. All Federal, state and local tax returns and other reports required by applicable law to be filed by any Loan Party or any of its Subsidiaries have been filed, or extensions have been obtained, and all taxes, assessments and other governmental charges imposed upon any Loan Party or any of its Subsidiaries or any property of any Loan Party or any of its Subsidiaries and which have become due and payable on or prior to the date hereof have been paid, except to the extent contested in good faith by proper proceedings which stay the enforcement of any Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof on the Financial Statements in accordance with GAAP.

(k) Regulations T, U and X. No Loan Party is or will be engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X), and no proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(l) Nature of Business. Parent is not engaged in any business other than (i)(x) ownership of all of the outstanding Capital Stock of Borrower and (y) holding a *de minimis* amount of Cash and Cash Equivalents (together with any investment income thereon) and (ii) having those liabilities for which it is responsible under this Agreement, the other Loan Documents to which it is a party and the Prepetition Credit Facilities; provided, Parent may engage in those activities which are incidental to (x) the maintenance of its existence in compliance with applicable law and (y) legal, tax and accounting matters in connection with any of the foregoing activities. No other Loan Party is engaged in any business other than the party and event rental business and sales of party disposable items in the ordinary course of business consistent with past practices and any other business or activity that is substantially similar,

directly related or reasonably incidental thereto including the entering into and performance of the Loan Documents.

(m) Adverse Agreements, Etc. No Loan Party is a party to any agreement or instrument, or subject to any Organizational Document restriction or any judgment, order, regulation, ruling or other requirement of a court (other than the commencement and pendency of the Chapter 11 Cases) or other Governmental Authority, which has, or in the future could reasonably be expected (either individually or in the aggregate) to have, a Material Adverse Effect.

(n) Permits, Etc. Each Loan Party has, and is in compliance in all material respects with, all permits, licenses, authorizations, approvals, entitlements and accreditations required for such Person lawfully to own, lease, manage or operate, or to acquire, each business currently owned, leased, managed or operated, or to be acquired, by such Person. No condition exists or event has occurred which, in itself or with the giving of notice or lapse of time or both, would result in the suspension, revocation, impairment in any material respect, forfeiture or non-renewal of any such permit, license, authorization, approval, entitlement or accreditation, and there is no claim that any thereof is not in full force and effect.

(o) Properties.

(i) Each Loan Party and each Subsidiary of such Loan Party has good and marketable title to, valid leasehold interests in, or valid licenses to use, all property and assets, in each instance, necessary or used in the ordinary conduct of its business, free and clear of all Liens, except Permitted Liens. All such properties and assets are, in all material respects, in good working order and condition, ordinary wear, tear, condemnation and accidental casualty excepted.

(ii) Schedule 7.1(o) sets forth a complete and accurate list, as of the Interim Facility Effective Date, of the location, by state and street address, of all real property owned or leased by each Loan Party and each of its Subsidiaries as of the Interim Facility Effective Date, including the names of the parties to each Lease, the date of each Lease and any amendments thereto. As of the Interim Facility Effective Date, each Loan Party has valid leasehold interests in the real property identified on Schedule 7.1(o) as being leased. Schedule 7.1(o) sets forth with respect to each such Lease, the commencement date, termination date, renewal options (if any) and annual base rents. Each such Lease is valid and enforceable in accordance with its terms in all material respects and is in full force and effect. No consent or approval of any landlord or other third party in connection with any such Lease is necessary for any Loan Party to enter into and execute the Loan Documents to which it is a party, except for those which have been obtained or as set forth in Schedule 7.1(o). To the best knowledge of any Loan Party, no other party to any such Lease is in default of its obligations thereunder, and, as of the Interim Facility Effective Date, no event has occurred which, with the giving of notice or the passage of time or both, would constitute a default under any such Lease, except any such default, the enforcement of which is stayed by virtue of the filing of the Chapter 11 Cases.

(p) Full Disclosure. Each Loan Party has disclosed to the Administrative Agent all agreements, instruments and corporate or other restrictions to which it is subject, and all other matters (including Contingent Obligations) known to it, that, individually or in the aggregate, could result in a Material Adverse Effect. None of the other reports, financial statements, certificates or other information furnished by or on behalf of any Loan Party to the Administrative Agent in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as whole, in the light of the circumstances under which it was made, not misleading; provided that, with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time prepared.

(q) Environmental Matters. Except as set forth on Schedule 7.1(q), (i) the operations of each Loan Party are in compliance with all Environmental Laws; (ii) there has been no Release at any of the properties owned or operated by any Loan Party or a predecessor in interest, or at any disposal or treatment facility which received Hazardous Materials generated by any Loan Party or any predecessor in interest which could have a Material Adverse Effect; (iii) no Environmental Action has been asserted against any Loan Party or any predecessor in interest nor does any Loan Party have knowledge or notice of any threatened or pending Environmental Action against any Loan Party or any predecessor in interest which could have a Material Adverse Effect; (iv) no Environmental Actions have been asserted against any facilities that may have received Hazardous Materials generated by any Loan Party or any predecessor in interest which could have a Material Adverse Effect; (v) no property now or formerly owned or operated by a Loan Party has been used as a treatment or disposal site for any Hazardous Material; (vi) no Loan Party has failed to report to the proper Governmental Authority any Release which is required to be so reported by any Environmental Laws which could have a Material Adverse Effect; (vii) each Loan Party holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of the business carried on by it, except for such licenses, permits and approvals as to which a Loan Party's failure to maintain or comply with could not have a Material Adverse Effect; and (viii) no Loan Party has received any notification pursuant to any Environmental Laws that (A) any work, repairs, construction or Capital Expenditures are required to be made in respect as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto or (B) any license, permit or approval referred to above is about to be reviewed, made, subject to limitations or conditions, revoked, withdrawn or terminated, in each case, except as could not have a Material Adverse Effect.

(r) Insurance. Each Loan Party keeps its property adequately insured and maintains (i) insurance to such extent and against such risks, including fire, as is customary with companies in the same or similar businesses, (ii) worker's compensation insurance in the amount required by applicable law, (iii) public liability insurance, which shall include product liability insurance, in the amount customary with companies in the same or similar business against claims for personal injury or death on properties owned, occupied or controlled by it, and (iv) such other insurance as may be required by law or as may be required by the Administrative Agent (including against larceny, embezzlement or other criminal misappropriation).

Schedule 7.1(r) sets forth a list of all insurance maintained by each Loan Party on the Interim Facility Effective Date.

(s) Use of Proceeds. The proceeds of the Loans shall be used in accordance with the Budget (within the variances from budgeted amounts and as otherwise permitted under this Agreement) to (i) repay in full in cash the Existing Senior Secured Agent Advances upon entry of the Interim Bankruptcy Court Order, (ii) pay fees and expenses related to this Agreement and the Chapter 11 Cases, (iii) repay the Loan or any other Obligations and (iv) fund working capital in the ordinary course of business of the Loan Parties (and out of the ordinary course only as approved by the Administrative Agent and the Required Lenders and the Bankruptcy Court to the extent set forth in the Budget). None of the proceeds of the Loans may be used for any purpose prohibited by the Interim Bankruptcy Court Order of the Final Bankruptcy Court Order, as applicable, including to challenge, as opposed to investigate, the validity, perfection, priority, extent or enforceability of this Agreement and any other Loan Documents, the Existing Senior Secured Loan Documents, or the liens or security interests securing the obligations under this Agreement and any other Loan Documents, the Existing Senior Secured Loan Documents or to pursue any causes of action of any kind against the Administrative Agent, the Lenders, or the Existing Senior Secured Agent or the Existing Senior Secured Lenders solely in their respective capacities as agent or lenders under this Agreement and any other Loan Documents and the Existing Senior Secured Loan Documents, or to object to or to oppose any action authorized hereunder or under the Bankruptcy Court Orders, and the Loan Parties waive their right to challenge and investigate each of the foregoing. Subject to entry of the Final Bankruptcy Court Order, no more than \$25,000 of any proceeds hereunder, any Collateral (including cash collateral) or the Carve-Out Expenses may be used by any Committee to investigate (but not to prosecute) the validity, perfection, priority, extent or enforceability of the Existing Senior Secured Loan Documents or the liens or security interests securing the obligations under the Existing Senior Secured Loan Documents within the period permitted by the Bankruptcy Court Orders, as applicable.

(t) Location of Bank Accounts. Schedule 7.1(t) sets forth a complete and accurate list as of the Interim Facility Effective Date of all deposit, checking and other bank accounts, all securities and other accounts maintained with any broker dealer and all other similar accounts maintained by each Loan Party, together with a description thereof (i.e., the bank or broker dealer at which such deposit or other account is maintained and the account number and the purpose thereof).

(u) Intellectual Property. Except as set forth on Schedule 7.1(u), each Loan Party owns or licenses or otherwise has the right to use all material licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, tradenames, copyrights, copyright applications, franchises, authorizations, non-governmental licenses and permits and other intellectual property rights that are necessary or used in the ordinary conduct of its business, without infringement upon or conflict with the rights of any other Person with respect thereto, except for such infringements and conflicts which, individually or in the aggregate, could not have a Material Adverse Effect. Set forth on Schedule 7.1(u) is a complete and accurate list as of the Interim Facility Effective Date of all such material licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, tradenames, copyrights, copyright applications, franchises, authorizations, non-governmental licenses and

permits and other intellectual property rights of each Loan Party. To the best knowledge of each Loan Party, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by any Loan Party infringes upon or conflicts with any rights owned by any other Person, and no claim or litigation regarding any of the foregoing is pending or threatened, except for such infringements and conflicts which could not have, individually or in the aggregate, a Material Adverse Effect. To the best knowledge of each Loan Party, no patent, invention, device, application, principle or any statute, law, rule, regulation, standard or code is pending or proposed, which, individually or in the aggregate, could have a Material Adverse Effect.

(v) Material Contracts. Set forth on Schedule 7.1(v) is a complete and accurate list as of the Interim Facility Effective Date of all Material Contracts of each Loan Party. Each such Material Contract (i) is in full force and effect and is binding upon and enforceable against each Loan Party that is a party thereto and, to the best knowledge of such Loan Party, all other parties thereto in accordance with its terms and (ii) is not in default due to the action of any Loan Party or, to the best knowledge of any Loan Party, any other party thereto, except any such default which could not be expected to have a Material Adverse Effect.

(w) Investment Company Act. None of the Loan Parties is (i) an "investment company" or an "affiliated person" or "promoter" of, or "principal underwriter" of or for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended, or (ii) subject to regulation under any Requirement of Law that limits in any respect its ability to incur Indebtedness (other than the Bankruptcy Code) or which may otherwise render all or a portion of the Obligations unenforceable.

(x) Employee and Labor Matters. There is (i) no unfair labor practice complaint pending or, to the best knowledge of any Loan Party, threatened against any Loan Party before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party which arises out of or under any collective bargaining agreement, (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or, to the best knowledge of each Loan Party, threatened against any Loan Party or (iii) to the best knowledge of each Loan Party, no union representation question existing with respect to the employees of any Loan Party and no union organizing activity taking place with respect to any of the employees of any Loan Party. No Loan Party or any of its ERISA Affiliates has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act ("WARN") or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of any Loan Party have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violation, individually or in the aggregate, could not result in a Material Adverse Effect. All material payments due from any Loan Party on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such Loan Party.

(y) [reserved].

(z) Name; Jurisdiction of Organization; Organizational ID Number; Chief Place of Business; Chief Executive Office; FEIN. Schedule 7.1(z) sets forth a complete and

accurate list as of the date hereof of (i) the exact legal name of each Loan Party, (ii) the jurisdiction of organization of each Loan Party, (iii) the organizational identification number of each Loan Party (or indicates that such Loan Party has no organizational identification number), (iv) each place of business of each Loan Party, (v) the chief executive office of each Loan Party and (vi) the federal employer identification number of each Loan Party.

(aa) Locations of Collateral. There is no location at which any Loan Party has any Collateral (except for Inventory in transit, at an event or proposed event, out for repair and Collateral with a fair market value not to exceed \$50,000) other than (i) those locations listed on Schedule 7.1(aa) and (ii) any other locations approved in writing by the Administrative Agent from time to time. Schedule 7.1(aa) hereto contains a true, correct and complete list, as of the Interim Facility Effective Date, of the legal names and addresses of each warehouse at which Collateral with a fair market value in excess of \$50,000 of each Loan Party is stored. None of the receipts received by any Loan Party from any warehouse states that the goods covered thereby are to be delivered to bearer or to the order of a named Person and such named Person's assigns.

(bb) Administrative Priority; Lien Priority.

(i) Upon entry of the Interim Bankruptcy Court Order but retroactive to the Petition Date or the Final Bankruptcy Court Order Entry Date, as the case may be, the Obligations of the Loan Parties will constitute allowed administrative expenses in the Chapter 11 Cases, having priority in payment over all other administrative expenses and unsecured claims against the Loan Parties now existing or hereafter arising, of any kind or nature whatsoever, including all administrative expenses of the kind specified in, or arising or ordered under, Sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (subject to entry of the Final Bankruptcy Court Order), 507(a), 507(b), 546, 726, 1113 and 1114 of the Bankruptcy Code, subject only to the prior payment of Carve-Out Expenses.

(ii) Upon entry of the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, the Liens and security interests of the Administrative Agent on the Collateral referred to in Section 4.1 hereof shall be valid and perfected first priority Liens, subject only to Permitted Priority Liens and the Carve-Out Expenses.

(iii) On and after the Interim Bankruptcy Court Order Entry Date and prior to the Final Bankruptcy Court Order Entry Date, the Interim Bankruptcy Court Order is in full force and effect, and has not been reversed, modified, amended, stayed, vacated or subject to appeal, absent the written consent of the Administrative Agent, the Required Lenders and the Borrower, and on and after the Final Bankruptcy Court Order Entry Date, the Final Bankruptcy Court Order is in full force and effect, and has not been reversed, modified, amended, stayed, vacated or subject to appeal absent the written consent of the Administrative Agent, the Required Lenders and the Borrower.

(iv) Appointment of Trustee, Responsible Officer or Examiner; Liquidation. No order has been entered, and no Loan Party has filed a motion, in any Chapter 11 Case (A) for the appointment of a Chapter 11 trustee, (B) for the appointment of a responsible

officer or an examiner with enlarged powers (beyond those set forth in Sections 1106(a)(3) and (4) of the Bankruptcy Code) under Section 1106(b) of the Bankruptcy Code or (C) to convert any of the Chapter 11 Cases to a Chapter 7 case or to dismiss any of the Chapter 11 Cases.

(cc) Schedules. All of the information which is required to be scheduled to this Agreement is set forth on the Schedules attached hereto, is correct and accurate and does not omit to state any information material thereto.

(dd) Anti-Terrorism Laws.

(i) General. None of the Loan Parties, or any Affiliate of any Loan Party, is in violation of any Anti-Terrorism Law, engages in, or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(ii) Blocked Persons. None of the Loan Parties or, to the knowledge of the Loan Parties, any Affiliate of any Loan Party, or their respective agents acting or benefiting in any capacity in connection with the Loans or other transactions hereunder, is any of the following (each, a "Blocked Person"):

(A) a Person that is prohibited pursuant to any of the OFAC Sanctions Programs, including a Person named on OFAC's list of Specially Designated Nationals and Blocked Persons;

(B) a Person that is owned or controlled by, or that owns or controls, or that is acting for or on behalf of, any Person described in subclause (A), above;

(C) a Person or entity with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; or

(D) a Person that is affiliated or associated with a Person described in subclauses (A) through (C), above.

(iii) None of the Loan Parties or, to the knowledge of the Loan Parties, any of their agents acting in any capacity in connection with the Loans or other transactions hereunder (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to any OFAC Sanctions Programs.

ARTICLE VIII COVENANTS OF THE LOAN PARTIES

Section 8.1 Affirmative Covenants

So long as any principal of or interest on any Loan or any other Obligation (whether or not due) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party will, unless the Required Lenders shall otherwise consent in writing:

(a) Reporting Requirements. Furnish to Administrative Agent and each Lender:

(i) as soon as available, and in any event within one hundred twenty (120) days after the end of each Fiscal Year of the Parent and its Subsidiaries, consolidated and consolidating balance sheets, consolidated statements of operations and consolidated statements of retained earnings and consolidated statements of cash flows of the Parent and its Subsidiaries as at the end of such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the immediately preceding Fiscal Year, all in reasonable detail and prepared in accordance with GAAP, and accompanied by a report and an opinion, prepared in accordance with generally accepted auditing standards, of independent certified public accountants of recognized standing selected by the Parent and satisfactory to the Administrative Agent (which opinion shall be without (A) any qualification other than a "going concern" or like qualification or exception, (B) any qualification or exception as to the scope of such audit, or (C) any qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item, the effect of which would be to cause any noncompliance with the provisions of Section 8.3 or the Budget);

(ii) as soon as available, and in any event within forty-five (45) days after the end of each fiscal quarter of the Parent and its Subsidiaries commencing with the first fiscal quarter of the Parent and its Subsidiaries ending after the Interim Facility Effective Date, (A) consolidated and consolidating balance sheets, consolidated statements of operations and consolidated statements of cash flows of the Parent and its Subsidiaries as at the end of such quarter, and for the period commencing at the end of the immediately preceding Fiscal Year and ending with the end of such quarter, setting forth in each case in comparative form the figures for the corresponding date or period set forth in the financial statements for the immediately preceding Fiscal Year, all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the financial position of the Parent and its Subsidiaries as of the end of such quarter and the results of operations and cash flows of the Parent and its Subsidiaries for such quarter, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements of the Parent and its Subsidiaries furnished to the Administrative Agent and the Lenders, subject to the absence of footnotes and normal year-end adjustments and (B) simultaneously with the delivery of the quarterly financial statements of the Parent and its Subsidiaries required by subsection (A) above, a management report prepared in reasonable detail, signed by an Authorized Officer of the Parent, describing the operations and financial condition of the Parent and its Subsidiaries for the portion of the Fiscal Year then ended and discussing the reasons for any significant variations;

(iii) as soon as available, and in any event within thirty (30) days after the end of each fiscal month of the Parent and its Subsidiaries commencing with the first fiscal month of the Parent and its Subsidiaries ending after the Interim Facility Effective Date, (A) internally prepared consolidated and consolidating balance sheets, consolidated statements of operations and consolidated statements of cash flows as at the end of such fiscal month, and for the period commencing at the end of the immediately preceding Fiscal Year and ending with the end of such fiscal month, setting forth, in each case, in comparative form the figures for the corresponding date or period of the immediately preceding Fiscal Year and corresponding figures from the Budget, all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the financial position of the Parent and its Subsidiaries as at the end of such fiscal month and the results of operations and cash flows of the Parent and its Subsidiaries for such fiscal month, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements furnished to the Administrative Agent and the Lenders, subject to the absence of footnotes and normal year-end adjustments and (B) simultaneously with the delivery of the monthly financial statements of the Parent and its Subsidiaries required by subsection (A) above, a management report prepared in reasonable detail, signed by an Authorized Officer of the Parent, describing the operations and financial condition of the Parent and its Subsidiaries for the portion of the Fiscal Year then ended and discussing the reasons for any significant variations;

(iv) simultaneously with the delivery of the financial statements of the Parent and its Subsidiaries required by clauses (i), (ii) and (iii) of this Section 8.1(a), a certificate of an Authorized Officer of the Parent stating that such Authorized Officer has reviewed the provisions of this Agreement and the other Loan Documents and has made or caused to be made under his or her supervision a review of the condition and operations of the Parent and its Subsidiaries during the period covered by such financial statements with a view to determining whether the Parent and its Subsidiaries were in compliance with all of the provisions of this Agreement and such Loan Documents at the times such compliance is required hereby and thereby, and that such review has not disclosed, and such Authorized Officer has no knowledge of, the existence during such period of an Event of Default or Default or, if an Event of Default or Default existed, describing the nature and period of existence thereof and the action which the Parent and its Subsidiaries propose to take or have taken with respect thereto;

(v) no later than the date that is ten (10) weeks after the Interim Facility Effective Date, an updated Budget for the 13-week period covering weeks fourteen through twenty-six after the Interim Facility Effective Date, supplementing and superseding the Budget previously delivered, prepared in form and substance satisfactory to the Administrative Agent and the Required Lenders, setting forth cash receipts and disbursements and Revolving Loans of the Loan Parties for the period covered thereby, which updated Budget, when delivered and as so updated, shall be (1) consistent in form with the initial Budget delivered to the Agents and the Lenders on or prior to the Interim Facility Effective Date, (2) believed by the Loan Parties at the time furnished to be reasonable, (3) prepared on a reasonable basis and in good faith, and (4) based on assumptions believed by the Loan Parties to be reasonable at the time made and upon the

best information then reasonably available to the Loan Parties, and shall be accompanied by a certificate of an Authorized Officer of the Borrower certifying as to the matters set forth in subclauses (1), (2), (3) and (4) above;

(vi) every week, beginning with Friday, February 28, 2014 and each Friday thereafter, an updated thirteen-week rolling cash flow forecast, in a form consistent with the Budget and with supporting information in detail reasonably acceptable to the Administrative Agent;

(vii) by 5:00 p.m. (New York City time) on Friday of each week:

(A) a variance and compliance report, in a form and with supporting information in detail reasonably acceptable to the Administrative Agent showing the comparison of, and the variances between, actual performance to projections for each line item of the Budget (including a line item for outstanding Revolving Loans versus the projected amount set forth in the Budget) and reconciling the sources, uses and disbursements of cash, (1) for the week ending on the immediately preceding Sunday and (2) the Measurement Period most recently ended;

(B) simultaneously with the delivery of the report required by Section 8.1(a)(vii)(A), a certificate from an Authorized Officer of the Parent showing (1) the calculation of the financial covenants specified in Section 8.3, (2) the amount of cash (including detail on restricted cash, deposits on hold and outstanding checks) and Cash Equivalents of the Loan Parties, in the aggregate, as of the last day of the week then ended and the amount of any required mandatory prepayment of the Revolving Loans in accordance with Section 2.5(c)(iv) and (3) the calculation of the Available Revolving Loan Commitment as of the delivery date of such report;

(C) detailed sales logs and reports for the week most recently ended; and

(D) a report detailing the "Funded Capital Expenditures" as reflected in the Budget by category and location for the week most recently ended.

(viii) promptly after submission to any Governmental Authority, all documents and information furnished to such Governmental Authority in connection with any investigation of any Loan Party other than routine inquiries by such Governmental Authority;

(ix) as soon as possible, and in any event within three (3) days after the occurrence of an Event of Default or Default or the occurrence of any event or development that could reasonably be expected to result in a Default or Event of Default or to have, either individually or in the aggregate, a Material Adverse Effect, the written statement of an Authorized Officer of the Borrower setting forth the details of such Event

of Default or Default or other event or development having a Material Adverse Effect and the action which the affected Loan Party proposes to take with respect thereto;

(x) (A) as soon as possible and in any event within 10 days after any Loan Party or any ERISA Affiliate thereof knows or has reason to know that (1) any Reportable Event with respect to any Employee Plan has occurred, (2) any other Termination Event with respect to any Employee Plan has occurred, or (3) an accumulated funding deficiency has been incurred or an application has been made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including installment payments) or an extension of any amortization period under Section 412 of the Internal Revenue Code with respect to an Employee Plan, a statement of an Authorized Officer of the Borrower setting forth the details of such occurrence and the action, if any, which such Loan Party or such ERISA Affiliate proposes to take with respect thereto, (B) promptly and in any event within three (3) days after receipt thereof by any Loan Party or any ERISA Affiliate thereof from the PBGC, copies of each notice received by any Loan Party or any ERISA Affiliate thereof of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan, (C) promptly and in any event within ten (10) days after the filing thereof with the Internal Revenue Service if requested by the Administrative Agent, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Employee Plan and Multiemployer Plan, (D) promptly and in any event within ten (10) days after any Loan Party or any ERISA Affiliate thereof knows or has reason to know that a required installment within the meaning of Section 412 of the Internal Revenue Code has not been made when due with respect to an Employee Plan, (E) promptly and in any event within 3 days after receipt thereof by any Loan Party or any ERISA Affiliate thereof from a sponsor of a Multiemployer Plan or from the PBGC, a copy of each notice received by any Loan Party or any ERISA Affiliate thereof concerning the imposition or amount of withdrawal liability under Section 4202 of ERISA or indicating that such Multiemployer Plan may enter reorganization status under Section 4241 of ERISA, and (F) promptly and in any event within ten (10) days after any Loan Party or any ERISA Affiliate thereof sends notice of a plant closing or mass layoff (as defined in WARN) to employees, copies of each such notice sent by such Loan Party or such ERISA Affiliate thereof;

(xi) promptly after the commencement thereof but in any event not later than five (5) days after service of process with respect thereto on, or the obtaining of knowledge thereof by, any Loan Party, notice of each action, suit or proceeding before any court or other Governmental Authority or other regulatory body or any arbitrator, other than the initial filing of the Chapter 11 Cases, which, if adversely determined, could have a Material Adverse Effect;

(xii) as soon as possible and in any event within five (5) days after execution, receipt or delivery thereof, copies of any material notices that any Loan Party executes or receives in connection with any Material Contract;

(xiii) as soon as possible and in any event within one (1) Business Day after execution, receipt or delivery thereof, copies of any material notices that any Loan

Party or any of its Subsidiaries executes or receives in connection with any real property lease or sub-lease of such Loan Party or its Subsidiaries;

(xiv) as soon as possible and in any event within five (5) days after execution, receipt or delivery thereof, copies of any material notices that any Loan Party executes or receives in connection with the sale or other Disposition of the Capital Stock of, or all or substantially all of the assets of, any Loan Party;

(xv) promptly after the sending or filing thereof, copies of all financial statements, reports and other material information any Loan Party sends to any holders of its Indebtedness or its securities or files with the SEC or any national (domestic or foreign) securities exchange;

(xvi) promptly upon receipt thereof, copies of all financial reports (including management letters), if any, submitted to any Loan Party by its auditors in connection with any annual or interim audit of the books thereof;

(xvii) promptly after the filing thereof and to the extent the same is not publicly available on the Bankruptcy Court's electronic docket, copies of all pleadings, motions, applications, financial information and other papers and documents filed by any Loan Party in the Chapter 11 Cases, all of which papers and documents shall also be given to or served on the Administrative Agent's counsel;

(xviii) promptly after the sending thereof, copies of all written reports given by any Loan Party to any Committee or the U.S. Trustee, other than any such reports subject to privilege, provided that, such Person may redact any confidential information contained in any such report if it provides a summary of the nature of the information redacted to the Administrative Agent;

(xix) promptly upon receipt thereof, status updates and summaries of all letters of intent, written offers and purchase agreements received by any Loan Party or any of their advisors with respect to, in connection with, or in response to the Asset Purchase Agreement or pleadings seeking approval of the same; and

(xx) promptly upon request, such other information concerning the condition or operations, financial or otherwise, of any Loan Party as Administrative Agent or any Lender may from time to time reasonably request.

(b) Compliance with Laws, Etc. (i) Comply, and cause each of its Subsidiaries to comply, with all Requirements of Law (including all Environmental Laws) and all contractual obligations, in all material respects and (ii) pay and cause each of its Subsidiaries to pay, before the same become delinquent all federal (and all other material) taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any of its properties, and all lawful claims which if unpaid might become a Lien or charge upon any of its properties, except to the extent contested in good faith by proper proceedings which stay the imposition of any penalty, fine or Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof in accordance with

GAAP or to the extent that such compliance or payment or any enforcement action is stayed as a result of the Chapter 11 Cases.

(c) Preservation of Existence, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its Subsidiaries to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary, except where the failure to be so qualified and in good standing could not have, either individually or in the aggregate, a Material Adverse Effect.

(d) Keeping of Records and Books of Account. Keep, and cause each of its Subsidiaries to keep, adequate records and books of account, with complete entries made to permit the preparation of financial statements in accordance with GAAP.

(e) Inspection Rights. Permit, and cause each of its Subsidiaries to permit, the Administrative Agent and representatives of the Administrative Agent at any time and from time to time during normal business hours, at the expense of the Loan Parties, to examine and make copies of and abstracts from its records and books of account, to visit and inspect its properties, to verify materials, leases, notes, accounts receivable, deposit accounts and its other assets, to conduct audits, physical counts, valuations, appraisals, Phase I Environmental Site Assessments (and, if requested by the Administrative Agent based upon the results of any such Phase I Environmental Site Assessment, a Phase II Environmental Site Assessment) or examinations and to discuss its affairs, finances and accounts with any of its directors, officers, managerial employees, independent accountants, financial advisors or any of its other representatives. In furtherance of the foregoing, each Loan Party hereby authorizes each of its independent accountants or financial advisors, and the independent accountants or financial advisors of each of its Subsidiaries, to discuss the affairs, finances and accounts of such Person (independently or together with representatives of such Person) with the Administrative Agent and representatives of the Administrative Agent in accordance with this Section 8.1(e).

(f) Maintenance of Properties, Etc. Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its properties which are necessary or useful in the proper conduct of its business in good working order and condition, in all material respects, ordinary wear and tear excepted, and comply, and cause each of its Subsidiaries to comply, at all times with the provisions of all leases to which it is a party as lessee or under which it occupies property, except any non-compliance resulting in a default, the enforcement of which is stayed by the Chapter 11 Cases.

(g) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations (including comprehensive general liability, hazard, rent and business interruption insurance) with respect to its properties (including all real properties leased or owned by it) and business, in such amounts and covering such risks as is required by any Governmental Authority having jurisdiction with respect thereto and as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and in any event business interruption insurance in an amount reasonably acceptable to the Administrative Agent. At the

request of the Administrative Agent, all policies covering the Collateral are to be made payable to the Administrative Agent for the benefit of the Administrative Agent and the Lenders, as its interests may appear, in case of loss, under a standard non-contributory "lender" or "secured party" clause and are to contain such other provisions as the Administrative Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of insurance are to be delivered to the Administrative Agent and the policies are to be premium prepaid, with the loss payable and additional insured endorsement in favor of the Administrative Agent and such other Persons as the Administrative Agent may designate from time to time, and shall provide for not less than thirty (30) days' prior written notice to the Administrative Agent of the exercise of any right of cancellation. If any Loan Party or any of its Subsidiaries fails to maintain such insurance, the Administrative Agent may arrange for such insurance, but at the Borrower's expense and without any responsibility on the Administrative Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have the sole right, in the name of the Lenders, any Loan Party and its Subsidiaries, to file claims under any insurance policies, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

(h) Obtaining of Permits, Etc. Obtain, maintain and preserve, and cause each of its Subsidiaries to obtain, maintain and preserve, in all material respects, and take all necessary action to timely renew, all permits, licenses, authorizations, approvals, entitlements and accreditations which are necessary or useful in the proper conduct of its business.

(i) Environmental. (i) Keep any property either owned or operated by it or any of its Subsidiaries free of any Environmental Liens; (ii) comply, and cause each of its Subsidiaries to comply with all material Environmental Laws and provide to the Administrative Agent any documentation of such compliance which the Administrative Agent may reasonably request; (iii) provide the Administrative Agent written notice within five (5) days of any senior officer of any Loan Party first obtaining knowledge of any Release of a Hazardous Material in excess of any reportable quantity from or onto property at any time owned or operated by it or any of its Subsidiaries and take any Response Actions required to abate or otherwise respond to such Release in accordance with applicable Environmental Laws; (iv) provide the Administrative Agent full access to any property or facility subject to an Environmental Action or Response Action (to the extent such access is available to the applicable Loan Party) and any documentation or other information related thereto (to the extent such documentation is available to the applicable Loan Party); and (v) provide the Administrative Agent with written notice within ten (10) days of the receipt by any senior officer of any Loan Party of any of the following: (A) notice that an Environmental Lien has been filed against any property of any Loan Party or any of its Subsidiaries; (B) commencement of any material Environmental Action or notice that a material Environmental Action will be filed against any Loan Party or any of its Subsidiaries; and (C) notice of any Response Action, claim, violation, citation, demand or order pursuant to Environmental Laws which could, either individually or in the aggregate, have a Material Adverse Effect.

(j) Further Assurances; Additional Guaranties and Collateral Matters.

(i) Subject to the terms of the Bankruptcy Court Orders, take such action and execute, acknowledge and deliver, and cause each of its Subsidiaries (including any Subsidiary of a Loan Party not a party to the Chapter 11 Cases on the Interim Facility Effective Date but which later becomes a party to the Chapter 11 Cases or that otherwise becomes a Guarantor hereunder) to take such action and execute, acknowledge and deliver, at its sole cost and expense, such agreements, instruments or other documents as Administrative Agent may (or at the direction of the Required Lenders, shall) require from time to time in order (A) to carry out more effectively the purposes of this Agreement and the other Loan Documents, (B) to subject to valid and perfected first priority Liens any of the Collateral or any other property of any Loan Party and its Subsidiaries, (C) to establish and maintain the validity and effectiveness of any of the Loan Documents and the validity, perfection and priority of the Liens intended to be created thereby, and (D) to better assure, convey, grant, assign, transfer and confirm unto Administrative Agent and each Lender the rights now or hereafter intended to be granted to it under this Agreement or any other Loan Document. In furtherance of the foregoing, to the maximum extent permitted by applicable law and subject to the Bankruptcy Court Orders, each Loan Party (A) authorizes Administrative Agent to execute any such agreements, instruments or other documents in such Loan Party's name in the event such Loan Party fails to do so within a reasonable period of time after written request therefor and to file such agreements, instruments or other documents in any appropriate filing office, (B) authorizes Administrative Agent to file any financing statement required hereunder or under any other Loan Document, and any continuation statement or amendment with respect thereto, in any appropriate filing office without the signature of such Loan Party, and (C) ratifies the filing of any financing statement, and any continuation statement or amendment with respect thereto, filed without the signature of such Loan Party prior to the date hereof. The assurances contemplated by this Section 8.1(j) shall be given under applicable non-bankruptcy law (to the extent not inconsistent with the Bankruptcy Code and the Bankruptcy Court Orders) as well as the Bankruptcy Code, it being the intention of the parties that the Administrative Agent may request assurances under applicable non-bankruptcy law, and such request shall be complied with (if otherwise made in good faith by the Administrative Agent) whether or not any of the Bankruptcy Court Orders are in force and whether or not dismissal of the Chapter 11 Cases or any other action by the Bankruptcy Court is imminent, likely or threatened.

(ii) Cause each Subsidiary of any Loan Party not a party to the Chapter 11 Cases on the Interim Facility Effective Date, but which later becomes a party to the Chapter 11 Cases or that otherwise becomes a Guarantor hereunder, to execute and deliver to the Administrative Agent promptly and in any event within five (5) days (or such later date as the Administrative Agent may agree) after the occurrence of such event (A) a Joinder to Guaranty, pursuant to which such Subsidiary shall be made a party to this Agreement as a Guarantor, (B) at the request of the Administrative Agent, a security agreement, in form and substance satisfactory to the Administrative Agent, (C) at the request of the Administrative Agent, if such Subsidiary has any Subsidiaries, a pledge agreement, in form and substance satisfactory to the Administrative Agent, together with

(1) certificates evidencing all of the Capital Stock of any Person owned by such Subsidiary, (2) undated stock powers executed in blank with signature guaranteed, and (C) at the request of the Administrative Agent, one or more Mortgages creating on the real property of such Subsidiary a perfected, first priority Lien (subject to Permitted Liens) on such real property, a Title Insurance Policy covering such real property, a current ALTA survey thereof and a surveyor's certificate, each in form and substance satisfactory to the Administrative Agent, together with such other agreements, instruments and documents as the Administrative Agent may reasonably require whether comparable to the documents required under Section 8.1(k) or otherwise, and (D) such other agreements, instruments, approvals, legal opinions or other documents reasonably requested by the Administrative Agent in order to create, perfect, establish the first priority of or otherwise protect any Lien purported to be covered by any such security Agreement, pledge agreement or Mortgage or otherwise to effect the intent that such Subsidiary shall become bound by all of the terms, covenants and agreements contained in the Loan Documents and that all property and assets of such Subsidiary shall become Collateral for the Obligations; and

(iii) Cause each owner of the Capital Stock of any such additional Subsidiary referenced in subclause (ii) above, to execute and deliver promptly and in any event within five (5) days (or such later date as the Administrative Agent may agree) after the occurrence of such event (A) certificates evidencing all of the Capital Stock of such Subsidiary, (B) undated stock powers or other appropriate instruments of assignment executed in blank with signature guaranteed and (C) such other agreements, instruments, approvals, legal opinions or other documents reasonably requested by the Administrative Agent.

(k) After Acquired Real Property. Upon the acquisition by it or any of its Subsidiaries after the date hereof of any interest (whether fee or leasehold) in any Material Real Property (wherever located) (each such interest being an "After Acquired Property"), immediately so notify the Administrative Agent, setting forth with specificity a description of the interest acquired, the location of the real property, any structures or improvements thereon, the nature of the business to be conducted thereat and the approximate fair market value of the Collateral to be located thereon. The Administrative Agent shall notify such Loan Party whether it intends to require a Mortgage with respect to such real property which is owned in fee by a Loan Party and the other documents referred to below or in the case of leasehold, a landlord's waiver pursuant to Section 8.1(l) or other, related documents or agreements. Upon receipt of such notice requesting a Mortgage, the Person which has acquired such After Acquired Property shall furnish to the Administrative Agent within thirty (30) days (or such later date as the Administrative Agent may agree) the following, each in form and substance reasonably satisfactory to the Administrative Agent: (i) a Mortgage with respect to such real property and related assets located at the After Acquired Property, each duly executed by such Person and in recordable form; (ii) evidence of the recording of any Mortgage referred to in clause (i) above in such office or offices as may be necessary or, in the opinion of the Administrative Agent, desirable to create and perfect a valid and enforceable first priority lien on the property purported to be covered thereby or to otherwise protect the rights of the Administrative Agent and the Lenders thereunder; (iii) a Title Insurance Policy with respect to each Mortgage required to be delivered pursuant to clause (i) above; (iv) a current ALTA survey of such real property (to the

extent a Mortgage and Title Insurance Policy are being delivered to Administrative Agent in connection therewith pursuant to the terms hereof), certified to the Administrative Agent and to the issuer of the Title Insurance Policy by a licensed professional surveyor reasonably satisfactory to the Administrative Agent, and containing a flood plain certification; (v) Phase I Environmental Site Assessments with respect to such real property, certified to the Administrative Agent by a company reasonably satisfactory to the Administrative Agent; and (vi) such other documents or instruments (including guarantees and opinions of counsel) as the Administrative Agent may reasonably require. The Borrower shall pay all fees and expenses, including reasonable attorneys' fees and expenses, and all title insurance charges and premiums, in connection with each Loan Party's obligations under this Section 8.1(k).

(l) Landlord Waivers; Collateral Access Agreements. Upon the request of the Administrative Agent at any time following the Interim Facility Effective Date, use commercially reasonable efforts to obtain written subordinations or waivers, in form and substance satisfactory to the Administrative Agent, of all present and future Liens to which the owner or lessor of any premises at which Collateral is located (whether such real property is now existing or acquired after the Interim Facility Effective Date) may be entitled to assert against the Collateral and providing for access to Collateral located on such premises in order to remove such Collateral from such premises during an Event of Default.

(m) Fiscal Year. Cause the Fiscal Year of the Parent and its Subsidiaries to end on June 30 of each calendar year.

(n) Use of Proceeds. Use the proceeds of the Loans in accordance with Section 7.1(s) and subject to the terms, conditions and limitations of this Agreement and the Bankruptcy Court Orders.

(o) Sale Milestones. The Loan Parties shall comply with and achieve the Sale Milestones.

(p) Cash Management. The Loan Parties shall maintain the cash management system substantially consistent with the existing cash management system of the Loan Parties, acceptable to the Administrative Agent in all respects.

(q) Status Calls; Financial Advisors. Arrange for the Chief Executive Officers, Chief Financial Officers, such other executives of the Loan Parties as requested by the Administrative Agent and the financial advisors of the Loan Parties to participate in, weekly conference calls with the Administrative Agent, the Lenders and/or their financial advisors to review and discuss the Sale Milestones, variances from the Budget, operational issues and financial information. In addition, CDG Group, LLC shall have reasonable access to the Loan Parties' officers, executives and financial advisors.

(r) Chapter 11 Cases. The Loan Parties will use their commercially reasonable efforts to obtain the approval of the Bankruptcy Court of this Agreement and the other Loan Documents.

(s) Adequate Protection Payments. The Loan Parties will make adequate protection payments payable in cash on the dates and to the extent required by the Bankruptcy Court Orders.

Section 8.2 Negative Covenants.

So long as any principal of or interest on any Loan or any other Obligation (whether or not due) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party shall not (and shall not apply to the Bankruptcy Court for authority to amend, supplement or otherwise modify, or deviate from, any of such covenants in any respect), unless the Required Lenders shall otherwise consent in writing:

(a) Liens, Etc. Create, incur, assume or suffer to exist, or permit any of its Subsidiaries to create, incur, assume or suffer to exist, any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired; file or suffer to exist under the Uniform Commercial Code or any similar law or statute of any jurisdiction, a financing statement (or the equivalent thereof) that names it or any of its Subsidiaries as debtor; sign or suffer to exist any security agreement authorizing any secured party thereunder to file such financing statement (or the equivalent thereof); sell any of its property or assets subject to an understanding or agreement, contingent or otherwise, to repurchase such property or assets (including sales of accounts receivable) with recourse to it or any of its Subsidiaries or assign or otherwise transfer, or permit any of its Subsidiaries to assign or otherwise transfer, any account or other right to receive income; other than, as to all of the above, Permitted Liens.

(b) Indebtedness. Create, incur, assume, guarantee or suffer to exist, or otherwise become or remain liable with respect to, or permit any of its Subsidiaries to create, incur, assume, guarantee or suffer to exist or otherwise become or remain liable with respect to, any Indebtedness other than Permitted Indebtedness.

(c) Fundamental Changes; Dispositions. Wind-up, liquidate or dissolve, or merge, consolidate or amalgamate with any Person, or acquire all or any significant part of the assets of any Person, or convey, sell, lease or sublease, transfer or otherwise dispose of, whether in one transaction or a series of related transactions, all or any part of its business, property or assets, whether now owned or hereafter acquired (or agree to do any of the foregoing), or purchase or otherwise acquire, whether in one transaction or a series of related transactions, all or substantially all of the assets of any Person (or any division thereof) (or agree to do any of the foregoing), or permit any of its Subsidiaries to do any of the foregoing; provided, however, that any Loan Party and its Subsidiaries may (i) sell inventory and rental inventory (including broken, damaged or missing inventory sold to customers who broke, damaged or lost such inventory) and dispose of Cash Equivalents, in each instance, in the ordinary course of business, (ii) dispose of obsolete or worn-out equipment in the ordinary course of business in an aggregate amount not to exceed \$100,000 in any Fiscal Year, (iii) dispose of property to Borrower or one of its Subsidiaries which is a Loan Party and (iv) enter into and perform the agreements under the Asset Purchase Agreement.

(d) Change in Nature of Business. Make, or permit any of its Subsidiaries to make, any change in the nature of its business as described in Section 7.1(l).

(e) Loans, Advances, Investments, Etc. Make or commit or agree to make any loan, advance guarantee of obligations, other extension of credit or capital contributions to, or hold or invest in or commit or agree to hold or invest in, or purchase or otherwise acquire or commit or agree to purchase or otherwise acquire any shares of the Capital Stock, bonds, notes, debentures or other securities of, or make or commit or agree to make any other investment in, any other Person, or purchase or own any futures contract or otherwise become liable for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract, or permit any of its Subsidiaries to do any of the foregoing, except for: (i) investments existing on the date hereof, as set forth on Schedule 8.2(e) hereto, but not any increase in the amount thereof as set forth in such Schedule or any other modification of the terms thereof; (ii) loans and advances between the Loan Parties made in the ordinary course of business; (iii) Cash Equivalents; and (iv) accounts receivable of such Person arising in the ordinary course of business and payable or dischargeable in accordance with trade terms consistent with past practice.

(f) Restricted Payments. Declare, make or pay, or permit any of its Subsidiaries to declare, make or pay, any Restricted Payments; provided, however, that (i) Borrower may make payments and distributions to Parent that are used by Parent to pay federal and state income taxes then due and owing, franchise taxes and other expenses incurred in the ordinary course of business and permitted by the Budget; provided that Borrower's aggregate contribution to taxes as a result of the filing of a consolidated or combined return by Parent shall not be greater, nor the aggregate receipt of tax benefits less, than they would have been had Borrower not filed a consolidated or combined return with Parent, and (ii) any Loan Party may pay dividends to any other Loan Party other than Parent (subject to clause (i) in this Section 8.2(f)).

(g) Federal Reserve Regulations. Permit any Loan or the proceeds of any Loan under this Agreement to be used for any purpose that would cause such Loan to be a margin loan under the provisions of Regulation T, U or X of the Board of Governors.

(h) Transactions with Affiliates. Enter into, renew, extend or be a party to, or permit any of its Subsidiaries to enter into, renew, extend or be a party to, any transaction or series of related transactions (including the purchase, sale, lease, transfer or exchange of property or assets of any kind or the rendering of services of any kind) with any Affiliate, except (i) in the ordinary course of business in a manner and to an extent consistent with past practice and necessary or desirable for the prudent operation of its business, for fair consideration and on terms no less favorable to it or its Subsidiaries than would be obtainable in a comparable arm's length transaction with a Person that is not an Affiliate thereof, (ii) transactions with another Loan Party, (iii) transactions existing on the Interim Facility Effective Date as set forth on Schedule 8.2(h), (iv) transactions among Loan Parties expressly permitted by Section 8.2(e), (v) Subsidiaries of Parent may pay management fees, licensing fees and similar fees to the Borrower or any wholly-owned Subsidiary of the Borrower that is a Loan Party, and (vi) Restricted Payments made in accordance with Section 8.2(f),

(i) Limitations on Restrictive Agreements Affecting Subsidiaries. Create or otherwise cause, incur, assume, suffer or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of any Loan Party (i) to

pay dividends or to make any other distribution on any shares of Capital Stock of such Subsidiary owned by any Loan Party or any of its Subsidiaries, (ii) to pay or prepay or to subordinate any Indebtedness owed to any Loan Party or any of its Subsidiaries, (iii) to make loans or advances to any Loan Party or any of its Subsidiaries or (iv) to transfer any of its property or assets to any Loan Party or any of its Subsidiaries, or permit any of its Subsidiaries to do any of the foregoing; provided, however, that nothing in any of clauses (i) through (iv) of this Section 8.2(i) shall prohibit or restrict compliance with:

(A) this Agreement and the other Loan Documents;

(B) any agreements in effect on the date of this Agreement and described on Schedule 8.2(i);

(C) any applicable law, rule or regulation (including applicable currency control laws and applicable state corporate statutes restricting the payment of dividends in certain circumstances);

(D) in the case of clause (iv) above, any agreement setting forth customary restrictions on the subletting, assignment or transfer of any property or asset that is a lease, license, conveyance, sale or contract of similar property or assets; or

(E) in the case of clause (iv) above, any agreement, instrument or other document evidencing a Permitted Lien from restricting on customary terms the transfer of any property or assets subject thereto.

(j) Modifications of Indebtedness, Organization Documents and Certain Other Agreements; Etc. (i) Amend, modify or otherwise change (or permit the amendment, modification or other change in any manner of) any of the provisions of any of its or its Subsidiaries' Indebtedness outstanding on the Interim Facility Effective Date (or, if later, its date of issuance) or of any instrument or agreement (including any purchase agreement, indenture, loan agreement or security agreement) relating to any such Indebtedness if such amendment, modification or change would (A) increase the interest rate on such Indebtedness; (B) accelerate the dates upon which payments of principal or interest are due on, or increase the principal amount of, such Indebtedness; (C) change in a manner adverse to the Parent or any of its Subsidiaries any event of default or add or make more restrictive any covenant with respect to such Indebtedness; (D) change in a manner adverse to a Parent or any of its Subsidiaries the prepayment, redemption or put provisions of such Indebtedness; (E) change any subordination provisions thereof (or the subordination terms of any guaranty thereof); or (F) change or amend any other term if such change or amendment would materially increase the obligations of the obligor or confer additional material rights on the holder of such Indebtedness in a manner adverse to Parent, any of its Subsidiaries or Lenders, (ii) amend, modify or otherwise change its name, jurisdiction of organization, organizational identification number or FEIN, (iii) amend, modify or otherwise change any of its Organization Documents, or any agreement or arrangement entered into by it, with respect to any of its Capital Stock (including any shareholders' agreement), or enter into any new agreement with respect to any of its Capital Stock, or (iv) amend any Material Contract or waive any material rights under any Material

Contract or agree to do any of the foregoing or reject or terminate, seek to reject or terminate or permit the rejection or termination of any Material Contract (other than in accordance with its terms as a result of a specified or scheduled termination date), in each case, in a manner adverse, in any material respect, individually or in the aggregate, to the Loan Parties.

(k) Investment Company Act of 1940. Engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to become subject to the registration requirements of the Investment Company Act of 1940, as amended, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of such Act.

(l) ERISA. (i) Engage, or permit any ERISA Affiliate to engage, in any transaction described in Section 4069 of ERISA; (ii) engage, or permit any ERISA Affiliate to engage, in any prohibited transaction described in Section 406 of ERISA or 4975 of the Internal Revenue Code for which a statutory or class exemption is not available or a private exemption has not previously been obtained from the U.S. Department of Labor; (iii) adopt or permit any ERISA Affiliate to adopt any employee welfare benefit plan within the meaning of Section 3(1) of ERISA which provides benefits to employees after termination of employment other than as required by Section 601 of ERISA or applicable law; (iv) fail to make any contribution or payment to any Multiemployer Plan which it or any ERISA Affiliate may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto; or (v) fail, or permit any ERISA Affiliate to fail, to pay any required installment or any other payment required under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment.

(m) Environmental. Permit the use, handling, generation, storage, transportation, treatment, Release or disposal of Hazardous Materials at any property owned or leased by it or any of its Subsidiaries, except in compliance with Environmental Laws.

(n) Limitations on Negative Pledges. Enter into, incur or permit to exist, or permit any Subsidiary to enter into, incur or permit to exist, directly or indirectly, any agreement, instrument, deed, lease or other arrangement that prohibits, restricts or imposes any condition upon the ability of any Loan Party or any Subsidiary of any Loan Party to create, incur or permit to exist any Lien upon any of its property or revenues, whether now owned or hereafter acquired, or that requires the grant of any security for an obligation if security is granted for another obligation, except the following: (i) this Agreement and the other Loan Documents or the Bankruptcy Court Orders, (ii) restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by Section 8.2(a) of this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (iii) any customary restrictions and conditions contained in agreements relating to the sale or other disposition of assets or of a Subsidiary pending such sale or other disposition; provided that such restrictions and conditions apply only to the assets or Subsidiary to be sold or disposed of and such sale or disposition is permitted hereunder, (iv) customary provisions in leases, licenses, sub-leases or sub-licenses restricting the assignment or sublet thereof, (v) the Prepetition Credit Facilities and (vi) the Asset Purchase Agreement.

(o) Lease Obligations. Create, incur or suffer to exist, or permit any of its Subsidiaries to create, incur or suffer to exist, any obligations as lessee (i) for the payment of rent for any real or personal property in connection with any sale and leaseback transaction, or (ii) for the payment of rent for any real or personal property under leases or agreements to lease other than those in existence on the Petition Date; provided that (A) extensions, renewals and replacements of personal property leases or sub-leases under any master leases for vehicles shall be permitted and (B) new short-term leases entered into in the ordinary course of business for equipment rentals, in each case, so long as otherwise in compliance with the Budget and the other terms and conditions hereunder.

(p) Capital Expenditures. Make or commit or agree to make, or permit any of its Subsidiaries to make or commit or agree to make any Capital Expenditure other than (i) as set forth in the Budget or (ii) as otherwise consented to by the Administrative Agent and the Required Lenders.

(q) Anti-Terrorism Laws. Nor shall any Loan Party or any of its respective Affiliates or agents:

(i) conduct any business or engage in any transaction or dealing with any Blocked Person, including the making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person;

(ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the OFAC Sanctions Programs;

(iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the OFAC Sanctions Programs, the USA PATRIOT Act or any other Anti-Terrorism Law; or

(iv) fail to deliver to the Lenders any certification or other evidence reasonably requested from time to time by any Lender, confirming the Loan Parties' compliance with this Section 8.2(q).

(r) Bankruptcy Court Orders; Administrative Priority; Lien Priority; Rejection of Contracts; Payment of Claims.

(i) At any time, seek, consent to or suffer to exist any reversal, modification, amendment, stay or vacation of any of the Bankruptcy Court Orders, any of the Loan Documents, any of the Existing Senior Secured Loan Documents or any obligations outstanding under any of the foregoing, or assert that any Lien granted by any Loan Party in any of the Collateral hereunder or under any other Loan Document, or under any Existing Senior Secured Loan Document, does not have the validity, perfection or priority set forth herein, in the Bankruptcy Court Orders or the other Loan Documents, (subject to any rights of the Committee set forth in Section 7.1(s)), in each case, except for modifications and amendments agreed to by the Administrative Agent and the Required Lenders.

(ii) Subject to the terms of the Bankruptcy Court Orders, object to, contest, delay, prevent or interfere with in any way the exercise of rights and remedies by the Administrative Agent or the Lenders with respect to the Collateral following the occurrence of an Event of Default; *provided* that the Loan Parties (A) may contest or dispute whether an Event of Default has occurred and (B) shall be entitled to any notice provisions provided in the Bankruptcy Court Orders.

(iii) At any time, suffer to exist a priority for any administrative expense or unsecured claim against the Loan Parties (now existing or hereafter arising of any kind or nature whatsoever), including any administrative expense of the kind specified in, or arising or ordered under, Sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code equal or superior to the priority of the Administrative Agent and the Lenders in respect of the Obligations, except as provided in Section 4.2 and for the Carve-Out Expenses.

(iv) At any time, suffer to exist any Lien on the Collateral having a priority equal or superior to the Lien in favor of the Administrative Agent for its benefit and the benefit of the Lenders in respect of the Collateral, except for Permitted Priority Liens.

(v) At any time, seek to reject or terminate, or permit the rejection or termination of, any license agreement, real property lease, or Material Contract (other than in accordance with its terms as a result of a specified or scheduled termination date) without the consent of the Administrative Agent and the Required Lenders.

(vi) Prior to the date on which all the Obligations have been paid in full in cash, pay any administrative expense claims except (A) Carve-Out Expenses, (B) Obligations due and payable hereunder, and (C) other administrative expense and professional claims approved by order of the Bankruptcy Court, but only to the extent consistent with the Budget.

(s) Limitation on Prepayments of Certain Prepetition Obligations. (i) Make any payment or prepayment on or redemption or acquisition for value (including by way of depositing with any trustee with respect thereto money or securities before due for the purpose of paying when due) of any Prepetition Obligations (other than the Existing Senior Secured Agent Advances) of any Loan Party, in each case, incurred prior to the Petition Date without the consent of the Administrative Agent and the Required Lenders, (ii) pay any interest on any Prepetition Obligations (other than the Existing Senior Secured Agent Advances) of any Loan Party, including obligations under the Existing Senior Secured Credit Facility (whether in cash, in kind securities or otherwise), or (iii) make any payment or create or permit any Lien pursuant to Section 361 of the Bankruptcy Code (or pursuant to any other provision of the Bankruptcy Code authorizing adequate protection), or apply to the Bankruptcy Court for the authority to do any of the foregoing; provided, however, that the Loan Parties may make payments permitted by the "first day" orders and the assumption of executory contracts and unexpired leases, in each case, as specifically approved by the Administrative Agent and the Required Lenders and the Bankruptcy Court Orders. In addition, no Loan Party shall permit any of its Subsidiaries to make

any payment, redemption or acquisition which such Loan Party is prohibited from making under the provisions of this Section 8.2(s).

(t) Compliance with Budget. (i) Make any payment or incur any obligation that is not provided for in the Budget (within the variances from budgeted amounts permitted by this Agreement), (ii) during any weekly budget period, make any payment or incur any obligation for any future weekly period of the Budget (for example, amounts budgeted for week 7 may not be paid in week 5), or (iii) notwithstanding the timing of any such payment as set forth in the Budget, to the extent that the Loan Parties are able to obtain credit terms from vendors, pay such vendors more than five (5) days prior to the expiration of such credit terms; provided, however, that the Loan Parties may make payments, in a manner otherwise consistent with the Budget, to vendors from time to time as the Loan Parties reasonably determine are necessary or desirable to be able to continue to utilize credit extended by or maintain availability with such vendors.

(u) Requests for Borrowing. Request any Loans if, after giving effect to such requested Loan and the use of the proceeds thereof (if such proceeds are used within four (4) Business Days after the receipt thereof), the aggregate amount of unrestricted cash (excluding deposits on hold and outstanding checks) and Cash Equivalents held by the Loan Parties and their Subsidiaries exceeds \$500,000.

Section 8.3 Financial Covenants. So long as any principal of or interest on any Loan or any other Obligation (whether or not due) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party shall not, unless the Required Lenders shall otherwise consent in writing:

(a) Cash Receipts. Permit the unfavorable variance between actual cash receipts and the amount set forth therefor in the Budget for any Measurement Period to be greater than 10%; provided that for the first three weeks after the Petition Date, each Loan Party shall not, unless the Required Lenders shall otherwise consent in writing, permit such unfavorable variance to be greater than 20%.

(b) Disbursements; Outstanding Revolving Loans. (i) (A) Permit the variance between actual disbursements for any line item in any given week to be greater than 20% of the disbursements projected for such line item (excluding fees and expenses of Professionals, which shall not be subject to any permitted upward variance) in that week in the Budget (plus the amount set forth in the first proviso below) and (B) permit the variance between actual aggregate disbursements for any line item (excluding fees and expenses of Professionals, which shall not be subject to any permitted upward variance) during any Measurement Period to be greater than 10% of the aggregate disbursements projected for such line item in the Budget for such Measurement Period; provided, any unused amounts contained in a line item for a given week (without giving effect to the 20% variance set forth in subclause (i)(A), above) may be expended for the same line item in the next three successive weekly periods; provided, further, that no amounts set forth in any line item may be expended for a purpose other than the purpose described in the line item; provided, however, that a one-time general contingency disbursement line item of \$500,000 shall be included in the Budget which line item amount shall be permanently reduced (and not available for renewal over the entire term of this Agreement) on a

dollar-for-dollar basis upon the application of any disbursement amounts (excluding fees and expenses of Professionals) that would otherwise have caused non-compliance with the permitted variances hereunder and (ii) permit the variance between actual outstanding Revolving Loans during any Measurement Period to be greater than 10% of the Revolving Loans projected to be outstanding in the Budget for such Measurement Period.

(c) Critical Vendors and Other Payments. Make (i) any pre-petition "critical vendor" payments or other payments on account of any creditor's pre-petition unsecured claims, (ii) payments (including deposits) on account of claims or expenses arising under Section 503(b)(9) of the Bankruptcy Code, and (iii) payments to any vendors who may be entitled to assert various lien claims against the Loan Parties, their property or other assets, on account of any such vendor's pre-petition claims, if the Loan Parties fail to pay for pre-petition goods and services, except, in each case, (A) as otherwise permitted by "first day orders" or in amounts and on terms and conditions that are approved by order of the Bankruptcy Court and (B) are permitted by the Budget.

ARTICLE IX EVENTS OF DEFAULT

Section 9.1 Events of Default.

If any of the following Events of Default shall occur and be continuing:

(a) the Borrower shall fail to pay any principal of or interest on any Loan, any Administrative Agent Advance or any fee, indemnity or other amount payable under this Agreement or any other Loan Document when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise);

(b) any representation or warranty made or deemed made by or on behalf of any Loan Party or by any officer of the foregoing under or in connection with any Loan Document or under or in connection with any report, certificate or other document delivered to the Administrative Agent or any Lender pursuant to any Loan Document, which representation or warranty is subject to a materiality or a Material Adverse Effect qualification, shall have been incorrect in any respect when made or deemed made; or any representation or warranty made or deemed made by or on behalf of any Loan Party or by any officer of the foregoing under or in connection with any Loan Document or under or in connection with any report, certificate or other document delivered to the Administrative Agent or any Lender pursuant to any Loan Document, which representation or warranty is not subject to a materiality or a Material Adverse Effect qualification, shall have been incorrect in any material respect when made or deemed made;

(c) any Loan Party shall fail to perform or comply with any covenant or agreement contained in Article 8 or any Loan Party shall fail to perform or comply with any covenant or agreement contained in any security agreement to which it is a party, any pledge agreement to which it is a party or any Mortgage or any other mortgage or similar agreement to which it is a party, in each case, where such agreement constitutes a Loan Document hereunder;

(d) any Loan Party shall fail to perform or comply with any other term, covenant or agreement contained in this Agreement or any other Loan Document to be performed or observed by it and, except as set forth in subsections (a), (b) and (c) of this Section 9.1, such failure, if capable of being remedied, shall remain unremedied for fifteen (15) days after the earlier of the date a senior officer of any Loan Party becomes aware of such failure and the date written notice of such default shall have been given by the Administrative Agent (or by the Administrative Agent at the direction of the Required Lenders) to Borrower;

(e) any Loan Party or any of its Subsidiaries (i) fails to pay when due or within any applicable grace period any principal or interest on any Indebtedness incurred after the Petition Date having an aggregate principal amount in excess of \$250,000 (other than the Loans) or any Contingent Obligations incurred after the Petition Date having an aggregate principal amount in excess of \$250,000 or (ii) breaches or defaults with respect to any Indebtedness incurred after the Petition Date (other than the Loans) or any Contingent Obligations incurred after the Petition Date, in each case, (A) having an aggregate principal amount in excess of \$250,000 and (B) if the effect of such breach or default is to cause or to permit the holder or holders then to cause, such Indebtedness or such Contingent Obligations to become or be declared due prior to their stated maturity;

(f) any provision of any Loan Document shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against any Loan Party intended to be a party thereto, or the validity, perfection, priority or enforceability thereof shall be contested by any party thereto (other than the Administrative Agent or any Lender), or a proceeding shall be commenced by any Loan Party or any Governmental Authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or any Loan Party shall deny in writing that it has any liability or obligation purported to be created under any Loan Document;

(g) one or more judgments or orders for the payment of money exceeding \$250,000 in the aggregate shall be rendered against the Parent or any of its Subsidiaries and remain unsatisfied and either: (i) enforcement proceedings shall have been commenced by any creditor upon any such judgment or order, or (ii) there shall be a period of thirty (30) consecutive days after entry thereof during which a stay of enforcement of any such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; provided, however, that any such judgment or order shall not give rise to an Event of Default under this subsection (g) if and for so long as (A) the amount of such judgment or order is covered by a valid and binding policy of insurance between the defendant and the insurer covering full payment thereof subject to standard and customary deductibles and (B) such insurer has been notified, and has not disputed the claim made for payment, of the amount of such judgment or order;

(h) the Parent or any of its Subsidiaries is enjoined, restrained or in any way prevented by the order of any court or any Governmental Authority from conducting all or any material part of its business for more than fifteen (15) days;

(i) any material damage to, or loss, theft or destruction of, any Collateral, whether or not insured, or any strike, lockout, labor dispute, embargo, condemnation, act of God or public enemy, or other casualty which causes, for more than fifteen (15) consecutive days, the

cessation or substantial curtailment of revenue producing activities at any facility of any Loan Party;

(j) any cessation of a substantial part of the business of the Parent or any of its Subsidiaries for a period which materially and adversely affects the ability of such Person to continue its business on a profitable basis;

(k) the loss, suspension for more than 15 days, or revocation of, or failure to renew, any material license or material permit now held or hereafter acquired by the Parent or any of its Subsidiaries;

(l) the indictment, or the threatened indictment of the Parent or any of its Subsidiaries under any criminal statute, or commencement or threatened commencement of criminal or civil proceedings against any Loan Party, pursuant to which statute or proceedings the penalties or remedies sought or available include forfeiture to any Governmental Authority of any material portion of the property of such Person which could reasonably be expected to have a Material Adverse Effect;

(m) any Loan Party or any of its ERISA Affiliates shall have made a complete or partial withdrawal from a Multiemployer Plan and, as a result of such complete or partial withdrawal, any Loan Party or any of its ERISA Affiliates incurs a withdrawal liability in an amount exceeding \$250,000; or a Multiemployer Plan enters insolvency, reorganization, critical or endangered status under ERISA, and, as a result thereof any Loan Party's or any of its ERISA Affiliates' contribution requirements with respect to such Multiemployer Plan increase in an amount exceeding \$250,000;

(n) any Termination Event with respect to any Employee Plan shall have occurred, and, 30 days after notice thereof shall have been given to any Loan Party by Administrative Agent, (i) such Termination Event (if correctable) shall not have been corrected, and (ii) the then current value of such Employee Plan's vested benefits exceeds the then current value of assets allocable to such benefits in such Employee Plan by more than \$1,500,000 (or, in the case of a Termination Event involving liability under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 4971 or 4975 of the Internal Revenue Code, the liability is in excess of such amount);

(o) the Parent or any of its Subsidiaries shall be liable for any Environmental Liabilities and Costs in excess of \$250,000;

(p) the failure of any Loan Party or any of its Subsidiaries to comply with the terms of any subordination, lien priority or intercreditor agreement or any subordination or lien priority provisions of any note or other document running to the benefit of the Administrative Agent or the Lenders or the Existing Senior Secured Agent or Existing Senior Secured lenders under the Existing Senior Secured Financing Agreement, or if any such document becomes null and void or any Loan Party denies in writing further liability under any such document or provides notice to that effect;

(q) any Loan Party asserts or prosecutes any claim or cause of action against any of the Administrative Agent, the Lenders, the Existing Senior Secured Agent or the Existing Senior Secured Lenders;

(r) a Change of Control shall have occurred; or

(s) The occurrence of any of the following in any Chapter 11 Case:

(i) the Interim Bankruptcy Court Order shall not have been entered by the Bankruptcy Court within three (3) Business Days after the Petition Date;

(ii) the Final Bankruptcy Court Order shall not have been entered by the Bankruptcy Court within forty (40) days after the Petition Date;

(iii) the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, shall have been revoked, reversed, vacated, stayed, modified, extended, supplemented or amended without the express prior written consent of the Administrative Agent and the Required Lenders;

(iv) an order with respect to any of the Chapter 11 Cases shall be entered by the Bankruptcy Court appointing, (i) a trustee under Section 1104 of the Bankruptcy Code, or (ii) a responsible officer or an examiner with enlarged powers relating to the operating of the Loan Parties' business (beyond those set forth in Sections 1106(a)(3) and (4) of the Bankruptcy Code) under Section 1106 of the Bankruptcy Code;

(v) an order with respect to any of the Chapter 11 Cases shall be entered by the Bankruptcy Court without the express prior written consent of the Administrative Agent and the Required Lenders, (A) to permit any administrative expense or any claim (now existing or hereafter arising, of any kind or nature whatsoever) to have administrative priority as to the Loan Parties *pari passu* or superior to the priority of (1) the Administrative Agent and the Lenders in respect of the Obligations or (2) the Existing Senior Secured Agent and the Existing Senior Secured Lenders in respect of the Adequate Protection Replacement Liens or adequate protection claims, or (B) to grant or permit the grant of a Lien on the Collateral other than a Permitted Lien;

(vi) an order with respect to any of the Chapter 11 Cases shall be entered by the Bankruptcy Court converting such Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code;

(vii) an order shall be entered by the Bankruptcy Court confirming a plan of reorganization in any of the Chapter 11 Cases which does not (i) contain a provision for termination of the Total Revolving Loan Commitment and payment in full in cash of (A) all Obligations of the Loan Parties hereunder and under the other Loan Documents and (B) all obligations under the Existing Senior Secured Credit Facility on or before the effective date of such plan or plans upon entry thereof and (ii) provide for the continuation of the Liens and security interests granted to the Administrative Agent

for the benefit of the Administrative Agent and the Lenders, and the priority thereof until such plan effective date;

(viii) an order shall be entered by the Bankruptcy Court dismissing any of the Chapter 11 Cases which does not contain a provision for termination of the Total Revolving Loan Commitment and payment in full in cash of (A) all Obligations of the Borrower hereunder and under the other Loan Documents and (B) all obligations under the Existing Senior Secured Credit Facility, in each case on dismissal;

(ix) an order shall be entered by the Bankruptcy Court terminating, or the termination, of the exclusivity period of the Loan Parties under Section 1121 of the Bankruptcy Code to file a plan in the Chapter 11 Cases;

(x) any Loan Party shall take any action, including the filing of an application, motion or other pleading, in support of any of the events or actions set forth under clauses (i) through (ix) above, or any other Person (other than any of the Loan Parties) shall do so and such application, motion or pleading is not contested in good faith by the Loan Parties;

(xi) an order shall be entered by the Bankruptcy Court granting relief from the automatic stay to any creditor of any Loan Party with respect to any claim (other than a claim for personal injury that is covered by liability insurance) against one or more of the Loan Parties in an amount equal to or exceeding \$250,000 in the aggregate;

(xii) if any Material Contract of any Loan Party is rejected or otherwise terminated (other than in accordance with its terms as a result of a specified or scheduled termination date) or modified or not renewed, or any counterparty to a Material Contract suspends or diminishes its utilization of the benefits of such contract, in either case, in a manner that is disadvantageous, in any material respect, to any Loan Party's operations or prospects, or any material property of any Loan Party is sold, in each instance, without the express written consent of the Administrative Agent and the Required Lenders;

(xiii) without the prior written consent of the Administrative Agent and the Required Lenders, any Loan Party shall take any action, including the filing of an application, motion or other pleading, requesting or seeking authority for any Loan Party (A) to obtain additional financing under Sections 364(c) or (d) of the Bankruptcy Code not otherwise permitted pursuant to this Agreement; (B) to grant any Lien other than Permitted Liens upon or affecting any Collateral; (C) except as provided in the Bankruptcy Court Orders (as applicable), to use, or grant any lien on (other than Permitted Liens), cash collateral of the Administrative Agent and the Lenders under Section 363(c) of the Bankruptcy Code; (D) to take any other action or actions materially adverse to the Administrative Agent and/or any Lender or their rights and remedies hereunder; or (E) the entry of any order by the Bankruptcy Court in any Chapter 11 Case granting relief as described in subclauses (A) through (D) of this clause (xiii);

(xiv) (A) any Loan Party, or representative of the Loan Parties, shall attempt to (1) invalidate, reduce or otherwise impair the Liens or security interests of the

Administrative Agent and/or any Lender's claims or rights against any Loan Party or (2) subject any Collateral to assessment pursuant to Section 506(c) of the Bankruptcy Code, (B) any Collateral becoming subject to surcharge, to marshaling or to assessment pursuant to Section 506(c) of the Bankruptcy Code, (C) any Lien or security interest created by this Agreement, the Bankruptcy Court Orders or any other Loan Document shall, for any reason, cease to be a valid first priority Lien, subject only to Permitted Priority Liens or (C) any action is commenced by any Loan Party which contests the validity, perfection, enforceability or priority of any of the Liens and security interests of the Administrative Agent and/or the Lenders created by this Agreement, any of the Bankruptcy Court Orders or any other Loan Document;

(xv) if any Loan Party, or representative of the Loan Parties, commences, or seeks leave to commence, any action against the Existing Senior Secured Agent or any Existing Senior Secured Lender, or their respective agents, advisors or employees, challenging the validity, perfection, priority, extent or enforceability of any Existing Senior Secured Loan Document or claims that arose in connection with the Existing Senior Secured Credit Facility and the other Existing Senior Secured Loan Documents, or seeking to avoid, modify, dispute, challenge or subordinate any Lien or claim thereunder;

(xvi) the determination of any Loan Party, whether by vote of such Loan Party's board of directors or otherwise, to suspend the operation of such Loan Party's business in the ordinary course, liquidate all or substantially all of such Loan Party's assets, or employ an agent or other third party to conduct any sales of all or substantially all of such Loan Party's assets, or the filing of a motion or other application in the Chapter 11 Cases, seeking authority to do any of the foregoing, in each case without the prior written consent of the Administrative Agent and the Required Lenders;

(xvii) any Loan Party shall fail to comply with or achieve any Sale Milestone;

(xviii) subject to Section 8.3(b), any Loan Party makes any disbursement not in accordance with or set forth in the Budget;

(xix) an order shall be entered by the Bankruptcy Court amending, supplementing or otherwise modifying, or the filing by any Loan Party of an application, motion, pleading or notice seeking the amendment, supplement or other modification of or appeal against, in each case, the Bankruptcy Court Orders or any of the "first day" orders in respect of cash management or critical vendors or suppliers, in each instance, without the consent of the Administrative Agent and the Required Lenders; provided, however, that any amendment, supplement or other modification materially and adversely affecting any Lender in a manner disproportionate from any other member shall require the written consent of such materially and adversely affected Lender;

(xx) except with respect to payments as permitted by any order of the Bankruptcy Court approving a "first day" motion (and included in the Budget), an order shall be entered by the Bankruptcy Court permitting the payment of, or granting adequate

protection with respect to, the Prepetition Obligations (other than the Existing Senior Secured Obligations) or the filing of any motion seeking the same by any of the Loan Parties, in each case, without the consent of the Administrative Agent and the Required Lenders;

(xxi) this Agreement, the Bankruptcy Court Orders or any other Loan Document, shall for any reason fail or cease to create a valid and perfected and, except to the extent permitted by the terms hereof or thereof, first priority Lien in favor of the Administrative Agent for its benefit and the benefit of the Lenders on any Collateral purported to be covered thereby;

(xxii) any Loan Party shall default in the observance or performance of any material covenant or agreement contained in the Asset Purchase Agreement or such Asset Purchase Agreement shall be terminated or fail to be in full force and effect; or

(xxiii) any other "Termination Event" under and as defined in the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, shall have occurred;

then, and in any such event, the Administrative Agent may, and shall at the request of the Required Lenders, by notice to the Borrower, the U.S. Trustee and the Committee in accordance with and subject to the Bankruptcy Court Orders, (i) immediately cease making any Loans hereunder, (ii) terminate, reduce or restrict all Commitments, whereupon all Commitments shall immediately be so terminated. reduced or restricted, and/or (iii) absent the granting of relief in favor of the Loan Parties as set forth in the Interim Bankruptcy Court Order or the Final Bankruptcy Court Order, as the case may be, (A) declare all or any portion of the Loans then outstanding to be due and payable, whereupon all or such portion of the aggregate principal of all Loans, all accrued and unpaid interest thereon, all fees and all other amounts payable under this Agreement and the other Loan Documents shall become due and payable immediately, without presentment, demand, protest or further notice or formalities, of any kind, all of which are hereby expressly waived by each Loan Party, (B) terminate this Agreement and any other Loan Document as to any future liability or obligation of the Administrative Agent or any Lender, but without affecting any of the Obligations or the Liens securing the Obligations and (C) exercise any and all of its other rights and remedies under applicable law, hereunder and under the other Loan Documents (including under the Bankruptcy Code and the Uniform Commercial Code). Upon the exercise of any rights and remedies by the Administrative Agent, on behalf of the Lenders, under applicable law, hereunder and under the other Loan Documents (including under the Bankruptcy Code and the Uniform Commercial Code), the Borrower and the other Loan Parties shall assist the Administrative Agent in effecting a sale or other disposition of the Collateral upon such terms as are acceptable to the Administrative Agent and the Required Lenders.

ARTICLE X AGENT

Section 10.1 Appointment. Each Lender (and each subsequent maker of any Loan by its making thereof) hereby irrevocably appoints and authorizes the Administrative Agent to

perform the duties as set forth in this Agreement to exercise such powers and duties as are delegated to it by the terms hereof or any other Loan Document including (a) to receive on behalf of each Lender any payment of principal of or interest on the Loans outstanding hereunder and all other amounts accrued hereunder for the account of the Lenders and paid to the Administrative Agent, and, subject to Section 2.2 of this Agreement, to distribute promptly to each Lender its Pro Rata Share of all payments so received; (b) to distribute to each Lender copies of all material notices and agreements received by the Administrative Agent and required to be delivered to each Lender pursuant to the terms of this Agreement; provided that the Administrative Agent shall not have any liability to the Lenders for its inadvertent failure to distribute any such notices or agreements to the Lenders; (c) to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Loans, and related matters and to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Collateral and related matters; (d) to execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to this Agreement or any other Loan Document; (e) to make the Loans and Administrative Agent Advances, for the Administrative Agent or on behalf of the applicable Lenders as provided in this Agreement or any other Loan Document; (f) to perform, exercise, and enforce any and all other rights and remedies of the Lenders with respect to the Loan Parties, the Obligations, or otherwise related to any of the same to the extent reasonably incidental to the exercise by the Administrative Agent of the rights and remedies specifically authorized to be exercised by the Administrative Agent by the terms of this Agreement or any other Loan Document; (g) to incur and pay such fees necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to this Agreement or any other Loan Document; and (h) subject to Section 10.3 of this Agreement, to take such action as the Administrative Agent deems appropriate on its behalf to administer the Loans and the Loan Documents and to exercise such other powers delegated to the Administrative Agent by the terms hereof or the other Loan Documents (including the power to give or to refuse to give notices, waivers, consents, approvals and instructions and the power to make or to refuse to make determinations and calculations) together with such powers as are reasonably incidental thereto to carry out the purposes hereof and thereof. As to any matters not expressly provided for by this Agreement and the other Loan Documents (including enforcement or collection of the Loans), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders, and such instructions of the Required Lenders shall be binding upon all Lenders and all makers of Loans; provided, however, that the Administrative Agent shall not be required to take any action which, in the reasonable opinion of the Administrative Agent, exposes the Administrative Agent to liability or which is contrary to this Agreement or any other Loan Document or applicable law.

Section 10.2 Nature of Duties.

(a) The Administrative Agent shall have no duties or responsibilities except those expressly set forth in this Agreement or in the other Loan Documents. The duties of the Administrative Agent shall be mechanical and administrative in nature. The Administrative Agent shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any other Loan Document,

express or implied, is intended to or shall be construed to impose upon the Administrative Agent any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein or therein. Each Lender shall make its own independent investigation of the financial condition and affairs of the Loan Parties in connection with the making and the continuance of the Loans hereunder and shall make its own appraisal of the creditworthiness of the Loan Parties and the value of the Collateral, and the Administrative Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into their possession before the initial Loan hereunder or at any time or times thereafter, provided that, upon the reasonable request of a Lender, Administrative Agent shall provide to such Lender any documents or reports delivered to Administrative Agent by the Loan Parties pursuant to the terms of this Agreement or any other Loan Document. If Administrative Agent seeks the consent or approval of the Required Lenders to the taking or refraining from taking any action hereunder, Administrative Agent shall send notice thereof to each Lender. Administrative Agent shall promptly notify each Lender any time that the Required Lenders have instructed Administrative Agent to act or refrain from acting pursuant hereto.

(b) The Administrative Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform, consistent with the terms of this Agreement, any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent, employee, attorney-in-fact and any other Person (including any Lender). Any such Person shall benefit from this Article 10 to the extent provided by the Administrative Agent.

Section 10.3 Rights, Exculpation, Etc. The Administrative Agent and its directors, officers, employees, representatives, professionals and agents shall not be liable for any action taken or omitted to be taken by them under or in connection with this Agreement or the other Loan Documents, except for their own gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. Without limiting the generality of the foregoing, the Administrative Agent (a) may treat the payee of any Loan as the owner thereof until the Administrative Agent receives written notice of the assignment or transfer thereof, pursuant to Section 12.6 hereof, signed by such payee and in form satisfactory to the Administrative Agent; (b) may consult with legal counsel (including counsel to Administrative Agent or counsel to the Loan Parties), independent public accountants, and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel or experts; (c) may execute any of its rights or duties under this Agreement or any other Loan Document by or through agents, employees or attorneys in fact and shall not be responsible for the negligence or misconduct of the Administrative Agent or attorney in fact that it selects with reasonable care; (d) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, certificates, warranties or representations made in or in connection with this Agreement or the other Loan Documents; (e) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or the other Loan Documents on the part of any Person, the existence or possible existence of any Default or Event of Default, or to inspect the Collateral or other property (including the books and records) of any Person; (f) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or the other Loan Documents or any other

instrument or document furnished pursuant hereto or thereto; and (g) shall not be deemed to have made any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral. The Administrative Agent shall not be liable for any apportionment or distribution of payments made in good faith pursuant to Section 5.3, and if any such apportionment or distribution is subsequently determined to have been made in error the sole recourse of any Lender to whom payment was due but not made, shall be to recover from other Lenders any payment in excess of the amount which they are determined to be entitled (and such other Lenders hereby covenant and agree to return promptly to such Lender any erroneous payment received by them). The Administrative Agent may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the other Loan Documents the Administrative Agent is permitted or required to take or to grant, and if such instructions are promptly requested, the Administrative Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval under any of the Loan Documents until they shall have received such instructions from the Required Lenders. Without limiting the foregoing, no Lender shall have any right of action whatsoever against Administrative Agent as a result of Administrative Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Required Lenders.

Section 10.4 Reliance. Administrative Agent shall be entitled to rely upon any written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Loan Documents and its duties hereunder or thereunder, upon advice of counsel selected by it.

Section 10.5 Indemnification. To the extent that Administrative Agent is not reimbursed and indemnified by any Loan Party, the Lenders will reimburse and indemnify Administrative Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, advances or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against Administrative Agent in any way relating to or arising out of this Agreement or any of the other Loan Documents or any action taken or omitted by Administrative Agent under this Agreement or any of the other Loan Documents, in proportion to each Lender's Pro Rata Share, including advances and disbursements made pursuant to Section 10.8; provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, advances or disbursements to the extent there has been a final judicial determination that such liability resulted from Administrative Agent's gross negligence or willful misconduct. The obligations of the Lenders under this Section 10.5 shall survive the payment in full of the Loans and the termination of this Agreement.

Section 10.6 Administrative Agent Individually. With respect to its Pro Rata Share of the Total Revolving Loan Commitment hereunder and the Loans made by it, Administrative Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or

maker of a Loan. The terms "Lenders" or "Required Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include Administrative Agent in its individual capacity as a Lender or one of the Required Lenders. Administrative Agent and its Affiliates may accept deposits from, lend money to, acquire Capital Stock of and generally engage in any kind of banking, trust or other business with any Loan Party as if it were not acting as the Administrative Agent pursuant hereto without any duty to account to the other Lenders.

Section 10.7 Successor Agent.

(a) Administrative Agent may resign from the performance of all its functions and duties hereunder and under the other Loan Documents at any time by giving at least thirty (30) Business Days' prior written notice to the Borrower and each Lender. Such resignation shall take effect upon the acceptance by a successor Administrative Agent of appointment pursuant to clauses (b) and (c) below or as otherwise provided below.

(b) Upon any such notice of resignation, the Required Lenders shall appoint from among the Lenders a successor Administrative Agent, which, provided no Event of Default has occurred and is continuing, shall be reasonably acceptable to Borrower. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. After Administrative Agent's resignation hereunder as an Administrative Agent, the provisions of this Article 10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was an Administrative Agent under this Agreement and the other Loan Documents.

(c) If a successor Administrative Agent shall not have been so appointed within said thirty (30) Business Day period, the retiring Administrative Agent shall then appoint from among the Lenders a successor Administrative Agent who shall serve as an Administrative Agent until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above.

Section 10.8 Collateral Matters.

(a) The Administrative Agent may from time to time make such disbursements and advances in an amount not to exceed \$2,000,000 outstanding at any one time ("Administrative Agent Advances") which the Administrative Agent, at its option, deems necessary or desirable to preserve, protect, prepare for sale or lease or dispose of the Collateral or any portion thereof, to enhance the likelihood or maximize the amount of repayment by the Borrower of the Loans and the other Obligations or to pay any other amount chargeable to the Borrower pursuant to the terms of this Agreement, including costs, fees and expenses as described in Section 12.3 and costs and expenses incurred by the Administrative Agent in performing any covenant or agreement required to be performed by Borrower which Borrower has failed to perform. For the avoidance of doubt, any fees, costs and expenses of the Administrative Agent incurred as permitted and as described under Section 12.3 shall not be subject to any cap or limitation set forth in this Section 10.8(a). Any and all Administrative

Agent Advances shall constitute Obligations hereunder and be secured by the Collateral. The Administrative Agent Advances shall bear interest at a rate per annum equal to the rate then applicable to Base Rate Loans. The Administrative Agent Advances shall be charged to the Loan Account as an Administrative Agent Advance and be repayable on the Administrative Agent's demand and, after the occurrence and during the continuance of an Event of Default, shall be repaid, along with the other amounts due to the Administrative Agent, in accordance with Section 5.3(b)(i). For the avoidance of doubt, (i) an Administrative Agent Advance may be made at the request of the Borrower but no such request shall be required for the Administrative Agent to make any such Administrative Agent Advance, and (ii) the amount, timing and purpose of any such Administrative Agent Advance shall be at the option of the Administrative Agent. Promptly after the funding of any Administrative Agent Advance, the Administrative Agent shall notify each Lender and Borrower in writing of each such Administrative Agent Advance, which notice shall include a description of the purpose of such Administrative Agent Advance.

(b) The Lenders hereby irrevocably authorize the Administrative Agent, at its option, to release any Lien granted to or held by the Administrative Agent upon any Collateral upon termination of the Total Revolving Loan Commitment and payment and satisfaction of all Loans and all other Obligations which have matured and which the Administrative Agent has been notified in writing are then due and payable; or constituting property being sold or disposed of in compliance with the terms of this Agreement and the other Loan Documents; or constituting property in which the Loan Parties owned no interest at the time the Lien was granted or at any time thereafter; or if approved, authorized or ratified in writing by the Required Lenders or all Lenders if required hereunder.

(c) Without in any manner limiting the Administrative Agent's authority to act without any specific or further authorization or consent by the Lenders (as set forth in Section 10.8(b)), each Lender agrees to confirm in writing, upon request by the Administrative Agent, the authority to release Collateral conferred upon the Administrative Agent under Section 10.8(b). Upon receipt by the Administrative Agent of confirmation from the Lenders of its authority to release any particular item or types of Collateral, and upon prior written request by any Loan Party, the Administrative Agent shall (and is hereby irrevocably authorized by the Lenders to) execute such documents as may be necessary to evidence the release of the Liens granted to the Administrative Agent for the benefit of the Administrative Agent and the Lenders upon such Collateral; provided, however, (i) the Administrative Agent shall not be required to execute any such document on terms which, in the Administrative Agent's opinion, would expose the Administrative Agent to liability or create any obligations or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Lien upon (or obligations of any Loan Party in respect of) all interests in the Collateral retained by any Loan Party.

(d) The Administrative Agent shall have no obligation whatsoever to any Lender to assure that the Collateral exists or is owned by the Loan Parties or is cared for, protected or insured or has been encumbered or that the Lien granted to the Administrative Agent pursuant to this Agreement or any other Loan Document has been properly or sufficiently or lawfully created, perfected, protected or enforced or is entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to the

Administrative Agent in this Section 10.8, elsewhere in this Agreement or in any other Loan Document, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Administrative Agent may act in any manner it may deem appropriate, given the Administrative Agent's own interest in the Collateral as one of the Lenders and that the Administrative Agent shall have no duty or liability whatsoever to any other Lender, except as otherwise provided herein.

Section 10.9 Agency for Perfection. Each Lender hereby appoints Administrative Agent and each other Lender as agent and bailee for the purpose of perfecting the security interests in and liens upon the Collateral in assets which, in accordance with Article 9 of the Uniform Commercial Code, can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and Administrative Agent and each Lender hereby acknowledges that it holds possession of or otherwise controls any such Collateral for the benefit of the Administrative Agent and the Lenders as secured party. Should the Administrative Agent or any Lender obtain possession or control of any such Collateral, the Administrative Agent or such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent or in accordance with the Administrative Agent's instructions. In addition, the Administrative Agent shall also have the power and authority hereunder to appoint such other sub-agents as may be necessary or required under applicable state law or otherwise to perform its duties and enforce its rights with respect to the Collateral and under the Loan Documents. Each Loan Party by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 10.10 No Reliance on the Administrative Agent's Customer Identification Program. Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on the Administrative Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other requirements imposed by the USA PATRIOT Act or the regulations issued thereunder, including the regulations set forth in 31 CFR § 103.121, as hereafter amended or replaced ("CIP Regulations"), or any other Anti-Terrorism Laws, including any programs involving any of the following items relating to or in connection with any of the Loan Parties, their Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (1) any identity verification procedures, (2) any recordkeeping, (3) comparisons with government lists, (4) customer notices or (5) other procedures required under the CIP Regulations or other regulations issued under the USA PATRIOT Act. Each Lender, Affiliate, participant or assignee subject to Section 326 of the USA PATRIOT Act will perform the measures necessary to satisfy its own responsibilities under the CIP Regulations.

Section 10.11 No Third Party Beneficiaries. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and no Loan Party shall have rights as a third-party beneficiary of any of such provisions.

Section 10.12 No Fiduciary Relationship. It is understood and agreed that the use of the term "agent" herein or in any other Loan Document (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used as a

matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.13 Reports; Confidentiality; Disclaimers. By becoming a party to this Agreement, each Lender is deemed to have requested that the Administrative Agent furnish such Lender, promptly after it becomes available, a copy of each field audit or examination report with respect to the Parent or any of its Subsidiaries (each, a "Report") prepared by or at the request of the Administrative Agent, and the Administrative Agent shall so furnish each Lender with each such Report and:

(a) expressly agrees and acknowledges that the Administrative Agent (i) does not make any representation or warranty as to the accuracy of any Reports, and (ii) shall not be liable for any information contained in any Reports;

(b) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that the Administrative Agent or other party performing any audit or examination will inspect only specific information regarding the Parent and its Subsidiaries and will rely significantly upon the Parent's and its Subsidiaries' books and records, as well as on representations of their personnel;

(c) agrees to keep all Reports and other material, non-public information regarding the Parent and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 12.18, and

(d) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold the Administrative Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to the Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of the Borrower, and (ii) to pay and protect, and indemnify, defend and hold the Administrative Agent and any other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, reasonable out-of-pocket costs and expenses, and other amounts (including, reasonable out-of-pocket attorneys' fees and costs) incurred by any the Administrative Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender, in each case in the absence of the Administrative Agent's or any such other Lender's own gross negligence or willful misconduct.

ARTICLE XI GUARANTY

Section 11.1 Guaranty. Each Guarantor hereby, jointly and severally, unconditionally and irrevocably, as a primary obligor and not merely as a surety, the full and prompt payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of the Borrower now or hereafter existing under any Loan Document, whether for principal, interest, including all interest that accrues after the commencement of the Chapter 11 Cases (whether or

not a claim for post-filing interest is allowable or allowed in the Chapter 11 Cases), fees, commissions, expense reimbursements, indemnifications or otherwise (such obligations, to the extent not paid by the Borrower, being the "Guaranteed Obligations"), and agrees to pay any and all costs, fees and expenses (including reasonable counsel fees and expenses) incurred by the Administrative Agent or any Lender in enforcing any rights under the guaranty set forth in this Article 11. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by the Borrower to the Administrative Agent or any Lender under any Loan Document but for the fact that they are unenforceable or not allowable due to the existence of the Chapter 11 Cases.

Section 11.2 Guaranty Absolute. Each Guarantor, jointly and severally, guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent or the Lenders with respect thereto. Each Guarantor agrees that this Article 11 constitutes a guaranty of payment when due and not of collection and waives any right to require that any resort be made by the Administrative Agent or any Lender to any Collateral. The obligations of each Guarantor under this Article 11 are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce such obligations, irrespective of whether any action is brought against any Loan Party or whether any Loan Party is joined in any such action or actions. The liability of each Guarantor under this Article 11 and shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives any defenses it may now or hereafter have in any way relating to, any or all of the following:

- (a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Loan Document, including any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Loan Party or otherwise;
- (c) any taking, exchange, release, subordination or non-perfection of any Collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;
- (d) the existence of any claim, set-off, defense or other right that any Guarantor may have at any time against any Person, including the Administrative Agent or any Lender;
- (e) the applicability of Section 509(c) of the Bankruptcy Code to the claims of any Guarantor against any Loan Party in the Chapter 11 Cases;
- (f) any change, restructuring or termination of the corporate, limited liability company or partnership structure or existence of any Loan Party; or

(g) any other circumstance (including any statute of limitations) or any existence of or reliance on any representation by the Administrative Agent or the Lenders that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any other guarantor or surety.

This Article 11 shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Administrative Agent, the Lenders or any other Person for any reason (and whether as a result of any demand, settlement, litigation or otherwise), all as though such payment had not been made.

Section 11.3 Waiver.

(a) Each Guarantor hereby waives (i) promptness and diligence, (ii) notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Article 11 and any requirement that the Administrative Agent or the Lenders exhaust any right or take any action against any Loan Party or any other Person or any Collateral, (iii) any right to compel or direct the Administrative Agent or any Lender to seek payment or recovery of any amounts owed under this Article 11 from any one particular fund or source or to exhaust any right or take any action against any other Loan Party, any other Person or any Collateral, (iv) any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any security interest or Lien on any property subject thereto or exhaust any right to take any action against any Loan Party, any other Person or any Collateral, and (v) any other defense available to any Guarantor. Each Guarantor agrees that the Administrative Agent and the Lenders shall have no obligation to marshal any assets in favor of any Guarantor or against, or in payment of, any or all of the Obligations. Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated herein and that the waiver set forth in this Section 11.3 is knowingly made in contemplation of such benefits. Each Guarantor hereby waives any right to revoke this Article 11, and acknowledges that this Article 11 is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(b) Without limiting the generality, scope or meaning of any of the foregoing or any other provision hereof, each Guarantor:

(i) acknowledges Section 2856 of the California Civil Code authorizes and validates waivers of a guarantor's rights of subrogation and reimbursement and certain other rights and defenses available to Guarantor under California law

(ii) waives all rights of subrogation, reimbursement, indemnification, and contribution and all other rights and defenses that are or may become available by reason of Sections 2787 to 2855, inclusive, of the California Civil Code;

(iii) waives all rights and defenses arising out of an election of remedies by Administrative Agent or any Lender, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantor's rights of subrogation and reimbursement against the Borrower by the operation of Section 580d of the California Code of Civil Procedure or otherwise;

(iv) waives all rights and defenses that a Guarantor may have because Borrower's debt is or may be secured by real property. This means, among other things:

(A) Administrative Agent and Lenders may collect from Guarantor without first foreclosing on any real or personal property collateral pledged by Borrower;

(B) if Administrative Agent forecloses on any real property collateral pledged by Borrower: (1) the amount of the debt may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price; and (2) Administrative Agent or any Lender may collect from Guarantor even if Administrative Agent, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower;

(v) waives all rights regarding and defenses to the application of Section 509(c) of the Bankruptcy Code to claims of Guarantor; and

(vi) acknowledges this is an unconditional and irrevocable waiver of any rights and defenses each Guarantor may have because Borrower's debt is secured by real property, including, but are not limited to, any rights or defenses based upon Sections 580a, 580b, 580d, or 726 of the California Code of Civil Procedure.

Section 11.4 Continuing Guaranty; Assignments. This Article 11 is a continuing guaranty and shall (a) remain in full force and effect until the later of the cash payment in full of the Guaranteed Obligations (other than contingent indemnification obligations as to which no claim has been made) and all other amounts payable under this Article 11 and the Final Maturity Date, (b) be binding upon each Guarantor, its successors and assigns and (c) inure to the benefit of and be enforceable by the Administrative Agent and the Lenders and their successors, pledgees, transferees and assigns. Without limiting the generality of the foregoing clause (c), any Lender may pledge, assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including all or any portion of its Commitments or its Loans owing to it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted such Lender herein or otherwise, in each case as provided in Section 11.4.

Section 11.5 Subrogation. No Guarantor will exercise any rights that it may now or hereafter acquire against any Loan Party or any other guarantor that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Article 11, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Administrative Agent and the Lenders against any Loan Party or any other guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from any Loan Party or any other guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations and all other amounts payable under this Article 11 shall have been paid in full in cash and the Final Maturity

Date shall have occurred. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders and shall forthwith be paid to the Administrative Agent and the Lenders to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Article 11, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Article 11 thereafter arising. If any Guarantor shall make payment to the Administrative Agent and the Lenders of all or any part of the Guaranteed Obligations and all other amounts payable under this Article 11 shall be paid in full in cash and the Final Maturity Date shall have occurred, the Administrative Agent and the Lenders will, at such Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Guarantor of an interest in the Guaranteed Obligations resulting from such payment by such Guarantor.

ARTICLE XII MISCELLANEOUS

Section 12.1 Notices, Etc.

(a) Generally. All notices and other communications provided for hereunder shall be in writing and shall be mailed (certified mail, postage prepaid and return receipt requested), sent by telefacsimile or delivered by hand, Federal Express or other reputable overnight courier, or sent by electronic mail, if to any Loan Party, at the following address:

Event Rentals, Inc./Classic Party Rentals
901 W Hillcrest Blvd
Inglewood, CA 90301
Attention: Jeffery M. Black
Telefacsimile: 424-442-3884
E-mail: JBlack@classicpartyrentals.com

with a copy to:

White & Case LLP
1155 Avenue of the Americas
New York, New York 10036
Attention: Gregory M. Owens
Telefacsimile: 212-354-8113
E-mail: gregory.owens@whitecase.com

if to the Administrative Agent, to it at the following address:

Ableco Finance LLC
875 Third Ave
New York, NY 10022
Attention: Eric Miller

Telefacsimile: (212) 284-7906
E-mail: emiller@cerberuscapital.com

with a copy to:

Klee, Tuchin, Bogdanoff & Stern LLP
1999 Avenue of the Stars, 39th Floor
Los Angeles, CA 90067
Attn: Lee R. Bogdanoff and Maria Sountas-Argiropoulos
Telefacsimile: (310) 407-9090
E-mail: lbogdanoff@ktbslaw.com and msargiropoulos@ktbslaw.com

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties complying as to delivery with the terms of this Section 12.1. All such notices and other communications shall be effective, (i) if mailed (certified mail, postage prepaid and return receipt requested), when received or three (3) days after deposited in the mails, whichever occurs first, (ii) if sent by telefacsimile or electronic mail, when transmitted and confirmation received, (iii) if delivered by delivered by hand, Federal Express or other reputable overnight courier, upon delivery, except that notices to the Administrative Agent pursuant to Article 2 shall not be effective until received by the Administrative Agent. Nothing in this Agreement or in any other Loan Document shall be construed to limit or affect the obligation of the Loan Parties or any other Person to serve upon the Administrative Agent and the Lenders, in the manner prescribed by the Bankruptcy Code, any pleading or notice required to be given to the Administrative Agent and the Lenders pursuant to the Bankruptcy Code.

(b) Electronic Communications.

(i) Each of the Administrative Agent and the Borrower may agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article 2 if such Lender, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication.

(ii) Unless the Administrative Agent otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (A), of notification that such notice or communication is available and identifying the website address therefor; provided that,

for both clauses (A) and (B) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

Section 12.2 Amendments, Etc

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Loan Party therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given, provided, however, that no amendment, waiver or consent shall (i) increase the Commitment of any Lender, reduce the principal of, or interest on (other than interest at the Post-Default Rate), the Loans payable to any Lender, reduce the amount of any fee payable for the account of any Lender, or postpone or extend any date fixed for any payment of principal of, or interest or fees on, the Loans payable to any Lender, in each case without the written consent of any Lender directly affected thereby; (ii) increase the Total Revolving Loan Commitment (other than the increase that goes into effect on the Final Facility Effective Date as provided hereunder); provided that no Lender shall be required to increase its own Commitment in the event it provides such consent; (iii) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Loans that is required for the Lenders or any of them to take any action hereunder; (iv) amend the definition of "Required Lenders" or "Pro Rata Share;" (v) release all or substantially all of the Collateral (except as otherwise provided in this Agreement and any other Loan Documents), or release the Borrower or any Guarantor, (vi) amend, modify or waive Section 5.3 or this Section 12.2 of this Agreement, (vii) change the definition of the term "Available Revolving Loan Commitment," Section 2.1(a), Section 2.1(b)(i), Section 2.5(c)(i) or any other provision of this Agreement, if the effect of such change would be to permit the Borrower to obtain loans hereunder (other than Administrative Agent Advances made pursuant to Section 10.8(a)) outstanding at any one time in an aggregate principal amount greater than the amount equal to (A) \$20,000,000, minus (B) the Existing Senior Secured Agent Advances outstanding at such time or (viii) modify, waive, release or subordinate the superpriority claim status of the Obligations (except as permitted by this Agreement and the other Loan Document), in each case in clauses (ii) through (vii), without the written consent of each Lender. Notwithstanding the foregoing, (1) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent, affect the rights or duties of the Administrative Agent (but not in its capacity as a Lender) under this Agreement or the other Loan Documents, and (2) the consent of the Borrower shall not be required to change any order of priority set forth in Section 5.3. Notwithstanding anything to the contrary herein, no Defaulting Lender, Loan Party or any of their respective Affiliates that is a Lender shall have any right to approve or disapprove any amendment, waiver or consent under the Loan Documents and any Loans held by such Person for purposes hereof shall be automatically deemed to be voted pro rata according to the Loans of all other Lenders in the aggregate (other than such Defaulting Lender, Loan Party or Affiliate).

(b) No Waiver, Remedies, Etc. No failure on the part of Administrative Agent or any Lender to exercise, and no delay in exercising, any right hereunder or under any

other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right under any Loan Document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of the Administrative Agent and the Lenders provided herein and in the other Loan Documents are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law. The rights of the Administrative Agent and the Lenders under any Loan Document against any party thereto are not conditional or contingent on any attempt by the Administrative Agent and the Lenders to exercise any of their rights under any other Loan Document against such party or against any other Person.

(c) Replacement. If any action to be taken by the Lenders hereunder requires the unanimous consent, authorization, or agreement of all of the Lenders, and a Lender other than the Administrative Agent (a "**Holdout Lender**") fails to give its consent, authorization, or agreement, then the Administrative Agent, upon at least five (5) Business Days prior irrevocable notice to the Holdout Lender, may permanently replace the Holdout Lender with one or more substitute Replacement Lenders, and the Holdout Lender shall have no right to refuse to be replaced hereunder. Such notice to replace the Holdout Lender shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given. The replacement of any Holdout Lender shall be made in accordance with the terms of Section 5.4. Until such time as the Replacement Lenders shall have acquired all of the Obligations, the Commitments, and the other rights and obligations of the Holdout Lender hereunder and under the other Loan Documents, the Holdout Lender shall remain obligated to make its Pro Rata Share of Loans.

Section 12.3 Expenses; Taxes; Attorneys' Fees. The Borrower will pay on demand and without any further notice (other than as provided in, and in accordance with, the Bankruptcy Court Orders, as applicable), all reasonable costs and expenses incurred by or on behalf of the Administrative Agent (and each Lender), regardless of when incurred and whether the transactions contemplated hereby are consummated, including reasonable fees, costs, client charges and expenses of counsel for the Administrative Agent (and each Lender), arising from or relating to: (a) the negotiation, preparation, execution, delivery, performance and administration of this Agreement and the other Loan Documents (including the preparation of any additional Loan Documents pursuant to Sections 8.1(j), (k) and (l) or the review of any of the agreements, instruments and documents referred to in Section 8.1(e) and in connection with the Chapter 11 Cases), (b) any requested amendments, waivers or consents to this Agreement or the other Loan Documents whether or not such documents become effective or are given, (c) the preservation and protection of the Administrative Agent's or any of the Lenders' rights under this Agreement or the other Loan Documents, including through participation in the Chapter 11 Cases any successor cases under chapter 11 or chapter 7 of the Bankruptcy Code, (d) the defense of any claim or action asserted or brought against the Administrative Agent or any Lender by any Person that arises from or relates to this Agreement, any other Loan Document, the Administrative Agent's or the Lenders' claims against any Loan Party, or any and all matters in connection therewith, (e) the commencement or defense of, or intervention in, any court proceeding arising from or related to this Agreement or any other Loan Document, including any contested matters or adversary proceedings in or related to any of the Chapter 11 Cases, (f) the filing of any petition, complaint, answer, motion or other pleading by the Administrative Agent or any Lender, or the taking of any action in respect of the Collateral or other security, in connection with this Agreement or any other Loan Document, (g) the protection, collection,

lease, sale, taking possession of or liquidation of, any Collateral or other security in connection with this Agreement or any other Loan Document, including through participation in the Chapter 11 Cases, (h) any attempt to enforce any Lien or security interest in any Collateral or other security in connection with this Agreement or any other Loan Document, including through participation in the Chapter 11 Cases, (i) any attempt to collect from any Loan Party, including through participation in the Chapter 11 Cases, (j) all liabilities and costs arising from or in connection with the past, present or future operations of any Loan Party involving any damage to real or personal property or natural resources or harm or injury alleged to have resulted from any Release of Hazardous Materials on, upon or into such property, (k) any Environmental Liabilities and Costs incurred in connection with the investigation, removal, cleanup and/or remediation of any Hazardous Materials present or arising out of the operations of any facility of any Loan Party, (l) any Environmental Liabilities and Costs incurred in connection with any Environmental Lien, (m) the rating (whether public or private) of the Loans by one or more Rating Agencies in connection with any Lender's Securitization, (n) the preparation, delivery and review of pleadings, documents and reports related to the Chapter 11 Cases and any subsequent cases under Chapter 7 of the Bankruptcy Code, attendance at meetings, court hearings or conferences related to the Chapter 11 Cases and any subsequent cases under Chapter 7 of the Bankruptcy Code, and general monitoring of the Chapter 11 Cases and any subsequent cases under Chapter 7 of the Bankruptcy Code, or (o) the receipt by the Administrative Agent or any Lender of any advice from professionals with respect to any of the foregoing. Without limitation of the foregoing or any other provision of any Loan Document: (i) each Borrower agrees to pay all broker fees that may become due in connection with the transactions contemplated by this Agreement and the other Loan Documents, and (ii) if any Borrower fails to perform any covenant or agreement contained herein or in any other Loan Document, the Administrative Agent may itself perform or cause performance of such covenant or agreement, and the expenses of the Administrative Agent incurred in connection therewith shall be reimbursed on demand by the Borrower. Notwithstanding anything to the contrary, this Section 12.3 shall not apply to any tax-related matter, which shall be subject to Section 2.9 instead.

Section 12.4 Right of Set-off. Subject to Section 5.2, upon the occurrence and during the continuance of any Event of Default, Administrative Agent or any Lender may, and is hereby authorized to, at any time and from time to time, without notice to any Loan Party (any such notice being expressly waived by the Loan Parties) and to the fullest extent permitted by law, set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other Indebtedness at any time owing by Administrative Agent or such Lender to or for the credit or the account of any Loan Party against any and all obligations of the Loan Parties either now or hereafter existing under any Loan Document, irrespective of whether or not Administrative Agent or such Lender shall have made any demand hereunder or thereunder and although such obligations may be contingent or unmatured. Administrative Agent and each Lender agrees to notify such Loan Party promptly after any such set-off and application made by Administrative Agent or such Lender provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent and the Lenders under this Section 12.4 are in addition to the other rights and remedies (including other rights of set-off) which the Administrative Agent and the Lenders may have under this Agreement or any other Loan Documents of law or otherwise.

Section 12.5 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 12.6 Assignments and Participations.

(a) This Agreement and the other Loan Documents shall be binding upon and inure to the benefit of each Loan Party and the Administrative Agent and each Lender and their respective successors and assigns (including, except for the right to request and receive Loans, any trustee succeeding to the rights of the Loan Parties pursuant to Chapter 11 of the Bankruptcy Code or pursuant to any conversion to a case under Chapter 7 of the Bankruptcy Code); provided, however, that none of the Loan Parties may assign or transfer any of its rights hereunder or under the other Loan Documents without the prior written consent of each Lender and any such assignment without the Lenders' prior written consent shall be null and void.

(b) Each Lender may, with the written consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed), assign to one or more other lenders or other entities all or a portion of its rights and obligations under this Agreement with respect to all or a portion of its Revolving Loan Commitment and the Revolving Loans made by it; provided, however, that (i) such assignment is in an amount which is at least \$500,000 or a multiple of \$100,000 in excess thereof (or the remainder of such Lender's Commitment) (except such minimum amount shall not apply to an assignment by a Lender to (x) a Lender, an Affiliate of such Lender or a Related Fund of such Lender or (y) a group of new Lenders, each of whom is an Affiliate or Related Fund of each other to the extent the aggregate amount to be assigned to all such new Lenders is at least \$500,000 or a multiple of \$100,000 in excess thereof), (ii) except as provided in the last sentence of this Section 12.6(b), the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance, an Assignment and Acceptance, together with any promissory note subject to such assignment and such parties shall deliver to the Administrative Agent, for the benefit of the Administrative Agent, a processing and recordation fee of \$3,500 (except the payment of such fee shall not be required in connection with an assignment by a Lender to a Lender, an Affiliate of such Lender or a Related Fund of such Lender) and (iii) no written consent of the Administrative Agent shall be required (1) in connection with any assignment by a Lender to a Lender, an Affiliate of such Lender or a Related Fund of such Lender or (2) if such assignment is in connection with any merger, consolidation, sale, transfer, or other disposition of all or any substantial portion of the business or loan portfolio of such Lender. Upon such execution, delivery and acceptance, from and after the effective date specified in each Assignment and Acceptance and recordation on the Register, which effective date shall be at least three (3) Business Days after the delivery thereof to the Administrative Agent (or such shorter period as shall be agreed to by the Administrative Agent and the parties to such assignment), (A) the assignee thereunder shall become a "Lender" hereunder and, in addition to the rights and obligations hereunder held by it immediately prior to such effective date, have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and (B) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining

portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto; provided that such assigning Lender which ceases to be a Lender shall continue to be entitled to the benefits of any provision of this Agreement which by its terms survives the termination of this Agreement). Notwithstanding anything to the contrary contained in this Section 12.6(b), a Lender may assign any or all of its rights under the Loan Documents to an Affiliate of such Lender or a Related Fund of such Lender without delivering an Assignment and Acceptance to the Administrative Agent or to any other Person (a "**Related Party Assignment**"); provided, however, that (I) the Borrower and the Administrative Agent may continue to deal solely and directly with such assigning Lender until an Assignment and Acceptance has been delivered to the Administrative Agent for recordation on the Register, (II) the Administrative Agent may continue to deal solely and directly with such assigning Lender until receipt by the Administrative Agent of a copy of the fully executed Assignment and Acceptance pursuant to Section 12.6(e), (III) the failure of such assigning Lender to deliver an Assignment and Acceptance to the Administrative Agent shall not affect the legality, validity, or binding effect of such assignment, and (IV) an Assignment and Acceptance between the assigning Lender and an Affiliate of such Lender or a Related Fund of such Lender shall be effective as of the date specified in such Assignment and Acceptance and recordation on the Related Party Register referred to in the last sentence of Section 12.6(d) below.

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, the assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or any other Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto; (ii) the assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or any of its Subsidiaries or the performance or observance by any Loan Party of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement and the other Loan Documents, together with such other documents and information it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the assigning Lender, the Administrative Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Loan Documents; (v) such assignee appoints and authorizes the Administrative Agent to take such action as agents on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms hereof and thereof, together with such powers as are reasonably incidental hereto and thereto; and (vi) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement and the other Loan Documents are required to be performed by it as a Lender.

(d) The Administrative Agent shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain, or cause to be maintained at the Payment Office, a copy of each Assignment and Acceptance delivered to and accepted by it and a register (the

"Register") for the recordation of the names and addresses of the Lenders and the Commitments of, and the principal amount of the Loans (and stated interest thereon) (the "**Registered Loans**") owing to each Lender from time to time. Subject to the penultimate sentence of this Section 12.6(d), the entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice. In the case of an assignment pursuant to the last sentence of Section 12.6(b) as to which an Assignment and Acceptance is not delivered to the Administrative Agent, the assigning Lender shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain, or cause to be maintained, a register (the "**Related Party Register**") comparable to the Register on behalf of the Borrower. The Related Party Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon receipt by the Administrative Agent of a completed Assignment and Acceptance, and subject to any consent required from the Administrative Agent pursuant to Section 12.6(b) (which consent must be evidenced by the Administrative Agent's execution of an acceptance to such Assignment and Acceptance), the Administrative Agent shall accept such assignment and record the information contained therein in the Register.

(f) A Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register or the Related Party Register (and each registered note shall expressly so provide). Any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register or the Related Party Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or sale of any Registered Loan (and the registered note, if any, evidencing the same), the Administrative Agent shall treat the Person in whose name such Registered Loan (and the registered note, if any, evidencing the same) is registered on the Register as the owner thereof for the purpose of receiving all payments thereon, notwithstanding notice to the contrary.

(g) In the event that any Lender sells participations in a Registered Loan, such Lender shall acting for this purpose as a non-fiduciary agent on behalf of the Borrower, maintain, or cause to be maintained, a register on which it enters the name of all participants in the Registered Loans held by it and the principal amount (and stated interest thereon) of the portion of the Registered Loan that is the subject of the participation (the "**Participant Register**"). A Registered Loan (and the registered note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register. The Participant Register shall be available for

inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(h) Any Non-U.S. Lender who purchases or is assigned or participates in any portion of such Registered Loan shall comply with Section 2.9(d).

(i) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitments and the Loans made by it); provided, that (i) such Lender's obligations under this Agreement (including, its Commitments hereunder) and the other Loan Documents shall remain unchanged; (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents; and (iii) a participant shall not be entitled to require such Lender to take or omit to take any action hereunder except (A) action directly effecting an extension of the maturity dates or decrease in the principal amount of the Loans, (B) action directly effecting an extension of the due dates or a decrease in the rate of interest payable on the Loans or the fees payable under this Agreement, or (C) actions directly effecting a release of all or a substantial portion of the Collateral or any Loan Party (except as set forth in Section 10.8 of this Agreement or any other Loan Document). The Loan Parties agree that each participant shall be entitled to the benefits of Section 2.9 and Section 2.10 of this Agreement with respect to its participation in any portion of the Commitments and the Loans as if it was a Lender, provided that no participant shall be entitled to a greater payment under Section 2.9 than its participating Lender would have received in the absence of such participation, except to the extent such entitlement to a greater payment resulted from a Change In Law occurring after such participant acquired its interests).

(j) The Loan Parties hereby acknowledge that the Lenders and their Affiliates may sell or securitize the Loans (a "**Securitization**") through the pledge of the Loans as collateral security for loans to the Lenders or their Affiliates or through the sale of the Loans or the issuance of direct or indirect interests in the Loans, which loans to the Lenders or their Affiliates or direct or indirect interests will be rated by Moody's, Standard & Poor's or one or more other rating agencies (the "**Rating Agencies**"). The Loan Parties shall cooperate with the Lenders and their Affiliates to effect the Securitization including by (i) amending this Agreement and the other Loan Documents, and executing such additional documents, as reasonably requested by the Lenders in connection with the Securitization, provided that (A) any such amendment or additional documentation does not impose material additional costs on the Loan Parties and (B) any such amendment or additional documentation does not materially adversely affect the rights, or materially increase the obligations, of the Loan Parties under the Loan Documents or change or affect in a manner adverse to the Loan Parties the financial terms of the Loans and (ii) providing such information as may be reasonably requested by the Lenders in connection with the rating of the Loans or the Securitization. In furtherance of the foregoing, any Lender, without the consent of or notice to any Person, may at any time and from time to time pledge or grant a security interest in all or any portion of its rights under this Agreement, the other Loan Documents and the Loans made by it as collateral security to secure obligations of such Lender, Affiliates of such Lender or funds or accounts managed by such Lender or an Affiliate of such Lender (and any initial or subsequent pledgee or grantee, as the case may be,

may in turn at any time and from time to time pledge or grant a security interest in all or any portion of such rights and Loans as collateral security to secure obligations of such Persons, Affiliates of such Person or funds or accounts managed by such Person or an Affiliate of such Person); provided, neither the initial nor any subsequent pledge or grant of a security interest shall, in any event, either (1) release such Lender from any of its obligations hereunder or under any of the other Loan Documents, or (2) substitute any such pledgee or grantee for such Lender as a party hereto with any rights or remedies hereunder or under any of the other Loan Documents

Section 12.7 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or electronic mail also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document *mutatis mutandis*.

Section 12.8 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK, EXCEPT AS GOVERNED BY THE BANKRUPTCY CODE AND EXCEPT AS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT.

Section 12.9 CONSENT TO JURISDICTION; SERVICE OF PROCESS AND VENUE. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT IN THE BANKRUPTCY COURT, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH LOAN PARTY HEREBY IRREVOCABLY ACCEPTS IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE BANKRUPTCY COURT. EACH LOAN PARTY HEREBY CONSENTS TO THE SERVICE OF PROCESS OUT OF THE BANKRUPTCY COURT AND IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS FOR NOTICES AS SET FORTH IN SECTION 12.1. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT AND THE LENDERS TO SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY LOAN PARTY IN ANY OTHER JURISDICTION. EACH LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE JURISDICTION OR LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN SUCH COURT AND

ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT ANY LOAN PARTY HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, EACH LOAN PARTY HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

Section 12.10 WAIVER OF JURY TRIAL, ETC. EACH LOAN PARTY, THE ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR UNDER ANY AMENDMENT, WAIVER, CONSENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION THEREWITH, OR ARISING FROM OR RELATING TO ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION, PROCEEDINGS OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH LOAN PARTY CERTIFIES THAT NO OFFICER, REPRESENTATIVE, AGENT OR ATTORNEY OF THE ADMINISTRATIVE AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE ADMINISTRATIVE AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM, SEEK TO ENFORCE THE FOREGOING WAIVERS. EACH LOAN PARTY HEREBY ACKNOWLEDGES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE ADMINISTRATIVE AGENT AND THE LENDERS ENTERING INTO THIS AGREEMENT.

Section 12.11 Consent by the Administrative Agent and Lenders. Except as otherwise expressly set forth herein to the contrary or in any other Loan Document, if the consent, approval, satisfaction, determination, judgment, acceptance or similar action (an "Action") of the Administrative Agent or any Lender shall be permitted or required pursuant to any provision hereof or any provision of any other agreement to which any Loan Party is a party and to which the Administrative Agent or any Lender has succeeded thereto, such Action shall be required to be in writing and may be withheld or denied by the Administrative Agent or such Lender, with or without any reason, and without being subject to question or challenge on the grounds that such Action was not taken in good faith.

Section 12.12 No Party Deemed Drafter. Each of the parties hereto agrees that no party hereto shall be deemed to be the drafter of this Agreement.

Section 12.13 Reinstatement; Certain Payments. If any claim is ever made upon the Administrative Agent or any Lender for repayment or recovery of any amount or amounts received by the Administrative Agent or such Lender in payment or on account of any of the Obligations, the Administrative Agent or such Lender shall give prompt notice of such claim to each other Agent and Lender and the Borrower, and if the Administrative Agent or such Lender repays all or part of such amount by reason of (i) any judgment, decree or order of any court or

administrative body having jurisdiction over the Administrative Agent or such Lender or any of its property, or (ii) any good faith settlement or compromise of any such claim effected by the Administrative Agent or such Lender with any such claimant, then and in such event each Loan Party agrees that (A) any such judgment, decree, order, settlement or compromise shall be binding upon it notwithstanding the cancellation of any Indebtedness hereunder or under the other Loan Documents or the termination of this Agreement or the other Loan Documents, and (B) it shall be and remain liable to the Administrative Agent or such Lender hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by the Administrative Agent or such Lender.

Section 12.14 Indemnification.

(a) **General Indemnity.** In addition to each Loan Party's other Obligations under this Agreement, each Loan Party agrees to, jointly and severally, defend, protect, indemnify and hold harmless the Administrative Agent and each Lender and all of their respective affiliates and each of their officers, directors, employees, shareholders, advisors, attorneys, consultants and agents (collectively called the "Indemnitees") from and against any and all losses, damages, liabilities, settlement payments, obligations, penalties, fees, claims, actions or causes of action and reasonable costs and expenses (including reasonable attorneys' fees, costs and expenses) incurred by such Indemnitees, whether prior to or from and after the Interim Facility Effective Date, whether direct, indirect or consequential, as a result of or arising from or relating to or in connection with any of the following: (i) the negotiation, preparation, execution or performance or enforcement of this Agreement, any other Loan Document or of any other document executed in connection with the transactions contemplated by this Agreement, (ii) the Administrative Agent's or any Lender's furnishing of funds to the Borrower under this Agreement or the other Loan Documents, including the management of any such Loans, (iii) any matter relating to the financing transactions contemplated by this Agreement or the other Loan Documents or by any document executed in connection with the transactions contemplated by this Agreement or the other Loan Documents, or (iv) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto, including in connection with responding to subpoenas (third party or otherwise) (collectively, the "Indemnified Matters"); provided, however, that the Loan Parties shall not have any obligation to any Indemnitee under this subsection (a) for any Indemnified Matter caused by the gross negligence or willful misconduct of such Indemnitee, as determined by a final judgment of a court of competent jurisdiction. In all such litigation, or the preparation therefor, the Administrative Agent and the Lenders shall be entitled to select their own counsel, and the Companies agree to pay promptly the reasonable fees and expenses of such counsel. For the avoidance of doubt, the Indemnified Matters shall not include any matters resulting or arising from, or relating to or in connection with, the Existing Senior Secured Credit Facility or any other Prepetition Credit Facilities. Notwithstanding anything to the contrary, this Section 12.14(a) shall not apply to any tax-related matter, which shall be subject to Section 2.9 instead.

(b) **Environmental Indemnity.** Without limiting Section 12.14(a), each Loan Party agrees to, jointly and severally, defend, indemnify, and hold harmless the Indemnitees against any and all Environmental Liabilities and Costs and all other claims, demands, penalties, fines, liability (including strict liability), losses, damages, costs and expenses (including,

reasonable legal fees and expenses, consultant fees and laboratory fees), arising out of (i) any Releases or threatened Releases (x) at any property presently or formerly owned or operated by any Loan Party or any Subsidiary of any Loan Party, or any predecessor in interest, or (y) of any Hazardous Materials generated and disposed of by any Loan Party or any Subsidiary of any Loan Party, or any predecessor in interest; (ii) any violations of Environmental Laws; (iii) any Environmental Action relating to any Loan Party or any Subsidiary of any Loan Party, or any predecessor in interest; (iv) any personal injury (including wrongful death) or property damage (real or personal) arising out of exposure to Hazardous Materials used, handled, generated, transported or disposed by any Loan Party or any Subsidiary of any Loan Party, or any predecessor in interest; and (v) any breach of any warranty or representation regarding environmental matters made by the Loan Parties in Section 7.1(q) or the breach of any covenant made by the Loan Parties in Section 8.1(i). Notwithstanding the foregoing, the Loan Parties shall not have any obligation to any Indemnitee under this subsection (b) regarding any potential environmental matter covered hereunder which is caused by the gross negligence or willful misconduct of such Indemnitee, as determined by a final judgment of a court of competent jurisdiction.

(c) The indemnification for all of the foregoing losses, damages, fees, costs and expenses of the Indemnitees are chargeable against the Loan Account. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 12.14 may be unenforceable because it is violative of any law or public policy, each Loan Party shall, jointly and severally, contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees. The indemnities set forth in this Section 12.14 shall survive the repayment of the Obligations and discharge of any Liens granted under the Loan Documents.

Section 12.15 Records. The unpaid principal of and interest on the Loans, the interest rate or rates applicable to such unpaid principal and interest, the duration of such applicability, the Commitments, and the accrued and unpaid fees payable pursuant to Section 2.6 hereof, including the Closing Fee and the Unused Line Fee, shall at all times be ascertained from the records of the Administrative Agent, which shall be conclusive and binding absent manifest error.

Section 12.16 Binding Effect. This Agreement shall become effective when it shall have been executed by each Loan Party, the Administrative Agent and each Lender and when the conditions precedent set forth in Section 6.1 hereof have been satisfied or waived in writing by the Administrative Agent and the Lenders, and thereafter shall be binding upon and inure to the benefit of each Loan Party, the Administrative Agent and each Lender, and their respective successors and assigns (including, except for the right to request or obtain Loans, any trustee succeeding to the rights of the Borrower pursuant to Chapter 11 of the Bankruptcy Code or pursuant to any conversion to a case under Chapter 7 of the Bankruptcy Code), except that the Loan Parties shall not have the right to assign their rights hereunder or any interest herein without the prior written consent of the Administrative Agent and each Lender, and any assignment by any Lender shall be governed by Section 12.76 hereof.

Section 12.17 Interest. It is the intention of the parties hereto that the Administrative Agent and each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the

transactions contemplated hereby or by any other Loan Document would be usurious as to the Administrative Agent or any Lender under laws applicable to it (including the laws of the United States of America and the State of New York or any other jurisdiction whose laws may be mandatorily applicable to the Administrative Agent or such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in this Agreement or any other Loan Document or any agreement entered into in connection with or as security for the Obligations, it is agreed as follows: (a) the aggregate of all consideration which constitutes interest under law applicable to the Administrative Agent or any Lender that is contracted for, taken, reserved, charged or received by the Administrative Agent or such Lender under this Agreement or any other Loan Document or agreements or otherwise in connection with the Obligations shall under no circumstances exceed the maximum amount allowed by such applicable law, any excess shall be canceled automatically and if theretofore paid shall be credited by the Administrative Agent or such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by the Administrative Agent or such Lender, as applicable, to the Borrower); and (b) in the event that the maturity of the Obligations is accelerated by reason of any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to the Administrative Agent or any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by the Administrative Agent or such Lender, as applicable, as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by the Administrative Agent or such Lender, as applicable, on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by the Administrative Agent or such Lender to the Borrower). All sums paid or agreed to be paid to the Administrative Agent or any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to the Administrative Agent or such Lender, be amortized, prorated, allocated and spread throughout the full term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to the Administrative Agent or any Lender on any date shall be computed at the Highest Lawful Rate applicable to the Administrative Agent or such Lender pursuant to this Section 12.17 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to the Administrative Agent or such Lender would be less than the amount of interest payable to the Administrative Agent or such Lender computed at the Highest Lawful Rate applicable to the Administrative Agent or such Lender, then the amount of interest payable to the Administrative Agent or such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to the Administrative Agent or such Lender until the total amount of interest payable to the Administrative Agent or such Lender shall equal the total amount of interest which would have been payable to the Administrative Agent or such Lender if the total amount of interest had been computed without giving effect to this Section 12.17.

For purposes of this Section 12.17, the term "applicable law" shall mean that law in effect from time to time and applicable to the loan transaction between the Borrower, on the one hand, and the Administrative Agent and the Lenders, on the other, that lawfully permits the

charging and collection of the highest permissible, lawful non-usurious rate of interest on such loan transaction and this Agreement, including laws of the State of New York and, to the extent controlling, laws of the United States of America.

The right to accelerate the maturity of the Obligations does not include the right to accelerate any interest that has not accrued as of the date of acceleration.

For purposes of this Section 12.17, the term "applicable law" shall mean that law in effect from time to time and applicable to the loan transaction between the Borrower, on the one hand, and the Administrative Agent and the Lenders, on the other, that lawfully permits the charging and collection of the highest permissible, lawful non-usurious rate of interest on such loan transaction and this Agreement, including laws of the State of New York and, to the extent controlling, laws of the United States of America.

The right to accelerate the maturity of the Obligations does not include the right to accelerate any interest that has not accrued as of the date of acceleration.

Section 12.18 Confidentiality. Each Agent and each Lender agrees (on behalf of itself and each of its affiliates, directors, officers, employees and representatives) to use reasonable precautions to keep confidential, in accordance with its customary procedures for handling confidential information of this nature and in accordance with safe and sound practices of comparable commercial finance companies, any non-public information supplied to it by the Loan Parties pursuant to this Agreement or the other Loan Documents (and which at the time is not, and does not thereafter become, publicly available or available to such Person from another source not known to be subject to a confidentiality obligation to such Person not to disclose such information), provided that nothing herein shall limit the disclosure of any such information (a) by any Lender to any affiliate or trustee of such Lender (and to any director, officer, employee or representative of such affiliate or trustee), (b) to the extent required by any Requirement of Law or judicial process or as otherwise requested by any Governmental Authority, (c) to counsel for the Administrative Agent or any Lender, (d) to examiners, auditors, accountants or parties in connection with a Lender's Securitization, (e) in connection with any litigation to which the Administrative Agent or any Lender is a party or (f) to any assignee or participant (or prospective assignee or participant) so long as such assignee or participant (or prospective assignee or participant) first agrees, in writing, to be bound by confidentiality provisions similar in substance to this Section 12.18.

Section 12.19 Integration. This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

Section 12.20 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the entities composing any Loan Party, which information includes the name and address of each such entity and other information that will allow such Lender to identify the entities composing such Loan Party in accordance with the USA PATRIOT Act. Each Loan Party agrees to take

such action and execute, acknowledge and deliver at its sole cost and expense, such instruments and documents as any Lender may reasonably require from time to time in order to enable such Lender to comply with the USA PATRIOT Act.

Section 12.21 Public Disclosure Each Loan Party agrees that neither it nor any of its Affiliates will now or in the future issue any press release or other public disclosure using the name of the Administrative Agent, any Lender or any of their respective Affiliates or referring to this Agreement or any other Loan Document without the prior written consent of the Administrative Agent or such Lender, except to the extent that such Loan Party or such Affiliate is required to do so under applicable law (in which event, such Loan Party or such Affiliate will consult with the Administrative Agent or such Lender before issuing such press release or other public disclosure). Each Loan Party hereby authorizes the Administrative Agent and each Lender, after consultation with the Borrower, to advertise the closing of the transactions contemplated by this Agreement, and to make appropriate announcements of the financial arrangements entered into among the parties hereto, as the Administrative Agent or such Lender shall deem appropriate, including announcements commonly known as tombstones, in such trade publications, business journals, newspapers of general circulation and to such selected parties as the Administrative Agent or such Lender shall deem appropriate.

Section 12.22 Parties Including Trustees; Bankruptcy Court Proceedings. This Agreement, the other Loan Documents, and all Liens created hereby or pursuant hereto or to any other Loan Document shall be binding upon each Loan Party, the estate of each Loan Party, and any trustee or other successor in interest of any Loan Party in any Chapter 11 Case or any subsequent case commenced under Chapter 7 of the Bankruptcy Code or any other bankruptcy or insolvency laws, and shall not be subject to Section 365 of the Bankruptcy Code. This Agreement and the other Loan Documents shall be binding upon, and inure to the benefit of, the successors of the Administrative Agent and Lenders and their respective assigns, transferees and endorsees. The Liens created by this Agreement and the other Loan Documents shall be and remain valid and perfected in the event of the substantive consolidation or conversion of any Chapter 11 Case or any other bankruptcy case of any Loan Party to a case under Chapter 7 of the Bankruptcy Code, or in the event of dismissal of any Chapter 11 Case or the release of any Collateral from the jurisdiction of the Bankruptcy Court for any reason, without the necessity that the Administrative Agent or the Lenders file financing statements or otherwise perfect their security interests or Liens under applicable law.

- Remainder of Page Intentionally Blank -

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

BORROWER:

EVENT RENTALS, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

GUARANTORS:

SPECIAL EVENT HOLDING, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

CLASSIC PARTY RENTALS, INC.,
a California corporation

By: _____
Name: _____
Title: _____

UNIQUE TABLETOP RENTALS, INC.,
a California corporation

By: _____
Name: _____
Title: _____

CLASSIC MIDWEST, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

CLASSIC NORTHEAST, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

CLASSIC PANACHE INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

DUBO ACQUISITION CORPORATION,
a Delaware corporation

By: _____
Name: _____
Title: _____

DBO ACQUISITION CORPORATION,
a Delaware corporation

By: _____
Name: _____
Title: _____

CLASSIC PARTY RENTALS LP,
a Texas limited partnership

By: Dubo Acquisition Corporation, its General Partner
By: _____
Name: _____
Title: _____

CLASSIC/PRIME, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

CLASSIC SOUTHEAST, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

GRAND EVENTS AND PARTY RENTALS, INC.,
a Tennessee corporation

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:

**ABLECO FINANCE LLC,
as Administrative Agent**

By: _____
Name: _____
Title: _____

LENDERS:

ABLECO FINANCE LLC

By: _____
Name: _____
Title: _____

CREDIT SUISSE LOAN FUNDING LLC.

By: _____
Name: _____
Title: _____

DBD CREDIT FUNDING LLC

By: _____
Name: _____
Title: _____

GENERAL ELECTRIC CAPITAL CORPORATION

By: _____
Name: _____
Title: _____

IVY HILL INVESTMENT HOLDINGS LLC

By: _____
Name: _____
Title: _____

NEWSTAR LOAN FUNDING, LLC

By: NewStar Financial, Inc.,
its Manager

By: _____

Name: Robert E. Hornstein
Title: Managing Director

TWIN HAVEN SPECIAL OPPORTUNITIES IV, L.P.

By: Twin Haven Capital Partners, LLC,
its Investment Manager

By: _____
Name: _____
Title: _____

SCHEDULE 1.1(A)**LENDERS AND LENDERS' COMMITMENTS**

Lender	Revolving Loan Commitment upon Interim Facility Effective Date	Revolving Loan Commitment upon Final Facility Effective Date	Percentage Total Revolving Loan Commitment
Ableco Finance LLC			
Credit Suisse Loan Funding LLC			
DBD Credit Funding LLC			
General Electric Capital Corporation			
Ivy Hill Investment Holdings			
NewStar Loan Funding, LLC			
Twin Haven Special Opportunities IV, L.P.			
Total:	\$17,000,000.00	\$20,000,000.00	100%

[SCHEDULES TO BE INSERTED]

EXHIBIT A

FORM OF NOTICE OF BORROWING

Event Rentals, Inc.
901 W. Hillcrest Blvd.
Inglewood, CA 90301

_____, 2014

Ableco Finance, LLC,
as Administrative Agent for the Lenders
party to the DIP Financing Agreement referred to below
875 Third Avenue
New York, New York
Attention: Loan Operations

Ladies and Gentlemen:

The undersigned, Event Rentals, Inc., a Delaware corporation (the "**Borrower**"), (i) refers to the Senior Secured and Superpriority Financing Agreement, dated as of February 18, 2014 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**DIP Financing Agreement**"), by and among Special Event Holding, Inc., a Delaware corporation (the "**Parent**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code (as defined therein) Event Rentals, Inc., a Delaware corporation ("**Borrower**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, each subsidiary of the Parent (other than the Borrower) listed as a "**Guarantor**" on the signature pages thereto, each as a debtor and debtor in possession (together with Parent and each other Person that becomes a "**Guarantor**" thereunder, each a "**Guarantor**" and collectively, the "**Guarantors**"), the lenders from time to time party thereto (each a "**Lender**" and collectively, the "**Lenders**"), Ableco Finance LLC, as administrative agent for the Lenders (in such capacity, the "**Administrative Agent**") and (ii) hereby gives you notice pursuant to Section 2.2 of the DIP Financing Agreement that the undersigned hereby requests a Loan under the DIP Financing Agreement, and in that connection sets forth below the information relating to such loan (the "**Proposed Loan**") as required by Section 2.2(a) of the DIP Financing Agreement. All capitalized terms used but not defined herein have the same meanings herein as set forth in the DIP Financing Agreement.

- (i) The aggregate principal amount of the Proposed Loan is \$[_____].
- (ii) The Available Revolving Loan Amount as of the borrowing date is \$[_____].
- (iii) The Proposed Loan is a [Base Rate Loan] [LIBOR Rate Loan][, with an initial Interest Period of [one][two][three] month(s)].
- (iv) The borrowing date of the Proposed Loan is _____, 2014.

(v) Within 5 Business days hereof, the following disbursements are to be funded with the Proposed Loan, in accordance with the approved Budget:

(v) The proceeds of the Proposed Loan shall be made available to the undersigned in accordance with the wire instructions set forth on Annex I attached hereto.

The undersigned certifies on behalf of the Borrower, solely in [his][her] capacity as an officer of the Borrower and not in any individual capacity, that (i) the representations and warranties contained in Article VII of the DIP Financing Agreement and in each other Loan Document are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on the date hereof and as of the date of the Proposed Loan, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date) and (ii) no Default or Event of Default has occurred and is continuing on the date hereof or would result from the making of the Proposed Loan.

[SIGNATURE PAGE FOLLOWS]

Very truly yours,

EVENT RENTALS, INC., as Borrower

By: _____

Name:

Title:

EXHIBIT B

FORM OF INTERIM BANKRUPTCY COURT ORDER

(see attached)

EXHIBIT C

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("Assignment Agreement") is entered into as of _____, 2014 between _____ ("Assignor") and _____ ("Assignee"). Reference is made to the agreement described in Item 2 of Annex I annexed hereto (as amended, restated, modified or otherwise supplemented from time to time, the "**DIP Financing Agreement**"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the DIP Financing Agreement.

1. In accordance with the terms and conditions of Section 12.6 of the DIP Financing Agreement, the Assignor hereby irrevocably sells, transfers, conveys and assigns without recourse, representation or warranty (except as expressly set forth herein) to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, that interest in and to the Assignor's rights and obligations under the DIP Financing Agreement and the other Loan Documents with respect to the Obligations owing to the Assignor, and the Assignor's portion of the Commitments and the Loans as specified on Annex I.

2. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim, and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument or document furnished pursuant thereto; and (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under the Loan Documents or any other instrument or document furnished pursuant thereto.

3. The Assignee (a) confirms that it has received copies of the DIP Financing Agreement and the other Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Administrative Agent, the Assignor, or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (c) confirms that it is eligible as an assignee under the terms of the DIP Financing Agreement and represents and warrants that it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (d) appoints and authorizes the Administrative Agent to take such action as the Administrative Agent on its behalf and to exercise such powers under the Loan Documents as are delegated to the Administrative Agent or the Collateral Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (e) agrees that it will be bound by the provisions of the DIP Financing Agreement and the other Loan Documents and

perform in accordance with their terms all of the obligations which by the terms of the DIP Financing Agreement and the other Loan Documents are required to be performed by it as a Lender; and (f) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the DIP Financing Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty.

4. Following the execution of the Assignment Agreement by the Assignor and the Assignee, it will be delivered by the Assignor to the Administrative Agent for recording. The effective date of this Assignment Agreement (the "Settlement Date") shall be the latest of (a) the date of the execution hereof by the Assignor and the Assignee, (b) the date this Assignment Agreement has been accepted by the Administrative Agent and recorded in the Register by the Administrative Agent, (c) the date of receipt by the Administrative Agent of a processing and recordation fee in the amount of \$3,500, (d) the settlement date specified on Annex I, and (e) the receipt by Assignor of the Purchase Price specified in Annex I.

5. As of the Settlement Date (a) the Assignee shall be a "Lender" under the DIP Financing Agreement and, to the extent of the interest assigned pursuant to this Assignment Agreement, have the rights and obligations of a Lender thereunder and under the other Loan Documents, and (b) the Assignor shall, to the extent of the interest assigned pursuant to this Assignment Agreement, relinquish its rights and be released from its obligations under the DIP Financing Agreement and the other Loan Documents (and, in the case of an assignment covering all or the remaining portion of an assigning Lender's rights and obligations under the DIP Financing Agreement, such Lender shall cease to be a party thereto; provided that such assigning Lender which ceases to be a Lender shall continue to be entitled to the benefits of any provision of the DIP Financing Agreement which by its terms survives the termination of the DIP Financing Agreement).

6. Upon recording by the Administrative Agent, from and after the Settlement Date, the Administrative Agent shall make all payments under the DIP Financing Agreement and the other Loan Documents in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees (if applicable) with respect thereto) to the Assignee. The Assignor and the Assignee shall make all appropriate adjustments in payments under the DIP Financing Agreement and the other Loan Documents for periods prior to the Settlement Date directly between themselves on the Settlement Date.

7. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

8. EACH PARTY HERETO HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED UPON OR ARISING OUT OF THIS ASSIGNMENT AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, AND AGREES THAT ANY SUCH ACTION,

PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

9. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Assignment Agreement by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed and delivered by their respective officers thereunto duly authorized, as of the date first above written.

[ASSIGNOR]

By: _____
Name: _____
Title: _____
Date: _____

[ASSIGNEE]

By: _____
Name: _____
Title: _____
Date: _____

ACCEPTED AND CONSENTED TO this ____ day
of _____, 20__

ABLECO FINANCE LLC, as
Administrative Agent

By: _____
Name: _____
Title: _____

ANNEX FOR ASSIGNMENT AND ACCEPTANCE

ANNEX I

1. Borrower: Event Rentals, Inc.
2. Name and Date of DIP Financing Agreement:

Senior Secured and Superpriority Financing Agreement, dated as of February 18, 2014 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**DIP Financing Agreement**"), by and among Special Event Holding, Inc., a Delaware corporation (the "**Parent**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code (as defined therein) Event Rentals, Inc., a Delaware corporation ("**Borrower**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, each subsidiary of the Parent (other than the Borrower) listed as a "**Guarantor**" on the signature pages thereto, each as a debtor and debtor in possession (together with Parent and each other Person that becomes a "**Guarantor**" thereunder, each a "**Guarantor**" and collectively, the "**Guarantors**"), the lenders from time to time party thereto (each a "**Lender**" and collectively, the "**Lenders**"), Ableco Finance LLC, as administrative agent for the Lenders (in such capacity, the "**Administrative Agent**").

3. Date of Assignment Agreement: _____
4. Amount of Revolving Loan Commitment Assigned: \$ _____
5. Amount of Revolving Loans Assigned: \$ _____
6. Purchase Price: \$ _____
7. Settlement Date: _____
8. Notice and Payment Instructions, etc.

Assignor:

Assignee:

Attn: _____

Attn: _____

Fax No.: _____

Fax No.: _____

EXHIBIT D

FORM OF LIBOR NOTICE

Event Rentals, Inc.
901 W. Hillcrest Blvd.
Inglewood, CA 90301

_____, 2014

Ableco Finance LLC,
as Administrative Agent for the Lenders
party to the DIP Financing Agreement referred to below
875 Third Avenue
New York, New York
Attention: Loan Operations

Ladies and Gentlemen:

Reference is made to the Senior Secured and Superpriority Financing Agreement, dated as of February 18, 2014 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**DIP Financing Agreement**"), by and among Special Event Holding, Inc., a Delaware corporation (the "**Parent**"), as a debtor and debtor in possession, under Chapter 11 of the Bankruptcy Code (as defined therein) Event Rentals, Inc., a Delaware corporation ("**Borrower**"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, each subsidiary of the Parent (other than the Borrower) listed as a "**Guarantor**" on the signature pages thereto, each as a debtor and debtor in possession (together with Parent and each other Person that becomes a "**Guarantor**" thereunder, each a "**Guarantor**" and collectively, the "**Guarantors**"), the lenders from time to time party thereto (each a "**Lender**" and collectively, the "**Lenders**"), Ableco Finance LLC, as administrative agent for the Lenders (in such capacity, the "**Administrative Agent**"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the DIP Financing Agreement.

This LIBOR Notice represents the Borrowers' request pursuant to Section 2.7(a) of the DIP Financing Agreement to [convert into] [continue as] [LIBOR Rate Loans] [Base Rate Loans] \$[_____] of the outstanding principal amount of the Revolving Loan (the "**Requested Loan**"), and is a written confirmation of the telephonic notice of such election previously given to the Administrative Agent].

[Such Requested LIBOR Rate Loan will have an Interest Period of [one] [two] [three] month(s), commencing on _____, 2014.]

[This LIBOR Notice further confirms the Borrower's acceptance, for purposes of determining the rate of interest based on the LIBOR Rate under the DIP Financing Agreement, of the LIBOR Rate as determined pursuant to the DIP Financing Agreement.]

The undersigned certifies on behalf of the Borrower, solely in [his][her] capacity as an officer of the Borrower and not in any individual capacity, that (i) the representations and warranties contained in Article VI of the DIP Financing Agreement and in each other Loan Document are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on the date hereof and on the date of the [conversion] [continuation] of the Requested Loan, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date), and (ii) no Default or Event of Default has occurred or is continuing on the date hereof or will result from the [conversion] [continuation] of the Requested Loan.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Very truly yours,

EVENT RENTALS, INC., as Borrower

By: _____

Name:

Title:

EXHIBIT E**FORM OF JOINDER TO GUARANTY**

The undersigned, _____, a _____ *[corporation, limited liability company, partnership]*, hereby agrees to be bound by Article 11 (the "Guaranty") of that certain Senior Secured and Superpriority Financing Agreement (as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "Financing Agreement"), dated as of February 18, 2014 by and among Special Event Holding, Inc., a Delaware corporation (the "Parent"), Event Rentals, Inc., a Delaware corporation (the "Borrower"), each Person party thereto as a "Guarantor," the financial institutions from time to time party thereto as "Lenders," and Ableco Finance LLC, in its capacity as Administrative Agent for the Lenders. Capitalized terms used herein but not defined herein shall have the respective meanings ascribed to such terms in the Financing Agreement.

By executing this Joinder to Guaranty (this "Joinder"), the undersigned hereby agrees that it is a Guarantor under the Financing Agreement with the same force and effect as if originally named therein as a Guarantor. The undersigned agrees to be bound by all of the terms and provisions of the Guaranty, which are incorporated herein by reference as fully as though set forth herein verbatim, and represents and warrants that the representations and warranties set forth in Article 7 of the Financing Agreement are, with respect to the undersigned, are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the date hereof, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date). Each reference to a Guarantor in the Guaranty and in any Loan Document shall be deemed to include the undersigned.

In Witness Whereof, the undersigned has executed this Joinder this _____ day of _____, 20__.

[NAME OF GUARANTOR],
a _____ *[corporation, limited liability company]*

By: _____
Name: _____
Title: _____