**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

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| In re: | : | Chapter 11 |
| MODULAR SPACE HOLDINGS, INC., et al., | : | Case No. 16-12825 (___) |
| Debtors.[1] | : | Joint Administration Pending |

**DEBTORS' MOTION FOR INTERIM AND FINAL ORDERS (1) APPROVING POST-PETITION FINANCING, (2) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIM STATUS PURSUANT TO 11 U.S.C. §§ 363 AND 364, (3) AUTHORIZING USE OF CASH COLLATERAL, (4) GRANTING ADEQUATE PROTECTION TO PRE-PETITION SECURED PARTIES PURSUANT TO 11 U.S.C. §§ 361, 362, 363 AND 364, (5) MODIFYING THE AUTOMATIC STAY PURSUANT TO 11 U.S.C. § 362 AND (6) SCHEDULING FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001(c)**

Modular Space Holdings, Inc. ("Holdings") and certain of its affiliates, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors" or "ModSpace"), by and through their undersigned counsel, hereby move this Court (the "Motion"), for the entry of an interim order substantially in the form attached hereto as Exhibit A (the "Interim Order") and a final order substantially in the form attached hereto as Exhibit B (the "Final Order" and together with the Interim Order, the "DIP Orders") pursuant to Sections 105, 362, 363 and 364 of Title 11 of the United States Code (the "Bankruptcy Code"), as supplemented by Rules 4001 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 4001-2 and 9013-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), (i) authorizing (a) the DIP

[1] The Debtors and the last four digits of their respective United States Tax Identification Number, or similar foreign identification number, as applicable, are as follows: Modular Space Holdings, Inc. (8595); Modular Space Intermediate Holdings, Inc. (1161); Modular Space Corporation (5284); Resun ModSpace, Inc. (0701); ModSpace Government Financial Services, Inc. (8573); ModSpace Financial Services Canada, Ltd. (CRA BN 0001); and Resun Chippewa, LLC (6773). The address of the Debtors' corporate headquarters is 1200 Swedesford Road, Berwyn, PA 19312.



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Lenders and Debtors (each as defined below) to enter into post-petition financing arrangements (the "DIP Facilities" or "DIP Financing"), pursuant to which Bank of America, N.A., in its capacity as DIP Agent (and the DIP Lenders each as defined in the DIP Credit Agreement attached to the Interim Order as Exhibit A) will provide financing on a post-petition basis to Debtors Modular Space Holdings, Inc., Modular Space Intermediate Holdings, Inc. ("Intermediate"), Modular Space Corporation, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., and Resun Chippewa, LLC (collectively, the "U.S. Borrowers"), and ModSpace Financial Services Canada, Ltd. (the "Canadian Borrower" and together with the U.S. Borrowers, the "Debtors") and authorizing (b) the U.S. Borrowers, to guarantee, on a joint and several basis, the U.S. Borrowers' obligations arising under the DIP Facilities (the "U.S. Obligations") and the Canadian Borrower's obligations arising under the DIP Facilities (the "Canadian Obligations") (the "Guarantors"); (ii) granting liens and providing superpriority administrative status to the DIP Lenders; (iii) authorizing the use of proceeds of the DIP Financing to pay all outstanding U.S. Pre-Petition Obligations (as defined below); (iv) granting adequate protection to certain of the Debtors' pre-petition secured creditors; (v) scheduling interim and final hearings and (vi) granting related relief. In support of this Motion, the Debtors respectfully refer the Court to and rely upon and incorporate by reference the *Declaration of David Orlofsky, Senior Managing Director of Zolfo Cooper LLP, in Support of Chapter 11 Petitions and First Day Pleadings* (the "First Day Declaration"):[2]

[2] Unless otherwise noted, capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

## Jurisdiction and Venue

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are Sections 105, 362, 363 and 364 of the Bankruptcy Code, as supplemented by Bankruptcy Rules 4001 and 6004 and Local Rules 4001-2 and 9013-1.

## General Background

### A. The Chapter 11 Cases

3. On December 21, 2016 (the "Petition Date"), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the "Chapter 11 Cases") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors have requested that the Chapter 11 Cases be jointly administered for procedural purposes only. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. To date, no creditors' committee has been appointed in these Chapter 11 Cases by the Office of the United States Trustee for Region 3 (the "United States Trustee"). No trustee or examiner has been appointed in the Debtors' Chapter 11 Cases.

### B. The Debtors' Business

4. The Debtors are the largest U.S.-owned provider of temporary and permanent modular buildings, and are among the largest suppliers in the U.S. and Canada of temporary modular space and permanent modular construction. The Debtors provide a full range of building products, including office trailers, classrooms, portable storage units, and other modular units and construction projects, and work with clients across many industries, including

commercial, construction, education, government, healthcare, industrial, energy, franchise and retail, and sports and entertainment.

5. Modular Space Corporation ("MSC") is the main operating company within the Debtors' corporate structure. Debtor ModSpace Financial Services Canada, Ltd. ("MFSC") is the operating entity for the Debtors' business in Canada. MFSC is a wholly-owned subsidiary of MSC and all material decisions regarding MFSC and its operations are made by MSC personnel in the United States. As a result, the center of main interests for MFSC is located in the United States. The Debtors anticipate commencing an ancillary proceeding under Part IV of the Companies' Creditor Arrangement Act (Canada) in Toronto, Ontario, Canada before the Ontario Supreme Court of Justice (Commercial List).

**C. The Proposed Restructuring**

6. As set forth more fully in the First Day Declaration, due to a number of factors, the Debtors have determined that it will be necessary to restructure their Secured Debt in order to meet their financial obligations. To that end, in the months preceding the Petition Date, the Debtors engaged in extensive negotiations with an informal group comprising approximately 78% of the Noteholders (the "Ad Hoc Group"), the ABL Lenders, and Calera Capital Advisors L.P. ("Calera"), the majority equity holder of Modular Space Holdings, Inc. These discussions culminated in an agreement by and among the Debtors, the ABL Lenders, Calera, and certain Noteholders (the "Consenting Noteholders"), as memorialized in the Restructuring Support Agreement dated as of December 20, 2016 (the "RSA"), for a consensual restructuring effectuated by the terms set forth in the Debtors' Joint Prepackaged Chapter 11 Plan, dated December 20, 2016 (including all exhibits and supplements thereto and as may be amended, modified or supplemented, the "Plan").

7. Following execution of the RSA, the Debtors commenced a pre-petition solicitation of the Plan to the ABL Lenders, the Noteholders, the holder of the Management Agreement Claims, and the Debtors' equityholders (the "Equityholders") – the only classes of claims or interests entitled to vote on the Plan. While vote tabulation remains ongoing, based on the commitments reflected in the RSA, the Debtors anticipate receiving the requisite votes to confirm the Plan from all voting classes.

8. If confirmed, the Plan will implement the agreed restructuring of the Debtors' obligations to the Noteholders, providing each Noteholder with a pro rata share of 9,122,999 shares of equity of a reorganized entity, to be determined in accordance with the Plan, which will own, directly or indirectly, 100% of the equity interests in Modular Space Corporation as of the Effective Date (the "Reorganized Entity"), along with the ability to participate in a rights offering of $90 million in the Reorganized Entity (the "Rights Offering") pursuant to which the Noteholders may subscribe to purchase their pro rata share of an additional 18,317,500 shares of equity in the Reorganized Entity. In exchange for their agreement to backstop the Rights Offering, certain members of the Ad Hoc Noteholder Group would receive a backstop fee in an amount equal to 5% of the equity offered in the Rights Offering, or 915,875 shares of equity in the Reorganized Entity. The proceeds of the Rights Offering will be used to aid the Debtors' exit from the Chapter 11 Cases. The remaining equity will be distributed pro rata to the Debtors' current Equityholders, along with certain warrants. The ABL Facility will be amended and restated pursuant to an exit financing agreement between the ABL Lenders and the Debtors. Under the Plan, each holder of all other allowed claims will receive treatment that renders such allowed claim unimpaired (either through reinstatement or satisfaction of such claim). The holders of the Management Agreement Claims against Modular Space Corporation will be

entitled to receive a distribution in the event of a Qualifying Liquidity Event (as defined in the Plan).

9. If general unsecured claims are filed against Holdings and/or Intermediate prior to the Bar Date, the Noteholders reserve the right to direct the Debtors to withdraw the Plan for Holdings and modify the Plan for Intermediate to provide no recoveries for the General Unsecured Claims (the "Alternative Transaction"). The Alternative Transaction would have no impact on the recoveries of creditors at any Debtors other than Holdings and Intermediate, with the exception of the Management Agreement Claims which would not be entitled to a distribution. In the event of an Alternative Transaction, the Existing Equityholders would not receive any distributions on account of their Existing Equity Interests. They and the holder of the Management Agreement Claims would, however, have an opportunity to participate in the Noteholder Plan Settlement as outlined in the Plan, pursuant to which they could receive their pro rata share of 3% of equity in the Reorganized Entity in exchange for their Management Agreement Claims and granting contractual releases to the Released Parties under the Plan.

10. The Debtors intend to seek expeditious approval of the disclosure statement filed with the Plan (the "Disclosure Statement") and confirmation of the Plan in accordance with the terms of the RSA and the Bankruptcy Code. The Debtors believe that the Plan represents the best prospect for restructuring the Debtors' capital structure, significantly delevering the Debtors' balance sheet and positioning the Debtors to continue as a competitive enterprise.

## Relief Requested

11. By this Motion, the Debtors request that this Court enter the Interim Order, substantially in the form attached hereto as Exhibit A:[3]

[3] All capitalized terms used in paragraphs 11, 12 and 13 but not defined herein shall have the meanings ascribed to them in the DIP Credit Agreement or Interim Order. The description of the terms of the DIP Credit

A. Authorizing the DIP Lenders, pursuant to Section 363(b)(1) of the Bankruptcy Code, and the Debtors, pursuant to Sections 105, 363 and 364 of the Bankruptcy Code, to execute and enter into (i) that certain Senior Secured Superpriority Debtor in Possession Loan Agreement (the "DIP Credit Agreement"), substantially in the form as attached as Exhibit A to the Interim Order, by and among the Debtors and the DIP Lenders, providing for financing on a post-petition basis (the "DIP Facilities"), to be made available to the Debtors after entry of the Interim Order, an amount equal to the lesser of (x) the effective revolving commitments under the DIP Facilities and (y) the Borrowing Base (as defined in the DIP Credit Agreement), plus all interest, fees and other charges payable in connection with such DIP Credit Extensions as provided in the DIP Financing Documents; to incur any and all liabilities and obligations under the DIP Financing Documents; and to pay all principal, interest, fees, expenses and other obligations provided for under the DIP Financing Documents (the "Interim Funding") and (ii) any related documents, instruments, agreements, notes and certificates required to be executed and/or delivered by or in connection with the DIP Credit Agreement (together with the DIP Credit Agreement, as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the Interim Order and this Final Order, collectively, the "DIP Financing Documents");

B. Authorizing the Debtors to perform their respective obligations under the DIP Financing Documents and such other and further acts as may be required in connection with the DIP Financing Documents, including, without limitation, the joint and several guaranty of payment of the Canadian Obligations by the U.S. Borrowers under (and as defined in) the DIP Financing Documents and the Order and conferring Section 364(c)(1) priority status on all DIP Obligations;

C. Authorizing the use of cash collateral in the form of collections and proceeds of accounts receivable, general intangibles, and other rights to payment to repay the Pre-Petition Debt;

D. Vacating and modifying the automatic stay imposed under Section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms of the DIP Financing Documents and the Order;

E. Approving the Debtors' and the Guarantors' stipulation and agreement regarding the validity, extent, amount, perfection, priority, and non-avoidability of the Pre-Petition Claims and Liens granted by the Debtors

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Agreement and Interim Order in this Motion are summary only and the parties are referred to the DIP Credit Agreement and Interim Order for a complete recitation of their respective terms and conditions. In the event of any inconsistency between the description of the DIP Financing in this Motion and the Interim Order and the DIP Credit Agreement, the Interim Order and the DIP Credit Agreement shall control, as the case may be.

and the Guarantors under or in connection with the Pre-Petition Credit Agreement and the waiver of any claim or cause of action against any Pre-Petition Credit Party, including any claim under Chapter 5 of the Bankruptcy Code;

F. Granting liens and providing superpriority administrative status ("DIP Liens") to the DIP Agent for the benefit of the DIP Lenders (the DIP Agent together with the DIP Lenders, the "DIP Credit Parties") pursuant to Section 364 of the Bankruptcy Code as set forth in the Financing Orders and as provided in the DIP Financing Documents;

G. Authorizing the DIP Lenders to enforce the DIP Liens and DIP Credit Agreement on the terms set forth in the DIP Orders;

H. Authorizing a carve-out (the "Carve-Out") for professional fees on terms and conditions set forth in the DIP Orders and as contemplated by the DIP Credit Agreement;

I. Entitling the DIP Lenders to the benefits of Section 364(e) of the Bankruptcy Code;

J. Providing that the DIP Liens are deemed perfected without the necessity of the DIP Credit Parties filing of record any documents, notices, or other filings; and

K. granting such other relief as is described in the Interim Order.

12. By this motion, the Debtors also request entry of the Final Order, substantially in the form attached hereto as Exhibit B:

A. Containing substantially the same provisions as the Interim Order;

B. Authorizing the DIP Lenders, pursuant to Section 363(b)(1) of the Bankruptcy Code, and the Debtors, pursuant to Sections 363 and 364 of the Bankruptcy Code, to perform under the DIP Facilities, and authorizing the DIP Lenders to make available credit facilities of up to $768,000,000.00 to the Debtors, which shall be composed of a revolving line of credit to the U.S. Borrowers in the aggregate amount of up to $568,000,000.00, consisting of revolving loans and letters of credit, a revolving line of credit to the Canadian Borrower in the aggregate amount of up to $200,000,000.00, consisting of revolving loans and letters of credit, and a U.S. Term Loan (as defined below) to the U.S. Borrowers in the amount of the unpaid principal balance in indebtedness and other obligations to the U.S. Borrowers to the U.S. Term Lenders outstanding under the ABL Facility (as defined below) (inclusive of the Interim Funding) (collectively, the "DIP Loans");

C. Proscribing any surcharge of any pre-petition or post-petition liens of any DIP Lender or DIP Collateral pursuant to Section 506(c) of the Bankruptcy Code or otherwise; and

D. Permitting the DIP Lenders to provide one or more DIP Loans in an amount sufficient to pay, and to be used to cause full payment of, the U.S. Borrowers' outstanding Pre-Petition Obligations (as defined below)

**Concise Statement of DIP Facilities Pursuant to Bankruptcy Rule 4001 and Local Rule 4001-2**

13. Pursuant to Bankruptcy Rule 4001(c) and Local Rule 4001-2(a), the essential terms of the DIP Facilities are as follows:

| **MATERIAL TERMS OF DIP FACILITIES**[4] | |
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| **U.S. Borrowers** | (i) Modular Space Holdings, Inc.<br>(ii) Modular Space Intermediate Holdings, Inc.<br>(iii) Modular Space Corporation<br>(iv) Resun ModSpace, Inc.<br>(v) Resun Chippewa, LLC; and<br>(vi) ModSpace Government Financial Services, Inc., as joint and several borrowers.<br>DIP Credit Agreement, Section 3.12. |
| **Canadian Borrower** | ModSpace Financial Services Canada, Ltd. |
| **Guarantors** | Each U.S. Borrower that guarantees payment or performance in whole or in part of the DIP Obligations owed by the Canadian Borrower<br>DIP Credit Agreement, Annex A. |
| **DIP Lenders** | A syndicate of financial institutions that are parties to the DIP Credit Agreement, provided that KKR Financial CLO 2005-1, Ltd., KKR Financial CLO 2005-2, Ltd. and KKR Financial CLO 2006-1, Ltd. (collectively, "U.S. Term Lender") will participate only in the U.S. Term |

[4] This concise statement is qualified in its entirety by reference to the applicable provisions of the DIP Credit Agreement or the DIP Orders, as applicable. To the extent there exists any inconsistency between this concise statement and the provisions of the DIP Credit Agreement or the DIP Orders, the provisions of the DIP Credit Agreement or the DIP Orders shall control.

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| | Loan (as defined below).<br><br>DIP Credit Agreement, Annex A. |
| **Limitation on the Use of Proceeds** | (i) to pay the Pre-Petition Obligations to the extent authorized by the Court and/or the Canadian Court, and subject to the provisions of Section 3.1 (Revolving Loans);<br><br>(ii) to pay expenses described (and not to exceed Permitted Variances (other than with respect to Professional Fees) with respect to) the DIP Budget and with Administrative Agent's written consent after the occurrence of an Event of Default, to fund the costs of an orderly liquidation of the Collateral;<br><br>(iii) to make Adequate Protection Payments, but only to the extent authorized by the Court;<br><br>(iv) to pay fees required to be paid to the office of the U.S. Trustee;<br><br>(v) to pay Professional Fees of Professional Persons subject to any limitations in the DIP Orders, allowance by the Court or the Canadian Court and Obligors' receipt of an itemized billing and expense statement from such Professional Person;<br><br>(vi) to pay any of the Obligations;<br><br>(vii) to pay property taxes with respect to any Collateral to the extent nonpayment thereof is secured by a Lien senior to the Administrative Agent's Liens thereon;<br><br>(viii) to pay expenses incurred by the Administrative Agent (including legal fees and expenses) in connection with the negotiation and documentation of, or due diligence conducted in connection with, any proposed financing to be provided by the Administrative Agent or DIP Lenders in connection with the consummation of the Plan of Reorganization; and<br><br>(ix) to pay other expenses authorized by the Court in orders entered in the Chapter 11 Cases that are acceptable to Administrative Agent and Required Lenders.<br><br>DIP Credit Agreement, Section 7.32. |
| **U.S. Revolving ABL DIP Facility** | At any date after entry of Interim Order, an amount equal to the lesser of (i) the then effective commitments under the U.S. Revolving DIP Facility and (ii) the U.S. Borrowing Base (defined below) on such date.<br><br>Initial Borrowings and other extensions of credit may be obtained by U.S. Borrowers on a revolving basis as of the Closing Date and during the Interim Period in an aggregate amount not in excess of $55,000,000 at any time outstanding.<br><br>Interim Order, ¶ 1(b) |

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| | "U.S. Borrowing Base" means, at any time, an amount in Dollars equal to:<br>a) the sum of<br>i. eighty-five percent (85%) of the Net Amount of Eligible Accounts of the U.S. Borrowers; plus<br>ii. the Rental Equipment Advance Rate multiplied by the book value of Eligible Rental Equipment of the U.S. Borrowers; minus<br>b) Without duplication of clause (b) of the definition of the "Canadian Borrowing Base", Reserves from time to time established by the Administrative Agent in accordance with Section 1.2(g) of the Agreement.<br>DIP Credit Agreement, Section 3.2., Annex A. |
| **Canadian Revolving ABL DIP Facility** | At any date after entry of Interim Order, an amount equal to the lesser of (i) the then effective commitments under the Canadian Revolving DIP Facility and (ii) the Canadian Borrowing Base (defined below) on such date.<br>Initial Borrowings and other extensions of credit may be obtained by Canadian Borrower on a revolving basis as of the Closing Date and during the Interim Period in an aggregate amount not in excess of $6,000,000 at any time outstanding.<br>Interim Order, ¶ 1(b)<br>"Canadian Borrowing Base" means, at any time, the Dollar Equivalent equal to:<br>a) the sum of<br>i. 85% of the Net Amount of Eligible Accounts of the Canadian Borrower; plus<br>ii. the Rental Equipment Advance Rate multiplied by the book value of Eligible Rental Equipment of the Canadian Borrower; minus<br>b) Without duplication of clause (b) of the definition of the "U.S. Borrowing Base", Reserves from time to time established by the Administrative Agent in accordance with Section 1.2(g) of the Agreement.<br>DIP Credit Agreement, Section 3.2., Annex A. |
| **Roll-Up** | As of the date of entry of the Interim Order:<br>(i) each Letter of Credit issued and outstanding under the Pre-Petition Credit Agreement and listed on Schedule 1.3(h) shall be deemed to have been issued under the DIP Credit Agreement;<br>(ii) on each date that a U.S. Borrower, Administrative Agent or any |

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| | Lender shall receive any cash proceeds of U.S. Collateral consisting of Accounts or Rental Equipment, such proceeds shall be applied first to the U.S. Revolving Loans and then to the other Obligations, provided that, (x) until the Court enters the Final DIP Financing Order or other order authorizing the Roll-Up of all of the Pre-Petition U.S. Obligations into the U.S. Obligations, such proceeds shall be presumed to constitute and arise from Pre-Petition U.S. Collateral and may be applied as provided in the DIP Orders and, (y) so long as no Event of Default exists, cash proceeds of U.S. Collateral consisting of Accounts or Rental Equipment shall not be applied to repay the Pre-Petition Canadian Obligations; and<br><br>(iii) on each date that the Canadian Borrower (or a representative of creditors of the Canadian Borrower), Administrative Agent or any Lender shall receive any cash proceeds of Canadian Collateral consisting of Accounts or Rental Equipment, such proceeds shall be applied first to the Canadian Revolving Loans and then to the other Canadian Obligations; provided that, until the Full Payment of the Pre-Petition Canadian Obligations, such proceeds shall be presumed to constitute and arise from Pre-Petition Canadian Collateral and may be applied as provided in the DIP Orders.<br><br>Interim Order, ¶ 7(d)<br><br>As of the date of entry of the Final Order:<br><br>(i) a term loan (the "U.S. Term Loan") from the U.S. Term Lenders to U.S. Borrowers, in the unpaid principal balance of indebtedness, accrued and unpaid interest and fees thereon of the U.S. Borrowers to the U.S. Term Lenders in order to effectuate the roll-up of the U.S. Pre-Petition Obligations owing by Debtors to the U.S. Term Lenders; and<br><br>(ii) one or more loans (the "Pre-Petition Roll-Up Term Loans" and, together with the Revolving DIP Loans, and the U.S. Term Loan, the "DIP Loans") in an amount sufficient to pay, and to be used to cause full payment of, all outstanding U.S. Pre-Petition Obligations.<br><br>DIP Credit Agreement, Section 1.2(b)(3), Section 1.3(h), Section 1.7, Section 3.1; Final Order, ¶ 5. |
| **DIP Budget** | "DIP Budget" means as applicable,<br><br>(i) an initial 10-week cash forecast and budget commencing with the week during which the Petition Date occurs, of Debtors' and their Subsidiaries' consolidated projected (a) cash receipts and cash operating disbursements for such 10-week period, on a weekly basis (which such forecasts of cash receipts and cash operating disbursements shall be in form and substance satisfactory to Administrative Agent (after reasonable consultation with Required Lenders)), (b) operating cash flow for such 10-week period, and (iii) a statement of the actual amounts of |

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| | each line item for the preceding two (2) weeks together with a variance analysis from the previously delivered DIP Budget, together with an explanation of any material variances or material prospective changes to such DIP Budget, together with back up schedules and supporting information as requested by Administrative Agent; and<br><br>(ii) an updated DIP Budget for each successive 10-week period thereafter, which shall, in each case, include detailed line item receipts and expenditures, including the amount of Professional Fees and expenses for each Professional Person, together with appropriate supporting schedules and information and an explanation of any change from the DIP Budget then in effect. The DIP Budget (including, for the avoidance of doubt, the initial DIP Budget and any updated DIP Budget) shall be in form and substance acceptable to Administrative Agent. The DIP Budget in effect on the Closing Date was filed with the DIP Financing Motion or attached to the Interim Order.<br><br>DIP Credit Agreement, Annex A. |
| **Maturity and Termination Date** | The earliest of the following to occur are the potential termination events and dates:<br><br>(i) February 28, 2017, unless extended in writing pursuant to Section 10.1 of the DIP Credit Agreement;<br><br>(ii) 45 days following the entry of the Interim Order if the Final Order has not been entered on or before such date;<br><br>(iii) the date of termination of the DIP Facilities, or the Commitments (as defined in the DIP Credit Agreement) pursuant to Section 3.2 or Section 9.2 of the DIP Credit Agreement, the effective date of the Plan of Reorganization or a confirmed plan of reorganization or liquidation for any Borrower;<br><br>(iv) the closing date on which all or substantially all of the Collateral or the equity interests of any Obligor are sold in one or more 363 sales or otherwise disposed of ;<br><br>(v) the date on which any Agent is granted relief from the automatic stay or the stay granted in the Canadian Recognition Proceedings;<br><br>(vi) the acceleration of the DIP Loans or termination of the Commitments, including as a result of the occurrence of an Event of Default;<br><br>(vii) the date on which any of the Chapter 11 Cases or the Canadian Orders or the Canadian recognition proceedings are dismissed or converted by the respective courts;<br><br>(viii) the date on which Full Payment has been made of all of the |

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| | Obligations and the Pre-Petition Obligations; and<br><br>(ix) the date the Agreement is otherwise terminated for any reason whatsoever pursuant to the terms of the Agreement.<br><br>DIP Credit Agreement, Annex A. |
| **Fees** | *Closing Fee (as set forth in Fee Letter to be filed under seal)*<br><br>*Administrative Agent Fee (as set forth in Fee Letter to be filed under seal)*<br><br>*U.S. Borrowers Unused Line Fee*<br><br>A fee amount equal to the Applicable Unused Line Fee Margin per annum times the amount by which the U.S. Maximum Revolver Amount exceeded the sum of the average daily outstanding amount of U.S. Revolving Loans and the average daily undrawn face amount of outstanding U.S. Letters of Credit during the immediately preceding calendar month or shorter period if calculated for the first calendar month hereafter or on the Termination Date.<br><br>DIP Credit Agreement, Section 2.5.<br><br>*Canadian Borrowers Unused Line Fee*<br><br>A fee equal to equal to the Applicable Unused Line Fee Margin per annum times the amount by which the Canadian Maximum Revolver Amount exceeded the sum of the average daily outstanding amount of Canadian Revolving Loans and the average daily undrawn face amount of outstanding Canadian Letters of Credit, during the immediately preceding calendar month or shorter period if calculated for the first calendar month hereafter or on the Termination Date.<br><br>DIP Credit Agreement, Section 2.5.<br><br>*Letter of Credit Fee*<br><br>A fee equal to, on a per annum basis, 4.50% (plus, whenever the Default Rate is in effect, an additional two percent (2.00%) per annum), (b) to the Applicable Agent, for the benefit of the Applicable Letter of Credit Issuer, a fronting fee of one-eighth of one percent (0.125%) per annum of the undrawn face amount of each Letter of Credit, and (c) to the Applicable Letter of Credit Issuer, all out-of-pocket costs, plus the Applicable Letter of Credit Issuer's customary fees in connection with the application for, processing of, issuance of, or amendment to any Letter of Credit issued by such Applicable Letter of Credit Issuer.<br><br>DIP Credit Agreement, Section 2.4. |

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| **Interest Rate** | The rates set forth in Section 2.1 of the DIP Credit Agreement. |
| **Collateral and Priority** | Each Borrower's and Guarantor's real and immovable and personal and movable property, all personal property pledged to the Administrative Agent by Intermediate Holdings and Holdings pursuant to the Pledge Agreement to which Intermediate Holdings and Holdings are parties and all other assets of any Person from time to time subject to the Administrative Agent's Liens securing payment or performance of the U.S. Obligations or the Canadian Obligations, or both, as applicable, (collectively, the "Collateral") which have the senior status afforded by Sections 364(c), 364(d) and 503(b) of the Bankruptcy Code.<br><br>DIP Credit Agreement, Annex A; Section 1.6. |
| **Superpriority Administrative Expense Claim** | The obligations of the Debtors under the DIP Credit Agreement are joint and several and constitute superpriority administrative claims. Except as set forth in the DIP Orders or the Canadian Orders, the Court or the Canadian Court enters any order in any of the Chapter 11 Cases or the Canadian Recognition Proceedings granting to any Person no other claim having a priority either superior to or Lien *pari passu* with that granted to Agents under the DIP Orders.<br><br>Interim Order ¶ 4. |
| **Modification of Automatic Stay** | The automatic stay imposed under Section 362 of the Bankruptcy Code is modified to the extent necessary to implement and effectuate the terms of the DIP Credit Agreement, the Financing Documents and the DIP Orders.<br><br>Interim Order ¶ 20. |
| **Indemnification of any Entity** | The Obligors agree to defend, indemnify and hold the Agent-Related Persons, each Arranger and each Lender and each of their respective Affiliates, officers, directors, employees, agents and other representatives (each, an "Indemnified Person") harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits (whether brought by an Obligor or any other Person), costs, charges, expenses and disbursements (including Attorney Costs and reasonable legal costs and expenses of the Lenders to the extent provided for herein) of any kind or nature whatsoever which may at any time (including at any time following repayment of the Loans and the termination, resignation or replacement of any Agent or replacement of any Lender) be imposed on, incurred by or asserted against any such Person in any way relating to or arising out of this Agreement or any document contemplated by or referred to herein, or the transactions contemplated hereby, or any action taken or omitted by any such Person under or in connection with any of the foregoing, including with respect to any investigation, litigation or proceeding (including any bankruptcy, |

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| | insolvency or similar proceedings, and any appellate proceeding) related to or arising out of this Agreement, any other Loan Document, or the Loans or the use of the proceeds thereof, whether or not any Indemnified Person is a party thereto (all the foregoing, collectively, the "Indemnified Liabilities"); provided that the Obligors shall have no obligation hereunder to any Indemnified Person with respect to Indemnified Liabilities to the extent (i) such Indemnified Liabilities are determined by a court of competent jurisdiction in a final and non-appealable order to have resulted from (x) the gross negligence, bad faith or willful misconduct of such Indemnified Person or any of its Affiliates or any officer, director, employee, agent, advisor or member of such Indemnified Person or its Affiliates or (y) a material breach of the material obligations of such Indemnified Person under the Loan Documents or (ii) such Indemnified Liabilities relate to any claims between or among Indemnified Persons other than (x) claims against any Agent, any Arranger or any Lender or their respective Affiliates, in each case in their respective capacities or in fulfilling their respective roles as an agent or an arranger or any other similar role under this Agreement as the case may be (excluding their role as a Lender) and (y) claims arising out of any act or omission on the part of any Obligor or any of its Subsidiaries or other Affiliates.<br><br>The Obligors agree to indemnify, defend and hold harmless the Agents and the Lenders from any loss or liability directly or indirectly arising out of the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal or presence of a Contaminant relating to any Obligor's or any of their Subsidiaries' operations, business or property. This indemnity will apply whether the Contaminant is on, under or, if attributable to any Obligor or their Subsidiaries, about an Obligor's or their Subsidiary's property or operations or property leased to a Borrower or Subsidiary. The indemnity includes but is not limited to Attorneys Costs and reasonable legal costs and expenses of the Lenders to the extent provided for herein. The indemnity extends to the Agents and the Lenders, their parents, Affiliates, Subsidiaries and all of their directors, officers, employees, agents, successors, attorneys and assigns.<br><br>DIP Credit Agreement, Section 13.11. |
| **Conditions to Initial Borrowing** | Applicable Lenders will not be obligated to make initial loans unless:<br><br>(i) the DIP Credit Agreement and related documents are executed and the Obligors have complied with all covenants and conditions;<br><br>(ii) the Administrative Agent has received the initial DIP Budget, the initial Professional Fees Budget, and all of the "first day orders" in form and substance satisfactory to the Administrative Agent; |

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| | (iii) the Obligors have commenced their Chapter 11 Cases;<br><br>(iv) the Interim Order has been entered, which shall not have been reserved, modified, amended, stayed, vacated, or subject to a stay pending appeal, and each Borrower shall be in compliance with such Order;<br><br>(v) no trustee or examiner has been appointed with respect to the Obligors or their respective properties;<br><br>(vi) the Administrative Agent shall have received all of the first day orders presented to the Court at or about the time of the commencement of the Chapter 11 Cases (including a Cash Management Order) and such first day orders are reasonably satisfactory in form and substance to Administrative Agent;<br><br>(vii) the Administrative Agent has received customary opinions of counsel for the Obligors that are reasonably satisfactory to the Agents and their respective counsel;<br><br>(viii) the Administrative Agent has received proper financing statements for filing under the UCC and PPSA in order to perfect the first priority Lien;<br><br>(ix) the Obligors have paid all fees and expenses required on the Closing Date;<br><br>(x) the Administrative Agent has received evidence of insurance coverage required under the DIP Credit Agreement reasonably satisfactory to the Administrative Agent;<br><br>(xi) the Administrative Agent has received a Borrowing Base Certificate prepared as of October 31, 2016 and a completed "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination for all relevant Real Estate;<br><br>(xii) MSC and SPS have delivered to the Administrative Agent a true and correct copy of the Master Lease and a duly executed assignment to their rights thereunder and a duly expected assignment to the Administrative Agent of all their respective rights under the Master Lease;<br><br>(xiii) the Agents and Arrangers have received reasonably requested financial statements and projections; and<br><br>(xiv) Obligors have delivered or caused to be delivered to the Administrative Agent (in form and substance reasonably satisfactory to the Administrative Agent), instruments, resolutions, documents, agreements, certificates, opinions and other items set forth on the |

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| | "Schedule of Closing Documents."<br><br>DIP Credit Agreement, Section 8.1. |
| **Conditions to Each Borrowing** | Applicable Lenders will not be obligated to make loans unless:<br><br>(i) all representations and warranties in the DIP Credit Agreement are correct in all material respects;<br><br>(ii) no Default or Event of Default has occurred and is continuing or would result from such extension of credit;<br><br>(iii) conditions relevant to Credit Support or issuance of a Letter of Credit provided for in the DIP Credit Agreement have been satisfied; if relevant and<br><br>(iv) a Borrowing would not exceed the applicable U.S. Availability or Canadian Availability unless as applicable to any Swingline Loan made in accordance with Section 1.2(i) of the DIP Credit Agreement.<br><br>DIP Credit Agreement, Section 8.2. |
| **Events of Default and Remedies** | The DIP Credit Agreement includes events of default relating to:<br><br>(i) Obligors' failure to make principal or interest payments;<br><br>(ii) any representation or warranty untrue in any material respect on the date that it was made by any Obligor or their Subsidiaries relating to the DIP Credit Agreement, any other Loan Document, any Financial Statement or certificate furnished;<br><br>(iii) (a) any default in the observance or performance of certain enumerated covenants lasting longer than the applicable grace period, (b) any default under any Loan Document other than the DIP Credit Agreement, and (c) any default in the observance or performance of any provision of the DIP Credit Agreement or other Loan Document continuing for 30 days or more after notice is provided to the Obligors by the Administrative Agent or the Required Lenders;<br><br>(iv) cross-defaults on Post-Petition Debt of any Obligor if the principal amount outstanding exceeds $15,000,000 or the default would permit or require acceleration of such debt;<br><br>(v) dissolution, winding up or liquidation of any Obligor or any of its Subsidiaries;<br><br>(vi) termination, revocation, invalidity or unenforceability of the DIP Credit Agreement or any Security Document (other than in accordance with the terms of the DIP Credit Agreement);<br><br>(vii) entry of any post-petition judgment, order, decree or arbitration |

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| | award against any Obligor or any of their Subsidiaries in excess of $7,500,000 individually or in the aggregate remaining unsatisfied, unvacated and unstayed pending appeal for 60 days after entry;<br><br>(viii) for any reason, other than the failure of the Administrative Agent to take any action available to it to maintain perfection of the Administrative Agent's Liens pursuant to the Security Documents, this Agreement or any Security Document ceases to be in full force and effect (other than in accordance with its terms) or any Lien with respect to any material portion of the Collateral intended to be secured thereby ceases to be, or is not, valid, perfected and prior to all other Liens (other than Permitted Liens) or is terminated (other than in accordance with its terms), revoked or declared void;<br><br>(ix) an ERISA Event shall occur with respect to a Pension Plan or Multi-employer Plan which has resulted or could reasonably be expected to result in liability of an Obligor under Title IV of ERISA to the Pension Plan, Multi-employer Plan or the PBGC in an aggregate amount in excess of $2,500,000; the aggregate amount of Unfunded Pension Liability among all Pension Plans at any time exceeds $2,500,000; or an Obligor or any ERISA Affiliate shall fail to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multi-employer Plan in an aggregate amount in excess of $2,500,000;<br><br>(x) a Change of Control occurs other than pursuant to the Plan;<br><br>(xi) A Pension Event shall occur which, in Administrative Agent's reasonable determination, constitutes grounds for the termination under any applicable law, of any Canadian Pension Plan or for the appointment by the appropriate Governmental Authority (including the FSCO) of an administrator or like body for any Canadian Pension Plan; any Canadian Pension Plan shall be terminated or any such administrator or like body shall be requested or appointed; the Canadian Borrower or any of its Subsidiaries is in default with respect to payments to a Canadian Pension Plan resulting from their complete or partial withdrawal from such Canadian Pension Plan and any such event would reasonably be expected to have a Material Adverse Effect; or any Lien arises in respect of an amount in excess of $2,500,000 (save for contribution amounts not yet due) in connection with any Canadian Pension Plan;<br><br>(xii) Any Obligor shall fail to comply with any of the provisions of the DIP Orders or the Canadian Orders or any other order entered by the Court or the Canadian Court;<br><br>(xiii) any party to the RSA breaches any material provision of the RSA;<br><br>(xiv) any Obligor fails to comply in any material respect with the Plan of Reorganization Confirmation Order or any order of the Canadian Court recognizing such order; |

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| | (xv) any Termination Event under (and as defined in) the RSA occurs or exists;<br><br>(xvi) unless otherwise approved by Administrative Agent and the Required Lenders, an order of the Court or the Canadian Court shall be entered providing for a change in venue with respect to any Chapter 11 Case or the Canadian Recognition Proceedings, and such order shall not be reversed or vacated;<br><br>(xvii) any Obligor shall make an expenditure not authorized by the DIP Budget, subject to the Permitted Variances;<br><br>(xviii) a trustee shall be appointed in any of the Chapter 11 Cases;<br><br>(xviv) a responsible officer or an examiner shall be appointed in any of the Chapter 11 Cases with enlarged powers (powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code) under section 1106(b) of the Bankruptcy Code;<br><br>(xx) any of the Chapter 11 Cases shall be dismissed or converted to a case under Chapter 7, or the Canadian Recognition Proceedings shall be converted to a proceeding under the BIA, or the filing, by an Obligor of a motion seeking any such relief, or the failure of an Obligor to file responding materials opposing a motion by a third party seeking any such relief within the time frame provided for the filing of such response or objection by the respective court;<br><br>(xxi) any Obligor shall make a payment on account of any liability incurred prior to the Petition Date other than in accordance with an order of the Court and permitted by the DIP Budget (and any Permitted Variances), including in connection with Adequate Protection Payments, in connection with the assumption of executory contracts and unexpired leases, or in respect of payroll and related expenses and employee benefits accrued as of the Petition Date;<br><br>(xxii) the Court shall enter an order terminating the exclusive right of any Obligor to file a Chapter 11 Plan;<br><br>(xxiii) any Obligor shall obtain Court approval of a disclosure statement for a Chapter 11 Plan other than the Plan of Reorganization or a Confirmation Order shall be entered with respect to a Chapter 11 Plan (regardless of the proponent of such Chapter 11 Plan) if such Chapter 11 Plan is not the Plan of Reorganization;<br><br>(xxiv) any or all Obligors shall enter into an agreement for, or shall file (or support or fail to file responding materials opposing a motion by a third party seeking any such relief within the time frame provided for the filing of such response or objection by the respective court) a motion seeking, or the Court shall enter, an order authorizing, a sale of all or substantially all of such Obligor's assets for a cash price or other terms that will not result in Full Payment of the Obligations and Pre-Petition |

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| | Obligations at the closing of such sale unless the terms are otherwise acceptable to Administrative Agent and Lenders in their sole and absolute discretion;<br><br>(xxv) any Obligor shall file a motion seeking authority to consummate a sale of assets of such Obligor or any of its Subsidiaries (other than any such sale of assets that is permitted by the Loan Documents) outside the ordinary course of business, or any sale of any part of the Collateral pursuant to section 363 of the Bankruptcy Code or under the CCAA or the BIA, in each case without the Administrative Agent's and Required Lenders' consent;<br><br>(xxvi) any substantial part of an Obligor's assets, other than the Collateral, shall be sold by such Obligor, and, as a consequence of such sale, such Obligor is not able to continue its business operations in substantially the same manner as was conducted by it prior to such sale;<br><br>(xxvi) without the prior written consent of Administrative Agent and the Required Lenders, any Obligor shall file a motion to alter, amend, vacate, supplement, modify, in any respect, either of the DIP Orders or the Canadian Orders or either of the DIP Orders or the Canadian Orders is reversed, modified, amended, stayed, vacated or subject to a stay pending appeal;<br><br>(xxvii) the Court or the Canadian Court shall enter an order granting any Person, other than Administrative Agent, relief from the automatic stay under the Chapter 11 Cases or the court-ordered stay in the Canadian Recognition Proceedings to permit enforcement on, foreclosure on or repossession of any Collateral or other assets of any Obligor if such relief could reasonably be expected to have a Material Adverse Effect, or to permit the commencement or continuation of Pre-Petition litigation against any Obligor for any purpose other than to liquidate the amount of a disputed claim involving potential liability not covered by insurance;<br><br>(xxviii) an order shall be entered for the substantive consolidation of the Estate of any Obligor with any other Person, unless such Person is another Obligor, and such order granting substantive consolidation provides that the assets of such Obligor shall remain subject to the Liens of Administrative Agent and Pre-Petition Administrative Agent securing the Obligations and the Pre-Petition Obligations, respectively;<br><br>(xxix) any order is entered prohibiting or otherwise restricting, or the Court or the Canadian Court shall prohibit or otherwise restrict, the ability of Pre-Petition Agents to credit bid the Pre-Petition Obligations;<br><br>(xxx) the DIP Facility shall cease to be in full force and effect, the Court or the Canadian Court shall declare the DIP Facility to be null and void, any Obligor shall contest the validity or enforceability of the DIP Facility, any Obligor shall deny in writing that such Obligor has any further liability or obligation under the DIP Facility, or Agents or |

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| | Lenders shall cease to have the benefit of the Liens granted by any of the DIP Orders or the Canadian Orders once such orders have been made;<br><br>(xxxi) the Obligors have not sought and diligently pursued the Initial Canadian Order as soon as practicable (including by filing with the Canadian Court the application to commence the Canadian Recognition Proceedings within two (2) Business Days (or such later date agreed to in writing by the Administrative Agent) following the entry of the Interim DIP Financing Order) or the Canadian Court has not entered the Initial Canadian Order recognizing the Interim DIP Financing within twenty (20) days (or such later date agreed to in writing by the Administrative Agent) after entry of the Interim DIP Financing Order or the Initial Canadian Order is thereafter vacated, stayed, reversed, modified or amended in any respect without the consent of the Administrative Agent and the Required Lenders;<br><br>(xxxii) the Canadian Court has not entered the Final Canadian Order recognizing the Final Order in the Canadian Recognition Proceedings within ten (10) days (or such later date agreed to in writing by the Administrative Agent) after entry of the Final Order or such recognition order is thereafter vacated, stayed, reversed, modified or amended in any respect without the consent of the Agent and the Required Lenders;<br><br>(xxxiii) an order shall be entered by the Court or the Canadian Court avoiding or requiring disgorgement by any Agent or any Lender of any amounts received in respect of the Obligations or Pre-Petition Obligations;<br><br>(xxxiv) any Obligor shall not have sufficient Excess Availability for a period of thirty (30) consecutive days to pay, or shall otherwise fail to pay as and when due and payable, all costs and expenses of administration that are incurred by such Obligor in the Chapter 11 Cases, other than fees and expenses covered by the Carve-Out;<br><br>(xxxv) an Obligor shall file any motion or other request with the Court or the Canadian Court seeking authority to use any cash proceeds of the Collateral or the Pre-Petition Collateral or to obtain any financing under section 364(d) of the Bankruptcy Code or other applicable law secured by a Lien upon any Collateral, in each case without the Administrative Agent's prior written consent;<br><br>(xxxvi) except as permitted in the DIP Orders or the Canadian Orders, the Court or the Canadian Court enters any order in any of the Chapter 11 Cases or the Canadian Recognition Proceedings granting to any Person a Superpriority Claim or Lien *pari passu* with or senior to that granted to Agents under the DIP Orders;<br><br>(xxxvii) any Obligor shall file any action, suit or other proceeding or contested matter challenging the validity, perfection or priority of any Liens of Administrative Agent securing the Obligations or any Liens of |

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| | Administrative Agent securing the Pre-Petition Obligations, or the validity or enforceability of any of the Loan Documents or Pre-Petition Loan Documents, or asserting any Avoidance Claim against any Agent, any Lender, any Pre-Petition Agent or any Pre-Petition Lender, or seeking to recover any monetary damages from any Agent, any Lender, any Pre-Petition Agent or any Pre-Petition Lender;<br><br>(xxxviii) any Obligor shall file a motion or other pleading seeking relief that, if granted, could reasonably be expected to result in the occurrence of an Event of Default;<br><br>(xxxix) a Challenge (as defined in ¶ of the DIP Orders) shall be filed by any party in interest and shall be sustained by the Court, in whole or in part;<br><br>(xl) without Administrative Agent's and Required Lenders' consent, any Obligor discontinues or suspends all or any material part of its business operations or commences an orderly wind-down or liquidation of its business; or<br><br>(xli) a receiver, receiver and manager, or interim receiver is appointed over the business or assets or any part thereof of an Obligor.<br><br>DIP Credit Agreement, Section 9.1.<br><br>The DIP Credit Agreement provides remedies upon an Event of Default:<br><br>(i) permitting the reduction of applicable Maximum Revolver Amounts or other elements used in computing the U.S. Borrowing Base or Canadian Borrowing Base;<br><br>(ii) restricting the amount of or refusing to make Loans; and<br><br>(iii) instructing the Letter of Credit Issuers to restrict or refuse to provide Letters of Credit or Credit Support. Additional remedies are available when an Event of Default has occurred and is continuing and the Required Lenders direct the Agent, including: terminating the Commitments, declaring Obligations immediately due and payable, and requiring cash collateralization of Borrower Group Obligations.<br><br>Additional remedies are available where an Event of Default has occurred and is continuing so long as the Default Notice Requirement is met.<br><br>DIP Credit Agreement, Section 9.2. |
| **No Cross-Collateralization**<br><br>**Local Rule. 4001-2(a)(i)(A)** | The DIP Credit Agreement and DIP Orders do not contain provisions regarding cross-collateralization. |

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| **No Findings of Fact**<br>**Local Rule 4001-2(a)(i)(B)** | The DIP Credit Agreement and DIP Orders contain provisions and findings of fact that bind the estate or other parties in interest with respect to the validity, perfection, and extent of any pre-petition liens of the DIP Lenders without giving at least seventy-five days from entry of the Order to investigate such matters because there are no pre-petition liens or loans. As set forth in the Interim Order, parties in interest shall have the ability to challenge any findings of fact, providing that such challenge is filed on or before the earliest to occur of (A) the date that the Court enters an order confirming any Chapter 11 plan of reorganization or liquidation proposed by any Debtor or (B) (i) in the case of a party in interest with requisite standing other than the Committee, 75 days after the date of entry of this Interim Order, (ii) in the case of the Committee, 60 days after the filing of notice of appointment of the Committee, or (iii) in each case of clauses (i) and (ii), any such later date agreed to in writing by Pre-Petition Agent, in its sole discretion, or ordered by the Court for cause shown, after notice and an opportunity to be heard.<br><br>Interim Order ¶ 22(b) |
| **No Section 506(c) Waiver**<br>**Local Rule 4001-2(1)(i)(C)** | There is no waiver under the Interim Order, but the Final Order contain provisions that seek to waive certain rights the estate may have under 11 U.S.C. § 506(c).<br><br>DIP Credit Agreement, Annex A; Interim Order, ¶ 11 |
| **No Liens on Avoidance Actions**<br>**Local Rule 4001-2(a)(i)(D)** | No liens on avoidance actions are being requested effective upon entry of the Interim Order, but the Final Order grant to the DIP Lenders liens on the Debtors' claims and causes of action arising under 11 U.S.C. §§ 544, 545, 547, 548, and 549. Liens on avoidance actions, as part of the adequate protection granted to the Pre-Petition Secured Parties, is also provided for in the Final Order.<br>Interim Order, ¶ 4(b) |
| **Roll-up Provisions**<br><br>**Local Rule 4001-(2)(a)(i)(E)** | The DIP Credit Agreement contemplates, and the DIP Orders request authorization for, a partial repayment of the ABL Facility upon entry of the Interim Order and a full repayment of the ABL Facility upon entry of the Final Order.<br>DIP Credit Agreement, Section 1.2(b)(3), Section 1.3(h), Section 1.7, Section 3.1; Interim Order ¶ 5(a); Final Order ¶ 5(a) |

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| **No Disparate Treatment of Committee Professionals**<br>**Local Rule 4001-2(a)(i)(F)** | The DIP Credit Agreement and DIP Orders do not provide disparate treatment for the professionals retained by any official committee of unsecured creditors from those professionals retained by the Debtors with respect to a professional fee carve-out. |
| **No Priming**<br>**Local Rule 4001-2(a)(i)(G)** | The DIP Credit Agreement and DIP Orders do not contain any provisions that prime any secured lien without the consent of that lienor. The liens and security interest granted under the DIP Credit Agreement shall be senior to the liens granted pursuant to the ABL Facility and Indenture and have been agreed to by the lienors. |
| **Equities of the Case Waiver**<br>**Local Rule 4001-(2)(a)(i)(H)** | There is no waiver under the Interim Order, but the Final Order contain provisions that seek to waive certain rights the estate may have under 11 U.S.C. § 552(b)(1).<br>Interim Order, ¶ 9 |

## Facts Relevant to this Motion

### A. The Debtors' Indebtedness

14. As of the Petition Date, as further set forth below, ModSpace had approximately $994.6 million of outstanding long-term debt consisting of the following, each as further described below: (a) approximately $592.2 million of debt under an asset-based revolving credit facility; and (b) approximately $410.4 million of 10.25% senior secured second lien notes due 2019.

*(i). The ABL Facility*

15. On June 6, 2011, MSC, Resun ModSpace, Inc. and ModSpace Government Financial Services, Inc., together with certain of their subsidiaries and affiliates, as the U.S. borrowers (the "U.S. Borrowers," and, as applicable, the "U.S. Guarantors"), MFSC, as Canadian borrower (the "Canadian Borrower," and, as applicable, the "Canadian Guarantors") entered into a secured asset-based revolving credit facility (the "ABL Facility") pursuant to that

certain Third Amended and Restated Credit Agreement (as amended, amended and restated, modified, supplemented or restated, and in effect from time to time, the "ABL Credit Agreement")[5] among, inter alia, the U.S. Borrowers, the Canadian Borrower, the Guarantors, Bank of America, N.A. as administrative agent (the "ABL Agent") and the lenders party thereto (the "U.S. ABL Lenders") and the Canadian lenders party thereto (together with the U.S. ABL Lenders, the "ABL Lenders").

16. Under the ABL Facility, the amount that may be borrowed under the facility is limited to the lesser of (a) $568 million in the case of U.S. Borrowers and $200 million in the case of the Canadian Borrower (with a borrower's option to increase the aggregate commitments with up to an additional $250 million upon satisfaction of certain conditions) and (b) a borrowing base calculated through designated percentages of eligible accounts receivable, eligible progress billings, eligible insurance receivables, eligible rental equipment, and eligible real estate of the respective borrowers and, as applicable, the Canadian Guarantor, less, in each case, customary reserves.

17. The U.S. Borrowers' obligations under the ABL Credit Agreement are guaranteed by each of the U.S. Borrowers' U.S. subsidiaries (but not by any Canadian entity), subject to certain customary exceptions with respect to, among others, immaterial subsidiaries and foreign subsidiaries. The U.S. Borrowers' obligations are secured by a first priority security interest in substantially all of the assets of the U.S. Borrowers and their U.S. subsidiaries, subject to certain customary exceptions and limitations (the "U.S. Pre-Petition First Liens").

18. The Canadian Borrower's obligations under the ABL Credit Agreement (the "Canadian Pre-Petition Obligations" and together with the U.S. Pre-Petition Obligations, the

[5] The unpaid principal balance of indebtedness and other obligations of Modular Space Holdings, Inc., the U.S. Borrowers, and the Pledgor outstanding under the ABL Credit Agreement shall hereinafter be referred to as the "U.S. Pre-Petition Obligations." Such obligations are secured by the "U.S. Pre-Petition Collateral."

"Pre-Petition Obligations") are secured by a first priority security interest in substantially all of the assets of the Canadian Borrower (the "Canadian Pre-Petition Collateral" and, together with the U.S. Pre-Petition Collateral, the "Pre-Petition Collateral"), subject to certain customary exceptions and limitations. Although MFSC has no subsidiaries, any subsequently formed or acquired subsidiaries would be required to guarantee the outstanding Canadian obligations, subject to certain customary exceptions with respect to, among others, immaterial subsidiaries and foreign subsidiaries (the "Canadian Pre-Petition First Liens" and, together with the U.S. Pre-Petition First Liens, the "Pre-Petition First Liens").

19. The ABL Facility matured on June 6, 2016. Since that date, the Debtors and the ABL Lenders have been operating under a series of forbearance agreements. The current forbearance agreement expired on December 19, 2016.

*(ii). The Secured Notes*

20. On February 25, 2014, MSC (for the purposes of this motion, the "Issuer") issued $375.0 million aggregate principal amount of senior secured second lien notes (the "Secured Notes," as held by "Secured Noteholders" ( the "Secured Noteholders" and together with the ABL Lenders, the "Pre-Petition Secured Parties")). Under the terms of the governing indenture (as amended, amended and restated, modified, supplemented or restated and in effect from time to time, the "Indenture"), the Issuer is required to pay fixed-rate interest at a rate of 10.25% semi-annually on January 31 and July 31 of each year. The Secured Notes mature on January 31, 2019.

21. Each of the Issuer's U.S. subsidiaries guarantees the outstanding obligations under the Secured Notes, but the Canadian entities do not guarantee such outstanding obligations. The Secured Notes are secured by a second priority security interest in substantially all of the assets of the Issuer and each of the Issuer's U.S. subsidiaries (the "Pre-Petition Second

Liens"). The Pre-Petition Second Liens are subordinated in each instance to any security interests of the ABL Lenders in such assets pursuant to an intercreditor agreement (as amended, amended and restated, modified, supplemented or restated, and in effect from time to time, the "Intercreditor Agreement") dated as of February 25, 2014 among, inter alia, the ABL Agent, Wells Fargo Bank, National Association in its capacity as trustee and as collateral agent under the Secured Notes,[6] and acknowledged and agreed to by Issuer and certain of its affiliates. However, the Secured Notes are secured by a pledge of 65% of the stock of MFSC, which is an asset of Issuer.

22. As of the Petition Date, ModSpace Corp had approximately $410.4 million outstanding in principal and accrued interest under the Secured Notes.

23. As set forth in more detail in the First Day Declaration, in the summer and fall of 2015, the Debtors began to explore refinancing options in light of the approaching ABL Facility maturity date, including, among others, a refinancing with existing lenders as well as a potential first-in, last-out financing facility. Ultimately, however, the Company was unable to reach mutually agreeable terms with its existing ABL Lenders. A potential merger was explored, but ultimately unsuccessful. Under a series of extensions and forbearance agreeements entered into between the Debtors and the ABL Lenders, the ABL Lenders have agreed not to exercise their contractual remedies until after December 19, 2016.

24. Further, on August 1, 2016, an interest payment of approximately $19 million became due to holders of the Secured Notes. Given the continuing uncertainty at that date with respect to the potential refinancing of the ABL Facility, the Company elected not to make the

[6] On November 3, 2016, MSC, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., Resun Chippewa, LLC, Modular Space Intermediate Holdings, Inc., Wilmington Savings Fund Society, FSB ("WSFS"), and Wells Fargo Bank, National Association ("Wells Fargo"), entered into an agreement through which Wells Fargo resigned as trustee under the Indenture and WSFS became the successor.

interest payment, but rather utilized a thirty (30)-day grace period pursuant to the Indenture to engage in discussions with holders of Secured Notes regarding a broader-scale potential restructuring, recapitalization or other transaction involving the Company.

25. Throughout the fall of 2016, the Debtors, their equity holders, the ABL Lenders, and certain Secured Noteholders attempted to reach a consensual recapitalization of the Debtors that would obviate the need for bankruptcy filing. Unfortunately, those efforts were unsuccessful. However, as set forth in greater detail in the First Day Declaration, the parties were able to reach agreement on a fully consensual bankruptcy filing on the terms set forth in the RSA. The RSA provides for, among other things, the parties support for a prepackaged plan of reorganization that will significantly delever the Debtors, the postpetition financing sought by this Motion, and an exit credit facility that will allow the Debtors to emerge from the Chapter 11 Cases well-positioned to compete in the marketplace.

**B. The Debtors' Critical Need for Funding Through the DIP Facilities**

26. As further detailed in the First Day Declaration, the Debtors have a significant need to obtain post-petition financing to maintain their the business operations and to preserve their value during the Chapter 11 Cases.

27. Without access to a ready source of post-petition financing, the Debtors would be unable to pay for necessary ongoing expenses or critical business functions. If the Debtors are unable to pay the expenses necessary to continue their business, they will be unable to generate revenue and the Debtors' estates will be significantly diminished. Given the significant swings in expenses and revenues common in the Debtors' industry, the Debtors assert that ensuring that financing is available to pay for unavoidable outlays is critical for preserving the value of the Debtors' business and their ability to generate revenue.

**C. The DIP Facility is the Debtors Best, if not Sole, Alternative to Obtain Post-Petition Funding**

28. Based on the facts and circumstances of these Chapter 11 Cases and the Debtors' operational performance, after considering the limited alternatives available, it is evident to the Debtors that (i) the Debtors are unable to obtain post-petition financing from sources other than the DIP Lenders on terms as or more favorable as those under the DIP Facilities, and (ii) any credit from the DIP Lenders should be provided to the Debtors with certain protections provided under the Bankruptcy Code to post-petition lenders, including superpriority claims and liens on certain assets of the Borrower and Guarantors (to the extent provided for in the DIP Credit Agreement), provision of adequate protection to Pre-Petition Secured Parties and a roll-up of the U.S. Borrowers' U.S. Pre-Petition Obligations. The Debtors' internal analysis, combined with reference to historical practice, culminated with the DIP Lenders agreeing to provide the Debtors with superpriority secured post-petition financing under the DIP Facilities, subject to the terms and conditions set forth in the DIP Credit Agreement.

29. The DIP Facilities represent the best financing option available to the Debtors and are extended in good faith because, among other things, (a) they serve to provide the Debtors with liquidity necessary to continue the operation of their business, (b) the proposed liens will not prejudice any other creditors of the Debtors, and (c) the DIP Facilities are a reasonable and fair financing on market terms that do not require the payment of excessive fees, restrictive covenants, or onerous case milestones. Under the terms of the RSA, the Consenting Noteholders, the ABL Lenders, and Calera have agreed to support the Debtors' entry into the DIP Credit Agreement and the Debtors' request of the relief sought by this Motion.

**D. Use of the DIP Facilities**

30. Proceeds of the DIP Facilities will be used for the payment of certain expenditures, in accordance with the terms of the Budget, the DIP Credit Agreement, and the DIP Orders, including: (i) paying operating expenses of the type, and in an amount that does not exceed the applicable amounts set forth in the Budget (as defined in the DIP Credit Agreement); (ii) paying fees and expenses of Debtors' retained professionals, fees, and expenses of one or more official committees appointed in the Chapter 11 Cases; and U.S. Trustee and Bankruptcy Court Clerk fees, to the extent such fees and expenses are approved on an interim basis pursuant to any monthly compensation order and thereafter by final order of the Bankruptcy Court and otherwise in accordance with the DIP Orders; (iii) paying to the Pre-Petition Secured Parties under the ABL Facility interest, fees, and expense reimbursement, in each case to the extent approved by the Bankruptcy Court; (iv) paying property taxes with respect to any of the Collateral, to the extent that the non-payment of such taxes would result in a lien having priority over the liens of the DIP Agent; and (v) with proceeds of Revolving DIP Facility, paying, or cash collateralizing any of the U.S. Borrowers' obligations under the DIP Credit Agreement.

**Basis for Relief**

**A. The Debtors Satisfy the Requirements for Obtaining Post-Petition Credit on a Secured and Superpriority Basis Pursuant to Sections 364(c) and (d) of the Bankruptcy Code**

31. The statutory requirement for obtaining post-petition credit under Section 364(c)[7] is a finding, made after notice and a hearing, that the debtors in possession are "unable to obtain

[7] Section 364(c) of the Bankruptcy Code provides that:

(c) If the trustee [or debtor in possession] is unable to obtain unsecured credit allowable under § 503(b)(1) of this title as an administrative expense, the court, after notice and a hearing, may authorize the obtaining of credit or the incurring of debt –

(1) with priority over any and all administrative expenses of the kind specified in § 503(b) or 507(b) of this title;

unsecured credit allowable under Section 503(b)(1) of [the Bankruptcy Code] as an administrative expense." 11 U.S.C. § 364(c). See generally, In re Photo Promotion Assocs., Inc., 881 F.2d 6, 8 (2d Cir. 1989) (secured or priority credit under Section 364(c) of the Bankruptcy Code is authorized, after notice and a hearing, upon showing that unsecured credit cannot be obtained); In re 495 Cent. Park Ave. Corp., 136 B.R. 626, 630 (Bankr. S.D.N.Y. 1992) (discussing secured or superpriority financing options under Section 364 if the debtor cannot obtain credit as an administrative expense). The statutory requirement for obtaining post-petition credit under Section 364(d) of the Bankruptcy Code is a finding, made after notice and a hearing, that the debtors in possession are "unable to obtain such credit otherwise" and "there is adequate protection of the interest of the holder of the lien on the property of the estate on which such senior or equal lien is proposed to be granted." 11 U.S.C. § 364(d)(1).

32. Here, each Borrower and each Guarantor (together the "Obligors") propose to incur their respective indebtedness as a superpriority administrative expense, which is secured by a senior lien on certain of the Obligors' assets.[8] As described below, the Obligors will also provide adequate protection for the ABL Agent's and ABL Lenders' collateral interests. The Court should approve the DIP Facilities because: (i) the Obligors could not obtain financing on better terms than under the DIP Facilities; (ii) the proposed financing is on market terms and does not include payment of excessive fees or other onerous terms and is a sound exercise of the Obligors' business judgment; and (iii) approval of the DIP Facilities is fair and reasonable and in the best interests of the Obligors' estates.

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(2) secured by a lien on property of the estate that is not otherwise subject to a lien; or

(3) secured by a junior lien on property of the estate that is subject to a lien.

[8] The liens granted over the Canadian collateral in respect of the Canadian Borrower's obligations, hereinafter the "Canadian DIP Liens," and the liens granted over the U.S. collateral in respect of the U.S. Borrowers' Obligations, hereinafter the "U.S. DIP Liens" (together with the Canadian DIP Liens, the "DIP Liens").

*(i) The DIP Facilities are the Best Credit Available to the Debtors*

33. To show that the credit required is not obtainable on an unsecured basis, the debtor need only demonstrate "by a good faith effort that credit was not available" without the protections afforded to potential DIP Lenders by the Bankruptcy Code. In re Snowshoe Co., 789 F.2d 1085, 1088 (4th Cir. 1986); see 495 Cent. Park Ave., 136 B.R. at 630-31. Where few DIP lenders are likely to be able and willing to extend the necessary credit to a debtor, "it would be unrealistic and unnecessary to require [the debtor] to conduct such an exhaustive search for financing." In re Sky Valley, Inc., 100 B.R. 107, 113 (Bankr. N.D. Ga. 1988), aff'd sub nom., Anchor Savings Bank FSB v. Sky Valley, Inc., 99 B.R. 117, 120 n. 4 (N.D. Ga. 1989).

34. The Obligors' ability to obtain post-petition financing from a third-party source on the same or better terms than those obtained from the DIP Lenders would have been extremely unlikely. Under current financial guidance issued by the Federal Reserve, the Obligors' balance sheet is over-leveraged, making it unlikely third parties other than the DIP Lenders would provide further debt to the Debtors.[9] Further, as substantially all of the Obligors' assets are currently collateralized pursuant to the ABL Facility and the Secured Notes, the Obligors have no unencumbered collateral to incentivize a third-party to provide post-petition financing.

35. As set forth in the First Day Declaration, in light of the inability of the Obligors to access capital markets, obtaining third-party financing on better terms than what the DIP Lenders are offering is extremely unlikely. Because there is little, if any, chance of obtaining better third-party financing, the Obligors believe that further searching is not a viable course of action or prudent expenditure of time and resources. In particular, the Obligors could not have obtained

[9] Indeed, as set forth below, the DIP Lenders have required a roll-up of the Borrowers' indebtedness under the ABL Credit Agreement in part because of their concerns regarding the Debtors' current leverage.

comparable debtor in possession financing without providing for senior liens or secured debt roll-ups. Moreover, as set forth in more detail in the First Day Declaration, the DIP Facilities are part of the Debtors' fully consensual, pre-negotiated bankruptcy filing pursuant to which the DIP Lenders agree not only to fund the DIP Facilities, but also to provide for exit financing post-emergence from the Chapter 11 Cases. Thus, the DIP Facilities are an essential part of an overall bankruptcy structure that will aid the Debtors in maximizing the value of their estates and the recovery to creditors and interest holders.

36. The Obligors therefore assert that they have made the requisite showing that post-petition credit is not available on an unsecured basis, and that the proposal offered by DIP Lenders is the best post-petition financing available at this time.

*(ii)* *The DIP Facilities are on Market Terms and the Debtors are Entering into the DIP Facilities in their Sound Business Judgment*

37. As stated above, the Obligors submit that the DIP Facilities are fair and reasonable, and represent terms better than those available from third-parties. Further, the Obligors submit that the terms and conditions of the DIP Facilities reflect the Obligors' (and, as discussed herein, the DIP Lenders') exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

38. A debtor's decision to enter into a post-petition lending facility under Section 364 of the Bankruptcy Code is governed by the business judgment standard. See In Re Ames Dep't Stores, 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990) (noting that courts defer to a debtor's business judgment "so long as the financing agreement does not contain terms that leverage the bankruptcy process and powers or its purpose is not so much to benefit the estate as it is to benefit a party-in-interest"). The business judgment standard is a deferential one. In the context of post-petition financing, courts have held that it is appropriate to interfere with a debtor's

business judgment only if a decision is clearly erroneous, or is made arbitrarily, in bad faith, with fraudulent intent, on the basis of inadequate information, in violation of fiduciary duties, or in violation of the Bankruptcy Code. See, e.g., In re Mid-State Raceway, Inc., 323 B.R. 40, 58 (Bankr. N.D.N.Y. 2005); see also In re Filene's Basement, LLC., et al., No. 11-13511, 2014 WL 1713416, at *12 (D. Del. Apr. 29, 2014). Here, the Obligors' decision to enter into the DIP Facilities is an exercise of the Obligors' sound business judgment. Before the Petition Date, the Obligors undertook a thorough review as to their projected financing needs during the Chapter 11 Cases, including the costs of administration, as well as the likely cash flows from their business operations. The Obligors have determined that the amounts available under the DIP Facilities should be sufficient to fund their operations, and the administration of these Chapter 11 Cases. This, in turn, will inure to the benefit of their stakeholders, by helping to prevent the unnecessary accrual of additional claims against their estates, and will support the Obligors' efforts to reorganize and restructure. In addition, as discussed above, financing on better terms was not likely available to the Obligors and, as discussed below, the terms of the DIP Facilities are fair and reasonable, especially given the circumstances surrounding the Obligors' Chapter 11 Cases. The Obligors respectfully submit that the Court should approve the Obligors' business judgment and decision to accept and enter into the DIP Facilities.

*(iii) Approval of the DIP Facilities is Fair and Reasonable and in the Best Interests of the Debtors*

39. The proposed terms of the DIP Facilities are fair and reasonable. This funding will provide the Obligors with adequate financing to support their working capital needs. Further, it is a fair and reasonable transaction, both from the perspective of the DIP Lenders, who will be paid a reasonable rate of interest based on past lending practices among the Obligors, granted certain liens and provided superpriority claims by the Obligors, and for the Obligors,

who will receive funding—at market rates and without onerous terms—that would otherwise be unavailable from other lenders. In addition, the Collateral to be provided to the DIP Lenders under the DIP Facilities is limited to collateral already pledged to the DIP Lenders in their capacity as ABL Lenders and, pursuant to the Final Order, liens on proceeds from avoidance actions, and will not prejudice any of the Debtors' other creditors.

40. In considering whether the terms of post-petition financing are fair and reasonable, courts "examine all the facts and circumstances," and will generally permit "reasonable business judgment to be exercised so long as the financing agreement does not contain terms that leverage the bankruptcy process or powers or its purpose is not so much to benefit the estate as it is to benefit a party-in-interest." In re Ames Dept. Stores, Inc., 115 B.R. at 39-40; see also In re Farmland Indus., Inc., 294 B.R. 855, 886 (Bankr. W.D. Mo. 2003) (evaluating reasonableness of terms in light of the "relative circumstances of the parties").

41. Here, the terms of the DIP Facilities are fair and reasonable and the Obligors have each determined to enter into this transaction in a clear exercise of their business judgment. Indeed, not only are the terms of the DIP Facilities fair and reasonable, they are an integral part of the Debtors' path to a swift emergence from the Chapter 11 Cases. Thus, in addition to approval of the DIP Facilities being warranted on the basis that better financing terms are not available elsewhere, "but also because the credit acquired is of significant benefit to the debtor's estate and [because] the terms of the proposed loan are within the bounds of reason, *irrespective of the inability of the debtor to obtain comparable credit elsewhere*." In re Aqua Assocs., 123 B.R. 192, 196 (Bankr. E.D. Pa. 1991) (emphasis added).

42. Moreover, it is critical that the Obligors assure their customers and vendors that they will operate in the ordinary course of business and have the resources in place to do so.

Therefore, entry into the DIP Facilities and securing the financing available thereunder is critical to the preservation of estate assets and is in the best interest of the Obligors' creditors and all parties in interest. Thus, the Obligors respectfully submit that entry into the DIP Facilities is an exercise of the Obligors' sound business judgment.

*(iv) The Roll-Up is Appropriate*

43. In order to obtain prompt funding of the DIP Loans, the Obligors found it necessary to agree to a roll-up of the U.S. Borrowers' obligations under the ABL Facility (the "Roll-Up").[10] More than a necessary pre-requisite to funding the DIP Loans, the Roll-Up is appropriate under the circumstances of the ABL Facility. As explained in the First Day Declaration, the ABL Lenders are fully secured as of the Petition Date. A roll-up occurs when a post-petition lender lends "enough post-petition to pay off the pre-petition loan, whether owning to the post-petition lender or a different lender, immediately converting all of the lender's pre-petition debt to post-petition debt." 3 Collier on Bankruptcy ¶ 364.04[2][e]. Collier on Bankruptcy states that a roll-up should not be "controversial from the technical perspective of the priority or satisfaction of liens if the pre-petition lender is fully secured on the petition date. . . ." Id. Accordingly, the Roll-Up should be approved by the Bankruptcy Court as a necessary and appropriate component of the DIP Facilities. Upon entry of the Interim Order, the Debtors' Pre-Petition Collateral Proceeds (defined below) will be used to pay down the Debtors' pre-petition ABL Facility and each letter of credit issued and outstanding under the pre-petition ABL Facility

[10] The Roll-Up also includes (i) the deeming of existing letters of credit issued and outstanding under the ABL Facility to have been issued under the DIP Credit Agreement upon entry of the Interim Order, (ii) the application of cash proceeds of Canadian Collateral (as defined in the DIP Credit Agreement) consisting of accounts or rental equipment to the Canadian Pre-Petition Obligations first and then to the other Canadian Obligations and (iii) the issuance of the U.S. Term Loan (as defined in the DIP Credit Agreement) to the extent necessary to satisfy the U.S. Borrowers' Pre-Petition Obligations to the U.S. Term Lenders.

will be deemed to be issued under the DIP Facilities. Upon entry of the Final Order, the Debtors will draw on the DIP Facility in an amount to pay the ABL Facility in full. Interim Order, ¶ 5(a).

*(v)* *The Obligors Will Provide Sufficient Adequate Protection to Pre-Petition Secured Parties*

44. The proposed DIP Financing also meets the second requirement of Section 364(d)(1) of the Bankruptcy Code. In connection with the DIP Facilities, the Obligors propose providing the Pre-Petition Secured Parties with adequate protection in accordance with Sections 364(d) and 361 of the Bankruptcy Code. The Bankruptcy Code does not define "adequate protection" but rather sets forth three nonexclusive examples:

> When adequate protection is required under Section 362, 363, or 364 of this title of an interest of an entity in property, such adequate protection may be provided by –
>
> (1) requiring the trustee to make a cash payment or periodic cash payments to such entity, to the extent that the stay under Section 362 of this title, use, sale, or lease under Section 363 of this title, or any grant of a lien under section 364 of this title results in a decrease in the value of such entity's interest in such property;
>
> (2) providing to such entity an additional or replacement lien to the extent that such stay, use, sale, lease, or grant results in a decrease in the value of such entity's interest in such property; or
>
> (3) granting such other relief, other than entitling such entity to compensation allowable under Section 503(b)(1) of this title as an administrative expense, as will result in the realization by such entity of the indubitable equivalent of such entity's interest in such property.

11 U.S.C. § 361. Thus, in the context of Section 364(d), collateral only requires adequate protection to the extent that a priming lien will result in a decrease in the "value of such entity's interest in such property." Id.; see also 11 U.S.C. § 363(e).

45. Adequate protection is determined on a case-by-case basis. See In re Columbia Gas Sys., Inc., No. 91-803, 1992 WL 79323, at *2 (Bankr. D. Del. Feb. 18, 1992). The critical

purpose of adequate protection is to guard against the diminution of a secured creditor's interest in its collateral during the period when such collateral is being used by the debtor in possession. See 495 Cent. Park, 136 B.R. at 631 ("The goal of adequate protection is to safeguard the secured creditor from diminution in the value of its interest during the chapter 11 reorganization."); Beker, 58 B.R. at 736; In re Hubbard Power & Light, 202 B.R. 680, 685 (Bankr. E.D.N.Y. 1996). When priming of liens is sought pursuant to section 364(d), the courts also examine whether the pre-petition secured creditors are being provided adequate protection for the value of their liens. Beker, 58 B.R. at 737; Utah 7000, 2008 WL 2654919, at *3. Because all of these tests are satisfied here and the Obligors have met all of their obligations under Section 364 of the Bankruptcy Code, the Motion should be granted, and the DIP Financing should be approved.

46. Under the DIP Facility, the liens of the Pre-Petition Credit Parties (as defined in the DIP Orders) are being primed. With respect to the ABL Lenders, all of them are either participating in the DIP Facilities or have explicitly consented to the priming liens. Similarly, pursuant to their obligations under the RSA, the Secured Noteholders have consented to the priming liens. In any event, as set forth in the DIP Orders, the Pre-Petition Secured Parties will receive an adequate protection package (the "Adequate Protection Package") including junior replacement liens on all accounts and, for the ABL Lenders, rights to payment from services rendered or the sale, lease, use, or disposition of the Obligors' modular buildings, as well as payment of accrued but unpaid interest and professional fees. Section 361(1) - (2) of the Bankruptcy Code expressly describe cash payments and replacement liens as appropriate forms of adequate protection. Thus, the provision of these forms of adequate protection is appropriate.

**B. Interim Approval of the DIP Facilities will Prevent Immediate and Irreparable Harm to the Obligors' Estates**

47. The Debtors are requesting the Court approve interim availability under the DIP Facilities in the aggregate amount of $61,000,000. This amount is essential to the continued operation of the Debtors' business and will assure their vendors, contractors, and employees that they will be paid for post-petition services. The liquidity provided by the DIP Facilities will also provide assurances to the Debtors' customers that the Debtors' will be able to operate their business during these Chapter 11 Cases. Without such liquidity, the Obligors have determined that they will not be able to adequately fund post-petition business operations. Finally, as detailed in the DIP Credit Agreement, entry of the Interim Order is a prerequisite to funding the DIP Loans. Thus, entry of the Interim Order is thus crucial to maximizing the value of the Obligors' estates.

**C. Approval of Immediate Use of Cash Collateral is Appropriate**

48. By this Motion, the Debtors also seek immediate use of Cash Collateral (as defined in the Interim Order) in a manner consistent with the terms of the DIP Credit Agreement. As set forth below, this request, which comports with Bankruptcy Rules and applicable law, is essential to the Debtors' operation of their business during the pendency of the Chapter 11 Cases.

49. Section 363(c)(2) of the Bankruptcy Code provides that a debtor in possession may not use cash collateral unless (i) each entity that has an interest in such cash collateral provides consent, or (ii) the court approves the use of cash collateral after notice and a hearing. See 11 U.S.C. § 363(c). As explained above, the ABL Lenders and the Secured Noteholders have consented to the Debtors' immediate use of cash collateral, and are receiving adequate protection on the basis set forth above. As a result, the requirements of section 363(c)(2) are satisfied.

50. Bankruptcy Rule 4001(b) permits a court to approve a debtor's request for use of cash collateral during the 14-day period following the filing of a motion requesting authorization to use cash collateral, "only . . . as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing." Bankruptcy Rule 4001(b)(2). In examining requests for interim relief under this rule, courts apply the same business judgment standard applicable to other business decisions. See, e.g., In re Simasko Production Co., 47 B.R. 444, 449 (D. Colo. 1985); see also In re Ames Dep't Stores Inc., 115 B.R. 34, 38 (Bankr. S.D.N.Y. 1990). After the 14-day period, the request for use of cash collateral is not limited to those amounts necessary to prevent harm to the Debtor's business.

51. The Debtors submit that the requirements of Bankruptcy Rule 4001(b) are met. In order to operate and manage the Debtors' business, the Debtors require the use of Cash Collateral. Such use will provide the Debtors with the necessary funds to fully honor all obligations arising in the ordinary course of their business, maximizing the value of the estates, and allowing the Debtors to successfully reorganize under Chapter 11. Failure to grant such relief would result in an immediate cessation of the Debtors' operations, which would cause substantial and irreparable harm to the Debtors' estates. Accordingly, the Debtors' request that the Court authorize the Debtors' immediate use of Cash Collateral.

**D. Interim and Final Hearings Should Be Scheduled**

52. Bankruptcy Rules 4001(b)(2) and (c)(2) provide that a final hearing on the Motion may not be commenced earlier than fourteen (14) days after the service of such motion. Upon request, however, the Court is empowered to conduct a preliminary expedited hearing on the motion and to authorize the obtaining of credit to the extent necessary to avoid immediate and irreparable harm to the Obligors' estate.

53. The Obligors request that the Court schedule hearings on the Motion as follows: (i) an interim hearing to be held at the Court's earliest opportunity to authorize the Obligors to obtain credit under the terms contained in the DIP Credit Agreement until the final hearing; and (ii) a final hearing to be held on a date to be determined by the Court to approve the Motion on a final basis.

54. Based upon the foregoing, the Obligors respectfully request that the Court grant interim approval of the DIP Facilities in accordance with the terms set forth in the proposed Interim Order and the DIP Credit Agreement.

**Notice**

55. Notice of this Application shall be given to (a) the United States Trustee; (b) the Office of the United States Attorney for the District of Delaware; (c) the Internal Revenue Service; (d) counsel to the agent for the ABL Lenders; (e) counsel to the Ad Hoc Group of Noteholders; (f) counsel to Calera Capital Advisors, L.P.; and (g) the parties listed in the consolidated list of the thirty (30) largest unsecured creditors filed by the Debtors in the Chapter 11 Cases. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m). The Debtors submit that no other or further notice need be provided.

[*Remainder of page intentionally left blank*]

## Conclusion

WHEREFORE, the Debtors respectfully request that this Court (i) grant this Motion and the relief requested herein; (ii) enter the Order attached hereto as Exhibit A; and (iii) grant such other and further relief as it deems just and proper.

Dated: December 21, 2016
Wilmington, Delaware

CLEARY GOTTLIEB STEEN & HAMILTON LLP
James L. Bromley (*pro hac vice admission pending*)
Jane VanLare (*pro hac vice admission pending*)
Kara A. Hailey (*pro hac vice admission pending*)
One Liberty Plaza
New York, New York 10006
Telephone: (212) 225-2000
Facsimile: (212) 225-3999
- and -

YOUNG CONAWAY STARGATT & TAYLOR, LLP

*/s/ Ian J. Bambrick*
Pauline K. Morgan (No. 3650)
Joel A. Waite (No. 2925)
Ian J. Bambrick (No. 5455)
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

*Proposed Counsel for the Debtors and Debtors in Possession*

**Exhibit A**
**Proposed Interim Order**

**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

| | |
|---|---|
| In re: | Chapter 11 |
| MODULAR SPACE HOLDINGS, INC., *et al.*, | Case No. 16-12825 (___) |
| Debtors.[1] | Joint Administration Pending |
| | Re: Docket Nos. [__] |

**INTERIM ORDER GRANTING DEBTORS' MOTION TO (1) AUTHORIZE DEBTORS IN POSSESSION TO OBTAIN POST-PETITION FINANCING PURSUANT TO 11 U.S.C. §§ 105, 362, 363, AND 364; (2) GRANT LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS TO POST-PETITION LENDERS PURSUANT TO 11 U.S.C. §§ 364 AND 507; (3) PROVIDE ADEQUATE PROTECTION TO PRE-PETITION CREDIT PARTIES; (4) MODIFY AUTOMATIC STAY PURSUANT TO 11 U.S.C. §§ 361, 362, 363, 364, AND 507; (5) SCHEDULE FINAL HEARING PURSUANT TO BANKRUPTCY RULES 4001(B) AND (C) AND LOCAL RULE 4001-2; AND (6) GRANT RELATED RELIEF**

This matter is before the Court on the Motion (the "Motion") of Modular Space Holdings, Inc. ("Holdings"), a Delaware corporation, on behalf of itself and its affiliated debtors and debtors in possession (collectively, the "Debtors") in these Chapter 11 cases (the "Chapter 11 Cases"), requesting entry of an interim order (this "Interim Order") and final order (a "Final Order") pursuant to Sections 105, 361, 362, 363(c)(2), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e) and 507(b) of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (as amended, the "Bankruptcy Rules"), and the local rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"):

[1] The Debtors in these cases and the last four digits of their respective United States Tax Identification Number, or similar foreign identification numbers, as applicable, are: Modular Space Holdings, Inc. (8595); Modular Space Intermediate Holdings, Inc. (1161); Modular Space Corporation (5284); Resun ModSpace, Inc. (0701); ModSpace Government Financial Services, Inc. (8573); ModSpace Financial Services Canada, Ltd. (CRA BN 0001); and Resun Chippewa, LLC (6773). The address of the Debtors' corporate headquarters is 1200 Swedesford Road, Berwyn, PA 19312.

(1) authorizing the Debtors to obtain post-petition financing, consisting of a superpriority, secured, asset-based revolving credit facility in the principal amount of up to $768,000,000 (the "DIP Facility") from Bank of America, N.A. ("BofA"), in its separate capacities as administrative and collateral agent (in such capacities, together with its successors in such capacities, the "DIP Agent")[2] and as a lender, and certain other financial institutions (together with BofA and their respective successors and assigns, "DIP Lenders"; and together with DIP Agent, any affiliates of DIP Lenders that provide Bank Products (as defined in the DIP Credit Agreement (as defined in Paragraph D below)), and Letter of Credit Issuers (as defined in the DIP Credit Agreement), the "DIP Credit Parties");

(2) authorizing the Debtors to execute and enter into the DIP Financing Documents (as defined in Paragraph 1(a) below) and to perform all such other and further acts as may be required in connection with the DIP Financing Documents;

(3) authorizing the Debtors to use proceeds of the DIP Facility as permitted in the DIP Financing Documents and in accordance with this Interim Order and the Budget (as defined in Paragraph F below);

(4) granting automatically perfected (i) security interests in and liens on all of the DIP Collateral (as defined in Paragraph G below) that prime the interests of certain consenting pre-petition lienholders, (ii) senior security interests in and liens on all Unencumbered Property (as defined in Paragraph 3(a) below), and (iii) non-priming security interests in and liens on the DIP Collateral in which there are certain pre-existing permitted senior liens, in each case to the DIP Agent for the benefit of the DIP Credit Parties to the extent provided herein, and granting superpriority administrative expense status to the DIP Obligations (as defined in Paragraph 3

2 The term "DIP Agent" shall mean and include (i) Bank of America, N.A., as Administrative Agent, and (ii) Bank of America, N.A., acting through its Canada branch, in its capacity as the Canadian Agent, in each case as defined and provided in the DIP Financing Documents.

below), in each case subject to the Carve-Out (as defined in Paragraph 12 below) and on the terms and subject to the relative priorities set forth in the DIP Financing Documents;

(5) providing adequate protection to the Pre-Petition Credit Parties (as defined in Paragraph B(i) below) to the extent of any diminution in value of their interests in the Pre-Petition Collateral (as defined in Paragraph B(iii) below) and subject to the Carve-Out;

(6) providing adequate protection to the Second Lien Secured Parties (as defined in Paragraph B(iv) below) to the extent of any diminution in value of their interests in the Pre-Petition Collateral and subject to the Carve-Out;

(7) authorizing the Debtors to pay the principal, interest, fees, expenses, disbursements, and other amounts payable under the DIP Financing Documents as such amounts become due and payable;

(8) authorizing the use of Cash Collateral (as defined in Paragraph B(vii) below) in the form of collections and proceeds of accounts receivable, general intangibles and other rights to payment and Pre-Petition Collateral Proceeds (as defined in Paragraph 7(d) below) to repay the Pre-Petition Debt (as defined in Paragraph B(v) below);

(9) authorizing the use of proceeds of loans made by the Pre-Petition Lenders or the DIP Lenders (collectively, the "Loan Proceeds") to the extent that such Loan Proceeds may be considered Cash Collateral solely as a result of the fact that such Loan Proceeds are held in bank accounts over which the Pre-Petition Agent or the DIP Agent may have been granted a security interest;

(10) vacating and modifying the automatic stay pursuant to Section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of this Interim Order and the other DIP Financing Documents;

(11) subject only to and effective upon entry of the Final Order, waiving the Debtors' ability to surcharge against any DIP Collateral pursuant to Section 506(c) of the Bankruptcy Code and any right of the Debtors under the "equities of the case" exception in section 552(b) of the Bankruptcy Code;

(12) scheduling a final hearing (the "Final Hearing") to consider entry of the Final Order, and in connection therewith, giving and prescribing the manner of notice of the Final Hearing on the Motion;

(13) waiving any applicable stay with respect to the effectiveness and enforceability of the Interim Order (including under Bankruptcy Rule 6004); and

(14) granting the Debtors such other and further relief as is just and proper.

Upon consideration of (a) the Motion and the exhibits attached thereto, (b) the evidentiary record made at the Interim Hearing through the *Declaration of David Orlofsky, Senior Managing Director of Zolfo Cooper LLP, in Support of Chapter 11 Petitions and First Day Motions* (the "First Day Declaration"), (c) the arguments and statements of counsel, and (d) all matters brought to the Court's attention at the interim hearing, which was held on _____, 2016, pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) (the "Interim Hearing"), and after due deliberation and consideration, and good and sufficient cause appearing therefor:

**THE COURT HEREBY FINDS AND DETERMINES**:[3]

A. Petition Date. On December 21, 2016 (the "Petition Date"), each of the Debtors filed with the Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, and each is continuing to manage its properties and to operate its business as a debtor-in-possession

[3] To the extent any findings of fact constitute conclusions of law, they are adopted as such, and *vice versa*.

pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed for any Debtor.

B. Debtors' Stipulations. Without prejudice to the rights of any other party (but subject to the limitations thereon contained in Paragraph 22 below), each Debtor admits, stipulates, acknowledges and agrees as follows:

(i) Pre-Petition Loan Documents. Pursuant to that certain Third Amended and Restated Credit Agreement dated as of June 6, 2011 (as at any time amended or supplemented, the "Pre-Petition Credit Agreement"), certain financial institutions in their capacity as lenders (collectively, "Pre-Petition Lenders") and BofA in its capacity as administrative and collateral agent for the Pre-Petition Lenders (in such capacity, the "Pre-Petition Agent,"[4] and together with the Pre-Petition Lenders, any affiliates of Pre-Petition Lenders who provide Bank Products (as defined in the Pre-Petition Credit Agreement, the "Pre-Petition Bank Products"), the Letter of Credit Issuers (as defined in the Pre-Petition Credit Agreement), and their respective successors and assigns, the "Pre-Petition Credit Parties") established a revolving credit facility and issued letters of credit for the benefit of Modular Space Corporation ("ModSpace") and certain other Debtors who are borrowers, guarantors or pledgors with respect to any of the Obligations under (and as defined in) the Pre-Petition Credit Agreement (collectively, the "Pre-Petition Obligors"), in an aggregate principal amount of loans and letters of credit up to $800,000,000. The Pre-Petition Credit Agreement, together with any other agreement, note, instrument, guaranty, mortgage, fixture filing, deed of trust, security agreement, financing statement, pledge, assignment, forbearance agreement, and other document executed at any time in connection therewith, in each case as the same may be amended,

4 The term "Pre-Petition Agent" shall mean and include (i) Bank of America, N.A., as Administrative Agent, and (ii) Bank of America, N.A., acting through its Canada branch, in its capacity as the Canadian Agent, in each case as defined and provided in the Pre-Petition Loan Documents.

modified, restated or supplemented from time to time, are hereinafter referred to collectively as the "Pre-Petition Loan Documents." All of the Pre-Petition Loan Documents were duly authorized, executed and delivered on behalf of each Debtor signatory thereto and create legal, valid and binding obligations on the part of each such Debtor.

(ii) Second Lien Documents. Pursuant to that certain Indenture, dated as of February 25, 2014, by and among Wilmington Savings Fund Society, FSB, as successor trustee and collateral agent (in such capacities, the "Indenture Trustee"), ModSpace, and the guarantors named therein (the "Second Lien Indenture"), ModSpace issued the 10.25% Senior Secured Second Lien Notes due 2019 (the "Second Lien Notes") in the original principal amount of $375,000,000. The Second Lien Indenture, the Second Lien Notes, that certain Second Lien Security Agreement, dated as of February 25, 2014, by and among ModSpace, Resun Chippewa, LLC, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., and the Indenture Trustee (the "Second Lien Security Agreement"), that certain that Patent Security Agreement, dated as of February 25, 2014, by and among the grantors party thereto and the Indenture Trustee (the "Second Lien Patent Security Agreement"), that certain Trademark Security Agreement, dated as of February 25, 2014, by and among the grantors party thereto and the Indenture Trustee (the "Second Lien Trademark Security Agreement"), that certain Second Lien Pledge Agreement, dated as of February 25, 2014, by and among ModSpace, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., and the Indenture Trustee (the "Second Lien Pledge Agreement"), and that certain Second Lien Stock Pledge Agreement, dated as of February 25, 2014 by and between Modular Space Intermediate Holdings, Inc. and the Indenture Trustee (the "Second Lien Holdings Pledge Agreement"), together with any other agreement, note, instrument, guaranty, mortgage, fixture filing, deed of trust, security agreement, financing

statement, pledge, assignment, forbearance agreement, and other document executed at any time in connection therewith, in each case as the same may be amended, modified, restated or supplemented from time to time, are hereinafter referred to collectively as the "Second Lien Documents." All of the Second Lien Documents were duly authorized, executed and delivered on behalf of each Debtor signatory thereto (collectively, the "Second Lien Obligors") and create legal, valid, binding, perfected, and enforceable obligations on the part of each Second Lien Obligor.

(iii) Pre-Petition Collateral Securing Pre-Petition Debt. Pursuant to certain Security Documents (as defined in the Pre-Petition Credit Agreement) executed by the Pre-Petition Obligors in favor of the Pre-Petition Agent, each Pre-Petition Obligor granted to the Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties and to secure all of such Pre-Petition Obligor's Obligations (as defined in the Pre-Petition Credit Agreement), first priority liens on and security interests in the Collateral (as defined in the Pre-Petition Credit Agreement, with such liens and security interests collectively referred to herein as the "Pre-Petition Security Interests" and all Collateral in existence on the Petition Date and all products and proceeds thereof being collectively referred to herein as the "Pre-Petition Collateral"). The Pre-Petition Collateral includes, without limitation, cash tendered by the Pre-Petition Obligors to the Pre-Petition Agent and held in a segregated account (the "LC Cash Collateral") to secure Pre-Petition Obligors' payment, reimbursement and performance in full of all debts, liabilities, and obligations now existing or hereafter arising from or in connection with certain of the Pre-Petition LCs (defined below) (collectively, the "LC Obligations").

(iv) Pre-Petition Collateral Securing Second Lien Obligations. Pursuant to the Second Lien Security Agreement, the Second Lien Patent Security Agreement, the Second

Lien Trademark Security Agreement, the Second Lien Pledge Agreement, and the Second Lien Holdings Pledge Agreement executed by the Second Lien Obligors in favor of the Indenture Trustee, each Second Lien Obligor granted to the Indenture Trustee, for the benefit of the beneficial holders of Notes (collectively, the "Second Lien Noteholders," and together with the Indenture Trustee, the "Second Lien Secured Parties") and to secure all of such Second Lien Obligor's obligations and indebtedness under the Second Lien Documents, liens, pledges, and security interests (collectively, the "Second Liens") in the Pre-Petition Collateral owned by the Second Lien Obligors.

(v) Pre-Petition Debt. As of the Petition Date, the Pre-Petition Obligors were indebted and liable under the Pre-Petition Loan Documents to Pre-Petition Credit Parties for (a) U.S. Revolving Loans (as defined in the Pre-Petition Credit Agreement) in the approximate principal amount of $_____,[5] (b) Canadian Revolving Loans (as defined in the Pre-Petition Credit Agreement) (collectively with the U.S. Revolving Loans, the "Pre-Petition Loans") in the approximate principal amount of $_____, (c) fees, expenses, and other charges associated with depository accounts and other Pre-Petition Bank Products (collectively, the "Pre-Petition Bank Product Obligations"), and (d) on a contingent basis, in the approximate amount of $3,242,226 in face amount of standby letters of credit (the "Pre-Petition LCs"; together with the Pre-Petition Loans, the Pre-Petition Bank Product Obligations, all other obligations of any Pre-Petition Obligor in respect of indemnities, guaranties and other payment assurances made or given to or by any Pre-Petition Obligor for the benefit of Pre-Petition Credit Parties, and all interest, fees, costs, legal expenses and all other amounts heretofore or hereafter accruing thereon or at any time chargeable to any Pre-Petition Obligor in connection therewith,

5 The Debtor ModSpace Financial Services Canada, Ltd. ("ModSpace Canada"), is not liable for the U.S. Revolving Loans or any of the Second Lien Debt (defined below).

are collectively referred to herein as the "Pre-Petition Debt"). Each Debtor acknowledges and stipulates that the Pre-Petition Debt is due and owing to the Pre-Petition Credit Parties, without any defense, offset, recoupment or counterclaim of any kind; the Pre-Petition Debt constitutes the legal, valid and binding obligations of each Pre-Petition Obligor as and to the extent provided in the Pre-Petition Loan Documents, enforceable in accordance with the terms of the Pre-Petition Loan Documents; and none of the Pre-Petition Debt or any payments made to any Pre-Petition Credit Party or applied to the obligations owing under any Pre-Petition Loan Documents prior to the Petition Date is subject to avoidance, subordination, recharacterization, recovery, attack, offset, counterclaim, defense or other claim of any kind pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(vi) Second Lien Debt. As of the Petition Date, the Second Lien Obligors were indebted and liable under the Second Lien Documents to Second Lien Secured Parties, as applicable for (a) the $375,000,000 in outstanding principal amount of Second Lien Notes (the "Second Lien Principal"); (b) $[_____] in accrued and unpaid interest under the Second Lien Notes as of the Petition Date (the "Second Lien Interest"), and (c) fees, expenses, or other amounts due under the Second Lien Documents, including the fees and expenses of the Indenture Trustee, Dechert LLP, Moelis & Company, Richards, Layton & Finger, PA, and Bennett Jones LLP (the "Second Lien Fees and Expenses," and together with the Second Lien Principal, Second Lien Interest, and all other obligations of any Second Lien Obligor in respect of indemnities, guaranties and other payment assurances given to or by any Second Lien Obligor for the benefit of the Second Lien Secured Parties, and all other interest, fees, costs, legal expenses and all other amounts heretofore or hereafter accruing thereon or at any time chargeable to any Second Lien Obligor in connection therewith, collectively referred to as the

"Second Lien Debt"). Each Debtor acknowledges and stipulates that the Second Lien Debt is due and owing to the Second Lien Secured Parties, without any defense, offset, recoupment or counterclaim of any kind; the Second Lien Debt constitutes the legal, valid, perfected, binding, and enforceable obligations of each Second Lien Obligor as and to the extent provided in the Second Lien Documents, enforceable in accordance with the terms of the Second Lien Documents; and none of the Second Lien Debt or any payments made to any Second Lien Secured Party or applied to the obligations owing under any Second Lien Documents prior to the Petition Date is subject to avoidance, subordination, recharacterization, recovery, attack, offset, counterclaim, defense or other claim of any kind pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(vii) Cash Collateral. All or substantially all cash, securities and other property of the Pre-Petition Obligors (and the proceeds thereof) as of the Petition Date, including, without limitation, all amounts on deposit or maintained by any Pre-Petition Obligor in any account with any Pre-Petition Credit Party, are subject to valid and enforceable rights of setoff and valid, perfected, enforceable first-priority liens under the Pre-Petition Loan Documents and applicable law, and are included in the Pre-Petition Collateral, and therefore the Pre-Petition Obligors' cash, cash balances, and cash accounts constitute cash collateral of the Pre-Petition Credit Parties within the meaning of Section 363(a) of the Bankruptcy Code. All or substantially all cash, securities and other property of the Second Lien Obligors (and the proceeds thereof) as of the Petition Date, including, without limitation, all amounts on deposit or maintained by any Second Lien Obligor in any account with any Pre-Petition Credit Party, are subject to valid, perfected, enforceable liens under the Second Lien Documents and applicable law, and are included in the Pre-Petition Collateral, and therefore the Second Lien Obligors'

cash, cash balances, and cash accounts constitute cash collateral of the Second Lien Secured Parties within the meaning of Section 363(a) of the Bankruptcy Code. All such cash (including, without limitation, all proceeds of the Pre-Petition Collateral and all proceeds of property encumbered by liens and security interests granted under this Interim Order), is referred to herein as "Cash Collateral."

C. Need for Financing. An immediate and ongoing need exists for the Debtors to obtain the DIP Credit Extensions (as defined in Paragraph D below) in order to permit, among other things, the orderly continuation of the operation of their businesses, to maintain business relationships with vendors, suppliers and customers, to pay payroll obligations, and to satisfy other working capital and operational needs so as to maximize the value of their respective businesses and assets as debtors in possession under Chapter 11 of the Bankruptcy Code. The Debtors do not have sufficient available sources of working capital to operate their businesses in the ordinary course without access to the DIP Facility. The Debtors' ability to maintain business relationships with vendors and customers, to pay employees, and otherwise to fund operations is essential to the Debtors' viability and preservation of the going concern value of their businesses.

D. Proposed DIP Facility. The Debtors have requested the DIP Lenders to establish the DIP Facility pursuant to which the Debtors may obtain loans from time to time (the "DIP Loans," and together with letters of credit and other extensions of credit pursuant to the DIP Credit Agreement (defined below), the "DIP Credit Extensions") in aggregate principal amounts not to exceed (x) $568,000,000 in the case of U.S. Revolving Loans, (y) $200,000,000 in the case of Canadian Revolving Loans, and (z) up to $_____ in the case of the U.S. Term Loan, in each case subject to the borrowing base and commitment limitations, sub-limits, reserves and other conditions and limitations on availability in the DIP Credit Agreement (such

DIP Credit Extensions being collectively called the "DIP Financing"), with all DIP Credit Extensions and related obligations secured by all real and personal property of the Debtors, wherever located and whether created, acquired, existing, or arising prior to, on or after the Petition Date. The DIP Lenders are willing to establish the DIP Facility upon the terms and conditions set forth herein and in that certain Post-Petition Credit Agreement and that certain Post-Petition Security Agreement to be entered into by the Debtors and the DIP Credit Parties, substantially in the form attached to the Motion (collectively, together with all schedules, exhibits and annexes thereto, and as at any time amended, the "DIP Credit Agreement").

E. No Credit Available on More Favorable Terms. Despite diligent efforts, the Debtors have been unable to obtain post-petition financing on terms more favorable than those offered by the DIP Lenders under the DIP Financing Documents. The Debtors are unable to obtain adequate unsecured credit allowable under Section 503(b)(1) of the Bankruptcy Code. The Debtors also are unable to obtain secured credit allowable under Sections 364(c)(1), 364(c)(2) and (c)(3) of the Bankruptcy Code without granting priming liens under Section 364(d)(1) of the Bankruptcy Code and the Superpriority Claims (as defined in Paragraph 4(a) below) under the terms and conditions set forth in this Interim Order and in the DIP Financing Documents.

F. Budget. The Debtors have prepared and attached to this Interim Order a rolling cash flow budget in accordance with the DIP Credit Agreement (as at any time amended, supplemented or updated with the prior written consent of DIP Agent[6] and, as provided in

6 Whenever approval, consent or discretion of the DIP Agent or Pre-Petition Agent to take specific action is referred to in this Order, such approval, consent or discretion shall also include, to the extent required by the DIP Financing Documents or the Pre-Petition Loan Documents, as applicable, (x) any required approval or consent of the required DIP Lenders or the required Pre-Petition Lenders, as applicable, or (y) in the case of the exercise of discretion, as such exercise may be directed by the required DIP Lenders or the required Pre-Petition Lenders, as applicable.

Paragraph 1(g) of this Interim Order, the Indenture Trustee, the "Budget"), which sets forth, among other things, the projected cash receipts and disbursements for the periods covered thereby. The DIP Credit Parties are relying upon the Budget in entering into the DIP Credit Agreement, and the Pre-Petition Credit Parties and Second Lien Secured Parties are relying upon the Budget in consenting to the terms of this Interim Order. All references restricting the use of DIP Loans to payment of amounts set forth in the Budget shall mean the most recent approved Budget, subject to the "Permitted Variances" as defined in the DIP Credit Agreement (the "Permitted Variances").

G. Certain Conditions to DIP Facility. The DIP Lenders' willingness to make DIP Credit Extensions are conditioned upon, among other things, (i) the Debtors obtaining Court approval to enter into the DIP Credit Agreement and to incur all of the obligations of the Debtors thereunder, and to confer upon the DIP Credit Parties all rights, powers and remedies thereunder; (ii) the Debtors' provision of adequate protection, as granted in this Interim Order, of the Pre-Petition Credit Parties' interests in the Pre-Petition Collateral pursuant to Sections 361 and 363 of the Bankruptcy Code; and (iii) (x) the DIP Agent being granted, on behalf of the DIP Credit Parties and as security for the prompt payment of the DIP Financing and all other obligations of the Debtors under the DIP Credit Agreement, perfected security interests in and liens upon all of each Debtor's pre-petition and post-petition real and personal property, including, without limitation, all of each Debtor's cash, accounts, inventory, equipment, fixtures, general intangibles, documents, instruments, chattel paper, deposit accounts, letter-of-credit rights, commercial tort claims, investment property, intellectual property, real property and leasehold interests, contract rights, business interruption insurance, and books and records relating to any assets of such Debtor and all proceeds (including, without limitation, insurance proceeds) of the

foregoing, whether such assets were in existence on the Petition Date or were thereafter created, acquired or arising and wherever located (all such real and personal property, including, without limitation, all Pre-Petition Collateral, being collectively hereinafter referred to as the "DIP Collateral"), and (y) that such perfected security interests and liens have the priorities hereinafter set forth. To the extent granted by the Court in the Final Order, the DIP Collateral shall include Avoidance Proceeds (as defined in Paragraph 4(b)).

H. Conditions to Second Lien Consent. The willingness of the Indenture Trustee and the ad hoc group of investors who currently beneficially hold, in the aggregate, approximately 78.3% of the issued and outstanding Second Lien Notes (as the membership of such group may be amended or reorganized from time to time, the "Ad Hoc Group") to consent to the Debtors' use of Cash Collateral, the incurrence of the obligations under the DIP Financing Documents, and the entry of this Interim Order is conditioned upon, among other things, the execution by the Debtors and the Pre-Petition Lenders of that certain Restructuring Support Agreement, dated as of December 20, 2016 (the "RSA"), the Debtors' provision of adequate protection, as granted in this Interim Order, of the Second Lien Secured Parties' interests in the Pre-Petition Collateral pursuant to Sections 361 and 363 of the Bankruptcy Code, and the Indenture Trustee's review and approval of the Budget in the form annexed to this Interim Order (which the Indenture Trustee has approved).

I. Adequate Protection.

(i) Pre-Petition Credit Parties. The Debtors acknowledge and agree that the Pre-Petition Credit Parties are entitled to the adequate protection set forth in this Interim Order by reason of the granting of first priority priming liens on the Pre-Petition Collateral for the benefit of the DIP Credit Parties; the use, sale, lease or depreciation or other diminution in value of the Pre-Petition Credit Parties' interests in the Pre-Petition Collateral; the subordination of the Pre-Petition Security Interests to the Carve-Out (as defined below); and the imposition of the automatic stay under Section 362(a) of the Bankruptcy Code or otherwise pursuant to Sections 361(a), 363(c), 364(c), and 364(d)(1) of the Bankruptcy Code. The adequate protection and other treatment proposed to be provided to the Pre-Petition Credit Parties by the Debtors pursuant to this Interim Order are authorized by the Bankruptcy Code, will minimize disputes and litigation over use of the Pre-Petition Collateral, and will facilitate the Debtors' ability to continue their business operations through the use of the DIP Facility.

(ii) Second Lien Secured Parties. The Debtors acknowledge and agree that the Second Lien Secured Parties are entitled to the adequate protection set forth in this Interim Order by reason of the granting of first priority priming liens on the Pre-Petition Collateral for the benefit of the DIP Credit Parties; the use, sale, lease or depreciation or other diminution in value of the Second Lien Secured Parties' interests in the Pre-Petition Collateral; the subordination of the Second Liens to the Carve-Out (as defined below); and the imposition of the automatic stay under Section 362(a) of the Bankruptcy Code or otherwise pursuant to Sections 361(a), 363(c), 364(c), and 364(d)(1) of the Bankruptcy Code. The adequate protection and other treatment proposed to be provided to the Second Lien Secured Parties by the Debtors (excluding ModSpace Canada) pursuant to this Interim Order are authorized by the Bankruptcy

Code, will minimize disputes and litigation over use of the Pre-Petition Collateral, and will facilitate the Debtors' ability to continue their business operations through the use of the DIP Facility.

(iii) Lien Priorities. The relative priorities of the Pre-Petition Security Interests and the Second Liens and related claims and obligations are set forth in an Intercreditor Agreement dated as of February 25, 2014 (as at any time modified, amended or restated, the "Intercreditor Agreement"), among Pre-Petition Agent, the Indenture Trustee, ModSpace and certain other Debtors. All of the Pre-Petition Debt and all of the DIP Obligations (as defined in Paragraph 3 below) constitute First Lien Debt as such term is used in the Intercreditor Agreement, and the Intercreditor Agreement remains enforceable pursuant to its terms after the Petition Date under Section 510(a) of the Bankruptcy Code.

J. Interim Hearing. Pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2), the Debtors have requested in the Motion that the Court hold the Interim Hearing to consider authorizing the Debtors to obtain the DIP Financing during the period (the "Interim Period") from the date of entry of this Interim Order through the date on which the final hearing on the Motion pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) scheduled pursuant to Paragraph 29 of this Interim Order (the "Final Hearing") is concluded, for the purposes specified in the Budget.

K. Service of Motion and Notice of Interim Hearing. The affidavits and declaration of service on file with the Court demonstrate that the Debtors have served copies of the Motion (together with the annexed copies of the proposed DIP Credit Agreement and Budget annexed thereto), and notice of the Interim Hearing by electronic mail, telecopy transmission, hand delivery, overnight courier or first class United States mail upon (i) the Office of the United

States Trustee (the "U.S. Trustee"), (ii) counsel to the Pre-Petition Agent; (iii) counsel to the DIP Agent; (iv) counsel to the Indenture Trustee and the Ad Hoc Group; (v) the Internal Revenue Service; and (vi) the holders of the thirty (30) largest unsecured claims against the Debtors, on a consolidated basis. The Court finds that the foregoing notice of the Motion, as it relates to this Interim Order and the Interim Hearing, is appropriate, due and sufficient for all purposes under the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, including, without limitation, Sections 102(1) and 364 of the Bankruptcy Code and Bankruptcy Rule 4001(b) and (c), and that no further notice of the relief sought at the Interim Hearing and the relief granted herein is necessary or required.

L. Finding of Good Cause. Good cause has been shown for the entry of this Interim Order and authorization for (i) the DIP Lenders to provide the Debtors with the DIP Credit Extensions, (ii) the Debtors to accept, incur and undertake the DIP Obligations pursuant to the DIP Credit Agreement as hereinafter provided during the Interim Period, and (iii) the Debtors to provide the Pre-Petition Credit Parties and the Second Lien Secured Parties with adequate protection as set forth herein. Each Debtor's need for financing of the type afforded by the DIP Credit Agreement is immediate and critical. Entry of this Interim Order will preserve the assets of the Debtors' estates and their value and is in the best interests of the Debtors, their creditors and their estates. The terms of the DIP Facility (including the Roll-Up) are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration.

M. Finding of Good Faith. Based upon the record presented at the Interim Hearing, the DIP Facility has been negotiated in good faith and at arm's length between the Debtors, on the one hand, and the DIP Credit Parties, on the other. All of the DIP Obligations, including,

without limitation, all DIP Credit Extensions made pursuant to the DIP Credit Agreement (including, without limitation, the Roll-Up) and all other liabilities and obligations of any Debtors under this Interim Order or in respect of credit card debt, overdrafts and related liabilities arising from treasury, depository, credit card and cash management services, or in connection with any automated clearing house transfers of funds or other Bank Products (as defined in the DIP Credit Agreement, the "DIP Bank Products"), owing to the DIP Credit Parties shall be deemed to have been extended by the DIP Credit Parties in "good faith," as such 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. The DIP Credit Parties shall be entitled to the full protection of Section 364(e) of the Bankruptcy Code in the event that this Interim Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise.

N. Jurisdiction; Core Proceeding. This Court has jurisdiction over these Chapter 11 Cases, the Motion, this Interim Order, and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. This is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

O. Immediate Entry. The Debtors have requested immediate entry of this Interim Order pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2) and the Local Rules. Absent the immediate grant by the Court of the interim relief sought by the Motion, each Debtor's estate will be immediately and irreparably harmed pending the Final Hearing. The Debtors' consummation of the DIP Facility in accordance with the terms of this Interim Order and the DIP Financing Documents is in the best interests of each Debtor's estate and is consistent with each Debtor's exercise of its fiduciary duties. Under the circumstances, the notice given by the Debtors of the Motion and the Interim Hearing constitutes due and sufficient notice thereof and

complies with Bankruptcy Rules 4001(b) and (c) and the Local Rules. No further notice of the relief sought at the Interim Hearing is necessary or required.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. Grant of Motion; Authorization of Interim Financing; Use of Proceeds.

(a) The Motion is hereby GRANTED as and to the extent provided herein, and the Court hereby authorizes and approves each Debtor's execution and delivery of the DIP Credit Agreement in substantially the form annexed to the Motion (with such changes, if any, as were made prior to or as a result of the Interim Hearing or are otherwise authorized to be made as amendments to the DIP Credit Agreement in accordance with this Interim Order) and all instruments, guaranties, security agreements, assignments, pledges, mortgages, reaffirmations and other documents referred to therein or requested by the DIP Credit Parties to give effect to the terms thereof (the DIP Credit Agreement, the Budget and all such other instruments, and documents, including, without limitation, guaranties, security agreements, pledge agreements, mortgages, deeds of trust, deeds to secure debt, financing statements, assignments, trust agreements, amendments, waivers, consents, other modifications, intellectual property filings, and other documents, as at any time amended, being collectively called the "DIP Financing Documents").

(b) The Debtors are hereby authorized to obtain DIP Financing pursuant to the DIP Financing Documents, on the terms set forth in any DIP Financing Document and this Interim Order, up to an interim aggregate principal amount not to exceed at any time prior to entry of the Final Order (x) $55,000,000 in the case of U.S. Revolving Loans, and (y) $6,000,000 in the case of Canadian Revolving Loans, in each case subject to the borrowing

base and commitment limitations, sub-limits, reserves and other conditions and limitations on availability in the DIP Credit Agreement, plus all interest, fees and other charges payable in connection with such DIP Credit Extensions as provided in the DIP Financing Documents; to incur any and all liabilities and obligations under the DIP Financing Documents; and to pay all principal, interest, fees, expenses and other obligations provided for under the DIP Financing Documents (including, without limitation, the obligations under the DIP Financing Documents to indemnify the DIP Agent and DIP Lenders); provided, however, that, during the Interim Period and subject to all of the terms and conditions in the DIP Credit Agreement and the Budget, the Debtors may use the DIP Loans and other DIP Credit Extensions to the extent necessary to avoid immediate and irreparable harm to the Debtors, which, for purposes hereof, shall mean DIP Loans used (a) to pay (or in the case of the Pre-Petition LCs and other contingent obligations, to cash collateralize) amounts owed by any Debtor at any time to any DIP Lender under any of the DIP Financing Documents, including, without limitation, costs, fees and expenses at any time due thereunder; (b) to make disbursements specified or authorized to be paid in the Budget and in amounts not to exceed the Permitted Variances provided in the DIP Credit Agreement (all of which shall be deemed to be made to prevent immediate and irreparable harm to the Debtors); (c) to make adequate protection and other payments to the Pre-Petition Credit Parties and the Second Lien Secured Parties to the extent authorized or required herein; (d) for any other purposes specified in the Budget, this Interim Order or the DIP Credit Agreement; (e) to pay other fees or expenses that are required or authorized to be paid, prior to the Final Hearing, under any of the DIP Financing Documents or this Interim Order; and (f) to fund the Carve-Out.

(c) In addition to the DIP Credit Extensions described above, the Debtors are authorized to incur credit and debit card debt, overdrafts and related liabilities arising from treasury, depository, and cash management services and other DIP Bank Products provided to or for the benefit of any Debtor by any DIP Credit Party (or any of their respective affiliates), provided that nothing herein shall require any DIP Credit Party to allow overdrafts to be incurred or to provide any such services or functions to any Debtor.

(d) No DIP Credit Party shall have any obligation or responsibility to monitor any Debtor's use of the DIP Loans or other DIP Credit Extensions, and each DIP Credit Party may rely upon each Debtor's representations that the amount of the DIP Credit Extensions requested at any time, and the use thereof, are in accordance with the requirements of this Interim Order, the Budget, the DIP Financing Documents, the Bankruptcy Code and the Bankruptcy Rules.

(e) As provided in the DIP Credit Agreement and this Interim Order, the Pre-Petition LCs shall be treated as having been issued under the DIP Credit Agreement, shall constitute part of the DIP Credit Extensions, shall be entitled to all of the benefits and security of the DIP Financing Documents, the DIP Collateral and this Interim Order. The LC Cash Collateral securing the LC Obligations shall constitute a part of the DIP Collateral to which the DIP Liens (as defined in Paragraph 3 below) shall attach. DIP Agent may, but shall have no obligation to, require any Debtor to enter into one or more letter of credit cash collateral agreements pursuant to the DIP Credit Agreement to, among other things, require from time to time delivery of cash collateral to DIP Agent to secure other contingent DIP Obligations (the "Additional Contingent Obligations Cash Collateral").

(f) The Debtors may obtain and use the proceeds of DIP Loans only for purposes specified in the DIP Credit Agreement. No proceeds of any DIP Loan shall be used to (i) make any payment in settlement or satisfaction of any pre-petition claim (other than the Pre-Petition Debt) or administrative claim (other than the DIP Obligations), unless (x) in compliance with the Budget and permitted under the DIP Financing Documents or (y) as separately approved by the Court upon notice to the DIP Agent and subject to compliance with the Budget; (ii) except as expressly provided or permitted hereunder or in the Budget or as otherwise approved by the DIP Agent and the Indenture Trustee (and approved by the Court, if necessary), make any payment or distribution to or for the benefit of any non-Debtor affiliate, equity holder, or insider of any Debtor, and in no event shall any management, advisory, consulting or similar fees be paid to or for the benefit of any affiliate that is not a Debtor; (iii) make any payment, advance, intercompany advance or transfer, or any other remittance or transfer whatsoever to any Debtor or affiliate of a Debtor that is not a "Borrower" under, and as defined in, the DIP Credit Agreement; or (iv) make any payment otherwise prohibited by this Interim Order.

(g) The Budget may be amended, supplemented or updated with the prior written consent of the DIP Agent, and deviations from the Budget may be approved by the DIP Agent (but to be enforceable against the DIP Credit Parties, such deviations must be in writing); provided, however, that any change to the Budget proposed by the Debtors shall also be subject to the consent of the Indenture Trustee, which consent shall not be unreasonably withheld or delayed and which, in the absence of a written objection (specifying the reasons therefor) delivered to the Debtors and DIP Agent not later than three business days after the Indenture Trustee's receipt of written notice of such proposed change, shall be deemed to have been given.

Notwithstanding any objection made by DIP Agent or the Indenture Trustee to any proposed change to the Budget, (x) DIP Credit Parties may, in their discretion and pending resolution of any such objection, continue to make DIP Credit Extensions consistent with the Budget with or without the proposed change or to the extent the DIP Credit Parties deem it necessary to do so to protect or preserve the Collateral (or the validity, perfection, or priority of the DIP Liens or Pre-Petition Security Interests thereon) or to enhance the likelihood or timing of repayment of the DIP Credit Extensions and Pre-Petition Debt and (y) the Indenture Trustee shall be authorized to petition the Court, on notice and a hearing, to bar the implementation of any proposed change to the Budget in respect of which it withheld its consent and in any such hearing the Indenture Trustee shall have the burden of proof on the issue of whether or not its consent was reasonably withheld.

2. Execution, Delivery and Performance of DIP Financing Documents. The DIP Financing Documents and any amendments thereto may be executed and delivered on behalf of each Debtor by any officer, director, or agent of such Debtor, who by signing shall be deemed to represent himself or herself to be duly authorized and empowered to execute such DIP Financing Documents and amendments for and on behalf of such Debtor; the DIP Credit Parties shall be authorized to rely upon any such person's execution and delivery of any of the DIP Financing Documents and any amendments thereto as having done so with all requisite power and authority to do so; and the execution and delivery of any of the DIP Financing Documents or any amendments thereto by any such person on behalf of such Debtor shall be conclusively presumed to have been duly authorized by all necessary corporate, limited liability company, or other entity action (as applicable) of such Debtor. Upon execution and delivery thereof, each of the DIP Financing Documents and any amendments thereto shall constitute valid and binding obligations

of each Debtor that executed and delivered it, enforceable against each such Debtor to the extent and in accordance with their terms for all purposes during its Chapter 11 Case, any subsequently converted case of such Debtor under Chapter 7 of the Bankruptcy Code (each, a "Successor Case"), and after the dismissal of any Chapter 11 Case. Subject to the provisions of Paragraphs 5(a) and 22 hereof, no obligation, payment, transfer or grant of security under the DIP Financing Documents or this Interim Order shall be stayed, restrained, voidable, avoidable or recoverable under the Bankruptcy Code or under any applicable non-bankruptcy law (including, without limitation, under Sections 502(d), 544, 547, 548, 549 or 550 of the Bankruptcy Code or under any applicable Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, Uniform Voidable Transactions Act or similar statute or common law), or subject to any defense, reduction, setoff, recoupment or counterclaim. In furtherance of the provisions of Paragraph 1 of this Interim Order, each Debtor is authorized and directed (i) to do and perform all acts, (ii) to make, execute and deliver all DIP Financing Documents, and (iii) to pay all fees, costs and expenses, in each case as may be necessary or, at the request of DIP Agent, desirable to give effect to any of the terms and conditions of the DIP Financing Documents and any amendments thereto, to validate the perfection of the DIP Liens, or as may otherwise be required or contemplated by the DIP Financing Documents and any amendments thereto.

3. DIP Liens. As security for the Debtors' payment and performance of all DIP Financing, all interest, costs, expenses, fees and other charges at any time or times payable by any Debtor to any DIP Credit Party in connection with all DIP Financing, all reimbursement obligations and other indebtedness in respect of the Pre-Petition LCs, and all other indebtedness and obligations under any of the DIP Financing Documents (including, without limitation, indemnities and obligations in respect of Bank Products (as defined in the DIP Credit

Agreement)) (all of the foregoing being collectively called the "DIP Obligations"), DIP Agent shall have, for itself and for the benefit of the DIP Credit Parties, and is hereby granted, valid, binding, enforceable, non-avoidable and automatically and properly perfected security interests in and liens upon all of the DIP Collateral (collectively, the "DIP Liens") and in the priorities set forth herein. Subject to the Carve-Out provided in Paragraph 12 hereof, the DIP Liens shall be:

(a) Unencumbered Property. Pursuant to Section 364(c)(2) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected, first priority (except to the extent provided otherwise in this sentence) senior liens on, and security interests in, all DIP Collateral that is not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date (collectively, the "Unencumbered Property").

(b) Liens Junior to Certain Other Liens. Pursuant to Section 364(c)(3) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected security interests and liens upon the DIP Collateral, which security interests and liens shall be junior to (but only to) any properly perfected, valid, unavoidable, and enforceable liens in existence as of the Petition Date except for (i) the Pre-Petition Security Interests and (ii) the Second Liens.

(c) Priming DIP Liens. Pursuant to Section 364(d)(1) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected security interests and liens upon the DIP Collateral, which security interests and liens shall prime and be prior and senior in all respects to (i) the Pre-Petition Security Interests, (ii) the Second Liens, and (iii) all of the Adequate Protection Liens (as defined in Paragraph 8(a) below).

(d) Liens Senior to Certain Other Liens. The DIP Liens and the ABL Adequate Protection Liens (as defined in Paragraph 7(a) below) shall not be (i) subject or subordinate to (A) any lien or security interest that is avoided and preserved for the benefit of

any Debtor or its estate under Section 551 of the Bankruptcy Code, (B) any lien or security interest of any lessor or landlord under any agreement or applicable state law to the extent any such lien has been waived in favor of the Pre-Petition Security Interests, (C) except to the extent the DIP Financing Documents expressly allow a post-petition lien to have priority over the DIP Liens of DIP Agent, any post-petition liens granted by any Debtor to other persons or entities or otherwise arising after the Petition Date, including, without limitation, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of any Debtor, or (D) any intercompany or affiliate liens or security interests of any Debtor; (ii) subordinated to or made *pari passu* with any other lien or security interest under Section 363 or 364 of the Bankruptcy Code or otherwise; or (iii) subject to Sections 510(c), 549 or 550 of the Bankruptcy Code. In no event shall any person or entity who pays (or, through the extension of credit to any Debtor, causes to be paid) any of the DIP Obligations be subrogated, in whole or in part, to any rights, remedies, claims, privileges, liens or priorities granted to or in favor of, or conferred upon, any DIP Credit Party by the terms of any DIP Financing Documents or this Interim Order unless such person or entity contemporaneously causes Payment in Full[7] of all of the DIP Obligations and the Pre-Petition Debt.

(e) Canadian Collateral. Notwithstanding anything to the contrary in this Paragraph 3, (i) the DIP Liens on the Canadian Collateral (as defined in the DIP Credit Agreement) shall secure only the Canadian Obligations (as defined in the DIP Credit Agreement)

7 As used herein, the term "Payment in Full" (i) when used in reference to the Pre-Petition Debt shall have the meaning ascribed to "Full Payment" in the Pre-Petition Credit Agreement, provided that Payment in Full of the Pre-Petition Debt shall not occur unless and until the Challenge Deadline (as defined below) expires without any Challenge (as defined below) having been timely asserted; and (ii) when used in reference to the DIP Obligations shall have the meaning ascribed to "Full Payment" in the DIP Credit Agreement.

and (ii) only 65% of the stock of ModSpace Canada owned by ModSpace shall secure the U.S. Obligations under (and as defined in) the DIP Credit Agreement.

4. Superpriority Claims.

(a) Allowed Claims. All DIP Obligations shall constitute joint and several allowed superpriority claims (the "Superpriority Claims") against each Debtor liable for such DIP Obligations (without the need to file any proof of claim) pursuant to Section 364(c)(1) of the Bankruptcy Code having priority in right of payment over all other obligations, liabilities and indebtedness of such Debtor, whether now in existence or hereafter incurred by any such Debtor, and over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under Sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c) (subject to entry of the Final Order), 507, 546, 552(b) (subject to entry of the Final Order), 726, 1113, or 1114 of the Bankruptcy Code. Such 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 and shall be payable from and have recourse to all pre-petition and post-petition property of the Debtors and all proceeds thereof; provided, however, that the Superpriority Claims shall be subject to the Carve-Out.

(b) Proceeds of Avoidance Claims. For the avoidance of doubt, to the extent granted by the Court in the Final Order, the Superpriority Claims shall have recourse to all proceeds (the "Avoidance Proceeds") of all of the Debtors' claims and causes of action pursuant to Sections 502(d), 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code (the "Avoidance Claims").

5. Repayment.

(a) Repayment of Pre-Petition Debt. Upon and at any time or times after entry of the Final Order, DIP Lenders shall be authorized, in their discretion, to fund under the DIP Facility (to the extent that Payment in Full of the Pre-Petition Debt consisting of U.S. Revolving Loans (as such term is defined in the Pre-Petition Credit Agreement) together with accrued and unpaid interest and fees thereon has not already occurred pursuant to Paragraph 7 of this Interim Order) one or more DIP Loans in an amount sufficient to pay or cash collateralize all or any part, or to cause Payment in Full, of the outstanding Pre-Petition Debt consisting of U.S. Revolving Loans and accrued and unpaid interest and fees thereon (the "Roll-Up"), and in such event, the Debtors are authorized to draw (and shall be deemed to have requested a draw) on the DIP Facility in order to effectuate the Roll-Up to the extent requested by DIP Agent and to cause payment or cash collateralization in part, or Payment in Full, of the Pre-Petition Debt consisting of U.S. Revolving Loans together with accrued and unpaid interest and fees thereon as requested by DIP Agent. Notwithstanding the Roll-Up, the Pre-Petition Security Interests shall continue in effect and shall continue to encumber the DIP Collateral to the same extent as existed on the Petition Date. If at any time the aggregate unpaid balance of the Pre-Petition Debt consisting of U.S. Revolving Loans and accrued and unpaid interest and fees thereon equals zero as a result of the Roll-Up or application of proceeds under Paragraph 7 of this Interim Order, then unless and until an Event of Default (as defined in Paragraph 18 below) has occurred, proceeds of the U.S. Collateral (as defined in the DIP Credit Agreement) shall be applied to outstanding DIP Obligations of the U.S. Borrowers (as defined in the DIP Credit Agreement) in accordance with the provisions of the DIP Credit Agreement.

(b) Repayment of DIP Obligations. The DIP Obligations shall be due and payable, and shall be paid, as and when provided in the DIP Financing Documents and as provided herein, without defense, offset or counterclaim. Without limiting the generality of the foregoing, in no event shall any Debtor be authorized to offset or recoup any amounts owed, or allegedly owed, by any Pre-Petition Credit Party or any DIP Credit Party to any Debtor or any of its respective subsidiaries or affiliates against any of the DIP Obligations without the prior written consent of each Pre-Petition Credit Party or DIP Credit Party that would be affected by any such offset or recoupment, and no such consent shall be implied from any action, inaction or acquiescence by any Pre-Petition Credit Party or DIP Credit Party.

6. Cash Collateral.

(a) Collection Accounts. To the extent required in the DIP Financing Documents, each Debtor shall cause all Cash Collateral (other than Loan Proceeds) to be promptly deposited in an account or accounts designated by the DIP Agent (each, a "Collection Account"). Prior to the deposit of such Cash Collateral to a Collection Account, each Debtor shall be deemed to hold such proceeds in trust for the benefit of the DIP Credit Parties, the Pre-Petition Credit Parties, and the Second Lien Secured Parties. The DIP Agent shall be entitled to apply such Cash Collateral to the payment of the Pre-Petition Debt or the DIP Obligations as authorized by this Interim Order and the DIP Credit Agreement.

(b) Use of Cash Collateral. The Debtors may use Loan Proceeds for all purposes for which they may be used under the DIP Credit Agreement and this Interim Order. The Debtors may use Cash Collateral that does not constitute Loan Proceeds, LC Cash Collateral or Additional Contingent Obligations Cash Collateral solely (i) to fund the Carve-Out Account as defined and provided in Paragraph 12, (ii) to pay Pre-Petition Debt and DIP Obligations, and

(iii) in the case of any obligations in respect of Letters of Credit (as defined in the DIP Credit Agreement) and other contingent DIP Obligations, to provide cash collateral in accordance with the DIP Credit Agreement for any such contingent obligations that are not already cash collateralized. The Debtors may not use any LC Cash Collateral or Additional Contingent Obligations Cash Collateral for any purpose other than to secure LC Obligations and other contingent obligations under the DIP Facility.

7. Adequate Protection of Pre-Petition Credit Parties. As adequate protection of its interests in the Pre-Petition Collateral, the Pre-Petition Agent, on behalf of the Pre-Petition Credit Parties, is entitled, pursuant to Sections 105, 361, 363 and 364 of the Bankruptcy Code, to claims and other protection in an amount equal to the ABL Collateral Diminution (the "ABL Lender Adequate Protection Claims"). As used in this Interim Order, "ABL Collateral Diminution" shall mean an amount equal to the aggregate diminution in the value of any Pre-Petition Credit Party's interest in the Pre-Petition Collateral (including Cash Collateral) from and after the Petition Date for any reason, including, without limitation, any such diminution resulting from the use of Cash Collateral, the priming of any Pre-Petition Security Interests in the Pre-Petition Collateral by the DIP Liens pursuant to the DIP Financing Documents and this Interim Order, the depreciation, sale, loss, use, or collection by any Debtor (or any other decline in value) of such Pre-Petition Collateral, or the imposition of the automatic stay pursuant to Section 362 of the Bankruptcy Code, in each case to the fullest extent provided under the Bankruptcy Code. The Pre-Petition Agent is hereby granted, subject to the rights of third parties preserved under Paragraph 22 of this Interim Order, the following for the benefit of the Pre-Petition Credit Parties:

(a) ABL Adequate Protection Liens. The Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties, is hereby granted (effective and perfected upon the date of entry of this Interim Order and without the necessity of the execution, filing or recording by any Debtor, the Pre-Petition Agent or any other Pre-Petition Credit Party of security agreements, pledge agreements, mortgages, financing statements or other agreements) valid, perfected replacement security interests in and liens on all of the DIP Collateral (the "ABL Adequate Protection Liens") to secure the amount of any ABL Collateral Diminution, provided that the ABL Adequate Protection Liens will attach to Avoidance Proceeds upon entry of the Final Order. The ABL Adequate Protection Liens shall be junior and subordinate only to the Carve-Out, the DIP Liens, and any liens that are senior to the DIP Liens as and to the extent expressly provided in this Interim Order, but shall be senior in priority to the Second Liens and the Noteholder Adequate Protection Liens (defined in Paragraph 8 below). The ABL Adequate Protection Liens shall not be subject to Sections 506(c) (effective upon entry of the Final Order), 510(c), 549, or 550 of the Bankruptcy Code, and no lien avoided and preserved for the benefit of any estate pursuant to Section 510 of the Bankruptcy Code shall be made *pari passu* with or senior to any ABL Adequate Protection Liens. The ABL Adequate Protection Liens on Canadian Collateral (as defined in the Pre-Petition Credit Agreement and as created, acquired, existing or arising on, prior to or after the Petition Date) shall secure only the Canadian Obligations outstanding under the Pre-Petition Loan Documents.

(b) Priority of ABL Adequate Protection Claims. The ABL Adequate Protection Claims are allowed as superpriority administrative claims pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code, and, subject to the Carve-Out and the Superpriority Claims, shall have priority in payment over any and all administrative expenses of the kinds specified or

ordered pursuant to any provision of the Bankruptcy Code, including, without limitation, Sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c) (subject to entry of the Final Order), 507, 546, 552(b) (subject to entry of the Final Order), 726, 1113, or 1114 of the Bankruptcy Code, and shall at all times be senior to (i) the Noteholder Adequate Protection Claims (as defined in Paragraph 8 below) and (ii) the rights of each Pre-Petition Obligor, and any successor trustee or any creditor in these Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code.

(c) Cash Payments. The Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties, is hereby entitled to receive as additional adequate protection cash payments of interest each month, in arrears, on the first day of the month, at the applicable non-default interest rate under the Pre-Petition Loan Documents (including, for the avoidance of doubt, payment of all prepetition accrued and unpaid interest under the Pre-Petition Loan Documents).

(d) Application of Proceeds of Pre-Petition Collateral. All collections and proceeds of accounts receivable, intercompany claims and general intangibles (including, without limitation, Insurance Receivables and Progress Billings (in each case, as such capitalized terms are defined in the Pre-Petition Credit Agreement)), all funds owed or paid to or for the benefit of any Debtor on account of the sale, lease or use of inventory or equipment, including, without limitation, any Units or Rental Equipment, or pursuant to any Finance Lease or otherwise (in each case, as such capitalized terms are defined in the Pre-Petition Credit Agreement), and any other rights to payment for goods or services (collectively, the "Pre-Petition Collateral Proceeds"), will be presumed to constitute and arise from DIP Collateral existing on the Petition Date, or arise from the sale, lease or other disposition of inventory or equipment of a Pre-Petition Obligor or from such Pre-Petition Obligor's provision of services,

and may be applied (or, despite any prior application, reapplied) to pay, or in the case of contingent obligations, to cash collateralize, the Pre-Petition Debt or the DIP Obligations, until Payment in Full of the Pre-Petition Debt and the DIP Obligations; provided, however, that if Pre-Petition Collateral Proceeds are applied to the Pre-Petition Debt, then such application shall be as provided in the Pre-Petition Credit Agreement; and if Pre-Petition Collateral Proceeds are applied to the DIP Obligations, then such application shall be as provided in the DIP Credit Agreement. The Pre-Petition Agent shall be entitled to assume that all deposits to any Collection Account and all collections received by a Pre-Petition Obligor after the Petition Date constitute Pre-Petition Collateral Proceeds until such time as the Pre-Petition Agent has received and applied to the Pre-Petition Debt an amount equal to the aggregate value of the Pre-Petition Collateral on the books and records of Pre-Petition Obligors as of the Petition Date.

(e) Application Non-Ordinary Course Proceeds. All Non-Ordinary Course Proceeds (as defined in the DIP Credit Agreement) will be presumed to constitute and arise from DIP Collateral existing on the Petition Date and shall be applied (or, despite any prior application, reapplied) to pay, or in the case of contingent obligations, to cash collateralize, the Pre-Petition Debt or the DIP Obligations in such order of application as the Pre-Petition Agent and DIP Agent shall elect, in their discretion, until Payment in Full of the Pre-Petition Debt and the DIP Obligations If Non-Ordinary Course Proceeds are applied to the Pre-Petition Debt, then such application shall be as provided in the Pre-Petition Credit Agreement; and if Non-Ordinary Course Proceeds are applied to the DIP Obligations, then such application shall be as provided in the DIP Credit Agreement.

(f) Fees and Expenses of Professionals for Pre-Petition Credit Parties. As additional adequate protection, and notwithstanding any limitations in the Budget, the Debtors

shall reimburse each Pre-Petition Credit Party for the reasonable and documented professional fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants) incurred by such Pre-Petition Credit Party, as follows: (i) with respect to the Pre-Petition Agent, all such fees and expenses, whether incurred on, before or after the Petition Date; (ii) with respect to the Pre-Petition Lenders, all such fees and expenses incurred by them prior to the Petition Date, up to an aggregate amount not to exceed $400,000 (and if the aggregate of such fees and expenses exceeds $400,000, such Pre-Petition Lenders shall be entitled to a pro rata share of such $400,000 based upon the relative amount of each such Pre-Petition Lender's fees and expenses); (iii) with respect to the Pre-Petition Lenders that are or will become term lenders under the DIP Credit Agreement at the time of the Roll-Up, all such fees and expenses incurred by them from the Petition Date until entry of the Final Order authorizing the Roll-Up; and (iv) with respect to all Pre-Petition Lenders (other than the Pre-Petition Lenders described in clause (iii)), and all such fees and expenses incurred to a single law firm retained by them as a group and incurred from the Petition Date until entry of the Final Order authorizing the Roll-Up. The Debtors shall pay the fees, expenses and disbursements set forth in this Paragraph 7(f) no later than ten (10) days (the "Review Period") after the receipt by counsel of record for the Debtors, counsel of record for the Official Committee of Unsecured Creditors (individually, or if more than one statutory committee is appointed, jointly and severally, the "Committee"), if appointed, counsel of record for the Ad Hoc Group, and the U.S. Trustee of invoices therefor (the "Invoiced Fees") (which invoices may be redacted or summarized for protection of an applicable privilege or the work product doctrine) and without the necessity of filing formal fee applications, regardless of whether such amounts arose or were incurred before or after the Petition Date; provided,

however, that Debtors, the Committee, the Ad Hoc Group, and the U.S. Trustee may challenge the reasonableness of any portion of the Invoiced Fees (the "Disputed Invoiced Fees") if, within the Review Period, (i) the Debtors pay in full all of the Invoiced Fees other than the Disputed Invoiced Fees and (ii) the Debtors, the Committee, the Ad Hoc Group, or the U.S. Trustee notifies the Pre-Petition Agent and each affected Pre-Petition Lender of the objection in writing (to be followed by the filing with the Court of a motion or other pleading requesting a determination of allowance or disallowance of the Disputed Invoiced Fees), setting forth the specific basis for each objection to the Disputed Invoiced Fees. Debtors shall pay any Disputed Invoiced Fees promptly upon approval by the Court and to the extent of such approval. Nothing in this Paragraph 7(f) shall be construed to amend, modify, or waive any of the provisions of Section 12 of the Pre-Petition Credit Agreement.

(g) Reservation of Rights. Nothing herein shall be deemed to be a waiver by any Pre-Petition Credit Party of its right to request additional or further protection of its interests in any Pre-Petition Collateral, to move for relief from the automatic stay, to seek the appointment of a trustee or examiner for any Debtor or the conversion or dismissal of any of these Chapter 11 Cases, to object to any proposed sale or other disposition of any Debtor's assets under Section 363 of the Bankruptcy Code or otherwise, to accept or reject any plan of reorganization or liquidation, or to request any other relief in these cases; nor shall anything herein or in any of the DIP Financing Documents constitute an admission by a Pre-Petition Credit Party regarding the quantity, quality or value of any collateral securing the Pre-Petition Debt or constitute a finding of adequate protection with respect to the interests of Pre-Petition Agent in any DIP Collateral. The Pre-Petition Credit Parties shall be deemed to have reserved all rights to assert entitlement to the protections and benefits of Section 507(b) of the Bankruptcy Code in connection with any

use, sale, encumbering or other disposition of any of the DIP Collateral, to the extent that the protections afforded by this Interim Order to the Pre-Petition Security Interests proves to be inadequate.

(h) Reporting and Information Rights. Until Payment in Full of the Pre-Petition Debt, the Pre-Petition Agent and Pre-Petition Lenders shall be entitled to the same reporting, notification and other information rights as the DIP Credit Parties under the DIP Financing Documents.

8. Adequate Protection of Second Lien Secured Parties. As adequate protection of its interests in the Pre-Petition Collateral, the Indenture Trustee, on behalf of the Second Lien Noteholders, is entitled, pursuant to Sections 105, 361, 363 and 364 of the Bankruptcy Code, to claims and other protection in an amount equal to the Second Lien Collateral Diminution (the "Noteholder Adequate Protection Claims"; and collectively with the ABL Adequate Protection Claims, the "Adequate Protection Claims"). As used in this Interim Order, "Second Lien Collateral Diminution" shall mean an amount equal to the aggregate diminution in the value of the Second Lien Secured Parties' interest in the Pre-Petition Collateral (including Cash Collateral) from and after the Petition Date for any reason, including, without limitation, any such diminution resulting from the use of Cash Collateral, the priming of the Second Liens in the Pre-Petition Collateral by the DIP Liens pursuant to the DIP Financing Documents and this Interim Order, the depreciation, sale, loss, use, or collection by any Debtor (or any other decline in value) of such Pre-Petition Collateral, or the imposition of the automatic stay pursuant to Section 362 of the Bankruptcy Code, in each case to the fullest extent provided under the Bankruptcy Code. Subject to the rights of third parties preserved under Paragraph 22 of this

Interim Order, the Indenture Trustee is hereby granted the following for the benefit of the Second Lien Secured Parties:

(a) Adequate Protection Liens. The Indenture Trustee, for the benefit of Second Lien Secured Parties, is hereby granted (effective and perfected upon the date of entry of this Interim Order and without the necessity of the execution, filing or recording by any Debtor or any Second Lien Secured Party of security agreements, pledge agreements, mortgages, financing statements or other agreements) valid, perfected replacement security interests in and liens on all of the DIP Collateral excluding any asset owned by ModSpace Canada (the "Noteholder Adequate Protection Liens"; and collectively with the ABL Adequate Protection Liens, the "Adequate Protection Liens") to secure any Second Lien Collateral Diminution; provided that the Noteholder Adequate Protection Liens will attach to Avoidance Proceeds upon entry of the Final Order. The Noteholder Adequate Protection Liens shall be junior and subordinate to the Carve-Out, the DIP Liens, the Pre-Petition Security Interests, the ABL Adequate Protection Liens, and any other liens that are senior to the DIP Liens as and to the extent expressly provided in this Interim Order. The Noteholder Adequate Protection Liens shall not be subject to Sections 506(c) (effective upon entry of the Final Order), 549, or 550 of the Bankruptcy Code.

(b) Priority of Noteholder Adequate Protection Claims. The Noteholder Adequate Protection Claims are allowed as superpriority administrative claims pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code, and, subject to the Carve-Out, the Superpriority Claims, the Pre-Petition Debt and the ABL Adequate Protection Claims, shall have priority in payment over any and all administrative expenses of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including, without limitation, Sections 105,

326, 328, 330, 331, 503(b), 506(c) (subject to entry of a Final Order), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code. The Noteholder Adequate Protection Claims shall be junior and subordinate to Payment in Full of the Carve-Out, the Superpriority Claims, the Pre-Petition Debt and the ABL Adequate Protection Claims, but shall at all times be senior to (i) the rights of each Pre-Petition Obligor, and any successor trustee or any creditor in these Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code; (ii) except as provided in the Intercreditor Agreement, any lien or security interest that is avoided and preserved for the benefit of any Debtor or its estate under Section 551 of the Bankruptcy Code, (iii) any lien or security interest of any lessor or landlord under any agreement or applicable state law to the extent any such lien has been waived in favor of the Notes, (iv) any post-petition liens other than the DIP Liens and ABL Adequate Protection Liens granted by any Debtor to other persons or entities or otherwise arising after the Petition Date, including, without limitation, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of any Debtor, and (v) any intercompany or affiliate liens or security interests of any Debtor; and shall not be (a) subordinated to or made *pari passu* with any other lien or security interest, other than the DIP Liens, the Pre-Petition Security Interests and the ABL Adequate Protection Liens, under Section 363 or 364 of the Bankruptcy Code or otherwise or (b) subject to Sections 510(c), 549 or 550 of the Bankruptcy Code.

(c) Fees and Expenses of Professionals for Second Lien Secured Parties. As additional adequate protection, and notwithstanding any limitations in the Budget, the Debtors shall reimburse the Indenture Trustee and the Ad Hoc Group for (i) the reasonable and documented professional fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants)

incurred by the Indenture Trustee and the Ad Hoc Group prior to the Petition Date, including, without limitation, any such fees and expenses incurred in relation to any Chapter 11 plan or exit financing to be provided to any of the Debtors, and (ii) on a current basis, the reasonable and documented professional fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants) incurred by the Indenture Trustee and the Ad Hoc Group on or after the Petition Date, including, without limitation, any such fees and expenses incurred in relation to any Chapter 11 plan or exit financing to be provided to any of the Debtors. The Debtors shall pay the fees, expenses and disbursements set forth in this Paragraph 8(c) no later than the expiration of the Review Period after the receipt by counsel of record for the Debtors, counsel of record for the Committee, if appointed, counsel of record for the DIP Agent, and the U.S. Trustee of invoices therefor (the "Invoiced Second Lien Fees") (which invoices may be redacted or summarized for protection of an applicable privilege or the work product doctrine) and without the necessity of filing formal fee applications, regardless of whether such amounts arose or were incurred before or after the Petition Date; provided, however, that Debtors, the Committee, the DIP Agent and the U.S. Trustee may challenge the reasonableness of any portion of the Invoiced Fees (the "Disputed Invoiced Second Lien Fees") if, within the Review Period, (i) the Debtors pay in full all of the Invoiced Second Line Fees other than the Disputed Invoiced Second Lien Fees and (ii) the Debtors, the Committee, the DIP Agent, or the U.S. Trustee notifies the Indenture Trustee and the Ad Hoc Group of the objection in writing (to be followed by the filing with the Court of a motion or other pleading requesting a determination of allowance or disallowance of the Disputed Invoiced Second Lien Fees), setting forth the specific basis for each objection to the

Disputed Invoiced Second Lien Fees. Debtors shall pay any Disputed Invoiced Second Lien Fees promptly upon approval by the Court and to the extent of such approval.

(d) Reservation of Rights. Nothing herein shall be deemed to be a waiver by any Second Lien Secured Party of its right to request additional or further protection of its interests in any Pre-Petition Collateral that is expressly permitted by the Intercreditor Agreement, including cash payments equal to interest under the Second Lien Documents, to move for relief from the automatic stay, to seek the appointment of a trustee or examiner for any Debtor or the conversion or dismissal of any of these Chapter 11 Cases, to object to any proposed sale or other disposition of any Debtor's assets under Section 363 of the Bankruptcy Code or otherwise, to accept or reject any plan of reorganization or liquidation, or to request any other relief in these cases; nor shall anything herein or in any of the DIP Financing Documents constitute an admission by a Second Lien Secured Party regarding the quantity, quality or value of any collateral securing the Second Lien Debt or constitute a finding of adequate protection with respect to the interests of Second Lien Secured Parties in any DIP Collateral. The Second Lien Secured Parties shall be deemed to have reserved all rights to assert entitlement to the protections and benefits of Section 507(b) of the Bankruptcy Code in connection with any use, sale, encumbering or other disposition of any of the DIP Collateral, to the extent that the protections afforded by this Interim Order to the Second Liens proves to be inadequate.

(e) Reporting and Information Rights. Until Payment in Full of the Second Lien Debt, the Second Lien Secured Parties shall be entitled to the same reporting, notification and other information rights under the Second Lien Documents.

9. Payments Free and Clear. All payments or proceeds remitted (a) to DIP Agent on behalf of any DIP Credit Party or (b) to or on behalf of any Pre-Petition Credit Parties, in each

case pursuant to the provisions of this Interim Order or any subsequent order of this Court, shall be received free and clear of any claim, charge, assessment or other liability, including, without limitation, any such claim or charge arising out of or based on, directly or indirectly, Section 506(c) (subject to entry of the Final Order) or the "equities of the case" exception of Section 552(b) of the Bankruptcy Code (subject to entry of the Final Order).

10. Fees and Expenses of Estate Professionals. So long as no Event of Default has occurred and is continuing, each Debtor is authorized to use proceeds of DIP Loans to pay such compensation and expense reimbursement (collectively, "Professional Fees") of professional persons (including attorneys, financial advisors, accountants, investment bankers, appraisers, and consultants) retained by any Debtor (the "Debtors Professionals") or the Committee (the "Committee Professionals"; the Debtors Professionals and Committee Professionals are referred to collectively as the "Professionals," in each case such retention being subject to Court approval), to the extent that such compensation and expense reimbursement is authorized and approved by the Court; provided, however, that, notwithstanding anything herein or in any other order of this Court to the contrary, no DIP Credit Extensions or any Cash Collateral shall be used to pay Professional Fees incurred for any Prohibited Purpose (as defined in Paragraph 13 below).

11. Section 506(c) Claims. Effective upon entry of the Final Order, no costs or expenses of administration shall be imposed upon any DIP Credit Party, any Pre-Petition Credit Party, any Second Lien Secured Party, or any DIP Collateral pursuant to Section 506(c) of the Bankruptcy Code or otherwise without the prior written consent of such DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party, as the case may be, and no such consent shall be implied from any action, inaction or acquiescence by any DIP Credit Party or Pre-Petition Credit Party.

12. Carve-Out. Notwithstanding anything in this Interim Order, any DIP Financing Document, or any other order of this Court to the contrary, the rights and claims of the DIP Lenders, the Pre-Petition Lenders, the Second Lien Secured Parties, including the DIP Liens, the Superpriority Claims, the Pre-Petition Security Interests, the Second Liens, the Adequate Protection Liens, and the Adequate Protection Claims, shall be subject and subordinate in all respects to the payment of the Carve-Out. As used in this Interim Order, "Carve-Out" means the sum of (i) all unpaid fees required to be paid (a) to the Clerk of this Court and (b) to the Office of the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) and 28 U.S.C. § 156(c); (ii) all reasonable fees and expenses incurred by a trustee under Section 726(b) of the Bankruptcy Code not to exceed $50,000; and (iii) following the soonest to occur of (x) an Event of Default (as that term is defined in any of the DIP Financing Documents) (an "Event of Default") and delivery by DIP Agent on behalf of DIP Lenders (which may be by email) of a notice (a "Carve-Out Trigger Notice") to counsel for the Debtors and counsel for the Committee stating that it is a Carve-Out Trigger Notice, (y) consummation of the sale of substantially all of any Debtor's assets, or (z) entry of an order confirming any Chapter 11 plan of reorganization or liquidation proposed by any Debtor, an amount comprising all allowed and unpaid fees, expenses, and disbursements (regardless of when such fees, expenses, and disbursements become allowed by order of the Court) incurred by Professionals retained by the Debtors and the Committee whose retention was authorized by the Court in an aggregate amount not to exceed $3,500,000 (the "Professionals Carve-Out Amount"), as follows: (A) $3,500,000 for services provided at any time on or prior to receipt of the Carve-Out Trigger Notice (the "Pre-Trigger Carve-Out") plus (B) an amount equal to $3,500,000 minus the amount of the Pre-Trigger Carve-Out for services provided subsequent to receipt of the Carve-Out Trigger Notice (the "Post-Trigger Carve-Out"); provided further, that

(x) the aggregate amount of the Pre-Trigger Carve-Out and the Post-Trigger Carve-Out shall not exceed $3,500,000, and (y) in no event shall any of the Professionals Carve-Out Amount be used for any purpose prohibited by Paragraph 13 hereof. In no event shall the Carve-Out, or the funding of any DIP Loans or use of Cash Collateral to satisfy the Carve-Out, result in any reduction in the amount of any DIP Obligations or Pre-Petition Debt, the security therefor, or the obligations of the Debtors to pay same in accordance with the Pre-Petition Loan Documents or the DIP Financing Documents, as applicable. After the delivery of a Carve-Out Trigger Notice, the DIP Credit Parties may fund one or more DIP Loans (for the account of any one or more Debtors under the DIP Credit Agreement, as DIP Agent may elect) and/or consent to any Debtor's use of available Cash Collateral in an aggregate amount equal to the Professionals Carve-Out Amount. Whether or not an Event of Default under the DIP Credit Agreement has occurred or exists, the DIP Credit Parties may at any time prior to delivery of a Carve-Out Trigger Notice fund one or more DIP Loans (for the account of any one or more Debtors under the DIP Credit Agreement, as DIP Agent may elect) and/or consent to any Debtor's use of available Cash Collateral in an aggregate sum equal to the Professionals Carve-Out Amount, whereupon the Professionals Carve-Out Amount will be deemed satisfied, and the Debtors shall be required to deposit such funds in a segregated account (the "Carve-Out Account") to provide for payment of the Professionals Carve-Out Amount; provided, however, the DIP Credit Parties shall retain a lien on such funds in the Carve-Out Account to the extent of any surplus remaining after payment of all actual allowed claims of retained Professionals of the Debtors and Committee as set forth in this Paragraph 12, with such excess to be remitted by the Debtors to the DIP Agent as soon as reasonably practical.

13. Excluded Professional Fees. Notwithstanding anything to the contrary in this Interim Order, neither the Carve-Out nor any proceeds of any DIP Credit Extensions, Cash Collateral, Letters of Credit or DIP Collateral shall be used to pay any Professional Fees (including, without limitation, expense reimbursement to Professionals) in connection with any of the following (each a "Prohibited Purpose"): (a) objecting to, seeking subordination of, or contesting the validity or enforceability of, or asserting any defense, counterclaim or offset to, this Interim Order or any DIP Obligations, Pre-Petition Debt, Second Lien Debt, or the Pre-Petition Loan Documents or Second Lien Documents, or the perfected status of any Pre-Petition Security Interests, provided that the Committee may be reimbursed for up to $50,000 (the "Investigation Budget") for fees and expenses incurred in connection with the investigation of, but not the commencement or pursuit of litigation, objection or any challenge to, any Pre-Petition Security Interests, Second Liens, Pre-Petition Debt, Second Lien Debt, Pre-Petition Loan Documents, or Second Lien Documents; (b) asserting or prosecuting any claim, demand, or cause of action against any DIP Lender, the DIP Agent, or any Pre-Petition Credit Party, including, in each case, without limitation, any action, suit, or other proceeding for breach of contract or tort or pursuant to Sections 105, 506, 510, 544, 547, 548, 549, 550, 552 or 553 of the Bankruptcy Code, or under any other applicable law (state, federal, or foreign), or otherwise; (c) seeking to modify any of the rights granted under this Interim Order to any DIP Lender, DIP Agent, or any Pre-Petition Credit Party; or (d) objecting to, contesting, delaying, preventing or interfering in any way with the exercise of rights or remedies by any DIP Credit Party with respect to any DIP Collateral or Pre-Petition Collateral, as applicable, after the occurrence and during the continuance of an Event of Default.

14. Preservation of Rights.

(a) Protection from Subsequent Financing Order. There shall not be entered in any of these Chapter 11 Cases or in any Successor Case any order that authorizes the obtaining of credit or the incurrence of indebtedness by any Debtor (or any trustee or examiner) that is (i) secured by a security interest, mortgage or collateral interest or other lien on all or any part of the DIP Collateral that is equal or senior to the DIP Liens, the Adequate Protection Liens, the Pre-Petition Security Interests, or the Second Liens or (ii) entitled to claims with priority administrative status that is equal or senior to the Superpriority Claims granted herein to DIP Credit Parties or the Adequate Protection Claims; provided, however, that nothing herein shall prevent the entry of an order that specifically provides for, as a condition to the granting of the benefits of clauses (i) or (ii) above, the Payment in Full of all of the DIP Obligations and Pre-Petition Debt at closing from the proceeds of such credit or indebtedness, and the termination of any funding commitments under the DIP Facility.

(b) Rights Upon Dismissal, Conversion or Consolidation. If any of the Chapter 11 Cases is dismissed, converted or substantively consolidated with another case, then neither the entry of this Interim Order nor the dismissal, conversion or substantive consolidation of any of the Chapter 11 Cases shall affect the rights or remedies of any DIP Credit Party under the DIP Financing Documents or the rights or remedies of any DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party under this Interim Order, and all of the respective rights and remedies hereunder and thereunder of each DIP Credit Party, each Pre-Petition Credit Party, and each Second Lien Secured Party shall remain in full force and effect as if such Chapter 11 Case had not been dismissed, converted, or substantively consolidated. Until Payment in Full of all DIP Obligations and Pre-Petition Debt has occurred, it shall constitute an

Event of Default if any Debtor seeks, or if there is entered, any order dismissing any of the Chapter 11 Cases. If an order dismissing any of the Chapter 11 Cases is at any time entered, such order shall provide (in accordance with Sections 105 and 349 of the Bankruptcy Code) that (i) the Superpriority Claims, the Adequate Protection Claims, the DIP Liens, and the Adequate Protection Liens shall continue in full force and effect and shall maintain their priorities as provided in this Interim Order until Payment in Full of all DIP Obligations and all Adequate Protection Claims, (ii) such Superpriority Claims, Adequate Protection Claims, DIP Liens, and Adequate Protection Liens shall, notwithstanding such dismissal, remain binding on all parties in interest, (iii) the other rights granted to the DIP Credit Parties, Pre-Petition Credit Parties, and Second Lien Secured Parties by this Interim Order shall not be affected, and (iv) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in this Paragraph and otherwise in this Interim Order.

(c) Survival of Interim Order. This Interim Order, and any actions taken pursuant hereto, shall survive the entry of and shall govern with respect to any conflict with any order that may be entered confirming any plan of reorganization or liquidation in any of the Chapter 11 Cases or any Successor Case; and all provisions in the DIP Financing Documents and the Pre-Petition Loan Documents that by their terms survive Payment in Full of the DIP Obligations and the Pre-Petition Debt shall continue in full force and effect notwithstanding such Payment in Full.

(d) No Discharge. None of the DIP Obligations shall be discharged by the entry of any order confirming a plan of reorganization or liquidation in any of these Chapter 11 Cases and, pursuant to Section 1141(d)(4) of the Bankruptcy Code, each Debtor has waived such discharge.

(e) Debtors Will Not Challenge Credit Bid Rights. Without prejudice to any rights or claims reserved pursuant to Paragraph 22 hereof as to any party in interest other than the Debtors (and subject to the limitations therein), no Debtor shall object to any DIP Credit Party, any Pre-Petition Credit Party, or, subject to the Intercreditor Agreement, the Indenture Trustee credit bidding up to the full amount of the outstanding DIP Obligations, Pre-Petition Debt, or Second Lien Debt (as applicable), in each case including, without limitation, any accrued interest and expenses, in any sale of any DIP Collateral and whether such sale is effectuated through Section 363 or 1129 of the Bankruptcy Code, by a Chapter 7 trustee under Section 725 of the Bankruptcy Code, or otherwise.

(f) No Marshaling. In no event shall any DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to any DIP Collateral; and in no event shall any DIP Lien be subject to any pre-petition or post-petition lien or security interest that is avoided and preserved for the benefit of any Debtor's estate pursuant to Section 551 of the Bankruptcy Code.

(g) No Requirement to File Claim for DIP Obligations. Notwithstanding anything to the contrary contained in any prior or subsequent order of the Court, including, without limitation, any bar order establishing a deadline for the filing of proofs of claim or requests for payment of administrative expenses under Section 503(b) of the Bankruptcy Code, no DIP Credit Party shall be required to file any proof of claim or request for payment of administrative expenses with respect to any of the DIP Obligations, all of which shall be due and payable in accordance with the DIP Credit Agreement and the other DIP Financing Documents applicable thereto without the necessity of filing any such proof of claim or request for payment of administrative expenses; and the failure to file any such proof of claim or request for payment

of administrative expenses shall not affect the validity or enforceability of any of the DIP Financing Documents or of any indebtedness, liabilities or obligations arising at any time thereunder or prejudice or otherwise adversely affect any DIP Credit Party's rights, remedies, powers or privileges under any of the DIP Financing Documents, this Interim Order or applicable law.

15. Automatic Perfection of Liens. The DIP Liens and the Adequate Protection Liens shall be deemed valid, binding, enforceable and duly perfected upon entry of this Interim Order. No Pre-Petition Credit Party, DIP Credit Party or Second Lien Secured Party shall be required to file any UCC-1 financing statement, mortgage, deed of trust, assignment, pledge, security deed, notice of lien or any similar document or instrument or take any other action (including taking possession of any of the DIP Collateral) in order to validate the perfection of any DIP Liens or the Adequate Protection Liens, but all of such filings and other actions are hereby authorized by the Court. The DIP Credit Parties shall be deemed to have "control" over all deposit accounts for all purposes of perfection under the Uniform Commercial Code or any other similar laws. If the Pre-Petition Agent, DIP Agent or Indenture Trustee shall, in its respective discretion, choose to file or record any such mortgage, deed of trust, assignment, pledge, security deed, notice of lien, or UCC-1 financing statement, or take any other action to evidence the perfection of any part of the DIP Liens or the Adequate Protection Liens, each Debtor and its respective officers are authorized and directed to execute, file and record any documents or instruments as the Pre-Petition Agent, DIP Agent or Indenture Trustee shall, (except as otherwise provided in the DIP Credit Agreement) request, and all such documents and instruments shall be deemed to have been filed or recorded at the time and on the date of entry of this Interim Order. DIP Agent may, in its discretion, file a certified copy of this Interim Order in any filing office in any jurisdiction

in which any Debtor is organized or has or maintains any DIP Collateral or an office, and each filing office is directed to accept such certified copy of this Interim Order for filing and recording. Any provision of any lease, license, contract or other agreement that requires the consent or approval of one or more counterparties or requires the payment of any fees or obligations to any governmental entity in order for a Debtor to pledge, grant, sell, assign or otherwise transfer any such interest or the proceeds thereof is hereby found to be (and shall be deemed to be) inconsistent with the provisions of the Bankruptcy Code and shall have no force and effect with respect to the transactions granting DIP Liens or Adequate Protection Liens on such interest or the proceeds of any assignment and/or sale thereof by any Debtor, in accordance with the DIP Financing Documents or this Interim Order.

16. Reimbursement of Expenses. All reasonable costs and expenses incurred by DIP Agent (and, to the extent provided by the DIP Credit Agreement, DIP Lenders) in connection with (i) the negotiation and drafting of any DIP Financing Documents or any amendments thereto, (ii) the preservation, perfection, protection, pursuit or enforcement of DIP Agent's and any DIP Lender's rights or remedies hereunder or under any DIP Financing Documents or applicable law, (iii) the collection of any DIP Obligations, (iv) the monitoring of or participation in these Chapter 11 Cases, and (v) any Chapter 11 plan or exit financing to be provided to any of the Debtors, in each case including, without limitation, all filing and recording fees and reasonable fees and expenses of attorneys, accountants, consultants, financial advisors, appraisers and other professionals incurred by a DIP Credit Party in connection with any of the foregoing, shall form a part of the DIP Obligations owing to such DIP Credit Party and shall be paid by the Debtors (without regard to any limitations in the Budget or the necessity of filing any application with or obtaining further order from the Court), in each case subject to and in

accordance with the terms of the DIP Financing Documents. In no event shall any invoice or other statement submitted by any DIP Credit Party to any Debtor, the Committee, the U.S. Trustee or any other interested person (or any of their respective Professionals) with respect to fees or expenses incurred by any professional retained by such DIP Credit Party operate to waive the attorney/client privilege, the work-product doctrine or any other evidentiary privilege or protection recognized under applicable law.

17. Amendments and Waivers. The Debtors and the DIP Credit Parties are hereby authorized to implement, in accordance with the terms of the applicable DIP Financing Documents and without further order of the Court, any amendments to, modifications of, or waivers with respect to any of such DIP Financing Documents (and any fees, expenses, or other amounts payable in connection therewith) on the following conditions: (i) the amendment, modification, or waiver must not constitute a material change to the terms of such DIP Financing Documents, and (ii) copies of the amendment, modification, or waiver must be served upon counsel for the Committee, the U.S. Trustee, and counsel for the Consenting Parties (as defined in the RSA). Any amendment, modification, or waiver that constitutes a material change, to be effective, must be approved by the Court. For purposes hereof, a "material change" shall mean a change to a DIP Financing Document that operates to shorten the term of the DIP Facility or the maturity of the DIP Obligations, to increase the aggregate amount of the commitments of DIP Lenders under the DIP Facility, to increase the rate of interest other than as currently provided in or contemplated by such DIP Financing Documents, to add specific Events of Default, or to enlarge the nature and extent of remedies available to DIP Agent following the occurrence of an Event of Default. Without limiting the generality of the foregoing, no amendment of a DIP Financing Document that postpones or extends any date or deadline therein or herein (including,

without limitation, the expiration of the term of a DIP Facility), nor any waiver of an Event of Default, shall constitute a "material change" and may be effectuated by Debtors and the DIP Credit Parties without the need for further approval of the Court.

18. Events of Default; Remedies.

(a) Notice of Default. The occurrence of any "Event of Default" under (and as defined in) the DIP Credit Agreement shall constitute an Event of Default under this Interim Order. Upon the occurrence of an Event of Default and during the continuance thereof, (i) each DIP Credit Party shall be authorized to discontinue honoring any pending or future request for DIP Credit Extensions; (ii) the DIP Agent may in its discretion file with the Court and serve upon counsel of record for the Debtors, counsel of record for the Committee, counsel of record for the Indenture Trustee, counsel of record for the Consenting Interest Holders, and the U.S. Trustee a written notice (a "Default Notice") setting forth the Events of Default, in which event (unless the Court determines that no Event of Default exists or continues to exist, after notice and a hearing as specified below) effective five (5) business days after the Default Notice (the "Remedies Notice Period") is filed, the DIP Agent and the Pre-Petition Agent shall be deemed to have received complete relief from the automatic stay imposed by Section 362(a) of the Bankruptcy Code and shall be authorized, without further notice to the Debtors or any other interested party, to demand payment and enforce collection of all DIP Obligations or Pre-Petition Debt, as applicable; repossess, foreclose its DIP Liens or Pre-Petition Security Interests (as applicable) upon, and collect proceeds of any DIP Collateral; and otherwise exercise all rights and remedies available to it under its DIP Financing Documents or Pre-Petition Loan Documents, as applicable, on account of such Event of Default. During the Remedies Notice Period, each Debtor shall be entitled to (x) contest the occurrence or continued existence of any

Event of Default and (y) seek and obtain an emergency hearing before this Court with respect to such contest, upon notice to the DIP Agent. Except as provided in the immediately preceding sentence, each Debtor hereby waives its right to and shall not be entitled to seek relief, including, without limitation, under Section 105 of the Bankruptcy Code, to the extent that such relief would impair or restrict the rights and remedies of the DIP Agent or Pre-Petition Agent as set forth in this Interim Order or in any of the DIP Financing Documents or the Pre-Petition Loan Documents, as applicable. Upon the effectiveness of any relief from the automatic stay granted or deemed to have been granted pursuant to this Paragraph 18(a), DIP Agent and Pre-Petition Agent may, in its discretion, enforce its DIP Liens, Pre-Petition Security Interests, and ABL Adequate Protection Liens, as applicable, take all other actions and exercise all other rights and remedies under the DIP Financing Documents, the Pre-Petition Loan Documents, this Interim Order and applicable law that may be necessary or deemed appropriate to collect any of its DIP Obligations and/or the Pre-Petition Debt, proceed against or realize upon all or any portion of the DIP Collateral as if these Chapter 11 Cases or any Successor Cases were not pending, and otherwise enforce any of the provisions of this Interim Order. DIP Agent's or Pre-Petition Agent's delay or failure to exercise rights and remedies under any DIP Financing Documents, this Interim Order or applicable law shall not constitute a waiver of any of its rights and remedies hereunder, thereunder or otherwise, unless any such waiver is pursuant to a written instrument executed by DIP Agent or Pre-Petition Agent, as applicable in accordance with the terms of the applicable credit agreement.

(b) Rights Cumulative. The rights, remedies, powers and privileges conferred upon any DIP Credit Party pursuant to this Interim Order shall be in addition to and cumulative

with those contained in the applicable DIP Financing Documents and created under applicable law.

19. Loan Administration.

(a) Cash Dominion and Control. Subject to any cash management order entered in these cases, from and after entry of this Interim Order until the Payment in Full of all Pre-Petition Debt and all DIP Obligations, the DIP Agent shall have exclusive dominion and control over all Collection Accounts, and the DIP Agent is entitled to implement, and in all events the Debtors shall strictly comply with, the cash collection and payment provisions of the DIP Credit Agreement governing the collection of such accounts, including, without limitation, Section 9 of the Post-Petition Security Agreement.

(b) Inspection Rights. As set forth in the DIP Financing Documents, representatives of DIP Agent and Pre-Petition Agent shall be authorized, with prior notice to the Debtors, to visit the business premises of any Debtor and its subsidiaries to (i) inspect any DIP Collateral, (ii) inspect and make copies of any books and records of any Debtor, and (iii) verify or obtain supporting details concerning the financial information to be provided by any Debtor hereunder or under any of the DIP Financing Documents, and the Debtors shall facilitate the exercise of such inspection rights. The Debtors shall provide to the DIP Agent, the Pre-Petition Agent, the Indenture Trustee, and the Consenting Interest Holders (as defined in the RSA) an updated Budget every four weeks covering the next 13-week period, which shall be subject to the approval requirements set forth in the DIP Financing Documents. In addition, each week, the Debtors shall provide the DIP Agent, the Pre-Petition Agent, and the Indenture Trustee with a variance report pursuant to the terms set forth in the DIP Financing Documents.

(c) DIP Agent's Professionals. The DIP Agent is authorized to retain counsel, financial advisors, and other professionals in accordance with the DIP Credit Agreement and all such attorneys, appraisers, auditors and financial advisors and consultants shall be afforded reasonable access to the DIP Collateral and each Debtor's business premises and records, during normal business hours, for purposes of monitoring the businesses of the Debtors, verifying each Debtor's compliance with the terms of the DIP Financing Documents and this Interim Order, and analyzing or appraising all or any part of the DIP Collateral in accordance with the DIP Credit Agreement. The Debtors shall be liable for the reasonable fees and expenses owed to or actually paid to all such attorneys, appraisers, consultants and financial advisors, and field auditors to the extent provided in the DIP Financing Documents.

20. Modification of Automatic Stay. The automatic stay provisions of Section 362 of the Bankruptcy Code are hereby modified and lifted to the extent necessary to implement the provisions of this Interim Order and the DIP Financing Documents, thereby permitting DIP Agent and Pre-Petition Agent to receive collections and proceeds of DIP Collateral for application to the DIP Obligations or the Pre-Petition Debt as and to the extent provided herein, and the DIP Agent, the Pre-Petition Agent, and the Indenture Trustee to file or record any UCC-1 financing statements, mortgages, deeds of trust, assignments, pledges, security deeds and other instruments and documents evidencing or validating the perfection of any DIP Liens or Adequate Protection Liens, and to enforce any DIP Liens and Adequate Protection Liens as and to the extent authorized by this Interim Order.

21. Effect of Appeal. Consistent with Section 364(e) of the Bankruptcy Code, if any or all of the provisions of this Interim Order are hereafter modified, vacated or stayed on appeal:

(a) such stay, modification or vacation shall not affect the validity of any obligation, indebtedness or liability incurred or liens granted by the Debtors to any DIP Credit Party or Pre-Petition Credit Party prior to the effective date of such stay, modification or vacation, or the validity, enforceability or priority of any liens, rights or claims authorized or created under the original provisions of this Interim Order or pursuant to any of the DIP Financing Documents; and

(b) any indebtedness, obligation or liability incurred by the Debtors to any DIP Credit Party under any DIP Financing Document prior to the effective date of such stay, modification or vacation shall be governed in all respects by the original provisions of this Interim Order and the DIP Financing Documents, and each DIP Credit Party shall be entitled to all of the rights, remedies, privileges and benefits, including the DIP Liens and priorities granted to or for its benefit herein or pursuant to the applicable DIP Financing Documents, with respect to any such indebtedness, obligation or liability. All DIP Credit Extensions under the DIP Financing Documents are deemed to have been made in reliance upon this Interim Order, and, therefore, the indebtedness resulting from such DIP Credit Extensions prior to the effective date of any stay, modification or vacation of this Interim Order cannot as a result of any subsequent order in any of these Chapter 11 Cases, or any Successor Case of a Debtor, (i) be subordinated or (ii) be deprived of the benefit or priority of the DIP Liens and the Superpriority Claims granted to DIP Credit Parties under this Interim Order or the DIP Financing Documents.

22. Effect of Stipulations on Third Parties; Deadline for Challenges.

(a) Each Debtor's admissions, stipulations, agreements and releases contained in this Interim Order, including, without limitation, those contained in Paragraph B of this Interim Order, shall be binding upon such Debtor and any successor thereto (including, without

limitation, any Chapter 7 trustee or Chapter 11 trustee or examiner appointed or elected for such Debtor) under all circumstances and for all purposes.

(b) Each Debtor's admissions, stipulations, agreements and releases contained in this Interim Order, including, without limitation, those contained in Paragraph B of this Interim Order, shall be binding upon all other parties in interest (including, without limitation, any Committee, any examiner or post-confirmation trustee or fiduciary) under all circumstances and for all purposes unless and to the extent (a) such other party in interest (including any Committee) obtains requisite standing to do so and has timely and properly filed, in accordance with this Paragraph 22, an adversary proceeding or contested matter by no later than the Challenge Deadline (as defined below) (A) objecting to or challenging the amount, validity, perfection, enforceability, priority or extent of the Pre-Petition Debt, any Pre-Petition Security Interest, the Second Lien Debt, or any Second Lien or (B) otherwise asserting any defenses, claims, causes of action, counterclaims or offsets against any Pre-Petition Credit Party, Second Lien Secured Party, or its respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors in any way relating to any transactions, events, actions, or failure to act under or in connection with any of the Pre-Petition Loan Documents or Second Lien Documents (collectively, a "Challenge"), and (b) the Court rules in favor of the plaintiff with respect to any such timely and properly filed Challenge. As used herein, the term "Challenge Deadline" means the earliest to occur of (A) the date that the Court enters an order confirming any Chapter 11 plan of reorganization or liquidation proposed by any Debtor or (B) (i) in the case of a party in interest with requisite standing other than the Committee, 75 days after the date of entry of this Interim Order, (ii) in the case of the Committee, 60 days after the filing of notice of appointment of the Committee, or (iii) in each case of clauses (i) and (ii), any

such later date agreed to in writing by Pre-Petition Agent, in its sole discretion, or ordered by the Court for cause shown, after notice and an opportunity to be heard, provided that such motion for an order to extend the Challenge Deadline is filed with the Court not later than 10 days prior to the expiration of any applicable period as set forth in clause (i) or (ii) of this sentence. Notwithstanding anything else contained in this Interim Order, if within 10 days prior to the Challenge Deadline the Committee files a motion to be heard by this Court within five (5) days after the filing of the motion or as soon thereafter as the Court's calendar will permit (and none of the Debtors or Pre-Petition Credit Parties shall object to such motion being heard upon an expedited basis) in which the Committee seeks standing from this Court to pursue a Challenge and attaches to such motion a proposed complaint setting forth the basis for such Challenge, then with respect to such proposed Challenge, the expiration of the Challenge Deadline shall be tolled until the Court rules on the motion seeking standing; provided that the Committee shall not be authorized to prosecute any such Challenge (including by way of discovery or motion) unless and until the Court shall have granted the Committee's motion seeking standing to pursue such Challenge.

(c) If no such Challenge is timely and properly filed as of the applicable Challenge Deadline against a Pre-Petition Credit Party or Second Lien Secured Party or the Court does not rule in favor of the plaintiff with respect to such Challenge, then for all purposes in these Chapter 11 Cases and in any Successor Case (i) each Debtor’s admissions, stipulations, agreements and releases contained in this Interim Order, including, without limitation, those contained in Paragraph B of this Interim Order, shall be binding on all parties in interest, including the Committee and any examiner, trustee, and post-confirmation trustee; (ii) the Pre-Petition Debt owing to each Pre-Petition Credit Party and the Second Lien Debt shall constitute a

fully secured allowed claim that is not subject to defense, claim, counterclaim, recharacterization, subordination, offset or avoidance, for all purposes in each Chapter 11 Case and any Successor Case; (iii) the Pre-Petition Security Interests in favor of Pre-Petition Credit Parties and the Second Liens shall be deemed to have been, as of the Petition Date and thereafter, legal, valid, binding, perfected, first priority security interests and liens, not subject to recharacterization, subordination, avoidance, nullification, or other defense and shall not be subject to any other or further claim or challenge by any Committee or any other party in interest seeking to exercise the rights of any Debtor's estate, including, without limitation, any trustee, examiner, or any other successor in interest to a Debtor; and (iv) each Debtor (for itself, its estate and its successors and assigns) shall be deemed to have forever waived and released any and all Claims (as defined in the Bankruptcy Code), counterclaims, actions, causes of action, defenses or setoff rights that such Debtor may have against any Pre-Petition Credit Party or Second Lien Secured Party or any of their respective officers, directors, agents, employees, attorneys and affiliates and that arise out of or relate to any of the Pre-Petition Loan Documents or the Second Lien Documents or any action, inaction, or transactions thereunder, whether disputed or undisputed, at law or in equity, or known or unknown, including, without limitation, any recharacterization, subordination, avoidance or other claim arising under or pursuant to Section 105 or Chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law. If any such Challenge is properly filed on or before the Challenge Deadline, each Debtor's admissions, stipulations, agreements and releases contained in this Interim Order, including, without limitation, those contained in Paragraph B of this Interim Order, shall nonetheless remain binding and preclusive as provided in Paragraph 22(a) and, except to the extent that such admissions, stipulations, agreements and releases were expressly challenged in

such Challenge and the plaintiff prevails on the merits with respect thereto, in the first sentence of this Paragraph 22(c). Nothing contained in this Interim Order shall vest or confer any person or entity, including the Committee, with standing or authority to commence or prosecute, or participate in, any Challenge.

23. Debtors' Waivers. At all times during the Chapter 11 Cases, and whether or not an Event of Default has occurred, each Debtor irrevocably waives any right that it may have to seek authority (i) to use Cash Collateral except to the extent expressly permitted in this Interim Order; (ii) to obtain post-petition loans or other financial accommodations pursuant to Section 364(c) or (d) of the Bankruptcy Code, other than from a DIP Credit Party on the terms and conditions set forth herein; (iii) to challenge the application of any payments authorized by this Interim Order to Pre-Petition Credit Parties pursuant to Section 506(b) of the Bankruptcy Code or assert that the value of the DIP Collateral is less than the amount of the Pre-Petition Debt; (iv) to propose or support a plan of reorganization or liquidation that does not provide for the Payment in Full of all DIP Obligations and Pre-Petition Debt on the effective date of such plan; or (v) to seek relief from this Court for the purpose of restricting or impairing any rights or remedies of any DIP Credit Party or any Pre-Petition Credit Party as provided in this Interim Order or any of the DIP Financing Documents, as applicable, or a DIP Credit Party's exercise of such rights or remedies.

24. Service of Interim Order. Promptly after the entry of this Interim Order, the Debtors shall mail, by first class mail, a copy of this Interim Order, the Motion (and all exhibits attached to the Motion), and a notice of the Final Hearing, to (without duplication) (i) the U.S. Trustee; (ii) counsel to the Pre-Petition Agent; (iii) counsel to the DIP Agent; (iv) counsel to the Indenture Trustee and the Ad Hoc Group, (v) the Internal Revenue Service; (vi) the holders of

the thirty (30) largest unsecured claims against the Debtors, on a consolidated basis; and (vii) any parties that have filed requests for notices under Rule 2002 of the Bankruptcy Rules, and all parties known by a Debtor to hold or assert a material lien on any assets of a Debtor, and shall file a certificate of service regarding same with the Clerk of the Court. Such service shall constitute good and sufficient notice of the Final Hearing.

25. No Deemed Control; Exculpation; Release.

(a) In determining to make any DIP Credit Extension under the DIP Credit Agreement, or in exercising any rights or remedies as and when permitted pursuant to this Interim Order or the DIP Financing Documents, no DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party shall be deemed to be in control of any Debtor or its operations or to be acting as a "responsible person," "managing agent" or "owner or operator" (as such terms are defined in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. § 9601 et seq., as amended, or any similar state or federal statute) with respect to the operation or management of such Debtor.

(b) Nothing in this Interim Order, the DIP Financing Documents, or any other document related to the DIP Facility shall in any way be construed or interpreted to impose or allow the imposition upon any DIP Credit Party or any Pre-Petition Credit Party any liability for any claims arising from the pre-petition or post-petition activities of any Debtor in the operation of its business or in connection with its restructuring efforts. So long as a DIP Credit Party or Pre-Petition Credit Party complies with its obligations under the applicable DIP Financing Documents and applicable law, (i) such DIP Credit Party or Pre-Petition Credit Party shall not, in any way or manner, be liable or responsible for (A) the safekeeping of the DIP Collateral, (B) any loss or damage thereto occurring or arising in any manner or fashion from any cause,

(C) any diminution in the value thereof, or (D) any act or default of any carrier, servicer, bailee, custodian, forwarding agency or other person or entity; and (ii) all risk of loss, damage or destruction of the DIP Collateral shall be borne by the Debtors.

(c) Subject to the provisions of Section 22 hereof with respect to the Pre-Petition Credit Parties, each Debtor hereby forever, unconditionally and irrevocably releases, discharges and acquits the Pre-Petition Credit Parties, the DIP Credit Parties, the Second Lien Secured Parties and each of their respective successors, assigns, affiliates, subsidiaries, parents, officers, shareholders, directors, employees, attorneys, and agents, past, present, and future, and their respective heirs, predecessors, successors, and assigns (collectively, the "Releasees") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, reasonable attorneys' fees), debts, liens, actions, and causes of action of any and every nature whatsoever, whether known or unknown, foreseen or unforeseen, or liquidated or unliquidated, arising in law or in equity or upon contract or tort or under any state or federal law or otherwise, arising out of or relating to the Pre-Petition Loan Documents, the DIP Financing Documents, the Second Lien Documents and/or the transactions contemplated hereunder or thereunder including, without limitation, (A) any so-called "lender liability" or equitable subordination claims or defenses, (B) any and all claims and causes of action arising under the Bankruptcy Code, and (C) any and all claims and causes of action with respect to the validity, priority, perfection, or avoidability of the DIP Liens, DIP Obligations, Pre-Petition Security Interests, Pre-Petition Debt, Second Liens, and Second Lien Debt. Each Debtor further waives and releases any defense, right of counterclaim, right of set-off, or deduction with respect to the payment of the Pre-Petition Debt, the DIP Obligations, and the Second Lien Debt that it now has or may claim to have against the Releasees, arising out of,

connected with, or relating to any and all acts, omissions, or events occurring prior to the Court entering this Interim Order.

26. Authorization to File Master Proof of Claim. The Pre-Petition Agent shall not be required to file any proof of claim with respect to any of the Pre-Petition Debt, all of which shall be due and payable in accordance with the Pre-Petition Loan Documents and the other financing documents applicable thereto without the necessity of filing any such proof of claim and no Second Lien Secured Party shall be required to file any proof of claim with respect to any of the Second Lien Debt, all of which shall be due and payable in accordance with the Second Lien Documents without the necessity of filing any such proof of claim; and the failure to file any such proof of claim shall not affect the validity or enforceability of the Pre-Petition Loan Documents or Second Lien Documents or prejudice or otherwise adversely affect any Pre-Petition Credit Party's or Second Lien Secured Party's rights, remedies, powers or privileges under any of the Pre-Petition Loan Documents, the Second Lien Documents, this Interim Order, or applicable law. Notwithstanding the preceding sentence, if the Pre-Petition Agent or the Indenture Trustee so elects, the Pre-Petition Agent and the Indenture Trustee shall be authorized and empowered (but not required) to (i) file (and amend and/or supplement as it sees fit) a proof of claim and/or aggregate proof of claim in each Chapter 11 Case or Successor Case for any claim described herein, on behalf of Pre-Petition Credit Parties or Second Lien Secured Parties, as applicable, on account of their claims against the Debtors, (ii) file (and amend and/or supplement as it sees fit) a single proof of claim in the case of *In re Modular Space Holdings, Inc.*, Case No. 16-12825, for any claim described herein, in which such case such proof of claim will be deemed to have been filed against each of the Debtors (a "Master Proof of Claim"), and (iii) collect and receive any monies or other property payable or distributable on account of any

such claims and to share such payments or property with Pre-Petition Credit Parties or Second Lien Secured Parties, as applicable in accordance with their respective Pre-Petition Loan Documents, Second Lien Documents, and this Interim Order. Upon the filing of a Master Proof of Claim, each Pre-Petition Credit Party or Second Lien Secured Party on whose behalf such Master Proof of Claim was filed shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against any Debtor under the applicable Pre-Petition Loan Documents or Second Lien Documents, as applicable, and the claim of each Pre-Petition Credit Party or Second Lien Secured Party (and each of its respective successors and assigns) named in such Master Proof of Claim shall be treated as if each such entity had filed a separate proof of claim in each Chapter 11 Case. Neither the Pre-Petition Agent nor the Indenture Trustee shall be required to amend a proof of claim or a Master Proof of Claim filed by it to reflect a change in the holder of a claim set forth therein or a reallocation among such holders of the claims asserted therein and resulting from the transfer of all or any portion of such claims. The provisions of this paragraph and each Master Proof of Claim are intended solely for the purpose of administrative convenience and shall not affect any right of any Pre-Petition Credit Party (or its respective successors in interest) or any Second Lien Secured Party to vote separately on any plan of reorganization or liquidation proposed in any of these Chapter 11 Cases or to file its own proof of claim, which proof of claim, if filed, shall be in addition to, and not in lieu of, any other proof of claim filed by the Pre-Petition Agent or the Indenture Trustee. The Pre-Petition Agent and the Indenture Trustee shall not be required to attach to a Master Proof of Claim any instruments, agreements or other documents evidencing the obligations owing by any Debtor to any Pre-Petition Credit Party or Second Lien Secured Party, which

instruments, agreements or other documents will be provided upon written request made to counsel for Pre-Petition Agent or the Indenture Trustee.

27. Binding Effect; Successors and Assigns. The provisions of this Interim Order shall be binding upon all parties in interest in these Chapter 11 Cases, including, without limitation, the DIP Credit Parties and the Debtors and their respective successors and assigns (including any Chapter 11 or Chapter 7 trustee hereafter appointed for the estate of any Debtor, any examiner appointed pursuant to Section 1104 of the Bankruptcy Code, the Committee, or any other fiduciary appointed as a legal representative of any Debtor or with respect to any property of the estate of any Debtor), and shall inure to the benefit of DIP Credit Parties and their respective successors and assigns. In no event shall any DIP Credit Party or Pre-Petition Credit Party have any obligation to make DIP Credit Extensions to, or permit the use of the DIP Collateral (including Cash Collateral) by, any Chapter 7 trustee, Chapter 11 trustee or similar responsible person appointed or elected for the estate of any Debtor.

28. Objections Overruled. Any and all objections to the relief requested in the Motion, to the extent not otherwise withdrawn, waived, or resolved by consent at or before the Interim Hearing, and all reservations of rights included therein, are hereby OVERRULED and DENIED.

29. Final Hearing. The Final Hearing shall be held at __:00 o'clock _.m., on _____, 2017, at Courtroom ___, United States Bankruptcy Court, 824 Market Street North, Wilmington, Delaware 19801. The Final Hearing may be adjourned or postponed without further notice except announcement in open court. If no objection to the Motion or this Interim Order is timely filed and asserted at the Final Hearing, then this Interim Order may continue in effect in accordance with its terms subject to such modifications as the Court may

make at the Final Hearing and that are acceptable to DIP Credit Parties. If any or all of the provisions of this Interim Order are modified, vacated or stayed as the result of any objection timely filed and asserted at the Final Hearing, then, without limiting the provisions of Paragraph 21 hereof, any DIP Obligations incurred prior to the effective date of such modification, vacation or stay shall be governed in all respects by the original provisions of this Interim Order, and DIP Credit Parties shall be entitled to the protections afforded under Section 364(e) of the Bankruptcy Code and to all the rights, remedies, privileges, and benefits, including, without limitation, the DIP Liens and Superpriority Claims granted herein and pursuant to the DIP Financing Documents with respect to all such DIP Obligations.

30. Objection Deadline. If any party in interest shall have an objection to any of the provisions of this Interim Order, such party may assert such objection at the Final Hearing, if a written statement setting forth the basis for such objection is filed with the Court and concurrently served upon the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801; counsel for the Debtors, Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, New York 10006, Attention: James L. Bromley, Esq. (jbromley@cgsh.com); co-counsel for the Debtors, Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801, Attention: Pauline K. Morgan, Esq. (pmorgan@ycst.com); counsel for the DIP Agent and Pre-Petition Agent, Parker Hudson Rainer & Dobbs LLP, 303 Peachtree Street NE, Suite 3600, Atlanta, Georgia 30308, Attention: C. Edward Dobbs, Esq. (edobbs@phrd.com) and James S. Rankin, Jr. (jrankin@phrd.com); and co-counsel for the DIP Agent, Ashby & Geddes, P.A., 500 Delaware Avenue, P.O. Box 1150, Wilmington, Delaware 19899, Attention: William Bowden, Esq. (WBowden@ashby-geddes.com); counsel for the Indenture Trustee and Ad Hoc Group, Dechert LLP, 1095 Avenue

of the Americas, New York, NY 10036, Attention: Michael J. Sage (michael.sage@dechert.com) and Brian E. Greer (brian.greer@dechert.com); and co-counsel for the Indenture Trustee and Ad Hoc Group, Richards, Layton & Finger, PA, One Rodney Square 920 North King Street, Wilmington, DE 1980, Attention: Daniel J. DeFranceschi (defranceschi@rlf.com) and Robert J. Stearn, Jr. (stearn@rlf.com), in each case so that such objections and responses are filed on or before __:00 _.m. on _____, 2017. If an objecting party shall fail to appear at the Final Hearing and assert the basis for such objection before the Court, such objection shall be deemed to have been waived and abandoned by such objecting party.

31. Insurance. To the extent Pre-Petition Agent is listed as loss payee or lender's loss payee under any Debtor's insurance policies, DIP Agent shall also deemed to be the loss payee or lender's loss payee under such Debtor's insurance policies and, subject to this Interim Order, shall act in that capacity and distribute any proceeds recovered or received in respect of any such insurance policies.

32. DIP Collateral Rights. Except as expressly permitted in this Interim Order and the DIP Financing Documents, in the event that any person or entity holds a lien on or security interest in DIP Collateral that is junior or subordinate to the DIP Liens in such DIP Collateral and such person or entity receives or is paid the proceeds of such DIP Collateral, or receives any other payment with respect thereto from any other source, in each case in a manner prohibited by any of the DIP Financing Documents or this Interim Order prior to Payment in Full of all DIP Obligations, such junior or subordinate lienholder shall be deemed to have received, and shall hold, the proceeds of any such DIP Collateral in trust for the applicable DIP Credit Parties, and shall immediately turn over such proceeds to such DIP Credit Parties for application in accordance with this Interim Order and the DIP Financing Documents.

33. Conditions Precedent. No DIP Lender shall have any obligation to make any DIP Credit Extensions under the DIP Financing Documents unless the conditions precedent to making such extensions of credit under the DIP Financing Documents have been satisfied in full or waived in accordance with the DIP Financing Documents.

34. No Impact on Certain Contracts or Transactions. No rights of any person or entity in connection with a contract or transaction of the kind listed in Sections 555, 556, 559, 560 or 561 of the Bankruptcy Code, whatever such rights might or might not be, are affected by the provisions of this Interim Order.

35. Effectiveness; Enforceability. This Interim Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, or 9014 of the Bankruptcy Rules or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Interim Order shall be valid, take full effect, and be enforceable immediately upon entry hereof; there shall be no stay of execution or effectiveness of this Interim Order; and any stay of the effectiveness of this Interim Order that might otherwise apply is hereby waived for cause shown.

36. Inconsistencies. To the extent that any provisions in the DIP Financing Documents are expressly inconsistent with any of the provisions of this Interim Order, the provisions of this Interim Order shall govern and control.

37. Headings. Section headings used herein are for convenience only and are not to affect the construction of or to be taken into consideration in interpreting this Interim Order.

Dated: December ____, 2016.

Honorable _____
United States Bankruptcy Judge

**Exhibit B**
**Proposed Final Order**

**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

| | |
|---|---|
| In re: | Chapter 11 |
| MODULAR SPACE HOLDINGS, INC., *et al.*, | Case No. 16-12825 (___) |
| Debtors.[1] | Joint Administration Pending |
| | Re: Docket Nos. [__] |

**FINAL ORDER GRANTING DEBTORS' MOTION TO (1) AUTHORIZE DEBTORS IN POSSESSION TO OBTAIN POST-PETITION FINANCING PURSUANT TO 11 U.S.C. §§ 105, 362, 363, AND 364; (2) GRANT LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS TO POST-PETITION LENDERS PURSUANT TO 11 U.S.C. §§ 364 AND 507; (3) PROVIDE ADEQUATE PROTECTION TO PRE-PETITION CREDIT PARTIES; (4) MODIFY AUTOMATIC STAY PURSUANT TO 11 U.S.C. §§ 361, 362, 363, 364, AND 507; AND (5) GRANT RELATED RELIEF**

This matter is before the Court on the Motion (the "Motion") of Modular Space Holdings, Inc. ("Holdings"), a Delaware corporation, on behalf of itself and its affiliated debtors and debtors in possession (collectively, the "Debtors") in these Chapter 11 cases (the "Chapter 11 Cases"), requesting entry of an interim order and this final order (the "Final Order") pursuant to Sections 105, 361, 362, 363(c)(2), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e) and 507(b) of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (as amended, the "Bankruptcy Rules"), and the local rules for the United States Bankruptcy Court for the District of Delaware (the "Local Rules"):

[1] The Debtors in these cases and the last four digits of their respective United States Tax Identification Number, or similar foreign identification numbers, as applicable, are: Modular Space Holdings, Inc. (8595); Modular Space Intermediate Holdings, Inc. (1161); Modular Space Corporation (5284); Resun ModSpace, Inc. (0701); ModSpace Government Financial Services, Inc. (8573); ModSpace Financial Services Canada, Ltd. (CRA BN 0001); and Resun Chippewa, LLC (6773). The address of the Debtors' corporate headquarters is 1200 Swedesford Road, Berwyn, PA 19312.

(1) authorizing the Debtors to obtain post-petition financing, consisting of a superpriority, secured, asset-based revolving credit facility in the principal amount of up to $768,000,000 (the "DIP Facility") from Bank of America, N.A. ("BofA"), in its separate capacities as administrative and collateral agent (in such capacities, together with its successors in such capacities, the "DIP Agent")[2] and as a lender, and certain other financial institutions (together with BofA and their respective successors and assigns, "DIP Lenders"; and together with DIP Agent, any affiliates of DIP Lenders that provide Bank Products (as defined in the DIP Credit Agreement (as defined in Paragraph D below)), and Letter of Credit Issuers (as defined in the DIP Credit Agreement), the "DIP Credit Parties");

(2) authorizing the Debtors to execute and enter into the DIP Financing Documents (as defined in Paragraph 1(a) below) and to perform all such other and further acts as may be required in connection with the DIP Financing Documents;

(3) authorizing the Debtors to use proceeds of the DIP Facility as permitted in the DIP Financing Documents and in accordance with the Interim Order, this Final Order and the Budget (as defined in Paragraph F below);

(4) granting automatically perfected (i) security interests in and liens on all of the DIP Collateral (as defined in Paragraph G below) that prime the interests of certain consenting pre-petition lienholders, (ii) senior security interests in and liens on all Unencumbered Property (as defined in Paragraph 3(a) below), and (iii) non-priming security interests in and liens on the DIP Collateral in which there are certain pre-existing permitted senior liens, in each case to the DIP Agent for the benefit of the DIP Credit Parties to the extent provided herein, and granting superpriority administrative expense status to the DIP Obligations (as defined in Paragraph 3

2 The term "DIP Agent" shall mean and include (i) Bank of America, N.A., as Administrative Agent, and (ii) Bank of America, N.A., acting through its Canada branch, in its capacity as the Canadian Agent, in each case as defined and provided in the DIP Financing Documents.

below), in each case subject to the Carve-Out (as defined in Paragraph 12 below) and on the terms and subject to the relative priorities set forth in the DIP Financing Documents;

(5) providing adequate protection to the Pre-Petition Credit Parties (as defined in Paragraph B(i) below) to the extent of any diminution in value of their interests in the Pre-Petition Collateral (as defined in Paragraph B(iii) below) and subject to the Carve-Out;

(6) providing adequate protection to the Second Lien Secured Parties (as defined in Paragraph B(iv) below) to the extent of any diminution in value of their interests in the Pre-Petition Collateral and subject to the Carve-Out;

(7) authorizing the Debtors to pay the principal, interest, fees, expenses, disbursements, and other amounts payable under the DIP Financing Documents as such amounts become due and payable;

(8) authorizing the use of Cash Collateral (as defined in Paragraph B(vii) below) in the form of collections and proceeds of accounts receivable, general intangibles and other rights to payment and Pre-Petition Collateral Proceeds (as defined in Paragraph 7(d) below) to repay the Pre-Petition Debt (as defined in Paragraph B(v) below);

(9) authorizing the use of proceeds of loans made by the Pre-Petition Lenders or the DIP Lenders (collectively, the "Loan Proceeds") to the extent that such Loan Proceeds may be considered Cash Collateral solely as a result of the fact that such Loan Proceeds are held in bank accounts over which the Pre-Petition Agent or the DIP Agent may have been granted a security interest;

(10) vacating and modifying the automatic stay pursuant to Section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the Interim Order, this Final Order and the other DIP Financing Documents;

(11) waiving the Debtors' ability to surcharge against any DIP Collateral pursuant to Section 506(c) of the Bankruptcy Code and any right of the Debtors under the "equities of the case" exception in section 552(b) of the Bankruptcy Code;

(12) scheduling a final hearing (the "Final Hearing") to consider entry of the Final Order, and in connection therewith, giving and prescribing the manner of notice of the Final Hearing on the Motion;

(13) waiving any applicable stay with respect to the effectiveness and enforceability of the Interim Order and this Final Order (including under Bankruptcy Rule 6004); and

(14) granting the Debtors such other and further relief as is just and proper.

The Court having held an interim hearing (the "Interim Hearing") on December ___, 2016, and entered an interim order (D.E. No. ____) (the "Interim Order") that, among other things, scheduled the Final Hearing to consider entry of this Final Order and granting the relief sought in the Motion on a final basis, as set forth in the Motion and the DIP Financing Documents;

Due and appropriate notice of the final relief requested in the Motion, the Final Hearing, and the Interim Order having been served by the Debtors on (i) the Office of the United States Trustee (the "U.S. Trustee"), (ii) counsel to the Pre-Petition Agent; (iii) counsel to the DIP Agent; (iv) counsel to the Indenture Trustee and the Ad Hoc Group; (v) the Internal Revenue Service; (vi) the holders of the thirty (30) largest unsecured claims against the Debtors, on a consolidated basis, and (vii) all parties entitled to notice pursuant to Local Rule 9013(m);

The Court having considered all objections, if any, to the Motion; and

Upon consideration of (a) the Motion and the exhibits attached thereto, (b) the evidentiary record made at the Interim Hearing and the Final Hearing through the *Declaration of*

*David Orlofsky, Senior Managing Director of Zolfo Cooper LLP, in Support of Chapter 11 Petitions and First Day Motions* (the "First Day Declaration"), (c) the arguments and statements of counsel, and (d) all matters brought to the Court's attention at the Interim Hearing and the Final Hearing pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2), and after due deliberation and consideration, and good and sufficient cause appearing therefor:

**THE COURT HEREBY FINDS AND DETERMINES**:[3]

A. Petition Date. On December 21, 2016 (the "Petition Date"), each of the Debtors filed with the Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, and each is continuing to manage its properties and to operate its business as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed for any Debtor.

B. Debtors' Stipulations. Without prejudice to the rights of any other party (but subject to the limitations thereon contained in Paragraph 22 below), each Debtor admits, stipulates, acknowledges and agrees as follows:

(i) Pre-Petition Loan Documents. Pursuant to that certain Third Amended and Restated Credit Agreement dated as of June 6, 2011 (as at any time amended or supplemented, the "Pre-Petition Credit Agreement"), certain financial institutions in their capacity as lenders (collectively, "Pre-Petition Lenders") and BofA in its capacity as administrative and collateral agent for the Pre-Petition Lenders (in such capacity, the "Pre-Petition Agent,"[4] and together with the Pre-Petition Lenders, any affiliates of Pre-Petition Lenders who provide Bank Products (as defined in the Pre-Petition Credit Agreement, the "Pre-

3 To the extent any findings of fact constitute conclusions of law, they are adopted as such, and *vice versa*.

4 The term "Pre-Petition Agent" shall mean and include (i) Bank of America, N.A., as Administrative Agent, and (ii) Bank of America, N.A., acting through its Canada branch, in its capacity as the Canadian Agent, in each case as defined and provided in the Pre-Petition Loan Documents.

Petition Bank Products"), the Letter of Credit Issuers (as defined in the Pre-Petition Credit Agreement), and their respective successors and assigns, the "Pre-Petition Credit Parties") established a revolving credit facility and issued letters of credit for the benefit of Modular Space Corporation ("ModSpace") and certain other Debtors who are borrowers, guarantors or pledgors with respect to any of the Obligations under (and as defined in) the Pre-Petition Credit Agreement (collectively, the "Pre-Petition Obligors"), in an aggregate principal amount of loans and letters of credit up to $800,000,000. The Pre-Petition Credit Agreement, together with any other agreement, note, instrument, guaranty, mortgage, fixture filing, deed of trust, security agreement, financing statement, pledge, assignment, forbearance agreement, and other document executed at any time in connection therewith, in each case as the same may be amended, modified, restated or supplemented from time to time, are hereinafter referred to collectively as the "Pre-Petition Loan Documents." All of the Pre-Petition Loan Documents were duly authorized, executed and delivered on behalf of each Debtor signatory thereto and create legal, valid and binding obligations on the part of each such Debtor.

(ii) Second Lien Documents. Pursuant to that certain Indenture, dated as of February 25, 2014, by and among Wilmington Savings Fund Society, FSB, as successor trustee and collateral agent (in such capacities, the "Indenture Trustee"), ModSpace, and the guarantors named therein (the "Second Lien Indenture"), ModSpace issued the 10.25% Senior Secured Second Lien Notes due 2019 (the "Second Lien Notes") in the original principal amount of $375,000,000. The Second Lien Indenture, the Second Lien Notes, that certain Second Lien Security Agreement, dated as of February 25, 2014, by and among ModSpace, Resun Chippewa, LLC, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., and the Indenture Trustee (the "Second Lien Security Agreement"), that certain that Patent Security Agreement,

dated as of February 25, 2014, by and among the grantors party thereto and the Indenture Trustee (the "Second Lien Patent Security Agreement"), that certain Trademark Security Agreement, dated as of February 25, 2014, by and among the grantors party thereto and the Indenture Trustee (the "Second Lien Trademark Security Agreement"), that certain Second Lien Pledge Agreement, dated as of February 25, 2014, by and among ModSpace, Resun ModSpace, Inc., ModSpace Government Financial Services, Inc., and the Indenture Trustee (the "Second Lien Pledge Agreement"), and that certain Second Lien Stock Pledge Agreement, dated as of February 25, 2014 by and between Modular Space Intermediate Holdings, Inc. and the Indenture Trustee (the "Second Lien Holdings Pledge Agreement"), together with any other agreement, note, instrument, guaranty, mortgage, fixture filing, deed of trust, security agreement, financing statement, pledge, assignment, forbearance agreement, and other document executed at any time in connection therewith, in each case as the same may be amended, modified, restated or supplemented from time to time, are hereinafter referred to collectively as the "Second Lien Documents." All of the Second Lien Documents were duly authorized, executed and delivered on behalf of each Debtor signatory thereto (collectively, the "Second Lien Obligors") and create legal, valid, binding, perfected, and enforceable obligations on the part of each Second Lien Obligor.

(iii) Pre-Petition Collateral Securing Pre-Petition Debt. Pursuant to certain Security Documents (as defined in the Pre-Petition Credit Agreement) executed by the Pre-Petition Obligors in favor of the Pre-Petition Agent, each Pre-Petition Obligor granted to the Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties and to secure all of such Pre-Petition Obligor's Obligations (as defined in the Pre-Petition Credit Agreement), first priority liens on and security interests in the Collateral (as defined in the Pre-Petition Credit Agreement,

with such liens and security interests collectively referred to herein as the "Pre-Petition Security Interests" and all Collateral in existence on the Petition Date and all products and proceeds thereof being collectively referred to herein as the "Pre-Petition Collateral"). The Pre-Petition Collateral includes, without limitation, cash tendered by the Pre-Petition Obligors to the Pre-Petition Agent and held in a segregated account (the "LC Cash Collateral") to secure Pre-Petition Obligors' payment, reimbursement and performance in full of all debts, liabilities, and obligations now existing or hereafter arising from or in connection with certain of the Pre-Petition LCs (defined below) (collectively, the "LC Obligations").

(iv) Pre-Petition Collateral Securing Second Lien Obligations. Pursuant to the Second Lien Security Agreement, the Second Lien Patent Security Agreement, the Second Lien Trademark Security Agreement, the Second Lien Pledge Agreement, and the Second Lien Holdings Pledge Agreement executed by the Second Lien Obligors in favor of the Indenture Trustee, each Second Lien Obligor granted to the Indenture Trustee, for the benefit of the beneficial holders of Notes (collectively, the "Second Lien Noteholders," and together with the Indenture Trustee, the "Second Lien Secured Parties") and to secure all of such Second Lien Obligor's obligations and indebtedness under the Second Lien Documents, liens, pledges, and security interests (collectively, the "Second Liens") in the Pre-Petition Collateral owned by the Second Lien Obligors.

(v) Pre-Petition Debt. As of the Petition Date, the Pre-Petition Obligors were indebted and liable under the Pre-Petition Loan Documents to Pre-Petition Credit Parties for (a) U.S. Revolving Loans (as defined in the Pre-Petition Credit Agreement) in the approximate principal amount of $_____,[5] (b) Canadian Revolving Loans (as defined in the Pre-

5 The Debtor ModSpace Financial Services Canada, Ltd. ("ModSpace Canada"), is not liable for the U.S. Revolving Loans or any of the Second Lien Debt (defined below).

Petition Credit Agreement) (collectively with the U.S. Revolving Loans, the "Pre-Petition Loans") in the approximate principal amount of $_____, (c) fees, expenses, and other charges associated with depository accounts and other Pre-Petition Bank Products (collectively, the "Pre-Petition Bank Product Obligations"), and (d) on a contingent basis, in the approximate amount of $3,242,226 in face amount of standby letters of credit (the "Pre-Petition LCs"; together with the Pre-Petition Loans, the Pre-Petition Bank Product Obligations, all other obligations of any Pre-Petition Obligor in respect of indemnities, guaranties and other payment assurances made or given to or by any Pre-Petition Obligor for the benefit of Pre-Petition Credit Parties, and all interest, fees, costs, legal expenses and all other amounts heretofore or hereafter accruing thereon or at any time chargeable to any Pre-Petition Obligor in connection therewith, are collectively referred to herein as the "Pre-Petition Debt"). Each Debtor acknowledges and stipulates that the Pre-Petition Debt is due and owing to the Pre-Petition Credit Parties, without any defense, offset, recoupment or counterclaim of any kind; the Pre-Petition Debt constitutes the legal, valid and binding obligations of each Pre-Petition Obligor as and to the extent provided in the Pre-Petition Loan Documents, enforceable in accordance with the terms of the Pre-Petition Loan Documents; and none of the Pre-Petition Debt or any payments made to any Pre-Petition Credit Party or applied to the obligations owing under any Pre-Petition Loan Documents prior to the Petition Date is subject to avoidance, subordination, recharacterization, recovery, attack, offset, counterclaim, defense or other claim of any kind pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(vi) Second Lien Debt. As of the Petition Date, the Second Lien Obligors were indebted and liable under the Second Lien Documents to Second Lien Secured Parties, as applicable for (a) the $375,000,000 in outstanding principal amount of Second Lien Notes (the

"Second Lien Principal"); (b) $[_____] in accrued and unpaid interest under the Second Lien Notes as of the Petition Date (the "Second Lien Interest"), and (c) fees, expenses, or other amounts due under the Second Lien Documents, including the fees and expenses of the Indenture Trustee, Dechert LLP, Moelis & Company, Richards, Layton & Finger, PA, and Bennett Jones LLP (the "Second Lien Fees and Expenses," and together with the Second Lien Principal, Second Lien Interest, and all other obligations of any Second Lien Obligor in respect of indemnities, guaranties and other payment assurances given to or by any Second Lien Obligor for the benefit of the Second Lien Secured Parties, and all other interest, fees, costs, legal expenses and all other amounts heretofore or hereafter accruing thereon or at any time chargeable to any Second Lien Obligor in connection therewith, collectively referred to as the "Second Lien Debt"). Each Debtor acknowledges and stipulates that the Second Lien Debt is due and owing to the Second Lien Secured Parties, without any defense, offset, recoupment or counterclaim of any kind; the Second Lien Debt constitutes the legal, valid, perfected, binding, and enforceable obligations of each Second Lien Obligor as and to the extent provided in the Second Lien Documents, enforceable in accordance with the terms of the Second Lien Documents; and none of the Second Lien Debt or any payments made to any Second Lien Secured Party or applied to the obligations owing under any Second Lien Documents prior to the Petition Date is subject to avoidance, subordination, recharacterization, recovery, attack, offset, counterclaim, defense or other claim of any kind pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(vii) Cash Collateral. All or substantially all cash, securities and other property of the Pre-Petition Obligors (and the proceeds thereof) as of the Petition Date, including, without limitation, all amounts on deposit or maintained by any Pre-Petition Obligor

in any account with any Pre-Petition Credit Party, are subject to valid and enforceable rights of setoff and valid, perfected, enforceable first-priority liens under the Pre-Petition Loan Documents and applicable law, and are included in the Pre-Petition Collateral, and therefore the Pre-Petition Obligors' cash, cash balances, and cash accounts constitute cash collateral of the Pre-Petition Credit Parties within the meaning of Section 363(a) of the Bankruptcy Code. All or substantially all cash, securities and other property of the Second Lien Obligors (and the proceeds thereof) as of the Petition Date, including, without limitation, all amounts on deposit or maintained by any Second Lien Obligor in any account with any Pre-Petition Credit Party, are subject to valid, perfected, enforceable liens under the Second Lien Documents and applicable law, and are included in the Pre-Petition Collateral, and therefore the Second Lien Obligors' cash, cash balances, and cash accounts constitute cash collateral of the Second Lien Secured Parties within the meaning of Section 363(a) of the Bankruptcy Code. All such cash (including, without limitation, all proceeds of the Pre-Petition Collateral and all proceeds of property encumbered by liens and security interests granted under the Interim Order and this Final Order), is referred to herein as "Cash Collateral."

C. Need for Financing. An immediate and ongoing need exists for the Debtors to obtain the DIP Credit Extensions (as defined in Paragraph D below) in order to permit, among other things, the orderly continuation of the operation of their businesses, to maintain business relationships with vendors, suppliers and customers, to pay payroll obligations, and to satisfy other working capital and operational needs so as to maximize the value of their respective businesses and assets as debtors in possession under Chapter 11 of the Bankruptcy Code. The Debtors do not have sufficient available sources of working capital to operate their businesses in the ordinary course without access to the DIP Facility. The Debtors' ability to maintain business

relationships with vendors and customers, to pay employees, and otherwise to fund operations is essential to the Debtors' viability and preservation of the going concern value of their businesses.

D. Proposed DIP Facility. The Debtors have requested the DIP Lenders to establish the DIP Facility pursuant to which the Debtors may obtain loans from time to time (the "DIP Loans," and together with letters of credit and other extensions of credit pursuant to the DIP Credit Agreement (defined below), the "DIP Credit Extensions") in aggregate principal amounts not to exceed (x) $568,000,000 in the case of U.S. Revolving Loans, (y) $200,000,000 in the case of Canadian Revolving Loans, and (z) up to $_____ in the case of the U.S. Term Loan, in each case subject to the borrowing base and commitment limitations, sub-limits, reserves and other conditions and limitations on availability in the DIP Credit Agreement (such DIP Credit Extensions being collectively called the "DIP Financing"), with all DIP Credit Extensions and related obligations secured by all real and personal property of the Debtors, wherever located and whether created, acquired, existing, or arising prior to, on or after the Petition Date. The DIP Lenders are willing to establish the DIP Facility upon the terms and conditions set forth herein and in that certain Post-Petition Credit Agreement and that certain Post-Petition Security Agreement to be entered into by the Debtors and the DIP Credit Parties, substantially in the form attached to the Motion (collectively, together with all schedules, exhibits and annexes thereto, and as at any time amended, the "DIP Credit Agreement").

E. No Credit Available on More Favorable Terms. Despite diligent efforts, the Debtors have been unable to obtain post-petition financing on terms more favorable than those offered by the DIP Lenders under the DIP Financing Documents. The Debtors are unable to obtain adequate unsecured credit allowable under Section 503(b)(1) of the Bankruptcy Code. The Debtors also are unable to obtain secured credit allowable under Sections 364(c)(1),

364(c)(2) and (c)(3) of the Bankruptcy Code without granting priming liens under Section 364(d)(1) of the Bankruptcy Code and the Superpriority Claims (as defined in Paragraph 4(a) below) under the terms and conditions set forth in the Interim Order, this Final Order and in the DIP Financing Documents.

F. Budget. The Debtors prepared and attached to the Interim Order a rolling cash flow budget in accordance with the DIP Credit Agreement (as at any time amended, supplemented or updated with the prior written consent of DIP Agent[6] and, as provided in Paragraph 1(g) of this Final Order, the Indenture Trustee, the "Budget"), which sets forth, among other things, the projected cash receipts and disbursements for the periods covered thereby. The DIP Credit Parties are relying upon the Budget in entering into the DIP Credit Agreement, and the Pre-Petition Credit Parties and Second Lien Secured Parties are relying upon the Budget in consenting to the terms of this Final Order. All references restricting the use of DIP Loans to payment of amounts set forth in the Budget shall mean the most recent approved Budget, subject to the "Permitted Variances" as defined in the DIP Credit Agreement (the "Permitted Variances").

G. Certain Conditions to DIP Facility. The DIP Lenders' willingness to make DIP Credit Extensions are conditioned upon, among other things, (i) the Debtors obtaining Court approval to enter into the DIP Credit Agreement and to incur all of the obligations of the Debtors thereunder, and to confer upon the DIP Credit Parties all rights, powers and remedies thereunder; (ii) the Debtors' provision of adequate protection, as granted in the Interim Order and this Final

6 Whenever approval, consent or discretion of the DIP Agent or Pre-Petition Agent to take specific action is referred to in this Order, such approval, consent or discretion shall also include, to the extent required by the DIP Financing Documents or the Pre-Petition Loan Documents, as applicable, (x) any required approval or consent of the required DIP Lenders or the required Pre-Petition Lenders, as applicable, or (y) in the case of the exercise of discretion, as such exercise may be directed by the required DIP Lenders or the required Pre-Petition Lenders, as applicable.

Order, of the Pre-Petition Credit Parties' interests in the Pre-Petition Collateral pursuant to Sections 361 and 363 of the Bankruptcy Code; and (iii) (x) the DIP Agent being granted, on behalf of the DIP Credit Parties and as security for the prompt payment of the DIP Financing and all other obligations of the Debtors under the DIP Credit Agreement, perfected security interests in and liens upon all of each Debtor's pre-petition and post-petition real and personal property, including, without limitation, all of each Debtor's cash, accounts, inventory, equipment, fixtures, general intangibles, documents, instruments, chattel paper, deposit accounts, letter-of-credit rights, commercial tort claims, investment property, intellectual property, real property and leasehold interests, contract rights, business interruption insurance, and books and records relating to any assets of such Debtor and all proceeds (including, without limitation, insurance proceeds) of the foregoing, whether such assets were in existence on the Petition Date or were thereafter created, acquired or arising and wherever located (all such real and personal property, including, without limitation, all Pre-Petition Collateral, being collectively hereinafter referred to as the "DIP Collateral"), and (y) that such perfected security interests and liens have the priorities hereinafter set forth. The DIP Collateral shall include Avoidance Proceeds (as defined in Paragraph 4(b)).

H. Conditions to Second Lien Consent. The willingness of the Indenture Trustee and of the ad hoc group of investors who currently beneficially hold, in the aggregate, approximately 78.3% of the issued and outstanding Second Lien Notes (as the membership of such group may be amended or reorganized from time to time, the "Ad Hoc Group") to consent to the Debtors' use of Cash Collateral, the incurrence of the obligations under the DIP Financing Documents, and the entry of the Interim Order, was conditioned upon, among other things, the execution by the Debtors and the Pre-Petition Lenders of that certain Restructuring Support Agreement, dated

as of December 20, 2016 (the "RSA") and the Debtors' provision of adequate protection, as granted in the Interim Order and this Final Order, of the Second Lien Secured Parties' interests in the Pre-Petition Collateral pursuant to Sections 361 and 363 of the Bankruptcy Code, and the Indenture Trustee's review and approval of the Budget in the form annexed to this Final Order (which the Indenture Trustee has approved).

I. Adequate Protection.

(i) Pre-Petition Credit Parties. The Debtors acknowledge and agree that the Pre-Petition Credit Parties are entitled to the adequate protection set forth in the Interim Order and this Final Order by reason of the granting of first priority priming liens on the Pre-Petition Collateral for the benefit of the DIP Credit Parties; the use, sale, lease or depreciation or other diminution in value of the Pre-Petition Credit Parties' interests in the Pre-Petition Collateral; the subordination of the Pre-Petition Security Interests to the Carve-Out (as defined below); and the imposition of the automatic stay under Section 362(a) of the Bankruptcy Code or otherwise pursuant to Sections 361(a), 363(c), 364(c), and 364(d)(1) of the Bankruptcy Code. The adequate protection and other treatment proposed to be provided to the Pre-Petition Credit Parties by the Debtors pursuant to the Interim Order and this Final Order are authorized by the Bankruptcy Code, will minimize disputes and litigation over use of the Pre-Petition Collateral, and will facilitate the Debtors' ability to continue their business operations through the use of the DIP Facility.

(ii) Second Lien Secured Parties. The Debtors acknowledge and agree that the Second Lien Secured Parties are entitled to the adequate protection set forth in the Interim Order and this Final Order by reason of the granting of first priority priming liens on the Pre-Petition Collateral for the benefit of the DIP Credit Parties; the use, sale, lease or depreciation or

other diminution in value of the Second Lien Secured Parties' interests in the Pre-Petition Collateral; the subordination of the Second Liens to the Carve-Out (as defined below); and the imposition of the automatic stay under Section 362(a) of the Bankruptcy Code or otherwise pursuant to Sections 361(a), 363(c), 364(c), and 364(d)(1) of the Bankruptcy Code. The adequate protection and other treatment proposed to be provided to the Second Lien Secured Parties by the Debtors (excluding ModSpace Canada) pursuant to the Interim Order and this Final Order are authorized by the Bankruptcy Code, will minimize disputes and litigation over use of the Pre-Petition Collateral, and will facilitate the Debtors' ability to continue their business operations through the use of the DIP Facility.

(iii) Lien Priorities. The relative priorities of the Pre-Petition Security Interests and the Second Liens and related claims and obligations are set forth in an Intercreditor Agreement dated as of February 25, 2014 (as at any time modified, amended or restated, the "Intercreditor Agreement"), among Pre-Petition Agent, the Indenture Trustee, ModSpace and certain other Debtors. All of the Pre-Petition Debt and all of the DIP Obligations (as defined in Paragraph 3 below) constitute First Lien Debt as such term is used in the Intercreditor Agreement, and the Intercreditor Agreement remains enforceable pursuant to its terms after the Petition Date under Section 510(a) of the Bankruptcy Code.

J. Service of Motion, Interim Order and Notice of Final Hearing. The affidavits and declaration of service on file with the Court demonstrate that the Debtors have served copies of the Motion (together with the annexed copies of the proposed DIP Credit Agreement and Budget annexed thereto), a copy of the Interim Order, and notice of the Final Hearing by electronic mail, telecopy transmission, hand delivery, overnight courier or first class United States mail upon (i) the Office of the U.S. Trustee), (ii) counsel to the Pre-Petition Agent; (iii) counsel to the DIP

Agent; (iv) counsel to the Indenture Trustee and the Ad Hoc Group; (v) the Internal Revenue Service; and (vi) the holders of the thirty (30) largest unsecured claims against the Debtors, on a consolidated basis. The Court finds that the foregoing notice of the Motion, as it relates to this Final Order and the Final Hearing, is appropriate, due and sufficient for all purposes under the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, including, without limitation, Sections 102(1) and 364 of the Bankruptcy Code and Bankruptcy Rule 4001(b) and (c), and that no further notice of the relief sought at the Final Hearing and the relief granted herein is necessary or required.

K. Finding of Good Cause. Good cause has been shown for the entry of this Final Order and authorization for (i) the DIP Lenders to provide the Debtors with the DIP Credit Extensions, (ii) the Debtors to accept, incur and undertake the DIP Obligations pursuant to the DIP Credit Agreement as hereinafter provided, and (iii) the Debtors to provide the Pre-Petition Credit Parties and the Second Lien Secured Parties with adequate protection as set forth herein. Each Debtor's need for financing of the type afforded by the DIP Credit Agreement is immediate and critical. Entry of this Final Order will preserve the assets of the Debtors' estates and their value and is in the best interests of the Debtors, their creditors and their estates. The terms of the DIP Facility (including the Roll-Up) are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration.

L. Finding of Good Faith. Based upon the record presented at the Interim Hearing and the Final Hearing, the DIP Facility has been negotiated in good faith and at arm's length between the Debtors, on the one hand, and the DIP Credit Parties, on the other. All of the DIP Obligations, including, without limitation, all DIP Credit Extensions made pursuant to the DIP Credit Agreement (including, without limitation, the Roll-Up) and all other liabilities and

obligations of any Debtors under this Final Order or in respect of credit card debt, overdrafts and related liabilities arising from treasury, depository, credit card and cash management services, or in connection with any automated clearing house transfers of funds or other Bank Products (as defined in the DIP Credit Agreement, the "DIP Bank Products"), owing to the DIP Credit Parties shall be deemed to have been extended by the DIP Credit Parties in "good faith," as such 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. The DIP Credit Parties shall be entitled to the full protection of Section 364(e) of the Bankruptcy Code in the event that this Final Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise.

M. Jurisdiction; Core Proceeding. This Court has jurisdiction over these Chapter 11 Cases, the Motion, this Final Order, and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. This is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

N. Immediate Entry. The Debtors have requested immediate entry of this Final Order pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2) and the Local Rules. Absent the grant by the Court of the relief sought by the Motion, each Debtor's estate will be immediately and irreparably harmed. The Debtors' consummation of the DIP Facility in accordance with the terms of this Final Order and the DIP Financing Documents is in the best interests of each Debtor's estate and is consistent with each Debtor's exercise of its fiduciary duties. Under the circumstances, the notice given by the Debtors of the Motion and the Final Hearing constitutes due and sufficient notice thereof and complies with Bankruptcy Rules 4001(b) and (c) and the Local Rules. No further notice of the relief sought at the Final Hearing is necessary or required.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. Grant of Motion; Authorization of Financing; Use of Proceeds.

(a) The Motion is hereby GRANTED as and to the extent provided herein, and the Court hereby authorizes and approves each Debtor's execution and delivery of the DIP Credit Agreement in substantially the form annexed to the Motion (with such changes, if any, as were made prior to or as a result of the Interim Hearing or the Final Hearing or are otherwise authorized to be made as amendments to the DIP Credit Agreement in accordance with the Interim Order or this Final Order) and all instruments, guaranties, security agreements, assignments, pledges, mortgages, reaffirmations and other documents referred to therein or requested by the DIP Credit Parties to give effect to the terms thereof (the DIP Credit Agreement, the Budget and all such other instruments, and documents, including, without limitation, guaranties, security agreements, pledge agreements, mortgages, deeds of trust, deeds to secure debt, financing statements, assignments, trust agreements, amendments, waivers, consents, other modifications, intellectual property filings, and other documents, as at any time amended, being collectively called the "DIP Financing Documents").

(b) The Debtors are hereby authorized to obtain DIP Financing pursuant to the DIP Financing Documents, on the terms set forth in any DIP Financing Document and this Final Order, up to an aggregate principal amount not to exceed at any time (x) $568,000,000 in the case of U.S. Revolving Loans, (y) $200,000,000 in the case of Canadian Revolving Loans, and (z) $ _____ in the case of the U.S. Term Loan, in each case subject to the borrowing base and commitment limitations, sub-limits, reserves and other conditions and limitations on availability in the DIP Credit Agreement, plus all interest, fees and other charges payable in

connection with such DIP Credit Extensions as provided in the DIP Financing Documents; to incur any and all liabilities and obligations under the DIP Financing Documents; and to pay all principal, interest, fees, expenses and other obligations provided for under the DIP Financing Documents (including, without limitation, the obligations under the DIP Financing Documents to indemnify the DIP Agent and DIP Lenders).

(c) In addition to the DIP Credit Extensions described above, the Debtors are authorized to incur credit and debit card debt, overdrafts and related liabilities arising from treasury, depository, and cash management services and other DIP Bank Products provided to or for the benefit of any Debtor by any DIP Credit Party (or any of their respective affiliates), provided that nothing herein shall require any DIP Credit Party to allow overdrafts to be incurred or to provide any such services or functions to any Debtor.

(d) No DIP Credit Party shall have any obligation or responsibility to monitor any Debtor's use of the DIP Loans or other DIP Credit Extensions, and each DIP Credit Party may rely upon each Debtor's representations that the amount of the DIP Credit Extensions requested at any time, and the use thereof, are in accordance with the requirements of this Final Order, the Budget, the DIP Financing Documents, the Bankruptcy Code and the Bankruptcy Rules.

(e) As provided in the DIP Credit Agreement and the Interim Order, the Pre-Petition LCs shall be treated as having been issued under the DIP Credit Agreement, shall constitute part of the DIP Credit Extensions, shall be entitled to all of the benefits and security of the DIP Financing Documents, the DIP Collateral and this Final Order. The LC Cash Collateral securing the LC Obligations shall constitute a part of the DIP Collateral to which the DIP Liens (as defined in Paragraph 3 below) shall attach. DIP Agent may, but shall have no obligation to,

require any Debtor to enter into one or more letter of credit cash collateral agreements pursuant to the DIP Credit Agreement to, among other things, require from time to time delivery of cash collateral to DIP Agent to secure other contingent DIP Obligations (the "Additional Contingent Obligations Cash Collateral").

(f) The Debtors may obtain and use the proceeds of DIP Loans only for purposes specified in the DIP Credit Agreement. No proceeds of any DIP Loan shall be used to (i) make any payment in settlement or satisfaction of any pre-petition claim (other than the Pre-Petition Debt) or administrative claim (other than the DIP Obligations), unless (x) in compliance with the Budget and permitted under the DIP Financing Documents or (y) as separately approved by the Court upon notice to the DIP Agent and subject to compliance with the Budget; (ii) except as expressly provided or permitted hereunder or in the Budget or as otherwise approved by the DIP Agent and the Indenture Trustee (and approved by the Court, if necessary), make any payment or distribution to or for the benefit of any non-Debtor affiliate, equity holder, or insider of any Debtor, and in no event shall any management, advisory, consulting or similar fees be paid to or for the benefit of any affiliate that is not a Debtor; (iii) make any payment, advance, intercompany advance or transfer, or any other remittance or transfer whatsoever to any Debtor or affiliate of a Debtor that is not a "Borrower" under, and as defined in, the DIP Credit Agreement; or (iv) make any payment otherwise prohibited by this Final Order.

(g) The Budget may be amended, supplemented or updated with the prior written consent of the DIP Agent, and deviations from the Budget may be approved by the DIP Agent (but to be enforceable against the DIP Credit Parties, such deviations must be in writing); provided, however, that any change to the Budget proposed by the Debtors shall also be subject to the consent of the Indenture Trustee, which consent shall not be unreasonably withheld or

delayed and which, in the absence of a written objection (specifying the reasons therefor) delivered to the Debtors and DIP Agent not later than three business days after the Indenture Trustee's receipt of written notice of such proposed change, shall be deemed to have been given. Notwithstanding any objection made by DIP Agent or the Indenture Trustee to any proposed change to the Budget, (x) DIP Credit Parties may, in their discretion and pending resolution of any such objection, continue to make DIP Credit Extensions consistent with the Budget with or without the proposed change or to the extent DIP Credit Parties deem it necessary to do so to protect or preserve the Collateral (or the validity, perfection, or priority of the DIP Liens or Pre-Petition Security Interests thereon) or to enhance the likelihood or timing of repayment of the DIP Credit Extensions and Pre-Petition Debt and (y) the Indenture Trustee shall be authorized to petition the Court, on notice and a hearing, to bar the implementation of any proposed change to the Budget in respect of which it withheld its consent, and in any such hearing the Indenture Trustee shall have the burden of proof on the issue of whether or not its consent was reasonably withheld.

2. Execution, Delivery and Performance of DIP Financing Documents. The DIP Financing Documents and any amendments thereto may be executed and delivered on behalf of each Debtor by any officer, director, or agent of such Debtor, who by signing shall be deemed to represent himself or herself to be duly authorized and empowered to execute such DIP Financing Documents and amendments for and on behalf of such Debtor; the DIP Credit Parties shall be authorized to rely upon any such person’s execution and delivery of any of the DIP Financing Documents and any amendments thereto as having done so with all requisite power and authority to do so; and the execution and delivery of any of the DIP Financing Documents or any amendments thereto by any such person on behalf of such Debtor shall be conclusively presumed

to have been duly authorized by all necessary corporate, limited liability company, or other entity action (as applicable) of such Debtor. Upon execution and delivery thereof, each of the DIP Financing Documents and any amendments thereto shall constitute valid and binding obligations of each Debtor that executed and delivered it, enforceable against each such Debtor to the extent and in accordance with their terms for all purposes during its Chapter 11 Case, any subsequently converted case of such Debtor under Chapter 7 of the Bankruptcy Code (each, a "Successor Case"), and after the dismissal of any Chapter 11 Case. Subject to the provisions of Paragraphs 5(a) and 22 hereof, no obligation, payment, transfer or grant of security under the DIP Financing Documents or this Final Order shall be stayed, restrained, voidable, avoidable or recoverable under the Bankruptcy Code or under any applicable non-bankruptcy law (including, without limitation, under Sections 502(d), 544, 547, 548, 549 or 550 of the Bankruptcy Code or under any applicable Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, Uniform Voidable Transactions Act or similar statute or common law), or subject to any defense, reduction, setoff, recoupment or counterclaim. In furtherance of the provisions of Paragraph 1 of this Final Order, each Debtor is authorized and directed (i) to do and perform all acts, (ii) to make, execute and deliver all DIP Financing Documents, and (iii) to pay all fees, costs and expenses, in each case as may be necessary or, at the request of DIP Agent, desirable to give effect to any of the terms and conditions of the DIP Financing Documents and any amendments thereto, to validate the perfection of the DIP Liens, or as may otherwise be required or contemplated by the DIP Financing Documents and any amendments thereto.

3. DIP Liens. As security for the Debtors' payment and performance of all DIP Financing, all interest, costs, expenses, fees and other charges at any time or times payable by any Debtor to any DIP Credit Party in connection with all DIP Financing, all reimbursement

obligations and other indebtedness in respect of the Pre-Petition LCs, and all other indebtedness and obligations under any of the DIP Financing Documents (including, without limitation, indemnities and obligations in respect of Bank Products (as defined in the DIP Credit Agreement)) (all of the foregoing being collectively called the "DIP Obligations"), DIP Agent shall have, for itself and for the benefit of the DIP Credit Parties, and is hereby granted, valid, binding, enforceable, non-avoidable and automatically and properly perfected security interests in and liens upon all of the DIP Collateral (collectively, the "DIP Liens") and in the priorities set forth herein. Subject to the Carve-Out provided in Paragraph 12 hereof, the DIP Liens shall be:

(a) Unencumbered Property. Pursuant to Section 364(c)(2) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected, first priority (except to the extent provided otherwise in this sentence) senior liens on, and security interests in, all DIP Collateral that is not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date (collectively, the "Unencumbered Property").

(b) Liens Junior to Certain Other Liens. Pursuant to Section 364(c)(3) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected security interests and liens upon the DIP Collateral, which security interests and liens shall be junior to (but only to) any properly perfected, valid, unavoidable, and enforceable liens in existence as of the Petition Date except for (i) the Pre-Petition Security Interests and (ii) the Second Liens.

(c) Priming DIP Liens. Pursuant to Section 364(d)(1) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully perfected security interests and liens upon the DIP Collateral, which security interests and liens shall prime and be prior and senior in all respects to (i) the Pre-Petition Security Interests, (ii) the Second Liens, and (iii) all of the Adequate Protection Liens (as defined in Paragraph 8(a) below).

(d) Liens Senior to Certain Other Liens. The DIP Liens and the ABL Adequate Protection Liens (as defined in Paragraph 7(a) below) shall not be (i) subject or subordinate to (A) any lien or security interest that is avoided and preserved for the benefit of any Debtor or its estate under Section 551 of the Bankruptcy Code, (B) any lien or security interest of any lessor or landlord under any agreement or applicable state law to the extent any such lien has been waived in favor of the Pre-Petition Security Interests, (C) except to the extent the DIP Financing Documents expressly allow a post-petition lien to have priority over the DIP Liens of DIP Agent, any post-petition liens granted by any Debtor to other persons or entities or otherwise arising after the Petition Date, including, without limitation, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of any Debtor, or (D) any intercompany or affiliate liens or security interests of any Debtor; (ii) subordinated to or made *pari passu* with any other lien or security interest under Section 363 or 364 of the Bankruptcy Code or otherwise; or (iii) subject to Sections 510(c), 549 or 550 of the Bankruptcy Code. In no event shall any person or entity who pays (or, through the extension of credit to any Debtor, causes to be paid) any of the DIP Obligations be subrogated, in whole or in part, to any rights, remedies, claims, privileges, liens or priorities granted to or in favor of, or conferred upon, any DIP Credit Party by the terms of any DIP Financing Documents or this Final Order unless such person or entity contemporaneously causes Payment in Full[7] of all of the DIP Obligations and the Pre-Petition Debt.

7 As used herein, the term "Payment in Full" (i) when used in reference to the Pre-Petition Debt shall have the meaning ascribed to "Full Payment" in the Pre-Petition Credit Agreement, provided that Payment in Full of the Pre-Petition Debt shall not occur unless and until the Challenge Deadline (as defined below) expires without any Challenge (as defined below) having been timely asserted; and (ii) when used in reference to the DIP Obligations shall have the meaning ascribed to "Full Payment" in the DIP Credit Agreement.

(e) Canadian Collateral. Notwithstanding anything to the contrary in this Paragraph 3, (i) the DIP Liens on the Canadian Collateral (as defined in the DIP Credit Agreement) shall secure only the Canadian Obligations (as defined in the DIP Credit Agreement) and (ii) only 65% of the stock of ModSpace Canada owned by ModSpace shall secure the U.S. Obligations under (and as defined in) the DIP Credit Agreement.

4. Superpriority Claims.

(a) Allowed Claims. All DIP Obligations shall constitute joint and several allowed superpriority claims (the "Superpriority Claims") against each Debtor liable for such DIP Obligations (without the need to file any proof of claim) pursuant to Section 364(c)(1) of the Bankruptcy Code having priority in right of payment over all other obligations, liabilities and indebtedness of such Debtor, whether now in existence or hereafter incurred by any such Debtor, and over any and all administrative expenses of the kind specified in Sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under Sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c), 507, 546, 552(b), 726, 1113, or 1114 of the Bankruptcy Code. Such 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 and shall be payable from and have recourse to all pre-petition and post-petition property of the Debtors and all proceeds thereof; provided, however, that the Superpriority Claims shall be subject to the Carve-Out.

(b) Proceeds of Avoidance Claims. For the avoidance of doubt, the Superpriority Claims shall have recourse to all proceeds (the "Avoidance Proceeds") of all of the Debtors' claims and causes of action pursuant to Sections 502(d), 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code (the "Avoidance Claims").

5. Repayment.

(a) Repayment of Pre-Petition Debt. Upon and at any time or times after entry of this Final Order, DIP Lenders shall be authorized, in their discretion, to fund under the DIP Facility (to the extent that Payment in Full of the Pre-Petition Debt consisting of U.S. Revolving Loans (as such term is defined in the Pre-Petition Credit Agreement) together with accrued and unpaid interest and fees thereon has not already occurred pursuant to Paragraph 7 of this Final Order) one or more DIP Loans in an amount sufficient to pay or cash collateralize all or any part, or to cause Payment in Full, of the outstanding Pre-Petition Debt consisting of U.S. Revolving Loans and accrued and unpaid interest and fees thereon (the "Roll-Up"), and in such event, the Debtors are authorized to draw (and shall be deemed to have requested a draw) on the DIP Facility in order to effectuate the Roll-Up to the extent requested by DIP Agent and to cause payment or cash collateralization in part, or Payment in Full, of the Pre-Petition Debt consisting of U.S. Revolving Loans together with accrued and unpaid interest and fees thereon as requested by DIP Agent. Notwithstanding the Roll-Up, the Pre-Petition Security Interests shall continue in effect and shall continue to encumber the DIP Collateral to the same extent as existed on the Petition Date. If at any time the aggregate unpaid balance of the Pre-Petition Debt consisting of U.S. Revolving Loans and accrued and unpaid interest and fees thereon equals zero as a result of the Roll-Up or application of proceeds under Paragraph 7 of this Final Order, then unless and until an Event of Default (as defined in Paragraph 18 below) has occurred, proceeds of the U.S. Collateral (as defined in the DIP Credit Agreement) shall be applied to outstanding DIP Obligations of the U.S. Borrowers (as defined in the DIP Credit Agreement) in accordance with the provisions of the DIP Credit Agreement.

(b) Repayment of DIP Obligations. The DIP Obligations shall be due and payable, and shall be paid, as and when provided in the DIP Financing Documents and as provided herein, without defense, offset or counterclaim. Without limiting the generality of the foregoing, in no event shall any Debtor be authorized to offset or recoup any amounts owed, or allegedly owed, by any Pre-Petition Credit Party or any DIP Credit Party to any Debtor or any of its respective subsidiaries or affiliates against any of the DIP Obligations without the prior written consent of each Pre-Petition Credit Party or DIP Credit Party that would be affected by any such offset or recoupment, and no such consent shall be implied from any action, inaction or acquiescence by any Pre-Petition Credit Party or DIP Credit Party.

6. Cash Collateral.

(a) Collection Accounts. To the extent required in the DIP Financing Documents, each Debtor shall cause all Cash Collateral (other than Loan Proceeds) to be promptly deposited in an account or accounts designated by the DIP Agent (each, a "Collection Account"). Prior to the deposit of such Cash Collateral to a Collection Account, each Debtor shall be deemed to hold such proceeds in trust for the benefit of the DIP Credit Parties, the Pre-Petition Credit Parties, and the Second Lien Secured Parties. The DIP Agent shall be entitled to apply such Cash Collateral to the payment of the Pre-Petition Debt or the DIP Obligations as authorized by this Final Order and the DIP Credit Agreement.

(b) Use of Cash Collateral. The Debtors may use Loan Proceeds for all purposes for which they may be used under the DIP Credit Agreement and this Final Order. The Debtors may use Cash Collateral that does not constitute Loan Proceeds, LC Cash Collateral or Additional Contingent Obligations Cash Collateral solely (i) to fund the Carve-Out Account as defined and provided in Paragraph 12, (ii) to pay Pre-Petition Debt and DIP Obligations, and (iii)

in the case of any obligations in respect of Letters of Credit (as defined in the DIP Credit Agreement) and other contingent DIP Obligations, to provide cash collateral in accordance with the DIP Credit Agreement for any such contingent obligations that are not already cash collateralized. The Debtors may not use any LC Cash Collateral or Additional Contingent Obligations Cash Collateral for any purpose other than to secure LC Obligations and other contingent obligations under the DIP Facility.

7. Adequate Protection of Pre-Petition Credit Parties. As adequate protection of its interests in the Pre-Petition Collateral, the Pre-Petition Agent, on behalf of the Pre-Petition Credit Parties, is entitled, pursuant to Sections 105, 361, 363 and 364 of the Bankruptcy Code, to claims and other protection in an amount equal to the ABL Collateral Diminution (the "ABL Lender Adequate Protection Claims"). As used in this Final Order, "ABL Collateral Diminution" shall mean an amount equal to the aggregate diminution in the value of any Pre-Petition Credit Party's interest in the Pre-Petition Collateral (including Cash Collateral) from and after the Petition Date for any reason, including, without limitation, any such diminution resulting from the use of Cash Collateral, the priming of any Pre-Petition Security Interests in the Pre-Petition Collateral by the DIP Liens pursuant to the DIP Financing Documents and this Final Order, the depreciation, sale, loss, use, or collection by any Debtor (or any other decline in value) of such Pre-Petition Collateral, or the imposition of the automatic stay pursuant to Section 362 of the Bankruptcy Code, in each case to the fullest extent provided under the Bankruptcy Code. The Pre-Petition Agent is hereby granted, subject to the rights of third parties preserved under Paragraph 22 of this Final Order, the following for the benefit of the Pre-Petition Credit Parties:

(a) ABL Adequate Protection Liens. The Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties, is hereby granted (effective and perfected upon the date of entry of the Interim Order and without the necessity of the execution, filing or recording by any Debtor, the Pre-Petition Agent or any other Pre-Petition Credit Party of security agreements, pledge agreements, mortgages, financing statements or other agreements) valid, perfected replacement security interests in and liens on all of the DIP Collateral (the "ABL Adequate Protection Liens") to secure the amount of any ABL Collateral Diminution, provided that the ABL Adequate Protection Liens will attach to Avoidance Proceeds upon entry of the Final Order. The ABL Adequate Protection Liens shall be junior and subordinate only to the Carve-Out, the DIP Liens, and any liens that are senior to the DIP Liens as and to the extent expressly provided in this Final Order, but shall be senior in priority to the Second Liens and the Noteholder Adequate Protection Liens (defined in Paragraph 8 below). The ABL Adequate Protection Liens shall not be subject to Sections 506(c), 510(c), 549, or 550 of the Bankruptcy Code, and no lien avoided and preserved for the benefit of any estate pursuant to Section 510 of the Bankruptcy Code shall be made *pari passu* with or senior to any ABL Adequate Protection Liens. The ABL Adequate Protection Liens on Canadian Collateral (as defined in the Pre-Petition Credit Agreement and as created, acquired, existing or arising on, prior to or after the Petition Date) shall secure only the Canadian Obligations outstanding under the Pre-Petition Loan Documents.

(b) Priority of ABL Adequate Protection Claims. The ABL Adequate Protection Claims are allowed as superpriority administrative claims pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code, and, subject to the Carve-Out and the Superpriority Claims, shall have priority in payment over any and all administrative expenses of the kinds specified or

ordered pursuant to any provision of the Bankruptcy Code, including, without limitation, Sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c), 507, 546, 552(b), 726, 1113, or 1114 of the Bankruptcy Code, and shall at all times be senior to (i) the Noteholder Adequate Protection Claims (as defined in Paragraph 8 below) and (ii) the rights of each Pre-Petition Obligor, and any successor trustee or any creditor in these Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code.

(c) Cash Payments. The Pre-Petition Agent, for the benefit of the Pre-Petition Credit Parties, is hereby entitled to receive as additional adequate protection cash payments of interest each month, in arrears, on the first day of the month, at the applicable non-default interest rate under the Pre-Petition Loan Documents (including, for the avoidance of doubt, payment of all prepetition accrued and unpaid interest under the Pre-Petition Loan Documents).

(d) Application of Proceeds of Pre-Petition Collateral. All collections and proceeds of accounts receivable, intercompany claims and general intangibles (including, without limitation, Insurance Receivables and Progress Billings (in each case, as such capitalized terms are defined in the Pre-Petition Credit Agreement)), all funds owed or paid to or for the benefit of any Debtor on account of the sale, lease or use of inventory or equipment, including, without limitation, any Units or Rental Equipment, or pursuant to any Finance Lease or otherwise (in each case, as such capitalized terms are defined in the Pre-Petition Credit Agreement), and any other rights to payment for goods or services (collectively, the "Pre-Petition Collateral Proceeds"), will be presumed to constitute and arise from DIP Collateral existing on the Petition Date, or arise from the sale, lease or other disposition of inventory or equipment of a Pre-Petition Obligor or from such Pre-Petition Obligor's provision of services, and may be applied (or, despite any prior application, reapplied) to pay, or in the case of

contingent obligations, to cash collateralize, the Pre-Petition Debt or the DIP Obligations until Payment in Full of the Pre-Petition Debt and the DIP Obligations; provided, however, that if Pre-Petition Collateral Proceeds are applied to the Pre-Petition Debt, then such application shall be as provided in the Pre-Petition Credit Agreement; and if Pre-Petition Collateral Proceeds are applied to the DIP Obligations, then such application shall be as provided in the DIP Credit Agreement. The Pre-Petition Agent shall be entitled to assume that all deposits to any Collection Account and all collections received by a Pre-Petition Obligor after the Petition Date constitute Pre-Petition Collateral Proceeds until such time as the Pre-Petition Agent has received and applied to the Pre-Petition Debt an amount equal to the aggregate value of the Pre-Petition Collateral on the books and records of Pre-Petition Obligors as of the Petition Date.

(e) Application Non-Ordinary Course Proceeds. All Non-Ordinary Course Proceeds (as defined in the DIP Credit Agreement) will be presumed to constitute and arise from DIP Collateral existing on the Petition Date and shall be applied (or, despite any prior application, reapplied) to pay, or in the case of contingent obligations, to cash collateralize, the Pre-Petition Debt or the DIP Obligations in such order of application as the Pre-Petition Agent and DIP Agent shall elect, in their discretion, until Payment in Full of the Pre-Petition Debt and the DIP Obligations If Non-Ordinary Course Proceeds are applied to the Pre-Petition Debt, then such application shall be as provided in the Pre-Petition Credit Agreement; and if Non-Ordinary Course Proceeds are applied to the DIP Obligations, then such application shall be as provided in the DIP Credit Agreement.

(f) Fees and Expenses of Professionals for Pre-Petition Credit Parties. As additional adequate protection, and notwithstanding any limitations in the Budget, the Debtors shall reimburse each Pre-Petition Credit Party for the reasonable and documented professional

fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants) incurred by such Pre-Petition Credit Party, as follows: (i) with respect to the Pre-Petition Agent, all such fees and expenses, whether incurred on, before or after the Petition Date; (ii) with respect to the Pre-Petition Lenders, all such fees and expenses incurred by them prior to the Petition Date, up to an aggregate amount not to exceed $400,000 (and if the aggregate of such fees and expenses exceeds $400,000, such Pre-Petition Lenders shall be entitled to a pro rata share of such $400,000 based upon the relative amount of each such Pre-Petition Lender's fees and expenses); (iii) with respect to the Pre-Petition Lenders that are or will become term lenders under the DIP Credit Agreement at the time of the Roll-Up, all such fees and expenses incurred by them from the Petition Date until entry of the Final Order authorizing the Roll-Up; and (iv) with respect to all Pre-Petition Lenders (other than the Pre-Petition Lenders described in clause (iii)), and all such fees and expenses incurred to a single law firm retained by them as a group and incurred from the Petition Date until entry of the Final Order authorizing the Roll-Up. The Debtors shall pay the fees, expenses and disbursements set forth in this Paragraph 7(f) no later than ten (10) days (the "Review Period") after the receipt by counsel of record for the Debtors, counsel of record for the Official Committee of Unsecured Creditors (individually, or if more than one statutory committee is appointed, jointly and severally, the "Committee"), if appointed, counsel of record for the Ad Hoc Group, and the U.S. Trustee of invoices therefor (the "Invoiced Fees") (which invoices may be redacted or summarized for protection of an applicable privilege or the work product doctrine) and without the necessity of filing formal fee applications, regardless of whether such amounts arose or were incurred before or after the Petition Date; provided, however, that Debtors, the Committee, the Ad Hoc Group, and the U.S. Trustee may challenge

the reasonableness of any portion of the Invoiced Fees (the "Disputed Invoiced Fees") if, within the Review Period, (i) the Debtors pay in full all of the Invoiced Fees other than the Disputed Invoiced Fees and (ii) the Debtors, the Committee, the Ad Hoc Group, or the U.S. Trustee notifies the Pre-Petition Agent and each affected Pre-Petition Lender of the objection in writing (to be followed by the filing with the Court of a motion or other pleading requesting a determination of allowance or disallowance of the Disputed Invoiced Fees), setting forth the specific basis for each objection to the Disputed Invoiced Fees. Debtors shall pay any Disputed Invoiced Fees promptly upon approval by the Court and to the extent of such approval. Nothing in this Paragraph 7(f) shall be construed to amend, modify, or waive any of the provisions of Section 12 of the Pre-Petition Credit Agreement.

(g) Reservation of Rights. Nothing herein shall be deemed to be a waiver by any Pre-Petition Credit Party of its right to request additional or further protection of its interests in any Pre-Petition Collateral, to move for relief from the automatic stay, to seek the appointment of a trustee or examiner for any Debtor or the conversion or dismissal of any of these Chapter 11 Cases, to object to any proposed sale or other disposition of any Debtor's assets under Section 363 of the Bankruptcy Code or otherwise, to accept or reject any plan of reorganization or liquidation, or to request any other relief in these cases; nor shall anything herein or in any of the DIP Financing Documents constitute an admission by a Pre-Petition Credit Party regarding the quantity, quality or value of any collateral securing the Pre-Petition Debt or constitute a finding of adequate protection with respect to the interests of Pre-Petition Agent in any DIP Collateral. The Pre-Petition Credit Parties shall be deemed to have reserved all rights to assert entitlement to the protections and benefits of Section 507(b) of the Bankruptcy Code in connection with any use, sale, encumbering or other disposition of any of the DIP Collateral, to the extent that the

protections afforded by this Final Order to the Pre-Petition Security Interests proves to be inadequate.

(h) Reporting and Information Rights. Until Payment in Full of the Pre-Petition Debt, the Pre-Petition Agent and Pre-Petition Lenders shall be entitled to the same reporting, notification and other information rights as the DIP Credit Parties under the DIP Financing Documents.

8. Adequate Protection of Second Lien Secured Parties. As adequate protection of its interests in the Pre-Petition Collateral, the Indenture Trustee, on behalf of the Second Lien Noteholders, is entitled, pursuant to Sections 105, 361, 363 and 364 of the Bankruptcy Code, to claims and other protection in an amount equal to the Second Lien Collateral Diminution (the "Noteholder Adequate Protection Claims"; and collectively with the ABL Adequate Protection Claims, the "Adequate Protection Claims"). As used in this Final Order, "Second Lien Collateral Diminution" shall mean an amount equal to the aggregate diminution in the value of the Second Lien Secured Parties' interest in the Pre-Petition Collateral (including Cash Collateral) from and after the Petition Date for any reason, including, without limitation, any such diminution resulting from the use of Cash Collateral, the priming of the Second Liens in the Pre-Petition Collateral by the DIP Liens pursuant to the DIP Financing Documents and this Final Order, the depreciation, sale, loss, use, or collection by any Debtor (or any other decline in value) of such Pre-Petition Collateral, or the imposition of the automatic stay pursuant to Section 362 of the Bankruptcy Code, in each case to the fullest extent provided under the Bankruptcy Code. Subject to the rights of third parties preserved under Paragraph 22 of this Final Order, the Indenture Trustee is hereby granted the following for the benefit of the Second Lien Secured Parties:

(a) Adequate Protection Liens. The Indenture Trustee, for the benefit of Second Lien Secured Parties, is hereby granted (effective and perfected upon the date of entry of the Interim Order and without the necessity of the execution, filing or recording by any Debtor or any Second Lien Secured Party of security agreements, pledge agreements, mortgages, financing statements or other agreements) valid, perfected replacement security interests in and liens on all of the DIP Collateral excluding any asset owned by ModSpace Canada (the "Noteholder Adequate Protection Liens"; and collectively with the ABL Adequate Protection Liens, the "Adequate Protection Liens") to secure any Second Lien Collateral Diminution; provided that the Noteholder Adequate Protection Liens will attach to Avoidance Proceeds upon entry of the Final Order. The Noteholder Adequate Protection Liens shall be junior and subordinate to the Carve-Out, the DIP Liens, the Pre-Petition Security Interests, the ABL Adequate Protection Liens, and any other liens that are senior to the DIP Liens as and to the extent expressly provided in this Final Order. The Noteholder Adequate Protection Liens shall not be subject to Sections 506(c), 549, or 550 of the Bankruptcy Code.

(b) Priority of Noteholder Adequate Protection Claims. The Noteholder Adequate Protection Claims are allowed as superpriority administrative claims pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code, and, subject to the Carve-Out, the Superpriority Claims, the Pre-Petition Debt and the ABL Adequate Protection Claims, shall have priority in payment over any and all administrative expenses of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including, without limitation, Sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code. The Noteholder Adequate Protection Claims shall be junior and subordinate to Payment in Full of the Carve-Out, the Superpriority Claims, the Pre-Petition Debt and the ABL Adequate

Protection Claims, but shall at all times be senior to (i) the rights of each Pre-Petition Obligor, and any successor trustee or any creditor in these Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code; (ii) except as provided in the Intercreditor Agreement, any lien or security interest that is avoided and preserved for the benefit of any Debtor or its estate under Section 551 of the Bankruptcy Code, (iii) any lien or security interest of any lessor or landlord under any agreement or applicable state law to the extent any such lien has been waived in favor of the Notes, (iv) any post-petition liens other than the DIP Liens and ABL Adequate Protection Liens granted by any Debtor to other persons or entities or otherwise arising after the Petition Date, including, without limitation, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of any Debtor, and (v) any intercompany or affiliate liens or security interests of any Debtor; and shall not be (a) subordinated to or made *pari passu* with any other lien or security interest, other than the DIP Liens, the Pre-Petition Security Interests and the ABL Adequate Protection Liens, under Section 363 or 364 of the Bankruptcy Code or otherwise or (b) subject to Sections 510(c), 549 or 550 of the Bankruptcy Code.

(c) Fees and Expenses of Professionals for Second Lien Secured Parties. As additional adequate protection, and notwithstanding any limitations in the Budget, the Debtors shall reimburse the Indenture Trustee and the Ad Hoc Group for (i) the reasonable and documented professional fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants) incurred by the Indenture Trustee and the Ad Hoc Group prior to the Petition Date, including, without limitation, any such fees and expenses incurred in relation to any Chapter 11 plan or exit financing to be provided to any of the Debtors, and (ii) on a current basis, the reasonable and

documented professional fees and expenses (including, but not limited to, the fees and disbursements of legal counsel, financial advisors, appraisers, and other third-party consultants) incurred by the Indenture Trustee and the Ad Hoc Group on or after the Petition Date, including, without limitation, any such fees and expenses incurred in relation to any Chapter 11 plan or exit financing to be provided to any of the Debtors. The Debtors shall pay the fees, expenses and disbursements set forth in this Paragraph 8(c) no later than the expiration of the Review Period after the receipt by counsel of record for the Debtors, counsel of record for the Committee, if appointed, counsel of record for the DIP Agent, and the U.S. Trustee of invoices therefor (the "Invoiced Second Lien Fees") (which invoices may be redacted or summarized for protection of an applicable privilege or the work product doctrine) and without the necessity of filing formal fee applications, regardless of whether such amounts arose or were incurred before or after the Petition Date; provided, however, that Debtors, the Committee, the DIP Agent, and the U.S. Trustee may challenge the reasonableness of any portion of the Invoiced Fees (the "Disputed Invoiced Second Lien Fees") if, within the Review Period, (i) the Debtors pay in full all of the Invoiced Second Line Fees other than the Disputed Invoiced Second Lien Fees and (ii) the Debtors, the Committee, the DIP Agent, or the U.S. Trustee notifies the Indenture Trustee and the Ad Hoc Group of the objection in writing (to be followed by the filing with the Court of a motion or other pleading requesting a determination of allowance or disallowance of the Disputed Invoiced Second Lien Fees), setting forth the specific basis for each objection to the Disputed Invoiced Second Lien Fees. Debtors shall pay any Disputed Invoiced Second Lien Fees promptly upon approval by the Court and to the extent of such approval.

(d) Reservation of Rights. Nothing herein shall be deemed to be a waiver by any Second Lien Secured Party of its right to request additional or further protection of its

interests in any Pre-Petition Collateral that is expressly permitted by the Intercreditor Agreement, including cash payments equal to interest under the Second Lien Documents, to move for relief from the automatic stay, to seek the appointment of a trustee or examiner for any Debtor or the conversion or dismissal of any of these Chapter 11 Cases, to object to any proposed sale or other disposition of any Debtor's assets under Section 363 of the Bankruptcy Code or otherwise, to accept or reject any plan of reorganization or liquidation, or to request any other relief in these cases; nor shall anything herein or in any of the DIP Financing Documents constitute an admission by a Second Lien Secured Party regarding the quantity, quality or value of any collateral securing the Second Lien Debt or constitute a finding of adequate protection with respect to the interests of Second Lien Secured Parties in any DIP Collateral. The Second Lien Secured Parties shall be deemed to have reserved all rights to assert entitlement to the protections and benefits of Section 507(b) of the Bankruptcy Code in connection with any use, sale, encumbering or other disposition of any of the DIP Collateral, to the extent that the protections afforded by this Final Order to the Second Liens proves to be inadequate.

(e) Reporting and Information Rights. Until Payment in Full of the Second Lien Debt, the Second Lien Secured Parties shall be entitled to the same reporting, notification and other information rights under the Second Lien Documents.

9. Payments Free and Clear. All payments or proceeds remitted (a) to DIP Agent on behalf of any DIP Credit Party or (b) to or on behalf of any Pre-Petition Credit Parties, in each case pursuant to the provisions of this Final Order or any subsequent order of this Court, shall be received free and clear of any claim, charge, assessment or other liability, including, without limitation, any such claim or charge arising out of or based on, directly or indirectly, Section 506(c) or the “equities of the case” exception of Section 552(b) of the Bankruptcy Code.

10. Fees and Expenses of Estate Professionals. So long as no Event of Default has occurred and is continuing, each Debtor is authorized to use proceeds of DIP Loans to pay such compensation and expense reimbursement (collectively, "Professional Fees") of professional persons (including attorneys, financial advisors, accountants, investment bankers, appraisers, and consultants) retained by any Debtor (the "Debtors Professionals") or the Committee (the "Committee Professionals"; the Debtors Professionals and Committee Professionals are referred to collectively as the "Professionals," in each case such retention being subject to Court approval), to the extent that such compensation and expense reimbursement is authorized and approved by the Court; provided, however, that, notwithstanding anything herein or in any other order of this Court to the contrary, no DIP Credit Extensions or any Cash Collateral shall be used to pay Professional Fees incurred for any Prohibited Purpose (as defined in Paragraph 13 below).

11. Section 506(c) Claims. No costs or expenses of administration shall be imposed upon any DIP Credit Party, any Pre-Petition Credit Party, any Second Lien Secured Party, or any DIP Collateral pursuant to Section 506(c) of the Bankruptcy Code or otherwise without the prior written consent of such DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party, as the case may be, and no such consent shall be implied from any action, inaction or acquiescence by any DIP Credit Party or Pre-Petition Credit Party.

12. Carve-Out. Notwithstanding anything in this Final Order, any DIP Financing Document, or any other order of this Court to the contrary, the rights and claims of the DIP Lenders, the Pre-Petition Lenders, the Second Lien Secured Parties, including the DIP Liens, the Superpriority Claims, the Pre-Petition Security Interests, the Second Liens, the Adequate Protection Liens, and the Adequate Protection Claims, shall be subject and subordinate in all respects to the payment of the Carve-Out. As used in this Final Order, "Carve-Out" means the

sum of (i) all unpaid fees required to be paid (a) to the Clerk of this Court and (b) to the Office of the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) and 28 U.S.C. § 156(c); (ii) all reasonable fees and expenses incurred by a trustee under Section 726(b) of the Bankruptcy Code not to exceed $50,000; and (iii) following the soonest to occur of (x) an Event of Default (as that term is defined in any of the DIP Financing Documents) (an "Event of Default") and delivery by DIP Agent on behalf of DIP Lenders (which may be by email) of a notice (a "Carve-Out Trigger Notice") to counsel for the Debtors and counsel for the Committee stating that it is a Carve-Out Trigger Notice, (y) consummation of the sale of substantially all of any Debtor's assets, or (z) entry of an order confirming any Chapter 11 plan of reorganization or liquidation proposed by any Debtor, an amount comprising all allowed and unpaid fees, expenses, and disbursements (regardless of when such fees, expenses, and disbursements become allowed by order of the Court) incurred by Professionals retained by the Debtors and the Committee whose retention was authorized by the Court in an aggregate amount not to exceed $3,500,000 (the "Professionals Carve-Out Amount"), as follows: (A) $3,500,000 for services provided at any time on or prior to receipt of the Carve-Out Trigger Notice (the "Pre-Trigger Carve-Out"), plus (B) an amount equal to $3,500,000 minus the amount of the Pre-Trigger Carve-Out for services provided subsequent to receipt of the Carve-Out Trigger Notice (the "Post-Trigger Carve-Out"); provided further, that (x) the aggregate amount of the Pre-Trigger Carve-Out and the Post-Trigger Carve-Out shall not exceed $3,500,000, and (y) in no event shall any of the Professionals Carve-Out Amount be used for any purpose prohibited by Paragraph 13 hereof. In no event shall the Carve-Out, or the funding of any DIP Loans or use of Cash Collateral to satisfy the Carve-Out, result in any reduction in the amount of any DIP Obligations or Pre-Petition Debt, the security therefor, or the obligations of the Debtors to pay same in accordance with the Pre-Petition Loan Documents or

the DIP Financing Documents, as applicable. After the delivery of a Carve-Out Trigger Notice, the DIP Credit Parties may fund one or more DIP Loans (for the account of any one or more Debtors under the DIP Credit Agreement, as DIP Agent may elect) and/or consent to any Debtor's use of available Cash Collateral in an aggregate amount equal to the Professionals Carve-Out Amount. Whether or not an Event of Default under the DIP Credit Agreement has occurred or exists, the DIP Credit Parties may at any time prior to delivery of a Carve-Out Trigger Notice fund one or more DIP Loans (for the account of any one or more Debtors under the DIP Credit Agreement, as DIP Agent may elect) and/or consent to any Debtor's use of available Cash Collateral in an aggregate sum equal to the Professionals Carve-Out Amount, whereupon the Professionals Carve-Out Amount will be deemed satisfied, and the Debtors shall be required to deposit such funds in a segregated account (the "Carve-Out Account") to provide for payment of the Professionals Carve-Out Amount; provided, however, the DIP Credit Parties shall retain a lien on such funds in the Carve-Out Account to the extent of any surplus remaining after payment of all actual allowed claims of retained Professionals of the Debtors and Committee as set forth in this Paragraph 12, with such excess to be remitted by the Debtors to the DIP Agent as soon as reasonably practical.

13. Excluded Professional Fees. Notwithstanding anything to the contrary in this Final Order, neither the Carve-Out nor any proceeds of any DIP Credit Extensions, Cash Collateral, Letters of Credit or DIP Collateral shall be used to pay any Professional Fees (including, without limitation, expense reimbursement to Professionals) in connection with any of the following (each a "Prohibited Purpose"): (a) objecting to, seeking subordination of, or contesting the validity or enforceability of, or asserting any defense, counterclaim or offset to, this Final Order or any DIP Obligations, Pre-Petition Debt, Second Lien Debt, or the Pre-Petition

Loan Documents or Second Lien Documents, or the perfected status of any Pre-Petition Security Interests, provided that the Committee may be reimbursed for up to $50,000 (the "Investigation Budget") for fees and expenses incurred in connection with the investigation of, but not the commencement or pursuit of litigation, objection or any challenge to, any Pre-Petition Security Interests, Second Liens, Pre-Petition Debt, Second Lien Debt, Pre-Petition Loan Documents, or Second Lien Documents; (b) asserting or prosecuting any claim, demand, or cause of action against any DIP Lender, the DIP Agent, or any Pre-Petition Credit Party, including, in each case, without limitation, any action, suit, or other proceeding for breach of contract or tort or pursuant to Sections 105, 506, 510, 544, 547, 548, 549, 550, 552 or 553 of the Bankruptcy Code, or under any other applicable law (state, federal, or foreign), or otherwise; (c) seeking to modify any of the rights granted under this Final Order to any DIP Lender, DIP Agent, or any Pre-Petition Credit Party; or (d) objecting to, contesting, delaying, preventing or interfering in any way with the exercise of rights or remedies by any DIP Credit Party with respect to any DIP Collateral or Pre-Petition Collateral, as applicable, after the occurrence and during the continuance of an Event of Default.

14. Preservation of Rights.

(a) Protection from Subsequent Financing Order. There shall not be entered in any of these Chapter 11 Cases or in any Successor Case any order that authorizes the obtaining of credit or the incurrence of indebtedness by any Debtor (or any trustee or examiner) that is (i) secured by a security interest, mortgage or collateral interest or other lien on all or any part of the DIP Collateral that is equal or senior to the DIP Liens, the Adequate Protection Liens, the Pre-Petition Security Interests, or the Second Liens or (ii) entitled to claims with priority administrative status that is equal or senior to the Superpriority Claims granted herein to DIP

Credit Parties or the Adequate Protection Claims; provided, however, that nothing herein shall prevent the entry of an order that specifically provides for, as a condition to the granting of the benefits of clauses (i) or (ii) above, the Payment in Full of all of the DIP Obligations and Pre-Petition Debt at closing from the proceeds of such credit or indebtedness, and the termination of any funding commitments under the DIP Facility.

(b) Rights Upon Dismissal, Conversion or Consolidation. If any of the Chapter 11 Cases is dismissed, converted or substantively consolidated with another case, then neither the entry of this Final Order nor the dismissal, conversion or substantive consolidation of any of the Chapter 11 Cases shall affect the rights or remedies of any DIP Credit Party under the DIP Financing Documents or the rights or remedies of any DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party under this Final Order, and all of the respective rights and remedies hereunder and thereunder of each DIP Credit Party, each Pre-Petition Credit Party, and each Second Lien Secured Party shall remain in full force and effect as if such Chapter 11 Case had not been dismissed, converted, or substantively consolidated. Until Payment in Full of all DIP Obligations and Pre-Petition Debt has occurred, it shall constitute an Event of Default if any Debtor seeks, or if there is entered, any order dismissing any of the Chapter 11 Cases. If an order dismissing any of the Chapter 11 Cases is at any time entered, such order shall provide (in accordance with Sections 105 and 349 of the Bankruptcy Code) that (i) the Superpriority Claims, the Adequate Protection Claims, the DIP Liens, and the Adequate Protection Liens shall continue in full force and effect and shall maintain their priorities as provided in this Final Order until Payment in Full of all DIP Obligations and all Adequate Protection Claims, (ii) such Superpriority Claims, Adequate Protection Claims, DIP Liens, and Adequate Protection Liens shall, notwithstanding such dismissal, remain binding on all parties in interest, (iii) the other

rights granted to the DIP Credit Parties, Pre-Petition Credit Parties, and Second Lien Secured Parties by this Final Order shall not be affected, and (iv) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in this Paragraph and otherwise in this Final Order.

(c) Survival of Final Order. This Final Order, and any actions taken pursuant hereto, shall survive the entry of and shall govern with respect to any conflict with any order that may be entered confirming any plan of reorganization or liquidation in any of the Chapter 11 Cases or any Successor Case; and all provisions in the DIP Financing Documents and the Pre-Petition Loan Documents that by their terms survive Payment in Full of the DIP Obligations and the Pre-Petition Debt shall continue in full force and effect notwithstanding such Payment in Full.

(d) No Discharge. None of the DIP Obligations shall be discharged by the entry of any order confirming a plan of reorganization or liquidation in any of these Chapter 11 Cases and, pursuant to Section 1141(d)(4) of the Bankruptcy Code, each Debtor has waived such discharge.

(e) Debtors Will Not Challenge Credit Bid Rights. Without prejudice to any rights or claims reserved pursuant to Paragraph 22 hereof as to any party in interest other than the Debtors (and subject to the limitations therein), no Debtor shall object to any DIP Credit Party, any Pre-Petition Credit Party, or, subject to the Intercreditor Agreement, the Indenture Trustee credit bidding up to the full amount of the outstanding DIP Obligations, Pre-Petition Debt, or Second Lien Debt (as applicable), in each case including, without limitation, any accrued interest and expenses, in any sale of any DIP Collateral and whether such sale is

effectuated through Section 363 or 1129 of the Bankruptcy Code, by a Chapter 7 trustee under Section 725 of the Bankruptcy Code, or otherwise.

(f) No Marshaling. In no event shall any DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to any DIP Collateral; and in no event shall any DIP Lien be subject to any pre-petition or post-petition lien or security interest that is avoided and preserved for the benefit of any Debtor's estate pursuant to Section 551 of the Bankruptcy Code.

(g) No Requirement to File Claim for DIP Obligations. Notwithstanding anything to the contrary contained in any prior or subsequent order of the Court, including, without limitation, any bar order establishing a deadline for the filing of proofs of claim or requests for payment of administrative expenses under Section 503(b) of the Bankruptcy Code, no DIP Credit Party shall be required to file any proof of claim or request for payment of administrative expenses with respect to any of the DIP Obligations, all of which shall be due and payable in accordance with the DIP Credit Agreement and the other DIP Financing Documents applicable thereto without the necessity of filing any such proof of claim or request for payment of administrative expenses; and the failure to file any such proof of claim or request for payment of administrative expenses shall not affect the validity or enforceability of any of the DIP Financing Documents or of any indebtedness, liabilities or obligations arising at any time thereunder or prejudice or otherwise adversely affect any DIP Credit Party's rights, remedies, powers or privileges under any of the DIP Financing Documents, this Final Order or applicable law.

15. Automatic Perfection of Liens. The DIP Liens and the Adequate Protection Liens shall be deemed valid, binding, enforceable and duly perfected upon entry of the Interim Order.

No Pre-Petition Credit Party, DIP Credit Party or Second Lien Secured Party shall be required to file any UCC-1 financing statement, mortgage, deed of trust, assignment, pledge, security deed, notice of lien or any similar document or instrument or take any other action (including taking possession of any of the DIP Collateral) in order to validate the perfection of any DIP Liens or the Adequate Protection Liens, but all of such filings and other actions are hereby authorized by the Court. The DIP Credit Parties shall be deemed to have "control" over all deposit accounts for all purposes of perfection under the Uniform Commercial Code or any other similar laws. If the Pre-Petition Agent, DIP Agent or Indenture Trustee shall, in its respective discretion, choose to file or record any such mortgage, deed of trust, assignment, pledge, security deed, notice of lien, or UCC-1 financing statement, or take any other action to evidence the perfection of any part of the DIP Liens or the Adequate Protection Liens, each Debtor and its respective officers are authorized and directed to execute, file and record any documents or instruments as the Pre-Petition Agent, DIP Agent or Indenture Trustee shall (except as otherwise provided in the DIP Credit Agreement) request, and all such documents and instruments shall be deemed to have been filed or recorded at the time and on the date of entry of this Final Order. DIP Agent may, in its discretion, file a certified copy of this Final Order in any filing office in any jurisdiction in which any Debtor is organized or has or maintains any DIP Collateral or an office, and each filing office is directed to accept such certified copy of this Final Order for filing and recording. Any provision of any lease, license, contract or other agreement that requires the consent or approval of one or more counterparties or requires the payment of any fees or obligations to any governmental entity in order for a Debtor to pledge, grant, sell, assign or otherwise transfer any such interest or the proceeds thereof is hereby found to be (and shall be deemed to be) inconsistent with the provisions of the Bankruptcy Code and shall have no force and effect with

respect to the transactions granting DIP Liens or Adequate Protection Liens on such interest or the proceeds of any assignment and/or sale thereof by any Debtor, in accordance with the DIP Financing Documents or this Final Order.

16. Reimbursement of Expenses. All reasonable costs and expenses incurred by DIP Agent (and, to the extent provided by the DIP Credit Agreement, DIP Lenders) in connection with (i) the negotiation and drafting of any DIP Financing Documents or any amendments thereto, (ii) the preservation, perfection, protection, pursuit or enforcement of DIP Agent's and any DIP Lender's rights or remedies hereunder or under any DIP Financing Documents or applicable law, (iii) the collection of any DIP Obligations, (iv) the monitoring of or participation in these Chapter 11 Cases, and (v) any Chapter 11 plan or exit financing to be provided to any of the Debtors, in each case including, without limitation, all filing and recording fees and reasonable fees and expenses of attorneys, accountants, consultants, financial advisors, appraisers and other professionals incurred by a DIP Credit Party in connection with any of the foregoing, shall form a part of the DIP Obligations owing to such DIP Credit Party and shall be paid by the Debtors (without regard to any limitations in the Budget or the necessity of filing any application with or obtaining further order from the Court), in each case subject to and in accordance with the terms of the DIP Financing Documents. In no event shall any invoice or other statement submitted by any DIP Credit Party to any Debtor, the Committee, the U.S. Trustee or any other interested person (or any of their respective Professionals) with respect to fees or expenses incurred by any professional retained by such DIP Credit Party operate to waive the attorney/client privilege, the work-product doctrine or any other evidentiary privilege or protection recognized under applicable law.

17. Amendments and Waivers. The Debtors and the DIP Credit Parties are hereby authorized to implement, in accordance with the terms of the applicable DIP Financing Documents and without further order of the Court, any amendments to, modifications of, or waivers with respect to any of such DIP Financing Documents (and any fees, expenses, or other amounts payable in connection therewith) on the following conditions: (i) the amendment, modification, or waiver must not constitute a material change to the terms of such DIP Financing Documents, and (ii) copies of the amendment, modification, or waiver must be served upon counsel for the Committee, the U.S. Trustee, and counsel for the Consenting Parties (as defined in the RSA). Any amendment, modification, or waiver that constitutes a material change, to be effective, must be approved by the Court. For purposes hereof, a "material change" shall mean a change to a DIP Financing Document that operates to shorten the term of the DIP Facility or the maturity of the DIP Obligations, to increase the aggregate amount of the commitments of DIP Lenders under the DIP Facility, to increase the rate of interest other than as currently provided in or contemplated by such DIP Financing Documents, to add specific Events of Default, or to enlarge the nature and extent of remedies available to DIP Agent following the occurrence of an Event of Default. Without limiting the generality of the foregoing, no amendment of a DIP Financing Document that postpones or extends any date or deadline therein or herein (including, without limitation, the expiration of the term of a DIP Facility), nor any waiver of an Event of Default, shall constitute a "material change" and may be effectuated by Debtors and the DIP Credit Parties without the need for further approval of the Court.

18. Events of Default; Remedies.

(a) Notice of Default. The occurrence of any "Event of Default" under (and as defined in) the DIP Credit Agreement shall constitute an Event of Default under this Final

Order. Upon the occurrence of an Event of Default and during the continuance thereof, (i) each DIP Credit Party shall be authorized to discontinue honoring any pending or future request for DIP Credit Extensions; (ii) the DIP Agent may in its discretion file with the Court and serve upon counsel of record for the Debtors, counsel of record for the Committee, counsel of record for the Indenture Trustee, counsel of record for the Consenting Interest Holders, and the U.S. Trustee a written notice (a "Default Notice") setting forth the Events of Default, in which event (unless the Court determines that no Event of Default exists or continues to exist, after notice and a hearing as specified below) effective five (5) business days after the Default Notice (the "Remedies Notice Period") is filed, the DIP Agent and the Pre-Petition Agent shall be deemed to have received complete relief from the automatic stay imposed by Section 362(a) of the Bankruptcy Code and shall be authorized, without further notice to the Debtors or any other interested party, to demand payment and enforce collection of all DIP Obligations or Pre-Petition Debt, as applicable; repossess, foreclose its DIP Liens or Pre-Petition Security Interests (as applicable) upon, and collect proceeds of any DIP Collateral; and otherwise exercise all rights and remedies available to it under its DIP Financing Documents or Pre-Petition Loan Documents, as applicable, on account of such Event of Default. During the Remedies Notice Period, each Debtor shall be entitled to (x) contest the occurrence or continued existence of any Event of Default and (y) seek and obtain an emergency hearing before this Court with respect to such contest upon notice to the DIP Agent. Except as provided in the immediately preceding sentence, each Debtor hereby waives its right to and shall not be entitled to seek relief, including, without limitation, under Section 105 of the Bankruptcy Code, to the extent that such relief would impair or restrict the rights and remedies of the DIP Agent or Pre-Petition Agent as set forth in this Final Order or in any of the DIP Financing Documents or the Pre-Petition Loan

Documents, as applicable. Upon the effectiveness of any relief from the automatic stay granted or deemed to have been granted pursuant to this Paragraph 18(a), DIP Agent and Pre-Petition Agent may, in its discretion, enforce its DIP Liens, Pre-Petition Security Interests, and ABL Adequate Protection Liens, as applicable, take all other actions and exercise all other rights and remedies under the DIP Financing Documents, the Pre-Petition Loan Documents, this Final Order and applicable law that may be necessary or deemed appropriate to collect any of its DIP Obligations and/or the Pre-Petition Debt, proceed against or realize upon all or any portion of the DIP Collateral as if these Chapter 11 Cases or any Successor Cases were not pending, and otherwise enforce any of the provisions of this Final Order. DIP Agent's or Pre-Petition Agent's delay or failure to exercise rights and remedies under any DIP Financing Documents, this Final Order or applicable law shall not constitute a waiver of any of its rights and remedies hereunder, thereunder or otherwise, unless any such waiver is pursuant to a written instrument executed by DIP Agent or Pre-Petition Agent, as applicable in accordance with the terms of the applicable credit agreement.

(b) Rights Cumulative. The rights, remedies, powers and privileges conferred upon any DIP Credit Party pursuant to this Final Order shall be in addition to and cumulative with those contained in the applicable DIP Financing Documents and created under applicable law.

19. Loan Administration.

(a) Cash Dominion and Control. Subject to any cash management order entered in these cases, from and after entry of this Final Order until the Payment in Full of all Pre-Petition Debt and all DIP Obligations, the DIP Agent shall have exclusive dominion and control over all Collection Accounts, and the DIP Agent is entitled to implement, and in all

events the Debtors shall strictly comply with, the cash collection and payment provisions of the DIP Credit Agreement governing the collection of such accounts, including, without limitation, Section 9 of the Post-Petition Security Agreement.

(b) Inspection Rights. As set forth in the DIP Financing Documents, representatives of DIP Agent and Pre-Petition Agent shall be authorized, with prior notice to the Debtors, to visit the business premises of any Debtor and its subsidiaries to (i) inspect any DIP Collateral, (ii) inspect and make copies of any books and records of any Debtor, and (iii) verify or obtain supporting details concerning the financial information to be provided by any Debtor hereunder or under any of the DIP Financing Documents, and the Debtors shall facilitate the exercise of such inspection rights. The Debtors shall provide to the DIP Agent, the Pre-Petition Agent, the Indenture Trustee, and the Consenting Interest Holders (as defined in the RSA) an updated Budget every four weeks covering the next 13-week period, which shall be subject to the approval requirements set forth in the DIP Financing Documents. In addition, each week, the Debtors shall provide the DIP Agent, the Pre-Petition Agent, and the Indenture Trustee with a variance report pursuant to the terms set forth in the DIP Financing Documents.

(c) DIP Agent's Professionals. The DIP Agent is authorized to retain counsel, financial advisors, and other professionals in accordance with the DIP Credit Agreement and all such attorneys, appraisers, auditors and financial advisors and consultants shall be afforded reasonable access to the DIP Collateral and each Debtor’s business premises and records, during normal business hours, for purposes of monitoring the businesses of the Debtors, verifying each Debtor's compliance with the terms of the DIP Financing Documents and this Final Order, and analyzing or appraising all or any part of the DIP Collateral in accordance with the DIP Credit Agreement. The Debtors shall be liable for the reasonable fees and expenses owed to or actually

paid to all such attorneys, appraisers, consultants and financial advisors, and field auditors to the extent provided in the DIP Financing Documents.

20. Modification of Automatic Stay. The automatic stay provisions of Section 362 of the Bankruptcy Code are hereby modified and lifted to the extent necessary to implement the provisions of this Final Order and the DIP Financing Documents, thereby permitting DIP Agent and Pre-Petition Agent to receive collections and proceeds of DIP Collateral for application to the DIP Obligations or the Pre-Petition Debt as and to the extent provided herein, and the DIP Agent, the Pre-Petition Agent, and the Indenture Trustee to file or record any UCC-1 financing statements, mortgages, deeds of trust, assignments, pledges, security deeds and other instruments and documents evidencing or validating the perfection of any DIP Liens or Adequate Protection Liens, and to enforce any DIP Liens and Adequate Protection Liens as and to the extent authorized by this Final Order.

21. Effect of Appeal. Consistent with Section 364(e) of the Bankruptcy Code, if any or all of the provisions of this Final Order are hereafter modified, vacated or stayed on appeal:

(a) such stay, modification or vacation shall not affect the validity of any obligation, indebtedness or liability incurred or liens granted by the Debtors to any DIP Credit Party or Pre-Petition Credit Party prior to the effective date of such stay, modification or vacation, or the validity, enforceability or priority of any liens, rights or claims authorized or created under the original provisions of this Final Order or pursuant to any of the DIP Financing Documents; and

(b) any indebtedness, obligation or liability incurred by the Debtors to any DIP Credit Party under any DIP Financing Document prior to the effective date of such stay, modification or vacation shall be governed in all respects by the original provisions of this Final

Order and the DIP Financing Documents, and each DIP Credit Party shall be entitled to all of the rights, remedies, privileges and benefits, including the DIP Liens and priorities granted to or for its benefit herein or pursuant to the applicable DIP Financing Documents, with respect to any such indebtedness, obligation or liability. All DIP Credit Extensions under the DIP Financing Documents are deemed to have been made in reliance upon this Final Order, and, therefore, the indebtedness resulting from such DIP Credit Extensions prior to the effective date of any stay, modification or vacation of this Final Order cannot as a result of any subsequent order in any of these Chapter 11 Cases, or any Successor Case of a Debtor, (i) be subordinated or (ii) be deprived of the benefit or priority of the DIP Liens and the Superpriority Claims granted to DIP Credit Parties under this Final Order or the DIP Financing Documents.

22. Effect of Stipulations on Third Parties; Deadline for Challenges.

(a) Each Debtor's admissions, stipulations, agreements and releases contained in this Final Order, including, without limitation, those contained in Paragraph B of this Final Order, shall be binding upon such Debtor and any successor thereto (including, without limitation, any Chapter 7 trustee or Chapter 11 trustee or examiner appointed or elected for such Debtor) under all circumstances and for all purposes.

(b) Each Debtor's admissions, stipulations, agreements and releases contained in this Final Order, including, without limitation, those contained in Paragraph B of this Final Order, shall be binding upon all other parties in interest (including, without limitation, any Committee, any examiner or post-confirmation trustee or fiduciary) under all circumstances and for all purposes unless and to the extent (a) such other party in interest (including any Committee) obtains requisite standing to do so and has timely and properly filed, in accordance with this Paragraph 22, an adversary proceeding or contested matter by no later than the

Challenge Deadline (as defined below) (A) objecting to or challenging the amount, validity, perfection, enforceability, priority or extent of the Pre-Petition Debt, any Pre-Petition Security Interest, the Second Lien Debt, or any Second Lien or (B) otherwise asserting any defenses, claims, causes of action, counterclaims or offsets against any Pre-Petition Credit Party, Second Lien Secured Party, or its respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors in any way relating to any transactions, events, actions, or failure to act under or in connection with any of the Pre-Petition Loan Documents or Second Lien Documents (collectively, a "Challenge"), and (b) the Court rules in favor of the plaintiff with respect to any such timely and properly filed Challenge. As used herein, the term "Challenge Deadline" means the earliest to occur of (A) the date that the Court enters an order confirming any Chapter 11 plan of reorganization or liquidation proposed by any Debtor or (B) (i) in the case of a party in interest with requisite standing other than the Committee, 75 days after the date of the entry of the Interim Order, (ii) in the case of the Committee, 60 days after the filing of notice of appointment of the Committee, or (iii) in each case of clauses (i) and (ii), any such later date agreed to in writing by Pre-Petition Agent, in its sole discretion, or ordered by the Court for cause shown, after notice and an opportunity to be heard, provided that such motion for an order to extend the Challenge Deadline is filed with the Court not later than 10 days prior to the expiration of any applicable period as set forth in clause (i) or (ii) of this sentence. Notwithstanding anything else contained in this Final Order, if within 10 days prior to the Challenge Deadline the Committee files a motion to be heard by this Court within five (5) days after the filing of the motion or as soon thereafter as the Court's calendar will permit (and none of the Debtors or Pre-Petition Credit Parties shall object to such motion being heard upon an expedited basis) in which the Committee seeks standing from this Court to pursue a Challenge

and attaches to such motion a proposed complaint setting forth the basis for such Challenge, then with respect to such proposed Challenge, the expiration of the Challenge Deadline shall be tolled until the Court rules on the motion seeking standing; provided that the Committee shall not be authorized to prosecute any such Challenge (including by way of discovery or motion) unless and until the Court shall have granted the Committee's motion seeking standing to pursue such Challenge.

(c) If no such Challenge is timely and properly filed as of the applicable Challenge Deadline against a Pre-Petition Credit Party or Second Lien Secured Party or the Court does not rule in favor of the plaintiff with respect to such Challenge, then for all purposes in these Chapter 11 Cases and in any Successor Case (i) each Debtor's admissions, stipulations, agreements and releases contained in this Final Order, including, without limitation, those contained in Paragraph B of this Final Order, shall be binding on all parties in interest, including the Committee and any examiner, trustee, and post-confirmation trustee; (ii) the Pre-Petition Debt owing to each Pre-Petition Credit Party and the Second Lien Debt shall constitute a fully secured allowed claim that is not subject to defense, claim, counterclaim, recharacterization, subordination, offset or avoidance, for all purposes in each Chapter 11 Case and any Successor Case; (iii) the Pre-Petition Security Interests in favor of Pre-Petition Credit Parties and the Second Liens shall be deemed to have been, as of the Petition Date and thereafter, legal, valid, binding, perfected, first priority security interests and liens, not subject to recharacterization, subordination, avoidance, nullification, or other defense and shall not be subject to any other or further claim or challenge by any Committee or any other party in interest seeking to exercise the rights of any Debtor's estate, including, without limitation, any trustee, examiner, or any other successor in interest to a Debtor; and (iv) each Debtor (for itself, its estate and its successors and

assigns) shall be deemed to have forever waived and released any and all Claims (as defined in the Bankruptcy Code), counterclaims, actions, causes of action, defenses or setoff rights that such Debtor may have against any Pre-Petition Credit Party or Second Lien Secured Party or any of their respective officers, directors, agents, employees, attorneys and affiliates and that arise out of or relate to any of the Pre-Petition Loan Documents or the Second Lien Documents or any action, inaction, or transactions thereunder, whether disputed or undisputed, at law or in equity, or known or unknown, including, without limitation, any recharacterization, subordination, avoidance or other claim arising under or pursuant to Section 105 or Chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state or federal law. If any such Challenge is properly filed on or before the Challenge Deadline, each Debtor's admissions, stipulations, agreements and releases contained in this Final Order, including, without limitation, those contained in Paragraph B of this Final Order, shall nonetheless remain binding and preclusive as provided in Paragraph 22(a) and, except to the extent that such admissions, stipulations, agreements and releases were expressly challenged in such Challenge and the plaintiff prevails on the merits with respect thereto, in the first sentence of this Paragraph 22(c). Nothing contained in this Final Order shall vest or confer any person or entity, including the Committee, with standing or authority to commence or prosecute, or participate in, any Challenge.

23. Debtors' Waivers. At all times during the Chapter 11 Cases, and whether or not an Event of Default has occurred, each Debtor irrevocably waives any right that it may have to seek authority (i) to use Cash Collateral except to the extent expressly permitted in this Final Order; (ii) to obtain post-petition loans or other financial accommodations pursuant to Section 364(c) or (d) of the Bankruptcy Code, other than from a DIP Credit Party on the terms and

conditions set forth herein; (iii) to challenge the application of any payments authorized by this Final Order to Pre-Petition Credit Parties pursuant to Section 506(b) of the Bankruptcy Code or assert that the value of the DIP Collateral is less than the amount of the Pre-Petition Debt; (iv) to propose or support a plan of reorganization or liquidation that does not provide for the Payment in Full of all DIP Obligations and Pre-Petition Debt on the effective date of such plan; or (v) to seek relief from this Court for the purpose of restricting or impairing any rights or remedies of any DIP Credit Party or any Pre-Petition Credit Party as provided in this Final Order or any of the DIP Financing Documents, as applicable, or a DIP Credit Party's exercise of such rights or remedies.

24. Service of Final Order. Promptly after the entry of this Final Order, the Debtors shall mail, by first class mail, a copy of this Final Order to (without duplication) (i) the U.S. Trustee; (ii) counsel to the Pre-Petition Agent; (iii) counsel to the DIP Agent; (iv) counsel to the Indenture Trustee and the Ad Hoc Group, (v) the Internal Revenue Service; (vi) the holders of the thirty (30) largest unsecured claims against the Debtors, on a consolidated basis; (vii) any parties that have filed requests for notices under Rule 2002 of the Bankruptcy Rules, and (viii) all parties known by a Debtor to hold or assert a material lien on any assets of a Debtor, and shall file a certificate of service regarding same with the Clerk of the Court.

25. No Deemed Control; Exculpation; Release.

(a) In determining to make any DIP Credit Extension under the DIP Credit Agreement, or in exercising any rights or remedies as and when permitted pursuant to this Final Order or the DIP Financing Documents, no DIP Credit Party, Pre-Petition Credit Party, or Second Lien Secured Party shall be deemed to be in control of any Debtor or its operations or to be acting as a "responsible person," "managing agent" or "owner or operator" (as such terms are

defined in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. § 9601 et seq., as amended, or any similar state or federal statute) with respect to the operation or management of such Debtor.

(b) Nothing in this Final Order, the DIP Financing Documents, or any other document related to the DIP Facility shall in any way be construed or interpreted to impose or allow the imposition upon any DIP Credit Party or any Pre-Petition Credit Party any liability for any claims arising from the pre-petition or post-petition activities of any Debtor in the operation of its business or in connection with its restructuring efforts. So long as a DIP Credit Party or Pre-Petition Credit Party complies with its obligations under the applicable DIP Financing Documents and applicable law, (i) such DIP Credit Party or Pre-Petition Credit Party shall not, in any way or manner, be liable or responsible for (A) the safekeeping of the DIP Collateral, (B) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (C) any diminution in the value thereof, or (D) any act or default of any carrier, servicer, bailee, custodian, forwarding agency or other person or entity; and (ii) all risk of loss, damage or destruction of the DIP Collateral shall be borne by the Debtors.

(c) Subject to the provisions of Section 22 hereof with respect to the Pre-Petition Credit Parties, each Debtor hereby forever, unconditionally and irrevocably releases, discharges and acquits the Pre-Petition Credit Parties, the DIP Credit Parties, the Second Lien Secured Parties and each of their respective successors, assigns, affiliates, subsidiaries, parents, officers, shareholders, directors, employees, attorneys, and agents, past, present, and future, and their respective heirs, predecessors, successors, and assigns (collectively, the "Releasees") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, reasonable attorneys' fees), debts, liens, actions, and

causes of action of any and every nature whatsoever, whether known or unknown, foreseen or unforeseen, or liquidated or unliquidated, arising in law or in equity or upon contract or tort or under any state or federal law or otherwise, arising out of or relating to the Pre-Petition Loan Documents, the DIP Financing Documents, the Second Lien Documents and/or the transactions contemplated hereunder or thereunder including, without limitation, (A) any so-called "lender liability" or equitable subordination claims or defenses, (B) any and all claims and causes of action arising under the Bankruptcy Code, and (C) any and all claims and causes of action with respect to the validity, priority, perfection, or avoidability of the DIP Liens, DIP Obligations, Pre-Petition Security Interests, Pre-Petition Debt, Second Liens, and Second Lien Debt. Each Debtor further waives and releases any defense, right of counterclaim, right of set-off, or deduction with respect to the payment of the Pre-Petition Debt, the DIP Obligations, and the Second Lien Debt that it now has or may claim to have against the Releasees, arising out of, connected with, or relating to any and all acts, omissions, or events occurring prior to the Court entering this Final Order.

26. Authorization to File Master Proof of Claim. The Pre-Petition Agent shall not be required to file any proof of claim with respect to any of the Pre-Petition Debt, all of which shall be due and payable in accordance with the Pre-Petition Loan Documents and the other financing documents applicable thereto without the necessity of filing any such proof of claim and no Second Lien Secured Party shall be required to file any proof of claim with respect to any of the Second Lien Debt, all of which shall be due and payable in accordance with the Second Lien Documents without the necessity of filing any such proof of claim; and the failure to file any such proof of claim shall not affect the validity or enforceability of the Pre-Petition Loan Documents or Second Lien Documents or prejudice or otherwise adversely affect any Pre-

Petition Credit Party's or Second Lien Secured Party's rights, remedies, powers or privileges under any of the Pre-Petition Loan Documents, the Second Lien Documents, this Final Order, or applicable law. Notwithstanding the preceding sentence, if the Pre-Petition Agent or the Indenture Trustee so elects, the Pre-Petition Agent and the Indenture Trustee shall be authorized and empowered (but not required) to (i) file (and amend and/or supplement as it sees fit) a proof of claim and/or aggregate proof of claim in each Chapter 11 Case or Successor Case for any claim described herein, on behalf of Pre-Petition Credit Parties or Second Lien Secured Parties, as applicable, on account of their claims against the Debtors, (ii) file (and amend and/or supplement as it sees fit) a single proof of claim in the case of *In re Modular Space Holdings, Inc.*, Case No. 16-12825, for any claim described herein, in which such case such proof of claim will be deemed to have been filed against each of the Debtors (a "Master Proof of Claim"), and (iii) collect and receive any monies or other property payable or distributable on account of any such claims and to share such payments or property with Pre-Petition Credit Parties or Second Lien Secured Parties, as applicable in accordance with their respective Pre-Petition Loan Documents, Second Lien Documents, and this Final Order. Upon the filing of a Master Proof of Claim, each Pre-Petition Credit Party or Second Lien Secured Party on whose behalf such Master Proof of Claim was filed shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against any Debtor under the applicable Pre-Petition Loan Documents or Second Lien Documents, as applicable, and the claim of each Pre-Petition Credit Party or Second Lien Secured Party (and each of its respective successors and assigns) named in such Master Proof of Claim shall be treated as if each such entity had filed a separate proof of claim in each Chapter 11 Case. Neither the Pre-Petition Agent nor the Indenture Trustee shall be required to amend a proof of claim or a Master Proof of Claim filed by

it to reflect a change in the holder of a claim set forth therein or a reallocation among such holders of the claims asserted therein and resulting from the transfer of all or any portion of such claims. The provisions of this paragraph and each Master Proof of Claim are intended solely for the purpose of administrative convenience and shall not affect any right of any Pre-Petition Credit Party (or its respective successors in interest) or any Second Lien Secured Party to vote separately on any plan of reorganization or liquidation proposed in any of these Chapter 11 Cases or to file its own proof of claim, which proof of claim, if filed, shall be in addition to, and not in lieu of, any other proof of claim filed by the Pre-Petition Agent or the Indenture Trustee. The Pre-Petition Agent and the Indenture Trustee shall not be required to attach to a Master Proof of Claim any instruments, agreements or other documents evidencing the obligations owing by any Debtor to any Pre-Petition Credit Party or Second Lien Secured Party, which instruments, agreements or other documents will be provided upon written request made to counsel for Pre-Petition Agent or the Indenture Trustee.

27. Binding Effect; Successors and Assigns. The provisions of this Final Order shall be binding upon all parties in interest in these Chapter 11 Cases, including, without limitation, the DIP Credit Parties and the Debtors and their respective successors and assigns (including any Chapter 11 or Chapter 7 trustee hereafter appointed for the estate of any Debtor, any examiner appointed pursuant to Section 1104 of the Bankruptcy Code, the Committee, or any other fiduciary appointed as a legal representative of any Debtor or with respect to any property of the estate of any Debtor), and shall inure to the benefit of DIP Credit Parties and their respective successors and assigns. In no event shall any DIP Credit Party or Pre-Petition Credit Party have any obligation to make DIP Credit Extensions to, or permit the use of the DIP Collateral

(including Cash Collateral) by, any Chapter 7 trustee, Chapter 11 trustee or similar responsible person appointed or elected for the estate of any Debtor.

28. Objections Overruled. Any and all objections to the relief requested in the Motion, to the extent not otherwise withdrawn, waived, or resolved by consent at or before the Final Hearing, and all reservations of rights included therein, are hereby OVERRULED and DENIED.

29. Insurance. To the extent Pre-Petition Agent is listed as loss payee or lender's loss payee under any Debtor's insurance policies, DIP Agent shall also deemed to be the loss payee or lender's loss payee under such Debtor's insurance policies and, subject to this Final Order, shall act in that capacity and distribute any proceeds recovered or received in respect of any such insurance policies.

30. DIP Collateral Rights. Except as expressly permitted in this Final Order and the DIP Financing Documents, in the event that any person or entity holds a lien on or security interest in DIP Collateral that is junior or subordinate to the DIP Liens in such DIP Collateral and such person or entity receives or is paid the proceeds of such DIP Collateral, or receives any other payment with respect thereto from any other source, in each case in a manner prohibited by any of the DIP Financing Documents or this Final Order prior to Payment in Full of all DIP Obligations, such junior or subordinate lienholder shall be deemed to have received, and shall hold, the proceeds of any such DIP Collateral in trust for the applicable DIP Credit Parties, and shall immediately turn over such proceeds to such DIP Credit Parties for application in accordance with this Final Order and the DIP Financing Documents.

31. Conditions Precedent. No DIP Lender shall have any obligation to make any DIP Credit Extensions under the DIP Financing Documents unless the conditions precedent to

making such extensions of credit under the DIP Financing Documents have been satisfied in full or waived in accordance with the DIP Financing Documents.

32. No Impact on Certain Contracts or Transactions. No rights of any person or entity in connection with a contract or transaction of the kind listed in Sections 555, 556, 559, 560 or 561 of the Bankruptcy Code, whatever such rights might or might not be, are affected by the provisions of this Final Order.

33. Effectiveness; Enforceability. This Final Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, or 9014 of the Bankruptcy Rules or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Final Order shall be valid, take full effect, and be enforceable immediately upon entry hereof; there shall be no stay of execution or effectiveness of this Final Order; and any stay of the effectiveness of this Final Order that might otherwise apply is hereby waived for cause shown.

34. Inconsistencies. To the extent that any provisions in the DIP Financing Documents are expressly inconsistent with any of the provisions of this Final Order, the provisions of this Final Order shall govern and control.

35. Headings. Section 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.

Dated: _____, 2017.

Honorable _____
United States Bankruptcy Judge