

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

In re:	:	Chapter 11
M & G USA CORPORATION, <i>et al.</i> ¹	:	Case No. 17-12307 (BLS)
Debtors.	:	(Jointly Administered)
	:	
	:	

**MOTION OF THE DEBTORS FOR ENTRY OF INTERIM AND FINAL
ORDERS (I) AUTHORIZING CERTAIN DEBTORS TO OBTAIN
POST-PETITION FINANCING PURSUANT TO 11 U.S.C. §§ 105, 362, 363 AND 364;
(II) GRANTING LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE
CLAIMS TO THE SALE DIP LENDERS PURSUANT TO 11 U.S.C. §§ 364 AND 507;
(III) SCHEDULING A FINAL HEARING PURSUANT TO BANKRUPTCY RULES
4001(B) AND LOCAL RULE 4001-2; AND (IV) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") move the Court (this "Motion"), pursuant to sections 105, 362, 363, 364 and 507 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002 and 4001 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 4001-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), for entry of an interim order in substantially the form attached hereto as Exhibit A (the "New Interim DIP Order") and a final order (the "New Final DIP Order"):

- (i) authorizing the Obligors (as defined below) to obtain postpetition superpriority debtor-in-possession financing (the "New DIP Facility") pursuant to the terms set forth in that certain *Term Sheet with Respect to Proposed Debtor-in-Possession Financing*, by and between Corpus Christi Polymers LLC ("CCP" or the "New DIP Lender"), Debtors M&G Resins USA, LLC, as borrower ("Borrower") and M&G USA Corporation, M&G

¹ The Debtors are the following twelve entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): M & G USA Corporation (3449), M & G Resins USA, LLC (3236), M & G Polymers USA, LLC (7593), M&G Finance Corporation (4230), M&G Waters USA, LLC (2195), Mossi & Ghisolfi International S.à r.l. (1270), M&G Chemicals S.A. (N/A), M&G Capital S.à r.l. (7812), M & G USA Holding, LLC (3451), Chemtex International Inc. (7695), Chemtex Far East, Ltd. (2062) and Indo American Investments, Inc. (9208). The Debtors' noticing address in these chapter 11 cases is 450 Gears Road, Suite 240, Houston, Texas 77067.

Finance Corporation, M&G Waters USA, LLC, M&G USA Holding LLC, Chemtex International Inc., Chemtex Far East, Ltd. and Indo American Investments, Inc. (collectively, with the Borrower, the "Obligors"), a copy of which is attached to the New Interim DIP Order as Exhibit 1 (the "DIP Term Sheet");²

- (ii) authorizing the Obligors to enter into all other related agreements, documents, notes, certificates, and instruments executed and/or delivered in connection therewith or related thereto (collectively, as may be amended, modified or supplemented from time to time, the "New DIP Loan Agreement");
- (iii) authorizing the use of the proceeds of the New DIP Facility on an interim basis in a manner consistent with the terms and conditions of the New DIP Loan Agreement;
- (iv) granting liens and superpriority administrative claims in connection with the New DIP Loan Agreement;
- (v) authorizing and directing the Obligors to pay, without further order of the Court, the obligations payable to the New DIP Lender under the DIP Term Sheet and New DIP Loan Agreement;
- (vii) vacating and modifying the automatic stay as necessary to effectuate the terms of the New DIP Facility;
- (viii) scheduling a final hearing (the "Final Hearing") with respect to the relief requested herein; and
- (ix) granting related relief.³

In support of this Motion, the Debtors submit (i) the *Declaration of Dennis Stogsdill in Support of First Day Pleadings* (the "First Day Declaration") [Docket No. 3]; (ii) the *Declaration of Neil A. Augustine* dated October 31, 2017 (the "CEC DIP Declaration");⁴ (iii) the *Declaration of*

² Capitalized terms not otherwise defined herein have the meanings given to them in the DIP Term Sheet.

³ For the avoidance of doubt, nothing in this Motion, the New Interim DIP Order, or the New Final DIP Order, shall constitute or result in an extension of the Challenge Deadline in paragraph 23 the Inbursa Final DIP Order.

⁴ *Declaration of Neil A. Augustine in Support of Motion for Entry of Interim and Final Orders to (1) Authorize Certain 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 Dip Lender Pursuant to 11 U.S.C. §§ 364 And 507; (3) Provide Adequate Protection to the Pre-Petition First Lien Lender and The Pre-Petition Second Lien Secured Party; (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* [Docket No. 51].

Jonathan Brownstein in Support of Debtors' Motions for Entry of Orders Approving (I) the Sale of Certain Assets of the Debtors and (II) the New DIP Facility filed substantially contemporaneously herewith (the "Brownstein Declaration"); and (iv) the *Declaration of Dennis Stogsdill in Support of Debtors' Motions for Entry of Orders Approving (I) the Sale of Certain Assets of the Debtors and (II) the New DIP Facility* filed substantially contemporaneously herewith (the "Stogsdill Declaration" and, together with the First Day Declaration, the CEC DIP Declaration and the Brownstein Declaration, the "Declarations") and respectfully represent as follows:

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). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. General Background

2. On October 24, 2017 ("Polymers Petition Date"), Debtor M&G Polymers filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code and, thereafter, on October 30, 2017 (the "Petition Date"), each of the other Debtors commenced chapter 11 cases before this Court (together with the chapter 11 case of M&G Polymers, the "Cases"). The Debtors are continuing in possession of their properties and are managing their businesses, as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. An Official Committee of Unsecured Creditors (the "Committee") was appointed in these Cases on November 13, 2017 (Docket No. 146). Additional information regarding the Debtors and these Cases, including the Debtors' businesses, corporate structure and financial condition, is set forth in the First Day Declaration, filed on October 31, 2017.

B. The CEC DIP Facility

4. On December 14, 2017, this Court entered a final order [Docket No. 479] authorizing certain Debtors to enter into a \$100 million debtor-in-possession financing facility (the "CEC DIP Facility"; the loan agreement evidencing such facility, the "CEC DIP Loan Agreement") with Control Empresarial de Capitales, S.A. de C.V. ("CEC") as the lender thereunder. Subject to certain restrictions, the CEC DIP Facility has provided certain of the Debtors with the funding necessary to maintain limited operations and administer these Cases through a sale of the certain of the Debtors' assets, with a current budget that runs through March 31, 2018. As described in further detail below, the Debtors have now concluded that marketing process and have announced a winning bidder for the Corpus Christi Plant and related assets. On April 1, 2018, the Debtors will no longer be able to access any funding under the CEC DIP Facility under the current budget in place.

C. The Marketing of the Debtors' Corpus Christi Plant and Related Assets

5. Shortly after the Debtors filed for chapter 11 protection in late October 2017, the Debtors began an M&A process to explore a sale of substantially all of the Debtors' assets. Chief among the Debtors' assets is the Debtors' vertically integrated PTA/PET plant located in Corpus Christi, Texas (the "Corpus Christi Plant").

6. To establish clear guidelines for a sale of their assets, on November 16, 2017, the Debtors filed the Sale Motion,⁵ which sought, among other things, approval of bidding procedures and ultimately the sale of the Debtors' assets, including the Corpus Christi Plant and the other Purchased Assets (as defined below). On December 14, 2017, the Court entered an order approving such bidding procedures (the "Bidding Procedures").⁶

7. In the Bidding Procedures, the Debtors anticipated the need for the New DIP Facility. Specifically, the Bidding Procedures required prospective bidders to submit as part of their binding Final Bids (as defined in the Bidding Procedures) "a written commitment by the Prospective Bidder to provide the Debtors with financing to fund the Debtors' Cases from March 31, 2018 through the closing of the applicable Sale Transaction (or, with respect to a Final Bid for any of the Apple Grove Assets, from the date of the bid through the closing of the applicable Sale Transaction therefor)." Bidding Procedures § IV.A.6(c).

⁵ See Motion of the Debtors for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of Certain of the Debtors' Assets, (B) Authorizing the Debtors to Enter into One or More Stalking Horse Purchase Agreements and to Provide Bid Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of Certain of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [Docket No. 173] (the "Sale Motion")

⁶ See Order (I) (A) Approving Bidding Procedures For The Sale Of Certain Of The Debtors' Assets, (B) Authorizing The Debtors To Enter Into One Or More Stalking Horse Purchase Agreements And to Provide Bid Protections Thereunder, (C) Scheduling An Auction And Approving The Form And Manner Of Notice Thereof, (D) Approving Assumption And Assignment Procedures And (E) Scheduling A Sale Hearing And Approving The Form And Manner Of Notice Thereof And (II) Granting Related Relief [Docket No. 490] (the "Bidding Procedures Order").

8. In connection with the sale process, which has spanned over four months, Rothschild Inc. ("Rothschild"), the Debtors' investment banker, invited prospective purchasers to bid on any and/or all of such assets. During the sale process, Rothschild engaged in extensive sale and marketing efforts, contacting 111 potential strategic and financial buyers that might be interested in acquiring all or a portion of the Corpus Christi Plant and related assets. Of these 111 potential strategic and financial buyers, 38 parties signed non-disclosure agreements and were provided with access to a virtual dataroom and extensive diligence materials, including detailed financial information, detailed information regarding the status of construction of the Corpus Christi Plant and information on the Debtors' intellectual property, among other information. In addition, Rothschild arranged for site visits and discussions with management as requested by prospective bidders. *See* Brownstein Decl. ¶¶ 8-9.

9. At the culmination of this marketing process, on March 6, 2018, the Debtors received seven bids (the "Initial Bids") for certain of their assets. Three of the Initial Bids were for the Corpus Christi Plant and substantially all of the Debtors' other assets (the "All-Asset Initial Bids"). The remaining four Initial Bids were limited to only the Desalination Assets or certain of the Debtors' real property.⁷ Again, in consultation with their advisors, the Debtors pursued the All-Asset Initial Bids, largely for the same reasons discussed above: (a) the Initial Bids solely for the Desalination Assets and the Debtors' real property were too contingent; (b) the Desalination Assets Initial Bids provided significantly less value than the values in the All-Asset Initial Bids; (c) none of the All-Asset Initial Bids would accept anything less than essentially the entirety of the Corpus Christi Plant; and/or (d) the Debtors believed that the All-Asset Initial Bids would provide the best opportunity for the Debtors to maximize the value of their estates.

See Brownstein Decl. ¶ 13.

⁷ All of the Initial Bids for the Desalination Assets included the Debtors' boiler assets. One of such Initial Bids, however, also had an option without the Debtors' boiler assets.

10. In accordance with the Bidding Procedures Order, on March 19, 2018 the Debtors convened all relevant parties for an auction for the Corpus Christi Plant and related assets (the "Auction"), and on March 20, 2018, the Debtors conducted the Auction. At the Auction, the Debtors announced that they had received the following two qualified bids for the Corpus Christi Plant and related assets: (a) a bid from Banibu (the "Banibu Bid") and (b) a bid from CCP (the "CCP Bid"). Aside from these two bids, there were no other qualified bids at the Auction. Based on the results of the Auction, and in consultation with Rothschild and the Debtors' other advisors, the Debtors' board of directors selected the CCP Bid as the Successful Bid at the Auction.

See Brownstein Decl. ¶¶ 16-17.

11. Subsequent to the conclusion of the Auction, the Debtors filed an Auction Results Notice,⁸ which attached, as Exhibit 1 thereto, the Asset Purchase Agreement evidencing the CCP Bid (the "Purchase Agreement"; the sale transaction contemplated thereby, the "Corpus Christi Plant Sale"). The Purchase Agreement contemplates that certain of the Debtors will sell to CCP all of their right, title and interest in the Purchased Assets (as defined in the Purchase Agreement), which includes the Corpus Christi Plant, the Debtors' intellectual property and related assets.

D. The New DIP Facility

12. The Debtors have an urgent need for additional financing during the period from April 1, 2018, at which time the Debtors have no further ability to borrow under the CEC DIP Facility, through the closing of the Sale. As set forth in the First Day Declaration, the Corpus Christi Plant is not operational and thus generates no revenue to maintain the Debtors' assets and to continue the administration of these Cases. In addition, the CEC DIP Facility, for which the budget expires on March 31, 2018, does not provide the Debtors with adequate funding to either

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See Notice of (I) Successful Bidder and Backup Bidder and (II) Proposed Assumed and Assigned Executory Contracts and Unexpired Leases in Connection with the Sale of the Debtors' Assets [Docket No. 1231] (the "Auction Results Notice").

close the Sale of the Purchased Assets to the Purchaser or to pursue anything other than a conversion or dismissal of these Cases. Thus, from and after April 1, 2018, the Debtors will lack funding to continue to administer these Cases. As such, the Debtors require the financing necessary to maintain these Cases and their assets through the closing of the Sale. *See* Brownstein Decl. ¶ 24.

13. In connection with the Debtors' proposed entry into the Purchase Agreement, CCP agreed to enter into the New DIP Facility with the Obligors and provide, subject to the terms and conditions set forth in the DIP Term Sheet, liquidity in an aggregate amount of at least \$55 million. The New DIP Facility largely mirrors the CEC DIP Facility in collateral scope and structure. Both share identical obligors and the underlying collateral is the same, with the liens proposed to secure the New DIP Facility ranking junior to the liens securing the CEC DIP Facility. *See* Brownstein Decl. ¶ 25.

14. The Debtors do not believe that new financing is available to the Obligors on terms more favorable than the New DIP Facility. As an initial matter, certain of the New DIP Facility's terms are very favorable to the Debtors. For example, upon closing of the sale pursuant to the CCP Bid, the Obligors have no obligation to repay the New DIP Facility. No other Qualified Bids received by the Debtors provided for a similar financing structure. *See* Brownstein Decl. ¶ 26.

15. Moreover, given the challenges that the Debtors have previously faced in raising postpetition financing, the New DIP Facility's beneficial terms seemed even more attractive. As set forth in greater detail in the CEC DIP Declaration, the Debtors conducted an extensive process to obtain funding prior to the Petition Date. This experience led the Debtors to conclude that a wider market search for unsecured financing would be futile. This conclusion applies with even

greater force now, given that the Debtors have concluded the sale process and are in the process of seeking Court approval of the sale of the Purchased Assets. *See* Brownstein Decl. ¶ 27.

16. In addition to being the only financing available, the New DIP Facility provides significant benefits to the Debtors. The New DIP Facility will ensure that the Obligors can administer these Cases and preserve the Purchased Assets through the closing of the sale of the Corpus Christi Plant. Given the value generated by the sale of the Corpus Christi Plant, the New DIP Facility will make it possible for the Debtors to potentially confirm a chapter 11 plan.

See Brownstein Decl. ¶ 28.

17. The New DIP Facility will require the consent of CEC to, among other things, permit the incurrence of the New DIP Facility and to extend the maturity date of the CEC DIP Facility to allow for sufficient time to the close the Corpus Christi Plant Sale. Certain terms of this consent would be effectuated through an amendment to the CEC DIP Loan Agreement. At this time, such consent terms have not been fully agreed among the Debtors, CEC and the New DIP Lender. While discussions are ongoing, the Debtors anticipate filing the CEC DIP Loan Agreement amendment and any additional changes to the proposed New Interim DIP Order to reflect these consent terms.

18. In accordance with Bankruptcy Rule 4001(c) and Local Rule 4001-2 the principal terms of the New DIP Facility are as follows:⁹

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
Parties Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet</i>	<u>Borrower:</u> M & G Resins USA, LLC <u>Guarantors:</u> M&G USA Corporation, M&G Finance Corporation, M&G Waters USA, LLC, M&G USA Holding LLC, Chemtex International Inc., Chemtex Far East, Ltd. and Indo American Investments, Inc. <u>Obligors:</u> The Borrower and the Guarantors <u>New DIP Lender:</u> Corpus Christi Polymers LLC

⁹ This summary is qualified in its entirety by the provisions of the DIP Loan Agreement. Capitalized terms not otherwise defined herein have the meanings given to them in the DIP Term Sheet.

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
Commitment Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet</i>	Senior debtor-in-possession credit facility in the aggregate principal amount not to exceed \$15 million from entry of the Interim DIP Order until the day prior to entry of the Final New DIP Order, and the aggregate principal amount of at least \$55 million upon and after entry of the Final New DIP Order.
Maturity/Termination Date Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet</i>	The earliest of: (a) August 1, 2018; (b) the date of closing of an Alternative Transaction (as defined in the Corpus Christi APA) is approved by the Bankruptcy Court; (c) the date the New DIP Lender accelerates the New DIP Obligations following an Event of Default (as defined below) subject to compliance with the Interim New DIP Order and the Final New DIP Order, as then applicable; (d) the date a sale of all or a portion of the Purchased Assets to a buyer(s) other than Purchaser or Banibu (the " <u>Back-Up Bidder</u> ") is approved by the Bankruptcy Court; (e) the date of filing of any reorganization plan by any of the Obligors which is not acceptable to the New DIP Lender (provided that any Acceptable Chapter 11 Plan (as defined in the Bid Support Term Sheet) shall be acceptable to the Lender); and (f) the date on which the New DIP Lender is granted relief from the automatic stay.
Interest Rate and Premiums Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet</i>	<u>Interest Rate</u> : LIBOR plus 9.5% per annum. <u>Default Rate</u> : Interest Rate plus 2%
Expenses Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet; Interim DIP Order ¶ 15</i>	On the DIP Termination Date, the Obligors shall be jointly and severally obligated to pay the New DIP Lender for (a) all reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and documented fees, disbursements and other charges of outside counsel and financial advisors) of the New DIP Lender or any of its members, solely in connection with the New DIP Facility or any of the lending transactions contemplated thereby, whether accrued on, prior to or after the Closing Date, whether or not the Closing Date occurs, and (b) all reasonable and documented out-of-pocket expenses (including, without limitation, fees, disbursements and other charges of outside counsel and financial advisors) of the New DIP Lender or any of its members for enforcement costs and documentary taxes associated with the New DIP Facility and the transactions contemplated thereby.
Use of Funds Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet; Interim DIP Order ¶ I</i>	The Borrower shall use the proceeds of Advances only for the purpose of funding (i) certain employee-related, maintenance and other related expenses of the Borrower, (ii) fees and expenses incurred by estate professionals, (iii) interest and professional fees to Control Empresarial de Capitales, S.A. de C.V., in its capacity as Initial Lender (as defined in the CEC DIP Loan Documents) and in accordance with the CEC DIP Loan Documents and the Final Inbursa DIP Order, (iv) interest and professional fees to the Pre-Petition First Lien Lender in accordance with the Pre-Petition First Lien Loan Documents and the Final Inbursa DIP Order and (v) other items, all (i.e., (i) – (v)) strictly in accordance with the allowed disbursements set forth in the Budget (subject to permitted variances), the Interim New DIP Order and Final New DIP Order, and consistent with the terms and conditions set forth in the Bid Support Term Sheet. The New DIP Obligations shall be deemed indefeasibly satisfied in full and the New DIP Liens deemed released upon the Closing Date as defined in the APA).
Funding Conditions Fed. R. Bankr. P. 4001(c)(1)(B) <i>DIP Term Sheet</i>	Usual and customary conditions precedent to funding of the New DIP Loan, including, without limitation (a) satisfactory New DIP Agreement documentation, (b) approved (including by the New DIP Lender) Budget, (c) any required governmental consents (if any are required), (d) CEC's consent to the DIP Term Sheet and the transactions contemplated hereby, (e) entry of Sale Order (with the Purchaser having been

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
	<p>approved by the Bankruptcy Court as the successful bidder for the Purchased Assets), (f) entry of Interim New DIP Order and Final New DIP Order in form satisfactory to the New DIP Lender, the Obligors, CEC and the Pre-Petition First Lien Lender, (g) confirmation of no outstanding prior liens on the New DIP Collateral other than as set forth in the New Final DIP Order, and (h) such other information and documents as the New DIP Lender may require from time to time in its reasonable discretion.</p> <p>In addition, the following conditions also must be satisfied prior to entry into the New DIP Facility and/or funding any Advances:</p> <ul style="list-style-type: none"> • a certificate of the chief restructuring officer of the Debtors confirming that: (a) the representations and warranties set forth in the New DIP Agreement are true and correct (with respect to any Advance made from and after the entry of the Final New DIP Order, such representations and warranties shall be true and correct in all material respects on the date of such Advance as if such representations and warranties were made on and as of such date); and (b) the Advances requested do not exceed, on a weekly basis, the disbursements permitted pursuant to the Budget for the relevant week (subject to permitted variances) together with any amounts carried forward from a prior budget period in accordance with the terms hereof; • the Interim New DIP Order and Sale Order shall have been entered by the Bankruptcy Court by March 30, 2018 and such order shall be in full force and effect and shall not have been reversed, modified, amended, subject to a pending appeal, stayed or vacated absent the prior written consent of the New DIP Lender; • the Obligors and the Purchaser shall have entered into the Corpus Christi APA, and the Corpus Christi APA shall be in full force and effect and shall not have been terminated pursuant to Section 4.4 of the Corpus Christi APA; • no Event of Default shall have occurred; and • there shall not be any order entered by the Bankruptcy Court that results in an Event of Default.
<p>Security and Priority Fed. R. Bankr. P. 4001(c)(1)(B)(i, vii)</p> <p><i>DIP Term Sheet;</i> <i>Interim DIP Order ¶¶</i> vi; 7; 9</p>	<p>The New DIP Lender shall be granted new liens (the "New DIP Liens") on and security interests in all assets (other than the assets excluded from the scope of the DIP Collateral) of each of the Obligors (including but not limited to Avoidance Proceeds) (the "New DIP Collateral") pursuant to Sections 364(c)(2), 364(c)(3), and 364(d)(1) of the Bankruptcy Code, which shall rank senior in priority to all liens other than those valid, perfected, and unavoidable liens existing on the Obligors' assets either recognized by or described in the Final Inbursa DIP Order [Dkt. No. 479], including, without limitation, the liens and security interests (the "Macquarie Liens") held by Macquarie Investments US Inc. ("Macquarie") under that certain Credit Agreement, dated November 9, 2016, among Macquarie, as administrative and collateral agent, the lenders that are party thereto from time to time, and M&G Waters USA, LLC (the "Macquarie Credit Agreement") (collectively, the "Existing Liens"); <i>provided</i>, that notwithstanding anything to the contrary, (a) the New DIP Collateral shall not include and the New DIP Liens shall not extend or attach to any property of the Obligors to which at least one or more of the Existing Liens have not attached (and without in any way impairing, releasing or otherwise adversely affecting any rights of the Committee to challenge any claims asserted by DAK) and (b) the New DIP Collateral shall not include and the New DIP Liens shall not extend or attach to the Excluded Avoidance Actions (as defined in the Final Inbursa DIP Order).</p> <p>The New DIP Lender shall also be granted, pursuant to Bankruptcy Court approval in Interim New DIP Order and Final New DIP Order, a superpriority administrative expense claim (the "New DIP Superpriority Claim") with respect to the New DIP</p>

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
	<p>Obligations that will, in accordance with Section 364(c)(1) of the Bankruptcy Code, have priority over any and all administrative expenses of and unsecured claims against any of the Obligors now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, all administrative expenses of the kind specified in, or arising or ordered under, sections 105, 326, 328, 503(b), 506(c), 507(a), 507(b), 546(c), 726 and 1114 of the Bankruptcy Code other than any administrative expense claims granted pursuant to the Final Inbursa DIP Order [Docket No. 479, as to which the New DIP Superpriority Claim will rank junior in priority.¹⁰</p> <p>For the avoidance of doubt the New DIP Liens and the New DIP Superpriority Claim will rank junior in priority to the liens and claims of the DIP Secured Parties and the Pre-Petition First Lien Lender under the Pre-Petition First Lien Loan Documents. The New DIP Agreement shall be subject to a subordination agreement (the "<u>Subordination Agreement</u>"), consistent with the terms set forth on Exhibit B to the DIP Term Sheet and reasonably satisfactory to the New DIP Lender, the Initial Lender, the Pre-Petition Lender and the Obligors, among the New DIP Lender and, as applicable, the Pre-Petition First Lien Lender and/or CEC pursuant to which all obligation under the New DIP Agreement shall be subordinated in payment and priority to the obligations under the Pre-Petition First Lien Loan Documents and the obligations under the CEC DIP Loan Documents, and other customary provisions, including standstill (e.g., other than in respect of the termination of the commitment to Advance (subject to Carve-Out below) and the right to accelerate), turnover, and deemed to consent to actions permitted to be taken under the CEC DIP Loan Documents (including future extensions of loans thereunder) and the asset purchase agreement among the Obligors and Banibu dated March 20, 2018 (the "<u>Inbursa Back-up Bid APA</u>"), as applicable.</p>
Adequate Protection / Lien Priming Fed. R. Bankr. P. 4001(c)(1)(B)(ii) Del. Bankr. L.R. 4001-2(a)(i)(G)	The DIP Term Sheet does not propose to prime the liens of any party.
Acknowledgements / Validity of Prepetition Liens Fed. R. Bankr. P. 4001(c)(1)(B)(iii) Del. Bankr. L.R. 4001-2(a)(i)(B) <i>DIP Term Sheet;</i> <i>Interim DIP Order ¶ G</i>	The DIP Agreement, the Interim New DIP Order and the Final New DIP Order shall include customary terms, including, but not limited to, typical representations and warranties, and covenants for transactions of this type, including, but not limited to: <ul style="list-style-type: none"> • stipulations concerning the extent, validity and perfection of the New DIP Lender's liens; • an acknowledgment that the New DIP Loans were made in good faith; and • an acknowledgement that the proceeds of the New DIP Loans shall be used strictly in accordance with the approved Budget (subject to permitted variances).
Automatic Stay Fed. R. Bankr. P. 4001(c)(1)(B)(iv)	The Interim New DIP Order and Final New DIP Order (as applicable) will provide the following notice in respect of any Event of Default: Any automatic stay otherwise applicable to the Lender is hereby modified so that after the occurrence of any Event of Default and at any time thereafter, upon five (5)

¹⁰ For the avoidance of doubt, the New DIP Superpriority Claim shall have recourse against the Avoidance Proceeds (as defined in the Inbursa Final DIP Order) only to the extent that the Superpriority Claim (as defined in the Inbursa Final DIP Order) would have had recourse against such Avoidance Proceeds pursuant to Paragraph 4(b) of the Inbursa Final DIP Order.

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
<i>Interim DIP Order ¶ 18</i>	<p>business days' prior written notice given by email or facsimile of such occurrence, in each case, given to counsel for the Borrower, the Official Committee of Unsecured Creditors, the United States Trustee, the CEC DIP Lender and the Pre-Petition First Lien Lender (collectively, the "Notice Parties"), the Lender shall be entitled to exercise all rights and remedies in accordance with the New DIP [Term Sheet][Loan Agreement] and this [Interim][Final] Order, as applicable. Following the giving of written notice by the Lender of the occurrence of an Event of Default, the Notice Parties shall be entitled to an emergency hearing before this Court. If the right of the Lender to exercise its remedies is not contested or otherwise stayed or enjoined by this Court, after notice and hearing, the automatic stay as to the Lender shall automatically terminate at the end of such notice period. Subject to the provisions of this paragraph, upon the occurrence of an Event of Default, the Lender is authorized to exercise its remedies and proceed under or pursuant to the New DIP Loan Agreement and this [Interim][Final] Order. Nothing included herein shall prejudice, impair, or otherwise affect the Lender's rights to seek any other or supplemental relief in respect of the Borrower nor the Lender's rights, as provided in the New DIP [Term Sheet][Loan Agreement], to suspend or terminate the making of any further Advances under the New DIP [Term Sheet][Loan Agreement].</p>
Milestones Fed. R. Bankr. P. 4001(c)(1)(B)(v, vi) <i>DIP Term Sheet</i>	<p>The New DIP Loan Agreement sets forth the following milestones:</p> <ul style="list-style-type: none"> • The Obligors will seek entry of the Interim New DIP Order approving the New DIP Facility and an order approving the Corpus Christi APA at a single hearing scheduled for March 23, 2018; and • the definitive New DIP Agreement (and related loan documents) or the Final New DIP Order shall have been entered into by April 13, 2018 (and such order shall be in full force and effect and shall not have been reversed, modified, amended, subject to a pending appeal, stayed or vacated absent the prior written consent of the New DIP Lender).
Release Fed. R. Bankr. P. 4001(c)(1)(B)(viii)	<p>The DIP Loan Agreement does not contain any material affirmative releases by either Borrower or the New DIP Lender.</p>
Indemnity Fed. R. Bankr. P. 4001(c)(1)(B)(viii) <i>DIP Term Sheet</i>	<p>The Obligors, jointly and severally, will indemnify and hold harmless the New DIP Lender, its respective affiliates, successors and assigns and the officers, directors, employees, agents, advisors, controlling persons and members of each of the foregoing (each, an <u>Indemnified Person</u>) from and against all documented costs, expenses (including reasonable and documented out-of-pocket fees, disbursements and other charges of outside counsel but subject to the limitations set forth two paragraphs below) and liabilities of such Indemnified Person arising out of or relating to any claim or any litigation or other proceeding (regardless of whether such Indemnified Person is a party thereto and regardless of whether such matter is initiated by a third party or by the Borrower or any of its affiliates) that relates to the New DIP Loan Agreement, any of the orders referenced herein, or the transactions contemplated thereby; provided that, no Indemnified Person will be indemnified for any cost, expense or liability to the extent determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted (a) from such Indemnified Person's bad faith, gross negligence or willful misconduct, (b) from a claim brought by any Obligor against an Indemnified Person for material breach of such Indemnified Person's obligations under the New DIP Facility or under any documents or agreements executed in connection therewith, or (c) from a dispute solely among Indemnified Persons.</p> <p>No Indemnified Person shall have any liability (whether direct or indirect, in contract, tort or otherwise) to any of the Obligors or any of their respective subsidiaries or any shareholders or creditors of the foregoing for or in connection with the transactions contemplated hereby, except to the extent such liability is found in a final non-</p>

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
	<p>appealable judgment by a court of competent jurisdiction to have resulted solely from such Indemnified Person's bad faith, gross negligence, willful misconduct or material breach of its obligations hereunder. In no event, however, shall any Indemnified Person be liable on any theory of liability for any special, indirect, consequential or punitive damages.</p> <p>The amounts which are the subject of this section shall be payable on the DIP Termination Date. Notwithstanding anything to the contrary, no claim of an Indemnified Person shall be payable as a GUC Pool Administrative Expense and Priority Claim (as defined in the Bid Support Term Sheet).</p>
506(c) Waiver Fed. R. Bankr. P. 4001(c)(1)(B)(x) Del. Bankr. L.R. 4001-2(a)(i)(C)	<p>As a further condition of the New DIP Loan Agreement and any obligation of the DIP Lender to make credit extensions pursuant to the New DIP Loan Agreement, upon entry of the New Interim DIP Order, the Borrower and its estate shall be deemed to have waived all rights to assert section 506(c) surcharge claims against the DIP Lender.</p>
<i>DIP Term Sheet;</i> <i>Interim DIP Order ¶ H</i>	<p>Liens on Avoidance Actions Fed. R. Bankr. P. 4001(c)(1)(B)(x) Del. Bankr. L.R. 4001-2(a)(i)(D)</p> <p><i>DIP Term Sheet;</i> <i>Interim DIP Order ¶ 9</i></p>
Fees Carve Out Del. Bankr. L.R. 4001-2(a)(i)(F)	<p>Notwithstanding anything to the contrary in the DIP Term Sheet, in the New DIP Loan Agreement or any other order of the Court to the contrary, the rights and claims of the New DIP Lender, including the New DIP Liens (and all liens junior or senior to the New DIP Liens, except for the Macquarie Liens), shall be subject and subordinate in all respects to the payment of the Carve-Out from the Carve-Out Reserves (each as defined below). Following the occurrence and during the continuance of an Event of Default or default under the Final New DIP Order (each, a "<u>Carve-Out Trigger Event</u>"), and delivery of notice thereof (the "<u>Carve-Out Trigger Notice</u>") (which may be by email) to the Borrower, the Committee and the United States Trustee (the date of a delivery of such notice, the "<u>Carve-Out Trigger Date</u>"), the Borrower shall be entitled to use remaining availability (if any) under the New DIP Facility for the following purposes only and without duplication (the sum of (a) through (b) below, the "<u>Carve-Out</u>"):</p>
	<p>(a) (1) the amount of accrued and unpaid professional fees and expenses incurred by persons or firms retained by the Obligors or the Committee for services rendered by such professionals for the period beginning on the date of the Final Order through and including the Carve-Out Trigger Date that is subsequently allowed by Court order, and strictly in accordance with the Budget (plus amounts for permitted variances therefrom in respect thereof) (the "<u>Professional Compensation</u>") and (2) the amount of Professional Compensation for the period beginning from and after the Carve-Out Trigger Date, which amount shall not exceed (i) \$2,000,000 in aggregate with respect to the Obligors' professionals and (ii) \$515,000 in aggregate with respect to the Committee's professionals; and (b) all statutory fees required to be paid by Borrower to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a).</p> <p>The Borrower shall be authorized to establish a separate deposit account for the amounts set forth in clauses (a) through (b) in the paragraph above (collectively, the "<u>Carve-Out Reserve</u>"). Upon the occurrence of the Carve-Out Trigger Date, the Borrower shall be authorized to transfer cash from the [DIP Cash Collateral Account]</p>

REQUIRED DISCLOSURE	SUMMARY OF MATERIAL TERMS
	<p>and/or to borrow under the New DIP Facility in an aggregate amount equal to the amount sufficient to fully fund the Carve-Out Reserve into a segregated deposit account not in the control of the Lender or CEC. Once funded in accordance with this paragraph, the Carve-Out Reserve may only (subject to the provisions of the immediately succeeding paragraph) be used to pay those obligations for which the Carve-Out Reserve was established. For the avoidance of doubt, all Carve-Out amounts funded pursuant to this paragraph shall be deemed a New DIP Obligation.</p> <p>The Carve-Out Reserve and the proceeds on deposit in respect thereof shall be available only to satisfy obligations to which the Carve-Out expressly relates, except that the DIP Lender shall retain liens and security interests, which shall be a superpriority lien (superior to other liens, but junior to the liens in favor of CEC), in any remaining amounts left in the Carve-Out Reserve (the "<u>Unused Carve-Out Amounts</u>") following satisfaction in full of all obligations to which the Carve-Out expressly relates, and shall receive distributions, on demand, on account of any unpaid New DIP Obligations from such Unused Carve-Out Amounts after distributions to satisfy obligations senior to the New DIP Obligations.</p> <p>For the avoidance of doubt, any amounts funded under the Carve-Out or into the Carve-Out Reserve shall reduce dollar for dollar the amounts required to be funded under the Carve-Out under the CEC DIP Loan Documents and vice versa.</p>
Cross-Collateralization Del. Bankr. L.R. 4001-2(a)(i)(A)	None.
Roll-Up Provisions Del. Bankr. L.R. 4001-2(a)(i)(E)	None.
552(b)(1) Waiver Del. Bankr. L.R. 4001-2(a)(i)(H)	Recourse to the New DIP Collateral or other security for the DIP Obligations will not at any time be required, and the Borrower shall waive any right of marshaling the Borrower may have.
<i>DIP Term Sheet;</i> <i>Interim DIP Order ¶ 25</i>	

RELIEF REQUESTED

19. By this Motion, pursuant to sections 105, 362, 363, 364 and 507 of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001, and Local Rule 4001-2, the Debtors request entry of the Interim New DIP Order: (a) approving the New DIP Facility on an interim basis; (b) authorizing the Obligors to enter into the New DIP Loan Agreement; (c) authorizing the use of the proceeds of the New DIP Facility on an interim basis in a manner consistent with the terms and conditions of the New DIP Loan Agreement; (d) granting liens and superpriority administrative claims in connection with the New DIP Facility; (e) authorizing and directing the Obligors to pay, without further order of the Court, the obligations payable to the New Sale DIP

Lender under the New DIP Loan Agreement; (f) vacating and modifying the automatic stay as necessary to effectuate the terms of the New DIP Facility; (g) scheduling the Final Hearing; and (h) granting related relief.

BASIS FOR RELIEF

A. Entry into the New DIP Facility is an Appropriate Exercise of the Debtors' Business Judgment

20. As described above and in more detail in the Stogsdill Declaration and the Brownstein Declaration, the Debtors' management, after consultation with their advisors, has determined that the New DIP Facility provides the best option for ensuring that the Debtors are able to bridge to a closing of the Corpus Christi Plant Sale to the benefit of the Debtors' stakeholders. Unless a decision to borrow money is arbitrary or capricious, bankruptcy courts will generally defer to a debtor's business judgment. *In re YL West 87th Holdings I LLC*, 423 B.R. 421, 441 (Bankr. S.D.N.Y. 2010) ("Courts have generally deferred to a debtor's business judgment in granting section 364 financing"); *Trans World Airlines, Inc. v. Travellers Int'l AG (In re Trans World Airlines, Inc.)*, 163 B.R. 964, 974 (Bankr. D. Del. 1994). Indeed, "[m]ore exacting scrutiny would slow the administration of the debtor's estate and increase its cost, interfere with the Bankruptcy Code's provision for private control of administration of the estate, and threaten the court's ability to control a case impartially." *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1311 (5th Cir. 1985).

21. The New DIP Facility provides tangible and immediate benefits to the Debtors' estates. Entry into the New DIP Facility ensures that the Debtors will close the Corpus Christi Plant Sale and satisfy the conditions and milestones set forth in the Purchase Agreement. Obtaining the New DIP Facility is essential to preserving the value of the Purchased Assets, ensuring that critical employees are retained and securing the liquidity necessary to conclude the sales process and potentially propose a liquidating chapter 11 plan that may provide meaningful

recoveries to creditors. Absent entry into the New DIP Facility, the Debtors would likely be required to convert their chapter 11 cases to chapter 7 cases without having closed the Corpus Christi Plant Sale and, in the best-case scenario in such context, the Purchased Assets would be sold by a chapter 7 trustee at "fire-sale" prices on a liquidation basis and for a value materially less than the purchase price contemplated by the Corpus Christi APA. *See* Stogsdill Decl. ¶¶ 16-19.

22. Combined with the fact that the Obligors are not currently operating and generating revenues to sustain their liquidity needs, the lack of further liquidity under the CEC DIP Facility as of April 1, 2018 will leave the Obligors without funding with which to administer these Cases. Consequently, the New DIP Facility is necessary to ensure the consummation of a value-maximizing sale of the Purchased Assets and further provides the Obligors with a potential avenue to propose a liquidating chapter 11 plan. *See* Stogsdill Decl. ¶¶ 16-19.

B. The Obligors Should be Authorized to Obtain Postpetition Financing under Section 364(c) of the Bankruptcy Code

23. Section 364(b) of the Bankruptcy Code provides that if a debtor in possession cannot obtain unsecured postpetition credit, a bankruptcy court may authorize the debtor to incur debt entitled to superpriority administrative expense status, secured by a senior lien on unencumbered property, secured by a junior lien on encumbered property, or a combination of the three. 11 U.S.C. § 364(c).

24. If, after notice and a hearing, the bankruptcy court finds that a debtor is "unable to obtain unsecured credit allowable under [section 503(b)(1) of the Bankruptcy Code] as an administrative expense," then a debtor may obtain postpetition credit under section 364(c) of the Bankruptcy Code. 11 U.S.C. § 364(c). Key to this is a showing that the debtor "has made a reasonable effort to seek other sources of credit available under sections 364(a) and (b) [of the Bankruptcy Code]." *In re Ames Dep't Stores*, 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990).

25. To determine whether a debtor may obtain postpetition financing under section 364(c) of the Bankruptcy Code, courts have articulated the following three-part test:

- (a) the debtor is unable to obtain unsecured credit under section 364(b) (i.e., by granting a lender administrative expense priority);
- (b) the credit transaction is necessary to preserve the assets of the estate; and
- (c) the terms of the transaction are fair, reasonable and adequate, given the circumstances of the debtor-borrower and the proposed lender.

See, e.g., In re Los Angeles Dodgers LLC, 457 B.R. 308, 312 (Bankr. D. Del. 2011) (applying factors); *In re Aqua Assocs.*, 123 B.R. 192, 195-96 (Bankr. E.D. Pa. 1991) (same); *Ames Dep't Stores*, 115 B.R. at 39. The DIP Facility satisfies each factor.

1. The Obligors Are Unable to Obtain Financing on an Unsecured Basis

26. The Obligors were unable to obtain unsecured postpetition financing. To demonstrate that unsecured credit was not available, a debtor only needs to show "by a good faith effort that credit was not available" without the protections provided by section 364(c) of the Bankruptcy Code. *Bray v. Shenandoah Fed. Sav. & Loan Ass'n (In re Snowshoe Co.)*, 789 F.2d 1085, 1088 (4th Cir. 1986). A debtor is not required to conduct an exhaustive search for credit, as "[t]he statute imposes no duty to seek credit from every possible lender before concluding that such credit is unavailable." *Id.* Where few lenders are likely to be able and willing to extend the necessary credit to the 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 Sav. Bank FSB v. Sky Valley, Inc.*, 99 B.R. 117, 120 n.4 (N.D. Ga. 1989).

27. As detailed in the CEC DIP Declaration, the Debtors conducted an extensive process to obtain funding prior to the Petition Date, but did not receive any proposals contemplating unsecured financing. CEC DIP Decl. ¶¶ 10-15, 20. This experience led the

Debtors to conclude that a wider market search for unsecured financing would be futile. This conclusion applies with even greater force now, given that the Debtors have concluded the sale process and are in the process of seeking Court approval of the sale of the Purchased Assets.

See Brownstein Decl. ¶ 27.

28. As set forth above, the current budget for the CEC DIP Facility expires at the end of March. The expiration of the CEC DIP Facility does not provide the Debtors with adequate time to close the sale of the Purchased Assets to the New DIP Lender, assuming such sale is approved by the Court. Moreover, the Bidding Procedures contemplate a purchaser would provide the financing necessary to bridge to the closing of their sale. As such, the Obligors require the financing necessary to close a value maximizing sale for the benefit of its stakeholders. To that end, the Debtors, with the assistance of their advisors, determined that financing for the Obligors could only be obtained through the financing package offered by CCP—*i.e.*, a package that, pursuant to section 364(c) of the Bankruptcy Code, provided administrative expense claims and junior liens to CCP. *See* Brownstein Decl. ¶ 27.

2. The DIP Facility Is Necessary to Preserving and Maximizing the Value of the Obligors' Estates

29. The New DIP Facility is an essential element of the overall proposed sale of the Purchased Assets. Without the immediate liquidity provided by the New DIP Facility, the Debtors would be unable to maintain the Purchased Assets, retain key employees or finalize a sale process that would enable the Obligors to remain in chapter 11 through closing of the sale under the CCP Bid. In addition, the New DIP Facility is a critical part of the Purchase Agreement, through which the Debtors have obtained a value-maximizing sale of the Purchased Assets for the benefit of their stakeholders. *See Burtch v. Ganz (In re Mushroom Transp. Co.),* 382 F.3d 325, 339 (3d Cir. 2004) (debtors-in-possession have a duty to maximize their estates' assets).

3. The Terms of the New DIP Facility are Fair, Reasonable and Adequate Under the Circumstances

30. To determine whether the terms of postpetition financing are fair, reasonable and adequate, courts generally analyze the terms in light of the bargaining power and relative circumstances of the potential lender and the debtor. *See In re Farmland Indus., Inc.*, 294 B.R. 855, 885-86 (Bankr. W.D. Mo. 2003); *see also Unsecured Creditors' Comm. Mobil Oil Corp. v. First Nat'l Bank & Trust Co. (In re Ellingsen MacLean Oil Co.)*, 65 B.R. 358, 365 n.7 (W.D. Mich. 1986) (a debtor may have to enter into hard bargains to acquire funds).

31. The New DIP Facility is fair, reasonable and adequate under the circumstances. The Debtors negotiated the terms of the New DIP Facility with CCP in good faith and at arm's-length. In particular, the terms of the New DIP Facility are reasonable because CCP is providing the New DIP Facility as part of a value-maximizing agreement to purchase the Purchased Assets, the closing of which would not be possible absent the Obligors' entry into the New DIP Facility. Indeed, the liens granted pursuant to the New DIP Facility are appropriate as they relate primarily to the Purchased Assets. Based on the foregoing, the Debtors believe the terms of the New DIP Facility are fair, reasonable and adequate under the circumstances of these Cases.

See Brownstein Decl. ¶ 29.

Request for Modification of the Automatic Stay

32. Section 362 of the Bankruptcy Code provides for an automatic stay upon the filing of a bankruptcy petition. The proposed Interim New DIP Order contemplates the modification of the automatic stay to the extent necessary to implement the provisions of the Interim New DIP Order and the New DIP Loan Documents, 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 the New DIP Liens on the New DIP Collateral as and to the extent authorized by the Interim New DIP Order.

Accordingly, the Debtors respectfully request that this Court authorize the modification of the automatic stay in accordance with the terms set forth in the Interim New DIP Order.

**Request for Interim Hearing and Authority to
Make Interim Borrowings under the New DIP Facility**

33. Pursuant to Bankruptcy Rule 4001(b), the Debtors request that this Court conduct a hearing on the Debtors' request for interim relief, including for access to interim funding available under the New DIP Facility and for the other relief contemplated by the New Interim DIP Order. Bankruptcy Rule 4001(c) provides that a final hearing on a motion to obtain credit pursuant to section 364 of the Bankruptcy Code may not be commenced earlier than 14 days after the service of such motion. Fed. R. Bankr. P. 4001(c). Upon request, however, the Court is empowered to conduct a preliminary expedited hearing on the motion and authorize the obtaining of credit to the extent necessary to avoid immediate and irreparable harm to a debtor's estate. 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 Prod. Co.*, 47 B.R. 444, 449 (Bankr. D. Colo. 1985); *see also Ames Dep't Stores*, 115 B.R. at 38. After the 14-day period prescribed by Bankruptcy Rule 4001(c), the request for financing is not limited to those amounts necessary to prevent disruption of the debtor's business, and the debtor is entitled to borrow those amounts that it believes prudent in the operation of its business. *See, e.g., Simasko Prod. Co.*, 47 B.R. at 449; *Ames Dep't Stores*, 115 B.R. at 36.

34. Pursuant to Bankruptcy Rule 4001(c), the Debtors respectfully request that this Court conduct a preliminary hearing on the Motion and authorize the Obligors from the entry of the Interim New DIP Order until a final hearing on this Motion to obtain access to the funding contemplated in the DIP Term Sheet and the Interim New DIP Order to avoid immediate and irreparable harm to the Debtors' estates.

NOTICE

35. Notice of this Motion shall be given to (a) the Office of the United States Trustee for the District of Delaware; (b) the Internal Revenue Service, the Securities and Exchange Commission and any other federal, state or local governmental agency to the extent required by the Bankruptcy Code, the Bankruptcy Rules, the Local Rules or order of the Court; (c) Magnate S.à r.l. and its counsel, Kirkland & Ellis LLP and Klehr Harrison Branzburg LLP; (d) DAK Americas LLC and its counsel, Weil, Gotshal & Manges LLP and Morris, Nichols, Arsh & Tunnell LLP; (e) Trimont Real Estate Advisors, LLC and its counsel, Thompson & Knight LLP, (f) Control Empresarial de Capitales, S.A. De C.V., and Banco Inbursa S.A., Institución De Banca Multiple, Grupo Financiero Inbursa and its counsel, Cleary Gottlieb Steen & Hamilton LLP and Young Conaway Stargatt & Taylor, LLP; (g) Macquarie Investments US Inc. and its counsel, Sidley Austin LLP and Ashby & Geddes, P.A., h) the Committee and its counsel Milbank, Tweed, Hadley & McCoy LLP and Cole Schotz P.C.; (i) all parties that the Debtors are aware of that have an interest in the New DIP Collateral; (j) the Debtors' non-Debtor affiliates; and (k) all persons and entities that have filed a request for service of filings in these Cases pursuant to Bankruptcy Rule 2002 at the time of noticing. The Debtors submit that no other or further notice need be provided.

NO PRIOR REQUEST

36. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that the Court (i) enter the Interim New DIP Order substantially in the form attached hereto as Exhibit A, approving the New DIP Facility on an interim basis and scheduling the Final Hearing; and (ii) grant such other and further relief to the Debtors as the Court may be appropriate.

Dated: March 22, 2018

PACHULSKI STANG ZIEHL & JONES LLP

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Co-Counsel for the Debtors and Debtors in Possession

Exhibit A

Interim New DIP Order

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

In re:

M & G USA CORPORATION, *et al.*¹,
Debtors.

Chapter 11

Case No. 17-12307 (BLS)

(Jointly Administered)

Related Docket No. ____

**INTERIM ORDER (I) AUTHORIZING CERTAIN DEBTORS TO
INCUR POSTPETITION SECURED SUPERPRIORITY INDEBTEDNESS
PURSUANT TO SECTIONS 105(a), 362, 364(c)(1), 364(c)(2), 364(c)(3), AND
364(d); (II) MODIFYING THE AUTOMATIC STAY; (III) SCHEDULING
A FINAL HEARING PURSUANT TO BANKRUPTCY RULES 4001(b) AND 4001(c);
AND (IV) GRANTING RELATED RELIEF**

THIS MATTER having come before this Court on the motion dated March 22, 2018 (the “Motion”)² of M&G USA Corporation (“M&G USA”), a Delaware corporation, and certain of its affiliated debtors and debtors in possession (collectively, with M&G USA, the “Debtors”) seeking, among other things, entry of an interim order (the “Interim Order”) and a Final Order (as defined below):

(i) authorizing the Obligors, pursuant to sections 105, 362, and 364 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 4001 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules of this Court (the “Local Rules”), from the date of entry of the Interim Order through and including the

¹ The debtors (collectively, the “Debtors”) are the following twelve entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): M & G USA Corporation (3449), M & G Resins USA, LLC (3236), M & G Polymers USA, LLC (7593), M & G Finance Corporation (4230), M&G Waters USA LLC (2195), Mossi & Ghisolfi International S.à r.l. (1270), M&G Chemicals S.A. (N/A), M&G Capital S.à r.l. (7812), M & G USA Holding, LLC (3451), Chemtex International Inc. (7695), Chemtex Far East, Ltd. (2062) and Indo American Investments, Inc. (9208). The Debtors’ noticing address in these chapter 11 cases is 450 Gears Road, Suite 240, Houston, Texas 77067.

² Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Motion, the New DIP Loan Agreement (as defined herein) or the New DIP Term Sheet (as defined herein), as applicable.

date of the Final Hearing (as defined below) to obtain post-petition loans and advances from Corpus Christi Polymers LLC (the “Lender”), consisting of a debtor-in-possession facility (the “New DIP Facility”) in an aggregate principal amount not to exceed \$[55] million at any time outstanding pursuant to the terms and conditions contained in the New DIP Documents (as defined below) and as set forth herein;

(ii) authorizing and directing the Obligors (as defined in the New DIP Term Sheet (as defined below)) to enter into that certain (a) *Term Sheet With Respect to Proposed Debtor-in-Possession Financing* (the “New DIP Term Sheet”) and (b) *Debtor-in-Possession Credit and Security Agreement* (“New DIP Loan Agreement”), by and between the Obligors, and the Lender (with the New DIP Term Sheet in the form annexed as Exhibit 1 hereto, and with the New DIP Loan Agreement to be entered into in accordance with the provisions of the New DIP Term Sheet) and all other related agreements, documents, notes, certificates, and instruments executed, New DIP Term Sheet and/or New DIP Loan Agreement, as applicable, delivered in connection therewith or related thereto (collectively, as may be amended, modified or supplemented in accordance with the terms of this Interim Order and in effect from time to time, together with the New DIP Term Sheet and the New DIP Loan Agreement, the “New DIP Documents”), and to incur the New DIP Obligations;

(iii) authorizing and directing the Obligors to perform such acts as may be reasonably necessary or desirable in order to give effect to the provisions of the New DIP Documents on an interim basis;

(iv) authorizing and directing the use of the proceeds of the New DIP Facility on an interim basis in a manner consistent with the terms and conditions of the New DIP Documents, including for the Lender to fund to the Obligors the Advances, provided that the Obligors shall use the proceeds of the Advances only for the purpose of funding the Obligors' post-petition operations, professional fees and expenses and other items, all strictly in accordance with the allowed disbursements line item(s) set forth in the Budget, a copy of which is annexed hereto as Exhibit 2;

(v) providing, pursuant to sections 364(c)(1) and 507(b) of the Bankruptcy Code, that all New DIP Obligations owing to the Lender under the New DIP Loan Agreement shall be accorded administrative expense status having priority over any and all administrative expenses of, and unsecured claims, against the Obligors other than the Superpriority Claims (as defined in the Existing Final DIP Order), the Pre-Petition First Lien Lender Adequate Protection Claims (as defined in the Existing Final DIP Order) and the Pre-Petition Second Lien Secured Party Adequate Protection Claims (as defined in the Existing Final DIP Order), now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, all administrative expenses of the kind specified in, or arising or ordered under, Sections 105, 326, 328, 503(b), 506(c), 507(a), 507(b), 546(c), 726 and 1114 of the Bankruptcy Code, except as otherwise provided herein or in the New DIP Loan Agreement;

(vi) granting to the Lender, pursuant to sections 364(c)(2), 364(c)(3), and 364(d)(1) of the Bankruptcy Code, perfected security interests in and liens on (collectively, the “New DIP Liens”) all of the Obligors’ property that comprises DIP Collateral (as defined in the Existing Final DIP Order³), including Avoidance Proceeds (as defined in the Existing Final DIP Order) (collectively, the “New DIP Collateral”), which security interests and liens shall be:

- a. subject and junior to the following: (i) the Pre-Petition First Lien Security Interests (as defined in the Existing Final DIP Order); (ii) the Senior Prior Liens (as defined in the Existing Final DIP Order); (iii) the DIP Liens (as defined in the Existing Final DIP Order); (iv) Pre-Petition First Lien Lender Adequate Protection Liens (as defined in the Existing Final DIP Order); (v) the Pre-Petition Second Lien Security Interests (as defined in the Existing Final DIP Order); (vi) the Pre-Petition Second Lien Secured Party Adequate Protection Liens (as defined in the Existing Final DIP Order); (vii) the Macquarie Liens (as defined in the Existing Final DIP Order); and (viii) any properly perfected, non-avoidable, first-priority, security interests or other liens on the New DIP Collateral existing on the Petition Date, all to the extent such liens are valid and enforceable (the liens

³ NTD: The "Existing Final DIP Order" shall mean the *Final Order Granting Debtors' Motion to (1) Authorize Certain 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 DIP Lender Pursuant to 11 U.S.C. §§ 364 and 507; (3) Provide Adequate Protection to the Pre-Petition First Lien Lender and the Pre-Petition Second Lien Secured Party; (4) Modify Automatic Stay Pursuant to 11 U.S.C. §§ 361, 362, 363, 364 and 507; and (5) Granting Related Relief* [Docket No. 479].

described in each of the foregoing clauses (a)(i) through (a)(viii), collectively, the “Permitted Liens”); and

- b. priming and senior to all other Liens and security interests, now existing or hereafter arising, in favor of any other creditor or any other Person whatsoever (excluding, for the avoidance of doubt, the Permitted Liens).

(vii) authorizing and directing the Obligors to pay, without further order of this Court, the principal, interest and other New DIP Obligations payable to the Lender under the New DIP Documents as they become due, all as and to the extent provided in the New DIP Documents, on an interim basis;

(viii) vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the New DIP Loan Agreement and this Interim Order;

(ix) scheduling a final hearing (the “Final Hearing”) to consider entry of an order (the “Final Order”) granting the relief requested in the Motion on a final basis and approving the form of notice with respect to the Final Hearing; and

(x) waiving any applicable stay (including under Bankruptcy Rule 6004) and providing for immediate effectiveness of this Interim Order,

all as described more fully in the Motion and in each case, subject to the terms and conditions set forth in this Interim Order; and the Court having considered the Motion and the following declarations: the Declaration of Dennis Stogsdill dated March 22, 2018 (the “Stogsdill Declaration”) and the Declaration of Jonathan Brownstein dated March 22, 2018 (the “Brownstein Declaration” and, together with the DIP Declaration and the Stogsdill Declaration, the “Declarations”); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein on an interim basis being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the interim relief sought in the Motion being necessary and in the best interests of the Debtors,

their estates and all parties in interest; and the Court having reviewed the Motion and having heard the statements in support of the interim relief requested therein at a hearing before the Court (the “Interim Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Interim Hearing establish just cause for the interim relief granted herein; and it appearing that approval of the interim relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors pending the Final Hearing and otherwise is fair and reasonable and in the best interest of Debtors, their creditors, and their estates and is essential for closing of the sale of the Purchased Assets; and it further appearing that the Debtors are unable to secure unsecured credit on similar or more favorable terms; and upon all the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor:

Based upon the record established at the Interim Hearing, the Court hereby makes the following findings of fact and conclusions of law:

(A) Petition Date. On October 24, 2017 (the “Polymers Petition Date”), Debtor M&G Polymers filed a voluntary petition under chapter 11 of the Bankruptcy Code in this Court, and thereafter, on October 30, 2017 (the “Petition Date”), each of the other Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code in this Court. The Debtors continue to manage and operate their businesses and property as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Case.

(B) Jurisdiction and Venue. This Court has jurisdiction over this proceeding, and over the property affected hereby, pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of the Motion constitutes a core proceeding as defined in and pursuant to 28 U.S.C. § 157(b)(2).

Venue for this case and for the proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

(C) Notice. The Interim Hearing was held pursuant to the authorization of Bankruptcy Rule 4001. Notice of the Interim Hearing and the emergency relief requested in the Motion been provided by the Obligors to the United States Trustee for the District of Delaware (the “U.S. Trustee”), the Official Committee of Unsecured Creditors, the Pre-Petition First Lien Lender (as defined in the Existing Final DIP Order), the DIP Lender (as defined in the Existing Final DIP Order), the DIP Agent (as defined in the Existing Final DIP Order), the Pre-Petition Second Lien Secured Party (as defined in the Existing Final DIP Order) and all parties requesting notice pursuant to Fed. R. Bankr. P. 2002 in these Cases. The Obligors submit that under the circumstances such notice of the Interim Hearing and the interim relief requested in the Motion is due and sufficient notice and complies with sections 102(1) and 364(c) of the Bankruptcy Code, Bankruptcy Rules 2002, 4001(c), 4001(d) and the local rules of the Court.

(D) Need for Postpetition Financing. The Obligors have demonstrated their immediate need to obtain postpetition financing pursuant to section 364 of the Bankruptcy Code. In the absence of the financing provided by the Lender under the New DIP Documents, the Obligors will be unable to close the sale of the Purchased Assets to the Purchaser or continue operating in chapter 11 through Closing (as defined in the Purchase Agreement) to their detriment and the detriment of all of the other Debtors, their respective estates and creditors, and other parties in interest. An immediate need exists for the Obligors to obtain funds from the New DIP Facility in order to consummate the sale of the Purchased Assets and preserve and maximize the value of their estates. The Obligors do not have sufficient working capital and other

financing available to operate their businesses, maintain their estates' property, and administer these Cases in the absence of additional post-petition financing.

(E) Immediate Irreparable Damage or Loss Will Result if Immediate Financing Is Not Obtained. There will be immediate and irreparable loss or damage to the Debtors' estates if immediate financing is not obtained. Without the requested financing, the Obligors will be unable, among other things, to fund ongoing and essential working capital needs and obligations through consummation of the sale of the Purchased Assets. The Obligors must obtain the proposed New DIP Facility to meet their obligations through consummation of the sale of the Purchased Assets and to effectuate an orderly continuation of their operations in chapter 11 pending the sale of the Purchased Assets. It is in the best interests of the Debtors' estates for the Obligors to be allowed to enter into the New DIP Facility contemplated by the New DIP Documents on an immediate interim basis.

(F) No Credit Available on More Favorable Terms. Given, among other things, the Debtors' current financial condition and available assets, the Obligors are unable to obtain adequate, unsecured financing from any lender on substantially similar terms or terms more favorable than those provided by the Lender in the New DIP Documents and within the time required to avoid immediate and irreparable harm to the Debtors. The Obligors have been unable to obtain (a) unsecured credit allowable solely as an administrative expense pursuant to sections 364(b) and 503(b) of the Bankruptcy Code; (b) credit solely having priority over all other administrative expenses specified in sections 503(b) and 507(a) and (b) of the Bankruptcy Code; and (c) credit secured by a lien junior to the liens being primed by the New DIP Liens.

(G) The Prior Liens. The Obligors and the Lender each stipulate and acknowledge that, subject to any applicable challenge rights of any party set forth in the Existing

Final DIP Order with respect to the Pre-Petition Second Lien Security Interests and the Pre-Petition Second Lien Secured Party Adequate Protection Liens: (i) the following prior liens and security interests (collectively, the “Prior Liens”) with respect to certain of the New DIP Collateral exist or, in respect of clause (h), may exist as of today’s date: (a) the Pre-Petition First Lien Security Interests; (b) the Senior Prior Liens; (c) the DIP Liens; (d) Pre-Petition First Lien Lender Adequate Protection Liens; (e) the Pre-Petition Second Lien Security Interests; (f) the Pre-Petition Second Lien Secured Party Adequate Protection Liens; (g) the Macquarie Liens; and (h) any properly perfected, non-avoidable, first-priority, security interests or other liens on the New DIP Collateral existing on the Petition Date; (ii) the Prior Liens and the secured obligations related to such liens (collectively, the “Prior Obligations”) were incurred and/or granted in connection with, *inter alia* (a) entry into the Pre-Petition First Lien Loan Documents (as defined in the Existing Final DIP Order); (b) entry of the Existing Final DIP Order; (c) entry into the Pre-Petition Second Lien Documents; and/or (d) other transactions that occurred prior to the filing of these Cases; and (iii) the Prior Obligations relating to (a) the Pre-Petition First Lien Security Interests; (b) the DIP Liens; (c) Pre-Petition First Lien Lender Adequate Protection Liens; (d) the Pre-Petition Second Lien Security Interests; and (e) the Pre-Petition Second Lien Secured Party Adequate Protection Liens constitute valid obligations of certain of the Debtors and are secured by valid, properly perfected and unavoidable liens and security interests as described in the Existing Final DIP Order (the “Prior Pledged Collateral”). The Pre-Petition First Lien Lender, the DIP Lender, the DIP Agent and the Pre-Petition Second Lien Secured Party do not object to the relief requested in the Motion, or the entry of this Interim Order.

(H) Section 506(c) Waiver. As a further condition of the New DIP Documents and any obligation of the Lender to make credit extensions pursuant to the New DIP Documents, upon entry of the Final Order, the Obligors and their estates shall be deemed to have waived any claim to surcharge the New DIP Collateral under section 506(c) of the Bankruptcy Code.

(I) Use of Proceeds of the New DIP Facility. Proceeds of the New DIP Facility on an interim basis shall be used strictly in accordance with the allowed disbursements line item(s) set forth in the Budget, subject to expressly permitted variances (as set forth in the New DIP Documents).

(J) Extension of Financing. The Lender has indicated a willingness to provide financing to the Obligors in accordance with the New DIP Documents and subject to (i) the entry of this Interim Order and the Final Order; and (ii) findings by this Court that such financing is essential to preserving the value of the Obligors' estates, that the Lender is a good faith lender, and that the Lender's claims, superpriority claims, security interests, and liens and other protections granted pursuant to this Interim Order (and the Final Order) and the New DIP Facility will not be affected by any subsequent reversal, modification, vacatur or amendment of this Interim Order or the Final Order or any other order, as provided in section 364(e) of the Bankruptcy Code.

(K) Business Judgment; Good Faith of the Lender. The terms and conditions of the New DIP Facility and the New DIP Documents, and the fees paid and to be paid thereunder are fair, reasonable, and the best available under the circumstances, reflect the Obligors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration. The Obligors chose the Lender as a postpetition lender in good faith, without collusion, and after obtaining the advice of experienced counsel and other professionals. The Obligors and the Lender proposed and negotiated the terms of the New DIP Documents in good faith, at arm's length and without collusion. The Lender is a "good faith" lender within the meaning of section 364(e) of the Bankruptcy Code, and the Lender's claims, superpriority status, security interests and liens and other protections arising

from or granted pursuant to this Order and the New DIP Documents will not be affected by any subsequent reversal, modification, vacatur or amendment of this Order or any other order, as provided in section 364(e) of the Bankruptcy Code.

(L) Entry of Interim Order. For the reasons stated above, the Obligors have requested immediate entry of this Interim Order pursuant to Bankruptcy Rule 4001(c)(2).

Based upon the foregoing findings and conclusions, and upon the Motion and the record made before this Court at the Interim Hearing, and with the consent of the Obligors and the Lender to the form and entry of this Interim Order, and good and sufficient cause appearing therefor, it is hereby found, ordered, adjudged and decreed that:

1. Motion Granted. The Motion is hereby granted on an interim basis, solely to the extent set forth herein.

2. Objections Overruled. All objections to the entry of this Interim Order to the extent not withdrawn or resolved, are hereby overruled.

3. New DIP Documents. The Obligors are hereby expressly and immediately authorized, empowered and directed to execute and deliver the New DIP Documents and to perform the New DIP Obligations in accordance with, and subject to, the terms of this Interim Order and the New DIP Documents, and to execute and deliver all instruments, certificates, notes, agreements and documents which may be required or necessary for the performance by the Obligors under the New DIP Facility and the creation and perfection of the New DIP Liens described in and provided for by this Interim Order and the New DIP Documents; in connection therewith, the Obligors are expressly and immediately authorized and empowered to incur any such New DIP Obligations in accordance with, and subject to, the terms of this Interim Order and the New DIP Documents. The Obligors are hereby authorized and directed to do and perform all acts, pay the principal, interest and other New DIP Obligations required by the New DIP Documents and all other documents comprising the New DIP Facility as such become due under the terms of such documents, including, without limitation, other fees and charges as

provided for in the New DIP Documents. Upon execution and delivery, the New DIP Documents shall represent valid and binding obligations of the Obligors, enforceable against the Obligors in accordance with its terms.

4. Authorization to Borrow on an Interim Basis. In order to enable the Obligors to continue to operate in chapter 11 through the closing of the sale of the Purchased Assets, during the period from the date of this Interim Order through the date of entry of a Final Order (the “Interim Period”) and subject to the terms and conditions of this Interim Order, the New DIP Documents, documents comprising the New DIP Facility, and the Budget, the Obligors are hereby authorized under the New DIP Facility to borrow up to a total amount of \$____ million on an interim basis. Upon any draw under the New DIP Facility, the Obligors shall deposit the proceeds of the New DIP Facility into a segregated deposit account furnished by a depository bank that is (a) acceptable to the Lender and (b) party to a Uniform Depository Agreement with the U.S. Trustee or is willing to immediately execute such a Uniform Depository Agreement (such account, the “New DIP Cash Collateral Account”).

5. Application of the New DIP Proceeds. The Obligors shall (a) use the proceeds of Advances only for the purpose of funding post-petition operations of the Obligors, professional fees and expenses, and other items all strictly in accordance with the allowed disbursements line item(s) set forth in the Budget (subject to expressly permitted variances (as set forth in the New DIP Documents)) and (b) not use any proceeds of Advances for (i) any purpose adverse to or otherwise against the rights, remedies or interests of the Pre-Petition First Lien Lender, the DIP Agent, the DIP Lender or the Lender or (ii) any investigation or prosecution of any claim or challenge against the Pre-Petition First Lien Lender, the DIP Agent, the DIP Lender or the Lender.

6. Conditions Precedent. The Lender shall have no obligation to make any loan or Advance under the New DIP Documents during the Interim Period unless each of the conditions precedent set forth in the New DIP Documents have been satisfied in full or waived in accordance with the New DIP Documents.

7. Post-Petition New DIP Liens. Effective immediately upon the entry of this Interim Order, the Lender is hereby granted the New DIP Liens in and upon the New DIP Collateral pursuant to sections 362, 364(c)(2), 364(c)(3) and 364(d) of the Bankruptcy Code. The New DIP Liens constitute valid and perfected Liens on and security interests in the New DIP Collateral, subject only and junior to the Permitted Liens, and shall be prior and senior to all other Liens and security interests, now existing or hereafter arising, in favor of any other creditor or any other Person whatsoever, including without limitation the Prior Liens (other than the Permitted Liens). For the avoidance of doubt, the New DIP Liens shall not attach to the Avoidance Proceeds until entry of the Final Order.

8. Survival of Liens. Unless otherwise agreed in writing by Lender in its sole discretion, the New DIP Liens, lien priority, administrative priorities and other rights and remedies granted to the Lender pursuant to the New DIP Documents, this Interim Order and the other loan documents shall not be modified, altered or impaired in any manner by any other financing or extension of credit or incurrence of indebtedness by any of the Debtors (pursuant to Section 364 of the Bankruptcy Code or otherwise), or by any dismissal or conversion of the Cases, or by any other act or omission whatsoever. Without limitation, notwithstanding any such order, financing, extension, incurrence, dismissal, conversion, act or omission:

(a) no costs or expenses of administration which have been or may be incurred in the Cases or any conversion of the same or in any other proceedings related thereto, and no priority claims, are or will be prior to or on a parity with any claim of the Lender against

the Obligors in respect of any New DIP Obligation, except as set forth in the New DIP Documents and/or this Interim Order;

(b) the New DIP Liens in favor of the Lender set forth herein and in the other loan documents shall continue to be valid and perfected without the necessity that the Lender file or record financing statements, mortgages or otherwise perfect its New DIP Liens under applicable non-bankruptcy law.

9. Superiority and Junior Administrative Claim Status.

(a) Allowed Claims. The New DIP Obligations shall constitute, and the Lender shall have, in accordance with Section 364(c)(1) of the Bankruptcy Code, an administrative expense claim (the “New DIP Administrative Claim”) that is (i) senior to any and all administrative expenses, other than the Superpriority Claims (as defined in the Existing Final DIP Order), the Pre-Petition First Lien Lender Adequate Protection Claims (as defined in the Existing Final DIP Order) and the Pre-Petition Second Lien Secured Party Adequate Protection Claims (as defined in the Existing Final DIP Order), of and unsecured claims against the Obligors now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, all administrative expenses of the kind specified in, or arising or ordered under, sections 105, 326, 328, 503(b), 507(a), 507(b), 546(c), 726 and 1114 of the Bankruptcy Code and (ii) junior to the Superpriority Claims (as defined in the Existing Final DIP Order), the Pre-Petition First Lien Lender Adequate Protection Claims (as defined in the Existing Final DIP Order) and the Pre-Petition Second Lien Secured Party Adequate Protection Claims (as defined in the Existing Final DIP Order). The New DIP Administrative Claim shall be secured by liens on the New DIP Collateral pursuant to section 364 of the Bankruptcy Code as provided herein. For the avoidance of doubt, the New DIP Administrative Claim shall have recourse against the Avoidance Proceeds (as defined in the Existing Final DIP Order) only to the extent that the Superpriority Claims (as defined in the Existing Final DIP Order) would have had recourse against such Avoidance Proceeds pursuant to Paragraph 4(b) of the Existing Final DIP Order.

10. Post-Petition Lien Perfection. This Interim Order shall be sufficient and conclusive evidence of the validity, perfection and priorities of the New DIP Liens upon the New DIP Collateral, without the necessity of filing or recording any financing statement, assignment, mortgage, deed of trust, trademark security agreement, copyright security agreement, patent security agreement or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the New DIP Liens or to entitle the Lender to the priorities granted herein and in the DIP Loan Agreement; provided, however, that the Obligors shall, upon the request of the Lender, execute such instruments, assignments, mortgages, deeds of trust, trademark security agreements, copyright security agreements, patent security agreements or other documents as the Lender reasonably requests and shall take such other action as may be required to perfect or to continue the perfection of the Lender's New DIP Liens upon the New DIP Collateral pursuant to the terms of the New DIP Documents.

11. Carve-Out and Reserves.

(a) Carve-Out. Notwithstanding anything to the contrary herein, in the New DIP Loan Agreement or any other order of the Court to the contrary, the rights and claims of the Lender, including the New DIP Liens (and all liens junior or senior to the New DIP Liens, except for the Macquarie Liens), shall be subject and subordinate in all respects to the payment of the Carve-Out from the Carve-Out Reserves (each as defined below). Following the occurrence and during the continuance of an Event of Default or default under this Interim Order (each, a "Carve-Out Trigger Event"), and delivery of notice thereof (the "Carve-Out Trigger Notice") (which may be by email) to the Borrower, the Official Committee of Unsecured Creditors (the "UCC") and the United States Trustee (the date of a delivery of such notice, the "Carve-Out

Trigger Date"), the Borrower shall be entitled to use remaining availability (if any) under the New DIP Facility for the following purposes only and without duplication (the sum of (i) through (ii) below, the "Carve-Out"):

- (i) (a) the amount of accrued and unpaid professional fees and expenses incurred by persons or firms retained by the Obligors or the UCC for services rendered by such professionals for the period beginning on the date of the Final Order through and including the Carve-Out Trigger Date that is subsequently allowed by Court order, and strictly in accordance with the Budget (plus amounts for expressly permitted variances (as set forth in the New DIP Documents)) (the "Professional Compensation") and (b) the amount of Professional Compensation for the period beginning from and after the Carve-Out Trigger Date, which amount shall not exceed (1) \$2,000,000 in aggregate with respect to the Obligors' professionals and (2) \$515,000 in aggregate with respect to the UCC's professionals; and (ii) all statutory fees required to be paid by Borrower to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a).

(b) *Creation and Funding of Carve-Out Reserves.* The Borrower shall be authorized to establish a separate deposit account for the amounts set forth in clauses (i) through (ii) in paragraph 11(a) above (collectively, the "Carve-Out Reserve"). Upon the occurrence of the Carve-Out Trigger Date, the Borrower shall be authorized to transfer cash from the DIP Cash Collateral Account and/or to borrow under the New DIP Facility in an aggregate amount equal to the amount sufficient to fully fund the Carve-Out Reserve into a segregated deposit account not in the control of the Lender or the DIP Lender (as defined in the Existing Final DIP Order). Once funded in accordance with this paragraph 11(b), the Carve-Out Reserve may only (subject to the provisions of paragraph 11(a)) be used to pay those obligations for which the Carve-Out

Reserve was established. For the avoidance of doubt, all Carve-Out amounts funded pursuant to this paragraph shall be deemed a New DIP Obligation.

(c) *Post-Termination Payments from the Carve-Out Reserve.* The Carve-Out Reserve and the proceeds on deposit in respect thereof shall be available only to satisfy obligations to which the Carve-Out expressly relates, except that the Lender shall retain liens and security interests, which shall be a super-priority lien (superior to other liens[, but junior to the liens in favor of the DIP Lender (as defined in the Existing Final DIP Order)]⁴), in any remaining amounts left in the Carve-Out Reserve (the “Unused Carve-Out Amounts”) following satisfaction in full of all obligations to which the Carve-Out expressly relates, and shall receive distributions, on demand, on account of any unpaid New DIP Obligations from such Unused Carve-Out Amounts after distributions to satisfy obligations senior to the New DIP Obligations.

(d) *Reduction.* For the avoidance of doubt, any amounts funded under the Carve-Out or into the Carve-Out Reserve shall reduce dollar for dollar the amounts required to be funded under the Carve-Out under the CEC DIP Loan Documents and vice versa.

12. Protections As Provided In The Existing Final DIP Order. Except as expressly provided herein, nothing herein limits any rights or protections provided to the Pre-Petition First Lien Lender, the DIP Lender, the DIP Agent or the Pre-Petition Second Lien Secured Party (as such terms are defined in the Existing Final DIP Order) pursuant to the Existing Final DIP Order, including without limitation (a) the Debtors’ waiver of (i) the provisions of Section 506(c) of the Bankruptcy Code, and (ii) any “equities of the case” claims under Section 552(b) of the Bankruptcy Code, and (b) the Debtors’ granting of the Pre-Petition First Lien Lender Adequate Protection Claims and the Pre-Petition Second Lien Secured Party Adequate Protection Claims. All rights or protections afforded to the Pre-Petition First Lien Lender, the DIP Lender, the DIP

⁴ NTD: Consortium to contact DIP Lender ASAP to resolve ASAP.

Agent and the Pre-Petition Second Lien Secured Party (as such terms are defined in the Existing Final DIP Order) pursuant to the Existing Final DIP Order are hereby reaffirmed.

13. Reservation of Rights and Bar of Challenges and Claims. The Debtors' acknowledgements and stipulations with respect to the applicable Prior Obligations and the Prior Liens as set forth above shall be and hereby are binding upon the Debtors in all circumstances upon entry of this Interim Order.

14. Rights and Remedies Upon Event of Default. Subject to the Subordination Agreement, any automatic stay otherwise applicable to the Lender is hereby modified so that after the occurrence of any Event of Default (as defined in the New DIP Documents) and at any time thereafter, upon five (5) business days' prior written notice given by email or facsimile of such occurrence, in each case, given to counsel for the Borrower, the Official Committee of Unsecured Creditors, the United States Trustee, the DIP Lender (as defined in the Existing Final DIP Order) and the Pre-Petition First Lien Lender (collectively, the "Notice Parties"), the Lender shall be entitled to exercise all rights and remedies in accordance with the New DIP Documents and this Interim Order, as applicable. Following the giving of written notice by the Lender of the occurrence of an Event of Default, the Notice Parties shall be entitled to an emergency hearing before this Court. If the right of the Lender to exercise its remedies is not contested or otherwise stayed or enjoined by this Court, after notice and hearing, the automatic stay as to the Lender shall automatically terminate at the end of such notice period. Subject to the provisions of this paragraph, upon the occurrence of an Event of Default, the Lender is authorized to exercise its remedies and proceed under or pursuant to the New DIP Documents and this Interim Order. Nothing included herein shall prejudice, impair, or otherwise affect the Lender's rights to seek any other or supplemental relief in respect of the Borrower nor the Lender's rights, as provided

in the New DIP Documents, to suspend or terminate the making of any further Advances under the New DIP Documents.

15. Costs and Expenses. (a) All reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and documented fees, disbursements and other charges of outside counsel and financial advisors) of the Lender or any of its members, solely in connection with the New DIP Facility or any of the lending transactions contemplated hereby/thereby, whether accrued on, prior to or after the Closing Date, shall be payable by the Obligors (jointly and severally) on the DIP Termination Date, whether or not the Closing Date occurs, and (b) all reasonable and documented out-of-pocket expenses (including, without limitation, fees, disbursements and other charges of outside counsel and financial advisors) of the Lenders or any of its members for enforcement costs and documentary taxes associated with the New DIP Facility and the transactions contemplated hereby/thereby will be payable by the Obligors (jointly and severally), provided that counsel of record for the Obligors, counsel of record for the Official Committee of Unsecured Creditors and the U.S. Trustee shall have the ability to challenge the reasonableness of any portion of invoiced costs and expenses (the "Costs and Expenses" and, any such challenged amounts the "Disputed Costs and Expense") for a period of ten (10) business days (the "Review Period") after receipt of invoices therefor (which invoices may be redacted or summarized for protection of an applicable privilege or the work product doctrine) by, prior to the end of such Review Period, notifying the 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 Costs and Expenses) setting forth the specific basis for each objection to the Disputed Costs and Expenses. The Obligors' obligations under this paragraph shall survive the termination of the New DIP Loan Agreement and this Interim Order. The amounts payable pursuant to this paragraph 15 shall be payable on the DIP Termination Date.

16. Prohibited Use of Advance Proceeds. The proceeds of the Advances may not be used for any purpose prohibited by paragraph 14 of the Existing Final DIP Order.

17. Termination Date; Effect of Closing. Immediately upon the delivery of a notice of the occurrence and continuation of an Event of Default (as defined in the New DIP Documents) by the Lender to the Obligors, (i) all New DIP Obligations shall be immediately due and (ii) the Lender's obligations under the New DIP Documents to fund additional Advances shall cease. Upon Closing, the New DIP Obligations, all Costs and Expenses, and the Pre-Petition Second Lien Obligations shall be deemed indefeasibly satisfied in full and the DIP Liens shall be deemed released and of no further force and effect.

18. Vacating the Automatic Stay. The automatic stay imposed by section 362(a) of the Bankruptcy Code is hereby modified to permit (a) the Obligors to grant the New DIP Liens and the New DIP Administrative Claim, and to perform such acts as the Lender may reasonably request to assure the perfection and priority of the New DIP Liens; and (b) the implementation of the terms of this Interim Order and the New DIP Documents, in each case, to the extent consistent with the terms of this Interim Order.

19. Government Acceptance. Upon approval of this Interim Order by the Court, the Obligors may make filings with and give notices to all federal, state and local governmental agencies, authorities and instrumentalities in connection with the execution, delivery, validity and enforceability of the New DIP Documents. All federal, state and local governmental agencies, authorities and instrumentalities may accept this Interim Order as evidence of the transactions consummated hereby.

20. Right to Credit Bid. Except in connection with the transactions contemplated by the Purchase Agreement, the Lender shall have the right to credit bid the Lender's outstanding claims and New DIP Obligations under the New DIP Loan Agreement and this Interim Order

and such right to credit bid shall not be subject to any challenge or objection; provided that the Lender shall indefeasibly satisfy in full in cash the Pre-Petition First Lien Obligations, the DIP Obligations (as defined in the Existing Final DIP Order) before the exercise of such credit bid right, and the obligations under the Macquarie Credit Agreement (the “Macquarie Obligations”) (as applicable) before or in connection with any such credit bid on the DIP Collateral or the collateral securing the Macquarie Obligations (as applicable).

21. Protections of 364(e). If any provision of this Interim Order is hereafter modified, vacated, or stayed by subsequent order of this Court or any other court for any reason, the Lender is entitled to the protections provided in section 364(e) of the Bankruptcy Code.

22. Binding Effect. Except as otherwise provided in this Interim Order, the terms and provisions of this Interim Order shall, immediately upon entry of this Interim Order by this Court, become valid and binding upon the Debtors, the Lender, all other creditors of the Debtors, the Official Committee of Unsecured Creditors, and all other parties in interest and their respective successors and assigns, including any trustee or other fiduciary hereafter appointed as a legal representative of the Debtors’ estates in the Cases or in any subsequent chapter 7 cases.

23. No Waiver. The failure of the Lender to seek relief or otherwise exercise its rights and remedies under the New DIP Documents, the New DIP Facility or this Interim Order, as applicable, shall not constitute a waiver of any of the Lender’s rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair the Lender under the Bankruptcy Code or under non-bankruptcy law, including without limitation, the rights of the Lender to: (i) request conversion of the Cases to cases under chapter 7, dismissal of the Cases, or the appointment of a trustee in the Cases; or (ii) propose, subject to the provisions of

Section 1121 of the Bankruptcy Code, a plan; or (iii) exercise any of the rights, claims or privileges (whether legal, equitable or otherwise) of the Lender.

24. No Third Party Rights. Except as specifically provided for herein, this Interim Order does not create any rights for the benefit of any third party, creditor, equity security holders, or any direct, indirect, or incidental beneficiary.

25. Waiver of Marshaling. Recourse to the New DIP Collateral or other security for the New DIP Obligations will not at any time be required, and the Obligors hereby waives any right of marshaling the Obligors may have; provided, however, that Lender shall first exhaust recoveries from New DIP Collateral other than Avoidance Proceeds.

26. Survival of Interim Order. The terms of this Interim Order and any actions taken pursuant hereto, shall survive the entry of any order which may be entered: (a) confirming any plan in the Obligors' Cases; (b) dismissing the Obligors' Cases; (c) converting the Obligors' Cases to any other chapter under the Bankruptcy Code; (d) withdrawing of the reference of the Obligors' Cases from the Bankruptcy Court; and (e) providing for abstention from handling or retaining of jurisdiction of the Obligors' Cases in the Bankruptcy Court. The terms and provisions of this Interim Order as well as the protections granted pursuant to this Interim Order and the New DIP Documents, shall continue in full force and effect notwithstanding the entry of such order, and such protections shall maintain their priority as provided by this Interim Order until all the obligations of the Obligors to the Lender pursuant to the New DIP Documents are indefeasibly paid in full and discharged (such payment being without prejudice to any terms or provisions contained in the New DIP Facility which survive such discharge by their terms). The New DIP Obligations shall not be discharged by the entry of any order confirming a chapter 11 plan in the Obligors' Cases until all the obligations of the Obligors to the Lender pursuant to the

New DIP Documents are indefeasibly paid in full, the Obligors having waived such discharge pursuant to section 1141(d)(4) of the Bankruptcy Code. The Debtors shall not propose or support any plan with respect to the Obligors that is not conditioned upon the payment in full in cash of all of the New DIP Obligations on or prior to the effective date of such plan.

27. New DIP Documents Provisions; Inconsistency. The failure specifically to include any particular provision(s) of the New DIP Documents in this Interim Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Obligors and the Lender that the New DIP Documents and any related documents (and the Obligors' execution of such documents) are authorized in their entirety with such amendments thereto as may be made by the parties in accordance with this Interim Order and the New DIP Documents; provided, however, that to the extent any provisions of the New DIP Documents are in conflict with the terms and conditions of this Interim Order, the terms and conditions of this Interim Order shall control.

28. Amendment. The Obligors and the Lender may amend, modify, supplement, or waive any provision of the New DIP Facility, subject to the following conditions: (i) the amendment, modification, or waiver must not constitute a material change to the terms of the New DIP Documents; and (ii) copies of the amendment, modification, or waiver must be served upon counsel for the Official Committee of Unsecured Creditors, counsel to the Pre-Petition First Lien Lender and the DIP Lender, and the U.S. Trustee three (3) business days prior to its effectiveness and; (iii) if objected to prior to its effectiveness, must be approved by the Bankruptcy Court. Any amendment, modification, or waiver that constitutes a material change, to be effective, must be approved by the Bankruptcy Court; and (iv) any amendment, modification or waiver shall not be adverse to the rights or interests of the Pre-Petition First Lien Lender or the DIP Secured Parties and the rights and obligations under the Pre-Petition First Lien Documents or the DIP Loan Documents (each, as defined in the Existing Final DIP Order),

respectively, without the prior written consent of the Pre-Petition First Lien Lender or the DIP Secured Parties, as applicable. For purposes hereof, a "material change" shall mean a change to the New DIP Documents that operates to shorten the term of the New DIP Facility or the maturity of the New DIP Obligations, to increase the aggregate amount of the commitments of the Lender under the New DIP Facility, to increase the rate of interest other than as currently provided in or contemplated by the New DIP Documents, to add specific Events of Default, to enlarge the nature and extent of remedies available to the Lender following the occurrence of an Event of Default, or any notice, consent, or right granted to the Official Committee of Unsecured Creditors hereunder, in each case, as in effect on the date of entry of this Interim Order. Without limiting the foregoing, no amendment of the New DIP Documents that postpones or extends any date or deadline therein or herein (including, without limitation, the expiration of the term of the New DIP Facility), nor any waiver of an Event of Default, shall constitute a "material change" and any such amendment may be effectuated by the Obligors and the Lender without the need for further approval of the Court. Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by the Obligors and the Lender and approved by the Bankruptcy Court.

29. Inbursa DIP Amendment. That certain Second Amendment to the DIP Loan Agreement (as defined in the Existing Final DIP Order) substantially in the form attached to the [Motion as Exhibit ____][*Notice of Filing of Second Amendment to DIP Loan Agreement* filed contemporaneously with the Motion [Docket No. ____] is hereby approved in its entirety.

30. Bid Support Term Sheet. Nothing in this Interim Order, the New DIP Documents or the Budget shall impair or alter (i) the terms set forth in that certain Bid Support Term Sheet referenced in and appended to the *Stipulation Regarding Settlement and Agreement With Respect to Sale of Corpus Christi Assets and Related Matters* (in the event of and upon the Court's approval thereof) or (ii) the Committee's existing challenge to the claims asserted by DAK Americas, LLC or affiliates. Notwithstanding anything to the contrary in this Interim Order, the

New DIP Documents, or the DIP Budget, payment of the Committee's professional fees shall be in accordance with the terms of the Bid Support Term Sheet.

31. Enforceability. This Interim Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable by Rule 9014, and shall take effect and be fully enforceable immediately upon execution hereof.

32. Waiver of Right to Modify. This Interim Order shall not be modified, amended or extended without the prior written consent of the Lender, and no such consent shall be implied by any other action, inaction or acquiescence of the Lender.

33. No Unauthorized Disposition of New DIP Collateral. The Obligors shall not sell, use or dispose of the New DIP Collateral except as approved by the Lender in accordance with the New DIP Documents.

34. Waiver of Stay; Effectiveness. Any applicable stay (including, without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Interim Order, and the terms of this Interim Order shall be fully effective immediately upon entry.

35. Exclusive Jurisdiction. This Court shall retain exclusive jurisdiction to interpret and enforce the provisions of the New DIP Documents and this Interim Order in all respects; provided, however, that in the event this Court abstains from exercising or declines to exercise jurisdiction with respect to any matter provided for in this paragraph or is without jurisdiction, such abstention, refusal, or lack of jurisdiction shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter.

36. Final Hearing. The Obligors shall, on or before _____ serve by U.S. mail copies of the notice of entry of this Interim Order, together with a copy of this Interim

Order and proposed Final Order to counsel for the U.S. Trustee, the Official Committee of Unsecured Creditors and all parties requesting notice pursuant to Fed. R. Bankr. P. 2002 in the Cases.

37. The notice of entry of this Interim Order shall state that any party in interest objecting to the New DIP Facility or the terms of the Final Order shall file written objections with the United States Bankruptcy Court Clerk for the District of Delaware no later than _____ 2018, which objections shall be served so that they are received by no later than 4:00 p.m. prevailing Eastern time, on such date by counsel for the Obligors and the Lender.

38. The Final Hearing to consider the Motion and entry of the Final Order shall be held on _____ 2018 at _____ a.m. before the Honorable Judge Brendan L. Shannon, United States Bankruptcy Judge. If no objections to the relief sought in the Final Hearing are filed and served in accordance with this Interim Order, the Final Hearing may be cancelled, and a separate Final Order may be presented by the Obligors and entered by this Court.

Dated: _____, 2018

United States Bankruptcy Judge

Exhibit 1

IN RE M&G USA CORPORATION, ET AL.
United States Bankruptcy Court for the District of Delaware
Case Number: 17-12307 (Hon. Brendan L. Shannon)

TERM SHEET WITH RESPECT TO PROPOSED
DEBTOR-IN-POSSESSION FINANCING

This term sheet (the “DIP Term Sheet”) sets forth the proposed material terms and conditions upon which Corpus Christi Polymers LLC, a Delaware limited liability company (the “Lender”), shall commit to (i) advance the New DIP Loans (as defined below) in accordance with and subject to the provisions of the DIP Term Sheet and the New Interim DIP Order,¹ and (ii) enter, upon entry of the New Final DIP Order, into a proposed debtor-in-possession (“DIP”) financing credit facility (the agreement evidencing such facility, “New DIP Agreement”) with each of the debtors in the above-referenced cases (the “Chapter 11 Cases”) currently indebted (collectively, the “Obligors”) under the DIP Loan Agreement (the “CEC DIP Loan Agreement”) (as defined in and authorized pursuant to that certain final DIP financing order [Docket No. 479] (the “Final Inbursa DIP Order”))² in connection with the Obligors’ entry into a definitive Asset Purchase Agreement (the “APA”) between Corpus Christi Polymers LLC (the “Purchaser”) and the Obligors for the sale to Purchaser of the Purchased Assets.

This DIP Term Sheet is also attached as Exhibit A to the Bid Support Term Sheet dated as of March [], 2018 (the “Bid Support Term Sheet”) between (a) the Debtors, (b) the Official Committee of Unsecured Creditors in the Chapter 11 Cases (the “Committee”), (c) DAK Americas LLC (together with its affiliates, “DAK”), (d) Indorama Ventures Public Company Limited (together with its affiliates, “Indorama”), (e) Far Eastern Investment (Holding) Ltd. (together with its affiliates, “Far Eastern”), and (e) Corpus Christi Polymers LLC.

This DIP Term Sheet does not include descriptions of all of the terms, conditions and other provisions that would be contained in the definitive New DIP Agreement and related documentation in connection with the contemplated financing transactions, all of which shall be consistent with this DIP Term Sheet and the Bid Support Term Sheet (in each case, subject to any applicable consent and approval rights specified herein and therein), and it is not intended to otherwise limit the scope of discussions and negotiation of any matters. Accordingly, this DIP Term Sheet is, subject to applicable Bankruptcy Court Order, binding.

I. DIP Financing Terms

Lender	Corpus Christi Polymers LLC
Obligors	M&G Resins USA, LLC (“ <u>Borrower</u> ”), and M&G USA Corporation, M&G Finance Corporation, M&G Waters USA, LLC, M&G USA Holding LLC, Chemtex International Inc., Chemtex Far East, Ltd.

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the APA.

² “Avoidance Proceeds”, “CEC DIP Loan Documents”, “DIP Collateral”, “DIP Secured Parties”, “Pre-Petition First Lien Lender”, “Pre-Petition First Lien Loan Agreement”, “Pre-Petition First Lien Documents” and “Superpriority Claim” shall have the respective meanings ascribed to such terms in the Final Inbursa DIP Order.

	and Indo American Investments, Inc., each as a guarantor.
Amount of DIP Facility, Availability/Advances, Use of Advances	<p>Upon selection of Purchaser as the successful bidder for the Purchased Assets and contemporaneously upon entry of the Sale Order and Interim New DIP Order (each in form and substance consistent with this DIP Term Sheet and otherwise reasonably acceptable to the Debtors, the Lender, the Purchaser, and the Committee (collectively, the “<u>Consent Parties</u>”)), Lender will enter into a secured DIP financing credit facility (the “<u>New DIP Facility</u>”) with the Borrower in an aggregate principal amount to be agreed following delivery of the Budget, as defined below, but in any event not to exceed an aggregate principal amount of \$[_____] million from the entry of the Interim New DIP Order until the day prior to entry of the Final New DIP Order, and not to exceed an aggregate principal amount of \$[_____] million upon and after entry of the Final New DIP Order (the “<u>New DIP Loans</u>”, and together with other obligations under the New DIP Facility, the “<u>New DIP Obligations</u>”), to be funded in weekly advances (the “<u>Advances</u>”) in an aggregate amount not in excess of the weekly “Advance” line item amount set forth in an agreed-upon (including by Lender) budget for operating expenses pursuant to a budget agreed upon by the Consent Parties and consistent with the terms and conditions set forth in the Bid Support Term Sheet (the “<u>Budget</u>”; e.g., in no event shall any Advance be made prior to April 1, 2018), which Budget is attached hereto as Exhibit A; <i>provided</i> that any amounts unused by the Obligors for a particular line item in the Budget and for a particular budget week (including any amounts corresponding to a permitted variance) shall be applied to subsequent budget weeks for the Obligors on a cumulative basis for each such line item until used in full; <i>provided</i> that any such carry-over amounts shall be utilized exclusively for such particular line item.</p> <p>The proceeds of each Advance shall be funded on the applicable funding date (only upon satisfaction of the conditions described under the heading “Conditions to Funding the DIP Loan/ Funding of Advances” below) into a [cash collateral account over which the Lender shall have control (as determined by the Lender in its sole discretion) (the “<u>DIP Cash Collateral Account</u>”)]. Once funded, amounts held in the [DIP Cash Collateral Account] shall bear interest at the interest rate described below under “Interest Rate & Payments of DIP Obligations.”</p> <p>By no later than 5:00 p.m. (prevailing Eastern time) on or prior to April 1, 2018, the Debtors, the Lender and Far Eastern, as applicable, shall amend the disbursement instructions pursuant to (i) the Escrow Agreement, dated as of March 6, 2018, among the Borrower, the Lender and Citibank, N.A. (the “<u>Corpus Christi Escrow Agreement</u>”)</p>

	<p>and (ii) the Escrow Agreement, dated as of March 6, 2018, among the Borrower, Far Eastern, and Citibank, N.A. (the “<u>Far Eastern Escrow Agreement</u>” and, together with the Corpus Christi Escrow Agreement, the “<u>Escrow Agreements</u>”), in each case to provide for the release of escrowed funds to the Borrower in the event of the Lender’s failure to timely fund in full an Advance notwithstanding the Borrower’s satisfaction (or waiver by the Lender) of conditions precedent applicable to it for the borrowing of such Advance (a “<u>Lender Funding Breach</u>”). In the event of a Lender Funding Breach and for so long as the same is not cured by the Lender, the Borrower shall be entitled to deliver (and the Lender hereby expressly so authorizes the Borrower to deliver) sole written instructions to the escrow agent (with a copy of the same contemporaneously delivered to the Lender), together with a copy of the outstanding and unfunded (in whole or in part) request for any such Advance and a certificate of an authorized officer of the Borrower certifying that the Lender has breached its obligation to fund such duly executed and delivered request for such Advance, authorizing and directing the escrow agent’s release of escrowed funds to the Borrower in an amount equal to the unfunded portion of such Advance, which shall be apportioned ratably among the respective escrowed funds in each escrow account.</p> <p>The Borrower shall use the proceeds of Advances only for the purpose of funding (i) certain employee-related, maintenance and other related expenses of the Obligors, (ii) fees and expenses incurred by estate professionals of the Debtors and the Committee, (iii) interest and professional fees to Control Empresarial de Capitales, S.A. de C.V., in its capacity as Initial Lender (as defined in the CEC DIP Loan Documents) and in accordance with the CEC DIP Loan Documents and the Final Inbursa DIP Order, (iv) interest and professional fees to the Pre-Petition First Lien Lender in accordance with the Pre-Petition First Lien Loan Documents and the Final Inbursa DIP Order and (v) other items, all (i.e., (i) – (v)) strictly in accordance with the allowed disbursements set forth in the Budget (subject to permitted variances), the Interim New DIP Order and Final New DIP Order, and consistent with the terms and conditions and conditions set forth in the Bid Support Term Sheet.</p> <p>The New DIP Obligations shall be deemed indefeasibly satisfied in full and the New DIP Liens deemed released upon the Closing Date (as defined in the APA).</p>
DIP Security and Priority of DIP Obligations; Administrative	Lender to be granted new liens (the “ <u>New DIP Liens</u> ”) on and security interests in all assets (other than the assets excluded from the scope of the DIP Collateral) of each of the Obligors (including but not limited to Avoidance Proceeds) (the “ <u>New DIP Collateral</u> ”)

Expense Claim	<p>pursuant to Sections 364(c)(2), 364(c)(3), and 364(d)(1) of the Bankruptcy Code, which shall rank senior in priority to all liens other than those valid, perfected, and unavoidable liens existing on the Obligors' assets either recognized by or described in the Final Inbursa DIP Order [Dkt. No. 479], including, without limitation, the liens and security interests (the "<u>Macquarie Liens</u>") held by Macquarie Investments US Inc. ("<u>Macquarie</u>") under that certain Credit Agreement, dated November 9, 2016, among Macquarie, as administrative and collateral agent, the lenders that are party thereto from time to time, and M&G Waters USA, LLC (the "<u>Macquarie Credit Agreement</u>") (collectively, the "<u>Existing Liens</u>"); <i>provided</i>, that notwithstanding anything to the contrary, (a) the New DIP Collateral shall not include and the New DIP Liens shall not extend or attach to any property of the Obligors to which at least one or more of the Existing Liens have not attached (and without in any way impairing, releasing or otherwise adversely affecting any rights of the Committee to challenge any claims asserted by DAK) and (b) the New DIP Collateral shall not include and the New DIP Liens shall not extend or attach to the Excluded Avoidance Actions (as defined in the Final Inbursa DIP Order).</p> <p>Lender to also be granted pursuant to Bankruptcy Court approval in Interim New DIP Order and Final New DIP Order a super-priority administrative expense claim (the "<u>New DIP Superpriority Claim</u>") with respect to the New DIP Obligations that will, in accordance with Section 364(c)(1) of the Bankruptcy Code, have priority over any and all administrative expenses of and unsecured claims against any of the Obligors now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, all administrative expenses of the kind specified in, or arising or ordered under, Sections 105, 326, 328, 503(b), 506(c), 507(a), 507(b), 546(c), 726 and 1114 of the Bankruptcy Code other than any administrative expense claims granted pursuant to the Final Inbursa DIP Order [Dkt. No. 479], as to which the New DIP Superpriority Claim will rank junior in priority.³</p> <p>For the avoidance of doubt the New DIP Liens and the New DIP Superpriority Claim will rank junior in priority to the liens and claims of the DIP Secured Parties and the Pre-Petition First Lien Lender under the Pre-Petition First Lien Loan Documents. The New DIP Agreement shall be subject to a subordination agreement (the "<u>Subordination Agreement</u>"), consistent with the terms set forth on Exhibit B and reasonably satisfactory to the Lender, the Initial</p>
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³ For the avoidance of doubt, the DIP Superpriority Claim shall have recourse against the Avoidance Proceeds only to the extent that the Superpriority Claim would have had recourse against such Avoidance Proceeds pursuant to Paragraph 4(b) of the Inbursa Final DIP Order.

	<p>Lender, the Pre-Petition Lender and the Obligors, among the Lender and, as applicable, the Pre-Petition First Lien Lender and/or the Initial Lender pursuant to which all obligations under the New DIP Agreement shall be subordinated in payment and priority to the obligations under the Pre-Petition First Lien Loan Documents and the obligations under the CEC DIP Loan Documents, and other customary provisions, including standstill (e.g., other than in respect of the termination of the commitment to Advance (subject to Carve-Out (as defined below)) and the right to accelerate), turnover, and deemed consent to actions permitted to be taken under the CEC DIP Loan Documents (including future extensions of loans thereunder) and the asset purchase agreement among the Obligors and Banibu II Holdings, Inc. (the “<u>Banibu</u>”) dated March 20, 2018, as applicable.</p>
Interest Rate & Payments of DIP Obligations	<p><u>Interest Rate</u>: The New DIP Loan will bear interest at the LIBO Rate⁴ plus 9.50% per annum (the “<u>Interest Rate</u>”), payable in kind prior to the DIP Termination Date (as defined below), and which shall be due and payable in cash on the DIP Termination Date of the New DIP Facility.</p> <p><u>Default Rate</u>: Automatically after the occurrence of any Event of Default (as defined below), the applicable interest rate shall be the Interest Rate plus 2%, which shall accrue on all outstanding principal and other New DIP Obligations and which shall be due immediately and payable on demand.</p> <p><u>Payment</u>: Interest and principal shall be due and payable on the DIP Termination Date. In the event that all or a portion of the Purchased Assets is sold to the Back-Up Bidder (as defined below), the New DIP Obligations shall be satisfied only after satisfaction of all liens and obligations senior to such New DIP Obligations.</p>
DIP Maturity/Termination Date	<p>The New DIP Loan will mature (the “<u>DIP Termination Date</u>,” subject to extension by the Lender in its sole discretion) and will be immediately due and payable on the earliest to occur of any of the following: (a) August 1, 2018; (b) the date an Alternative Transaction (as defined below) is approved by the Bankruptcy Court; (c) the date the Lender accelerates the New DIP Obligations following an Event of Default subject to compliance with the Interim</p>

⁴ “LIBO Rate” means for an interest period of one month with respect to a DIP Loan, the rate per annum equal to the London Interbank Offered Rate (“LIBOR”) or a comparable or successor rate, which rate is approved by the Lender in consultation with the Borrower, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Lender from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such interest period, for dollar deposits (for delivery on the first day of such interest period) with a term equivalent to such interest period; provided that to the extent a comparable or successor rate is approved by the Lender in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided, further, that to the extent such market practice is not administratively feasible for the Lender, such approved rate shall be applied in a manner as otherwise reasonably determined by the Lender in consultation with the Borrower.

	<p>New DIP Order and the Final New DIP Order, as then applicable; (d) the date a sale of all or a portion of the Purchased Assets to a buyer(s) other than Purchaser or Banibu (the “<u>Back-Up Bidder</u>”) is approved by the Bankruptcy Court; (e) the date of filing of any reorganization plan by any of the Obligors which is not acceptable to the Lender (provided that any Acceptable Chapter 11 Plan (as defined in the Bid Support Term Sheet) shall be acceptable to the Lender); and (f) the date on which the Lender is granted relief from the automatic stay.</p> <p>“<u>Alternative Transaction</u>” means (i) any investment in, financing of, capital contribution or loan to, or restructuring or recapitalization of all or a substantial portion of Sellers (as defined in the APA) (including any exchange of all or a substantial portion of Sellers’ outstanding debt obligations for equity securities of Sellers), (ii) any merger, consolidation, share exchange or other similar transaction to which Sellers are a party that has the effect of transferring, directly or indirectly, all or a substantial portion of the assets of, or any issuance, sale or transfer of equity interests in, Sellers, the Purchased Assets or the Business, (iii) any direct or indirect sale of all or a substantial portion of the assets of, or any issuance, sale or transfer of equity interests in, Sellers, the Purchased Assets or the Business or (iv) any other transaction, including a plan of liquidation or reorganization, in each instance that transfers or vests ownership of, economic rights to, or benefits in all or a substantial portion of the assets of Sellers, the Purchased Assets or the Business to any party other than Purchaser; provided, that any of the foregoing transactions will only constitute an Alternative Transaction if and to the extent that such transaction has been approved by the Bankruptcy Court and would, by its entry, have the effect of failing to provide for or otherwise allow for the contemplated Closing pursuant to the terms hereof; provided, further, that any of the foregoing transactions will only constitute an Alternative Transaction if and to the extent that neither Purchaser nor any of its Affiliates has any financial interest in such transaction (whether as a purchaser, investor, joint bidder or otherwise).</p>
Conditions to Funding the DIP Loan/ Funding of Advances	<p>The Obligors will seek entry of the Interim New DIP Order approving the New DIP Facility and an order approving the APA at a single hearing scheduled for March 23, 2018.</p> <p>Usual and customary conditions precedent to funding of the New DIP Loan, including, without limitation, satisfactory New DIP Agreement documentation, approved (including by the Lender) Budget, any required governmental consents (if any are required), the Initial Lender’s consent to this term sheet and the transactions contemplated hereby, entry of Sale Order (with the Purchaser having been approved by the Bankruptcy Court as the successful bidder for</p>

	<p>the Purchased Assets), Interim New DIP Order and Final New DIP Order, each in form and substance satisfactory to the Consent Parties, the Initial Lender, and the Pre-Petition First Lien Lender, confirmation of no outstanding prior liens on the New DIP Collateral other than as set forth in the Final New DIP Order, and such other information and documents as the Lender may require from time to time in its reasonable discretion.</p> <p>In addition, the following conditions also must be satisfied prior to entry into the New DIP Facility and/or funding any Advances:</p> <ul style="list-style-type: none"> • a certificate of the chief restructuring officer of the Debtors confirming that: (i) the representations and warranties set forth in New DIP Agreement are true and correct (with respect to any Advance made subsequent to the date of entry of the Final New DIP Order⁵, such representations and warranties shall be true and correct in all material respects on the date of such Advance as if such representations and warranties were made on and as of such date); and (ii) the Advances requested do not exceed, on a weekly basis, the disbursements permitted pursuant to the Budget for the relevant week (subject to permitted variances), together with any amounts carried forward from a prior budget period in accordance with the terms hereof; • the Interim New DIP Order and Sale Order shall have been entered by the Bankruptcy Court by March 30, 2018, and such order shall be in full force and effect and shall not have been reversed, modified, amended, subject to a pending appeal, stayed or vacated absent the prior written consent of the Lender; • the Obligors and the Purchaser shall have entered into the APA, and the APA shall be in full force and effect and shall not have been terminated pursuant to Section 4.4 of the APA; • no Event of Default shall have occurred; and • there shall not be any order entered by the Bankruptcy Court that results in an Event of Default.
Customary DIP Terms	<p>The New DIP Agreement, Interim New DIP Order and Final New DIP Order to include customary terms, including but not limited to, typical representations and warranties, and covenants for transactions of this type, including, but not limited to:</p> <ul style="list-style-type: none"> • the extent, validity, priority and perfection of the Lender's liens; • the New DIP Loans were made in good faith; and • proceeds of the New DIP Loans shall be used strictly in accordance with approved Budget (subject to permitted variances).

⁵ Note to CCP: Prior language reinstated due to timing realities – the New DIP Agreement will be in effect from and after entry of the *Final* New DIP Order.

Events of Default	Usual and customary events of default (the “ <u>Events of Default</u> ”), including, without limitation, the definitive New DIP Agreement (and related loan documents) or the Final New DIP Order shall not have been entered into by April 13, 2018 (and such order shall be in full force and effect and shall not have been reversed, modified, amended, subject to a pending appeal, stayed or vacated absent the prior written consent of the Lender), failure to pay principal or interest when due, failure to maintain the Purchased Assets, material breach of covenants, Obligors’ breach or violation of the Interim New DIP Order or the Final New DIP Order, Obligors’ breach of the APA and/or failure to comply with Budget (with permitted aggregate disbursement variance not to exceed 10% for any week).
Rights and Remedies Upon Event of Default	<p>Until payment in full in cash of all obligations under the CEC DIP Loan Documents and the Pre-Petition First Lien Loan Documents, the Lender’s rights and remedies upon an Event of Default will be subject to customary standstill provisions (subject to the exceptions referenced in the “DIP Security and Priority of DIP Obligations; Administrative Expense Claim” above) in the Subordination Agreement; <i>provided</i>, that prior to payment of any of the New DIP Obligations to the Lender to the extent derived from the assets of M&G Waters USA, LLC, the obligations under the Macquarie Credit Agreement shall be paid in full in cash.</p> <p>After payment of the obligations under the CEC DIP Loan Documents, Pre-Petition First Lien Loan Documents, and the Macquarie Credit Agreement (as applicable), as described above, upon the occurrence of any Event of Default, after giving any notice required by the Interim New DIP Order or Final New DIP Order and otherwise subject to the terms of the Interim New DIP Order or the Final New DIP Order (as applicable),⁶ notwithstanding the automatic</p>

⁶ The Interim New DIP Order and Final New DIP Order shall provide the following notice requirements in respect of any Event of Default:

Any automatic stay otherwise applicable to the Lender is hereby modified so that after the occurrence of any Event of Default and at any time thereafter, upon five (5) business days’ prior written notice given by email or facsimile of such occurrence, in each case, given to counsel for the Borrower, the Official Committee of Unsecured Creditors, the United States Trustee, the [CEC DIP Lender] and the Pre-Petition First Lien Lender (collectively, the “Notice Parties”), the Lender shall be entitled to exercise all rights and remedies in accordance with the New DIP [Term Sheet][Loan Agreement] and this [Interim][Final] Order, as applicable. Following the giving of written notice by the Lender of the occurrence of an Event of Default, the Notice Parties shall be entitled to an emergency hearing before this Court. If the right of the Lender to exercise its remedies is not contested or otherwise stayed or enjoined by this Court, after notice and hearing, the automatic stay as to the Lender shall automatically terminate at the end of such notice period. Subject to the provisions of this paragraph, upon the occurrence of an Event of Default, the Lender is authorized to exercise its remedies and proceed under or pursuant to the New DIP Loan Agreement and this [Interim][Final] Order. Nothing included herein shall prejudice, impair, or otherwise affect the Lender’s rights to seek any other or supplemental relief in respect of the Borrower nor the Lender’s

	<p>stay under Section 362 of the Bankruptcy Code (which automatic stay shall be automatically terminated on the DIP Termination Date, without further notice or order of the Bankruptcy Court), the Lender may exercise any or all of the following rights and remedies:</p> <ul style="list-style-type: none"> • the Lender may, by notice to Borrower, declare the commitment under the New DIP Facility to be terminated, whereupon the same shall terminate (other than in respect of accrued and unpaid interest owing to the Pre-Petition First Lien Lender and the Initial Lender by Borrower as at such date); • the Lender may, by notice to Borrower, declare the New DIP Obligations to be immediately due and payable, whereupon all New DIP Obligations shall become and be immediately due and payable, without presentment, notice of dishonor, protest or further notice of any kind, all of which the Obligors hereby expressly waive; • the Lender may apply any and all money owing by the Lender to any of the Obligors to the payment of the New DIP Obligations; • the Lender may exercise and enforce any and all rights and remedies available upon default to a secured party under the Committee or otherwise, including the right to take possession of New DIP Collateral, and the right to sell, lease or otherwise dispose of any or all of the New DIP Collateral (with or without giving any warranties as to the New DIP Collateral, title to the New DIP Collateral or similar warranties), and, in connection therewith, the Obligors will on demand assemble the New DIP Collateral and make it available to the Lender at a place to be designated by the Lender which is reasonably convenient to both parties • the Lender may exercise and enforce its rights and remedies under any security documents and the other loan documents relating to the New DIP Facility; • the Lender may apply any New DIP Collateral to the New DIP Obligations; • the Lender may, without regard to any waste, adequacy of the security or solvency of any of the Obligors, apply for the appointment of a receiver of the New DIP Collateral, to which appointment the Obligors automatically shall consent, whether or not foreclosure proceedings have been commenced under the security documents related to the New DIP Facility and whether or not a foreclosure sale has occurred; and • the Lender may exercise any other rights and remedies available to it at law, in equity or by agreement.
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rights, as provided in the New DIP [Term Sheet][Loan Agreement], to suspend or terminate the making of any further Advances under the New DIP [Term Sheet][Loan Agreement].

Waiver of Marshalling	Recourse to the New DIP Collateral or other security for the New DIP Obligations will not at any time be required, and the Obligors hereby waive any right of marshaling the Obligors may have.
Other Terms	<ul style="list-style-type: none"> Waiver of all rights to assert 506(c) surcharge claims against the Lender. Lender shall have absolute right to credit bid all New DIP Obligations (but not in connection with the sale transaction pursuant to the terms of the APA).
Indemnification and Expenses	<p>The Obligors, jointly and severally, will indemnify and hold harmless the Lender, its respective affiliates, successors and assigns and the officers, directors, employees, agents, advisors, controlling persons and members of each of the foregoing (each, an "<u>Indemnified Person</u>") from and against all documented costs, expenses (including reasonable and documented out-of-pocket fees, disbursements and other charges of outside counsel but subject to the limitations set forth two paragraphs below) and liabilities of such Indemnified Person arising out of or relating to any claim or any litigation or other proceeding (regardless of whether such Indemnified Person is a party thereto and regardless of whether such matter is initiated by a third party or by the Borrower or any of its affiliates) that relates to the New DIP Facility, any of the orders referenced herein, or the transactions contemplated hereby/thereby; <i>provided that</i>, no Indemnified Person will be indemnified for any cost, expense or liability to the extent determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted (i) from such Indemnified Person's bad faith, gross negligence or willful misconduct, (ii) from a claim brought by any Obligor against an Indemnified Person for material breach of such Indemnified Person's obligations under the New DIP Facility or under any documents or agreements executed in connection therewith, or (iii) from a dispute solely among Indemnified Persons.</p> <p>No Indemnified Person shall have any liability (whether direct or indirect, in contract, tort or otherwise) to any of the Obligors or any of their respective subsidiaries or any shareholders or creditors of the foregoing for or in connection with the transactions contemplated hereby, except to the extent such liability is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted solely from such Indemnified Person's bad faith, gross negligence, willful misconduct or material breach of its obligations hereunder. In no event, however, shall any Indemnified Person be liable on any theory of liability for any special, indirect, consequential or punitive damages.</p> <p>In addition, (a) all reasonable and documented out-of-pocket expenses (including, without limitation, reasonable and</p>

	<p>documented fees, disbursements and other charges of outside counsel and financial advisors) of the Lender or any of its members, solely in connection with the New DIP Facility or any of the lending transactions contemplated hereby/thereby, whether accrued on, prior to or after the Closing Date, shall be payable by the Obligors (jointly and severally) on the DIP Termination Date, whether or not the Closing Date occurs, and (b) all reasonable and documented out-of-pocket expenses (including, without limitation, fees, disbursements and other charges of outside counsel and financial advisors) of the Lenders or any of its members for enforcement costs and documentary taxes associated with the New DIP Facility and the transactions contemplated hereby/thereby will be payable by the Obligors (jointly and severally).</p> <p>The amounts which are the subject of this section shall be payable on the DIP Termination Date. Notwithstanding anything to the contrary, no claim of an Indemnified Person shall be payable as a GUC Pool Administrative Expense and Priority Claim (as defined in the Bid Support Term Sheet).</p>
Governing Law	State of New York (and, to the extent applicable, the Bankruptcy Code).
Carve-Out	<p>Notwithstanding anything to the contrary herein, in the New DIP Loan Agreement or any other order of the Court to the contrary, the rights and claims of the Lender, including the New DIP Liens (and all liens junior or senior to the New DIP Liens, except for the Macquarie Liens), shall be subject and subordinate in all respects to the payment of the Carve-Out from the Carve-Out Reserves (each as defined below). Following the occurrence and during the continuance of an Event of Default or default under the Final New DIP Order (each, a "<u>Carve-Out Trigger Event</u>"), and delivery of notice thereof (the "<u>Carve-Out Trigger Notice</u>") (which may be by email) to the Borrower, the Committee, and the United States Trustee (the date of a delivery of such notice, the "<u>Carve-Out Trigger Date</u>"), the Borrower shall be entitled to use remaining availability (if any) under the New DIP Facility for the following purposes only and without duplication (the sum of (i) through (ii) below, the "<u>Carve-Out</u>"):</p> <p>(i) (a) the amount of accrued and unpaid professional fees and expenses incurred by persons or firms retained by the Obligors or the Committee for services rendered by such professionals for the period beginning on the date of the Final Order through and including the Carve-Out Trigger Date that is subsequently allowed by Court order, and strictly in accordance with the Budget (plus</p>

	<p>amounts for permitted variances therefrom in respect thereof) (the “<u>Professional Compensation</u>”) and (b) the amount of Professional Compensation for the period beginning from and after the Carve-Out Trigger Date, which amount shall not exceed (1) \$2,000,000 in aggregate with respect to the Obligors’ professionals and (2) \$515,000 in aggregate with respect to the Committee’s professionals; and (ii) all statutory fees required to be paid by Borrower to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a).</p> <p>The Borrower shall be authorized to establish a separate deposit account for the amounts set forth in clauses (i) through (ii) in the paragraph above (collectively, the “<u>Carve-Out Reserve</u>”). Upon the occurrence of the Carve-Out Trigger Date, the Borrower shall be authorized to transfer cash from the [DIP Cash Collateral Account] and/or to borrow under the New DIP Facility in an aggregate amount equal to the amount sufficient to fully fund the Carve-Out Reserve into a segregated deposit account not in the control of the Lender or the Initial Lender. Once funded in accordance with this paragraph, the Carve-Out Reserve may only (subject to the provisions of the immediately succeeding paragraph) be used to pay those obligations for which the Carve-Out Reserve was established. For the avoidance of doubt, all Carve-Out amounts funded pursuant to this paragraph shall be deemed a New DIP Obligation.</p> <p>The Carve-Out Reserve and the proceeds on deposit in respect thereof shall be available only to satisfy obligations to which the Carve-Out expressly relates, except that the Lender shall retain liens and security interests, which shall be a super-priority lien (superior to other liens[, but junior to the liens in favor of the Initial Lender]) in any remaining amounts left in the Carve-Out Reserve (the “<u>Unused Carve-Out Amounts</u>”) following satisfaction in full of all obligations to which the Carve-Out expressly relates, and shall receive distributions, on demand, on account of any unpaid New DIP Obligations from such Unused Carve-Out Amounts after distributions to satisfy obligations senior to the New DIP Obligations.</p> <p>For the avoidance of doubt, any amounts funded under the Carve-Out or into the Carve-Out Reserve shall reduce dollar for dollar the amounts required to be funded under the Carve-Out under the CEC DIP Loan Documents and vice versa.</p>
Additional Provisions	<ul style="list-style-type: none"> • CEC DIP Lender and Pre-Petition First Lien Lender and the Committee shall receive copies of any notices, certificates and reporting (including financial reporting).

	<ul style="list-style-type: none">• No chapter 11 plan will be proposed or supported by the Lender that does not provide for payment in cash at closing of all outstanding obligations under the CEC DIP Facility and the Pre-Petition First Lien Loan Agreement (including principal, interest and fees of each).• The Lender shall not institute, seek, file, propose or support any relief in the Bankruptcy Court adverse to the interests of the Initial Lender, the Pre-Petition First Lien Lender or Banibu or that challenges the Banibu APA.
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Exhibit A

To Come

Exhibit B

Subordination Agreement Term Sheet¹

<u>Definitions</u>	<p>“Bankruptcy Law” means the Bankruptcy Code, or any similar foreign, federal or state law for the relief of debtors.</p> <p>“Chapter 11 Cases” the cases of the Debtors under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware.</p> <p>“Enforcement Action” means with respect to the Subordinated Debt Documents, (i) the taking of any action to collect on the New DIP Obligations or any part thereof (including any foreclosure action with respect to the New DIP Collateral), (ii) the commencement of any litigation or proceeding against any of the Obligors, other than the Chapter 11 cases, (iii) the suing on the New DIP Document or any guaranty or other obligation contained in the Subordinated Debt Documents, (iv) the enforcement of any right of repayment, redemption, purchase or prepayment under any New DIP Obligations, (v) the exercising of any banker’s lien or rights of set-off or recoupment, (vi) the commencement (or joining-in) of any Insolvency Proceedings against any Obligor under any international, federal or state law, (vii) the taking of any other enforcement action against any Obligor, the New DIP Collateral or any Obligor’s other assets, or (viii) the seeking, filing, proposing or supporting of any relief in the Bankruptcy Court, including relief from the automatic stay. For the avoidance of doubt, the New Lender shall not be permitted to take any Enforcement Action until the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated, irrespective of whether the Subordinated Debt has been accelerated and/or the Subordinated Debt commitments terminated; provided that nothing hereunder shall obligate the New Lender to fund advances under the Subordinated Debt Documents upon the occurrence or continuation of an Event of Default.</p> <p>“Insolvency Proceeding” means (a) an Obligor or any of its subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; (b) any proceeding shall be instituted by or against any Obligor or any of its subsidiaries seeking to adjudicate such Obligor or such subsidiary a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other</p>
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¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the New DIP Term Sheet.

	<p>similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) that is being diligently contested by it in good faith, either such proceeding shall remain undismissed or unstayed for a period of 60 days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or any substantial part of its property) shall occur; or (c) any Obligor or any of its subsidiaries shall take any corporate action to authorize any of the actions set forth above in this definition.</p> <p>“New Lender” means Corpus Christi Polymers LLC, a Delaware limited liability company.</p> <p>“New DIP Agreement” shall have the meaning ascribed to such term in the New DIP Term Sheet.</p> <p>“New DIP Documents” means each of the New DIP Agreement, the New DIP Term Sheet, and the various agreements, certificates, security agreements, mortgages and other documents executed pursuant to such documents or in connection with such documents.</p> <p>“New DIP Term Sheet” means the term sheet dated March [23], 2018 between Corpus Christi Polymers LLC, a Delaware limited liability company, and the Obligors party hereto, setting forth the summary of the terms and conditions in respect of the New DIP Agreement.</p> <p>“Payment in Full” or “Paid in Full” means, with respect to Senior Debt arising under a Senior Debt Agreement and its related Senior Debt Documents, the indefeasible payment in full, in cash under such Senior Debt Documents, of all of such Senior Debt (including cash collateralization of all outstanding letters of credit issued under the terms of the Senior Debt Documents); <u>provided that</u> Payment in Full shall not include contingent indemnification claims that have not yet been asserted.</p> <p>“Person” means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.</p> <p>“Senior Debt” means any and all Obligations under or in connection with the Senior Debt Documents.</p> <p>“Senior Debt Agreements” means (a) the Pre-Petition First Lien Loan Documents and (b) the CEC DIP Loan Documents.</p>
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	<p>“Senior Debt Documents” means each Senior Debt Agreement and the various agreements, certificates, security agreements, mortgages and other documents executed pursuant to such Senior Debt Agreement or in connection with such Senior Debt Agreement. For the avoidance of doubt, this does not include the APA and any other documents related thereto.</p> <p>“Senior Debt Event of Default” means the occurrence of any Event of Default as defined in any Senior Debt Document.</p> <p>“Senior DIP Agent” means Trimont Real Estate Advisors, LLC, in its capacity as administrative agent under the Senior Debt Agreements, and any successors thereto.</p> <p>“Senior Lenders” shall mean the Pre-Petition First Lien Lender and the DIP Lender.</p> <p>“Subordinated Debt” means and includes all Obligations of the Obligors to the New Lender under or in connection with the Subordinated Debt Documents in respect of principal, premium, interest or other monetary obligations (or any guarantees thereof), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred.</p> <p>“Subordinated Debt Documents” means each of the New DIP Agreement, the New DIP Term Sheet and the various agreements, certificates, security agreements, mortgages and other documents executed pursuant to such New Debt Agreement or in connection with such New Debt Agreement..</p>
<u>Subordination</u>	<p>Subordination of Payment. The Obligor agrees, for itself and its respective successors and assigns, and the New Lender agrees, that the payment of the New DIP Obligations is hereby subordinated in right of payment to the prior Payment in Full of all Senior Debt. The foregoing provisions shall apply, notwithstanding the actual date and time of execution, delivery, recordation, filing or perfection of the Senior Debt Documents, or the lien or priority of payment thereof, and notwithstanding the fact that the Senior Debt or any claim for the Senior Debt is subordinated, avoided or disallowed, in whole or in part, under the Bankruptcy Code.</p> <p>Payment Blockage. No Obligor shall make, nor shall the New Lender accept, any payment, distribution, redemption or purchase of any kind or character in respect of the New DIP Obligations, nor shall any of the Obligors acquire, nor the New Lender sell to any Obligor, any New DIP Obligations, for cash, property or other value, directly or indirectly (including by way of set-off). The Obligors covenant to promptly, but in</p>

	<p>any event no later than two Business Days, notify the New Lender of the occurrence of a Senior Debt Event of Default and of any notice such Obligor may receive regarding the same.</p> <p><u>Turnover.</u> In the event the New Lender receives any payment, distribution or purchase of any kind or character in respect of the New DIP Obligations, the New Lender shall promptly, and in any event within three business days, pay over to the Senior DIP Agent (for the benefit of the Senior Lenders) any payments or distributions received in contravention of the Subordination Agreement, and hereby irrevocably authorizes such payment to the Senior DIP Agent (for the benefit of the Senior Lenders), notwithstanding any instructions to the contrary that an Obligor may deliver to the New Lender after the date hereof, and shall cooperate fully with the New Lender to determine the amounts so payable. Each Obligor hereby acknowledges that no such payment shall reduce (as among the Obligor and their creditors (other than the Senior Lenders) and the New Lender) the amount of the New DIP Obligations or otherwise alter the obligations under the Subordinated Debt Documents.</p>
<u>Intercreditor; Enforcement</u>	<p>The Senior Lenders may, at any time and from time to time, without consultation with or the consent of the New Lender, regardless of whether an Insolvency Proceeding has been commenced, regardless of any provision under the Subordination Agreement, or whether such exercise is adverse to the interest of the New Lender, without incurring responsibility to the New Lender hereunder and without impairing or releasing the subordination provided in the Subordination Agreement or the obligations under the Subordination Agreement of the New Lender to the Senior Lenders, take any action with respect to the Senior Debt or any Obligor, in each case, to the extent not prohibited by the Senior Debt Agreements, including as set forth in Section 8.2 of the CEC DIP Loan Agreement, including, without limitation, (i) change the manner, place, terms or time of payment of any outstanding Senior Debt, including increasing the Obligations (as defined in the Senior Debt Document) of any Obligor thereunder; (ii) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Debt; (iii) release any Person liable in any manner for the collection or payment of Senior Debt; (iv) accelerate the Senior Debt; (v) foreclose on any New DIP Collateral securing Senior Debt; (vi) take additional collateral to secure the Senior Debt or obtain additional guarantors; (vii) take a deed in lieu of foreclosure; and (viii) exercise or refrain from exercising any rights against any Obligor and any other Person.</p> <p><u>Enforcement Rights of Senior Lender.</u> The rights of any Senior Lender to enforce any provision of the Subordination Agreement or any Senior Debt Document will not be prejudiced or impaired by (i) any act or failure to act of any Obligor or Senior Lender, or (ii) noncompliance by any</p>

	<p>Person, other than such Senior Lender, with any provision of the Subordination Agreement, any Senior Debt Document or any Subordinated Debt Document, in each case, regardless of any knowledge thereof that any Senior Lender, may have or otherwise be charged with.</p> <p><u>No Objections to Enforcement of Senior Debt.</u> The New Lender will not contest, protest or object to, or take any action to hinder, and each waives any and all claims with respect to, any Enforcement Action by a Senior Lender that is in accordance with the Senior Debt Agreements, including as set forth in Section 8.2 of the CEC DIP Loan Agreement.</p>
<u>Limitations on Collateral</u>	<p><u>No New Collateral.</u> The New Lender covenants not to seek a security interest in any property or assets other than the New DIP Collateral, or pursue right of setoff against the Obligors, until the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated.</p> <p><u>Objections.</u> The New Lender will not contest in any proceeding (including the Chapter 11 Cases, or any other Insolvency Proceeding) the validity, enforceability, perfection, or priority of any Lien securing the Senior Debt.</p> <p><u>Subordinated Debt Collateral.</u> Until the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated:</p> <p>(a) The New Lender will not demand or accept from the Obligors any collateral in respect of the Subordinated Debt other than the New DIP Collateral; and</p> <p>(b) The New Lender will not assert any marshaling, appraisal, valuation or other similar right that may be available to a senior secured creditor.</p>
	<p><u>Priority of Senior Debt.</u> Upon any payment or distribution of assets of any Obligor of any kind or character, whether in cash, property or securities, to creditors, all Senior Debt shall first be Paid in Full before any payment, distribution, redemption or purchase of any kind or character is made on account of any New DIP Obligations.</p> <p><u>Proofs of Claims.</u> In the Chapter 11 Cases, or any other Insolvency Proceeding, the New Lender agrees to execute, verify, deliver and file any proofs of claim and to vote any such claims in respect of the New DIP Obligations as requested or directed by the Pre-Petition First Lien Lender (or trustee thereof) in connection with any such Insolvency Proceeding and hereby irrevocably authorizes, empowers and appoints any such agent or trustee, its agent and attorney-in-fact to: (i) execute,</p>

	<p>verify, deliver and file such proofs of claim upon the failure of the New Lender promptly to do so prior to [30] days prior to the last day fixed by statute, court rule or court order for the expiration of the period for filing of such claim or proof of debt and promptly notify the New Lender that it has filed such claim or proof; and (ii) vote such claim in any such Insolvency Proceeding upon the failure of the New Lender to do so prior to [5] days before the expiration of the time to vote any such claim; provided that (x) any such agent or trustee shall have no obligation to execute, verify, deliver, file and vote any such proof of claim, (y) any Senior Lender shall notify the New Lender that it has filed such claim or proof and shall provide a copy thereof to the New Lender and (z) the New Lender shall retain the right to correct any such proof of claim by amendment or otherwise (and substantially concurrent written notice of any such correction). In the event that any such Senior Lender or trustee thereof votes any claim in accordance with the authority granted hereby, the New Lender shall not be entitled to change or withdraw such vote without the express written consent of such Senior Lender or trustee thereof. For clarity, this section does not include the New Lender's rights pursuant to the APA, which are preserved.</p> <p><u>Consent by New Lenders.</u> Upon termination of the New DIP Agreement, or the APA, and unless the New Lender has acquired the Purchased Assets pursuant to the APA, and the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated, the New Lender will not contest, protest or object to, and will be deemed to have consented to any use, sale or lease of "cash collateral" (as defined in section 363(a) of the Bankruptcy Code), and any Obligor's obtaining additional commitments under the CEC DIP Loan Documents, if the Senior Lenders consent in writing to such use, sale or lease, or DIP Financing.</p> <p>Upon termination of the New DIP Agreement, or the APA, and unless the New Lender has acquired the Purchased Assets pursuant to the APA, and the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated, the New Lender will not contest, protest or object, and will be deemed to have consented pursuant to Section 363(f) of the Bankruptcy Code, to a disposition of New DIP Collateral free and clear of any setoff right, Lien or other interest it may have under Section 363 of the Bankruptcy Code if the Senior Lenders consent in writing to the disposition.</p>
	<p><u>Adequate Protection.</u> Upon termination of the New DIP Agreement, or the APA, and unless the New Lender has acquired the Purchased Assets pursuant to the APA, and the Senior Debt has been Paid in Full and all commitments under each Senior Debt Agreement have been terminated, the New Lender will not (i) contest, protest or object to (x) a request by a Senior Lender for additional "adequate protection" under any Bankruptcy</p>

	<p>Law or (y) an objection by a Senior Lender to a motion, relief, action or proceeding based on such Senior Lender's claiming a lack of adequate protection nor (ii) seek or request adequate protection or relief from the automatic stay imposed by section 362 of the Bankruptcy Code or other relief based upon a lack of adequate protection or otherwise in an Insolvency Proceeding, notwithstanding the preceding clause (i).</p> <p><u>Objections to Actions by Holders.</u> Nothing in the Subordination Agreement shall limit a Senior Lender from objecting in an Insolvency Proceeding, including the Chapter 11 Cases, or otherwise to any action taken by a New Lender, including the New Lender's seeking adequate protection or asserting any of its rights and remedies under the Subordinated Debt Documents or otherwise.</p> <p><u>Avoidance; Reinstatement of Obligations.</u> If any Senior Lender receives payment or property on account of the relevant Senior Debt, and at any time (including any time after termination or expiration of the Subordination Agreement) the payment is subsequently invalidated, avoided, declared to be fraudulent or preferential, set aside or otherwise required to be transferred to a trustee, receiver, or the estate of an Obligor in an Insolvency Proceeding or otherwise (a "Recovery"), then, to the extent of the Recovery, the Senior Debt or New DIP Obligations intended to have been satisfied by the payment will be reinstated as Senior Debt or New DIP Obligations, as applicable, on the date of the Recovery, and no discharge of Senior Debt will be deemed to have occurred for all purposes hereunder. If the Subordination Agreement is terminated prior to a Recovery, the Subordination Agreement will be reinstated in full force and effect, and such prior termination will not diminish, release, discharge, impair, or otherwise affect the obligations of the parties from the date of reinstatement. Upon any such reinstatement of the Senior Debt, the New Lender will deliver to the Senior Lenders any payments, distributions, New DIP Collateral or Proceeds thereof received before the discharge of the Senior Debt or New DIP Obligations.</p>
	<p>The New Lender hereby waives:</p> <p>(a) any claim it may hereafter have against any Senior Lender arising out of any cash collateral or financing arrangement or out of any grant of a security interest in connection with the New DIP Collateral in the Chapter 11 Cases or any other Insolvency Proceeding, so long as such actions are not in express contravention of the terms of the Subordination Agreement.</p> <p>(b) any right to assert or enforce any claim under section 506(c) or 552 of the Bankruptcy Code as Senior Lender or any of the New DIP Collateral to the extent securing the Senior Debt; and</p>

	<p>(c) any right to assert or enforce any claim or cause of action that any Obligor may have against a Senior Lender.</p>
Separate Classification	<p>The New Lender will not seek in the Chapter 11 Cases or any other Insolvency Proceeding to be treated as part of the same class of creditors as the Senior Lenders and will not oppose or contest any pleading by the Senior Lenders seeking separate classification of their respective claims. Section 510(a) of the Bankruptcy Code will be applicable to this Subordination Agreement in the Chapter 11 Cases and effective before, during and after the commencement of any other Insolvency Proceeding.</p>
Waivers	<p>The New Lender and Obligors agree that the subordination of the New DIP Obligations to the Senior Debt is absolute, unconditional and continuing and the Subordination Agreement shall not be terminated until the Senior Debt is Paid in Full and all commitments under each Senior Debt Agreement have been terminated. The New Lender and Obligors hereby waive:</p> <p>(a) any claim as to the validity, regularity or enforceability of the Senior Debt Documents or the Subordination Agreement;</p> <p>(b) the lack of authority of any party to execute or deliver the Subordination Agreement;</p> <p>(c) any right to object to a waiver or consent by a Senior Lender with respect to any provisions of any Senior Debt Document or any compromise or release of any of the Obligations thereunder;</p> <p>(d) any right to object to any action taken or not taken by the Secured Parties with respect to the Senior Debt and the Obligors (except to the extent in violation of Section 8.2 of the CEC DIP Loan Agreement), regardless of whether an Insolvency Proceeding has been commenced, or whether such exercise is adverse to the interest of the New Lender;</p> <p>(e) the absence of any action to enforce the Senior Debt Documents to recover any judgment against the Obligors or to enforce a judgment against the Obligors under the Senior Debt Documents;</p> <p>(f) the occurrence of any default, Event of Default or potential event of default under the Senior Debt Documents;</p> <p>(g) [any setoff, counterclaim, or defense of any kind or nature which may be available to or asserted by the New Lender against the Obligors or any affiliates;]</p>

	<p>(h) any setoff, counterclaim, or defense of any kind or nature which may be available to or asserted by any Obligor against the Senior Lenders or the Senior DIP Agent;</p> <p>(i) any change in the laws, rules or regulations of any jurisdiction;</p> <p>(j) any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the obligations of any Obligor or any affiliate under the Senior Debt Documents or of the Obligors and New DIP Lender under the Subordination Agreement; and</p> <p>(k) any impairment, taking, furnishing, exchange or release of or failure to perfect or obtain protection of any security interest in, New DIP Collateral securing the Senior Debt.</p>
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Exhibit 2

To Come