

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

In re:

ANGELICA CORPORATION, et. al.¹

Debtors.

Chapter 11

Case No. 17-10870 (JLH)

(Joint Administration Pending)

Related to Docket No. 21

**INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO
OBTAIN POST-PETITION SECURED FINANCING PURSUANT TO
11 U.S.C. § 364, (II) AUTHORIZING THE DEBTORS' LIMITED USE OF
CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363, (III) GRANTING
ADEQUATE PROTECTION TO PREPETITION SECURED LENDERS
PURSUANT TO 11 U.S.C. §§ 361, 362, 363 AND 364, AND (IV) SCHEDULING
FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001**

Upon the motion of the debtors and debtors-in-possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), dated April 3, 2017 (the “**Motion**”), (a) seeking the entry of this interim order (this “**Order**”) and a final order (the “**Final Order**”): (i) authorizing Angelica Corporation (a Missouri corporation) (“**Angelica**” or “**Borrower Representative**”), Clothesline Holdings, Inc. (a Delaware corporation) (“**Holdings**”), Angelica Textile Services, Inc. (a California corporation) (“**Services CA**”), Angelica Textile Services, Inc. (a New York corporation) (“**Services NY**”), and Royal Institutional Services, Inc. (a Massachusetts corporation) (“**RIS**” and together with Angelica, Holdings, Services CA, Services NY, and RIS, in such capacity as postpetition borrowers, collectively, the “**Borrowers**” and individually, a “**Borrower**”) to obtain senior secured postpetition financing in an aggregate principal amount not to exceed \$65,000,000 (the “**Postpetition Facility**”), pursuant to section 364 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Angelica Corporation (5260); Clothesline Holdings, Inc. (1081); Angelica Textile Services, Inc.–NY (6508); Royal Institutional Services, Inc. (8906); and Angelica Textile Services, Inc.–CA (5010). The location of the Debtors’ corporate headquarters is 1105 Lakewood Parkway, Suite 210, Alpharetta, Georgia 30009.

(the “**Bankruptcy Code**”), from Wells Fargo Capital Finance, LLC (in its individual capacity, “**Wells Fargo**”), as administrative agent and collateral agent (in such capacity, the “**Postpetition Agent**”) for itself and Regions Bank (collectively with Wells Fargo, the “**Postpetition Lenders**”), pursuant to the terms of this Order and that certain Senior Secured, Super-Priority Debtor-In-Possession Loan and Security Agreement, dated as of April 3, 2017, by and among each Borrower, the Postpetition Agent, and the Postpetition Lenders, in substantially the form attached to the Motion as Exhibit A (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “**Postpetition Loan Agreement**”);² (ii) authorizing the Debtors to execute, deliver and enter into the Postpetition Loan Agreement and other Postpetition Loan Documents (as defined in paragraph 2 below) and to perform such other and further acts as may be required in connection with the Postpetition Loan Documents; (iii) granting security interests, liens, and superpriority claims (including a superpriority administrative claim pursuant to section 364(c)(1) of the Bankruptcy Code, liens pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code, and priming liens pursuant to section 364(d) of the Bankruptcy Code) to the Postpetition Agent, for the benefit of itself and the Postpetition Lenders, to secure all obligations of the Debtors under and with respect to the Postpetition Facility; (iv) authorizing the Debtors’ limited use of Cash Collateral (as defined in paragraph E below), solely on the terms and conditions set forth in this Order and in the Postpetition Loan Documents; (v) granting adequate protection to the Prepetition Senior Lenders and Prepetition Junior Lenders (as defined in paragraph D³ below), whose liens and security interests are being primed by the Postpetition Facility, as more fully set forth in this Order; and (vi) modifying the automatic stay imposed under section 362 of the Bankruptcy Code; (b) requesting, pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (the

² Capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Postpetition Loan Agreement.

³ References to paragraphs of this Order and to sections and paragraphs of any other document are for convenience only and for compliance with any applicable Local Bankruptcy Rules of this Court, and are in no way a waiver of any other applicable provisions of this Order or such document. Such references are also deemed to include and incorporate all subparts of any referenced section or paragraph.

“**Bankruptcy Rules**”) and the applicable Local Bankruptcy Rules of this Court, that an emergency interim hearing (the “**Interim Hearing**”) on the Motion be held before this Court to consider entry of this Order, which authorizes the Debtors to borrow under the Postpetition Loan Documents, on an interim basis, up to an aggregate principal amount not to exceed \$37,625,000; and (c) requesting, pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2) and the applicable Local Bankruptcy Rules of this Court, that this Court (i) schedule a final hearing (the “**Final Hearing**”) on the Motion as set forth in paragraph 37 below to consider entry of the Final Order authorizing the balance of the borrowings and letter of credit issuances under the Postpetition Loan Documents on a final basis, and (ii) approve notice procedures with respect thereto; and the Interim Hearing having been held before this Court; and this Court having considered the Motion and all pleadings related thereto, including the record made by the Debtors at the Interim Hearing; and after due deliberation and consideration, and good and sufficient cause appearing therefor:

THIS COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:⁴

A. Commencement of Cases. On April 3, 2017 (the “**Petition Date**”), each Debtor filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing to operate their business and manage their respective properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner, and no creditors’ committee (the “**Creditors’ Committee**”) has yet been appointed in the Chapter 11 Cases.

B. Jurisdiction; Venue. This Court has jurisdiction over the Chapter 11 Cases and the Motion pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein are sections 105, 361, 362, 363, and 364 of the Bankruptcy Code and Rules

⁴ Pursuant to Bankruptcy Rule 7052, any findings of fact contained herein that may be construed as matters of law shall be treated as conclusions of law as if set forth below, and vice versa.

2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure. Venue of the Chapter 11 Cases in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Adequate Notice. On the Petition Date, the Debtors filed the Motion with this Court and pursuant to Bankruptcy Rules 2002, 4001 and 9014, and the Local Bankruptcy Rules of this Court, the Debtors have provided notice of the Motion and the Interim Hearing as set forth in the Motion. Given the nature of the relief sought in the Motion, this Court concludes that the notice was sufficient and adequate under the circumstances and complies with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law, and no further notice relating to this proceeding is necessary or required.

D. Prepetition Loan Documents, Liens and Claims.

(a) Without prejudice to the rights of any other party, but subject to the time limitations specified in paragraph 30 of this Order, the Debtors admit, stipulate and agree that, on and as of the Petition Date, the Debtors were indebted and bound as described below:

Prepetition Senior Agent and Prepetition Senior Lenders

1. Pursuant to that certain Loan and Security Agreement, dated as of July 15, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the “**Prepetition Senior Loan Agreement**”), among each Borrower (with Holdings party thereto as a guarantor), Wells Fargo, as administrative agent and collateral agent for itself and the Prepetition Senior Lenders (as defined below) (in such capacity, the “**Prepetition Senior Agent**”), and the other lenders party thereto (collectively, together with the Secured Parties (as defined in the Prepetition Senior Loan Agreement), the “**Prepetition Senior Lenders**”), the Prepetition Senior Agent and Prepetition Senior Lenders agreed to extend loans to, issue letters of credit for, and provide services and other credit accommodations to, the Borrowers. The Prepetition Senior Loan Agreement, along with any other agreements and documents executed or delivered in connection therewith, including, without limitation, the “Loan Documents” as defined therein, are collectively referred to herein as the “**Prepetition Senior Loan Documents**” (as the same may be amended, restated, supplemented or otherwise modified from time to time).

2. All obligations of the Debtors arising under, or in connection with, the Prepetition Senior Loan Agreement (including, without limitation, the “Obligations” and “Banking Relationship Debt”, each as defined therein), any other Prepetition Senior Loan Document, and/or any document executed in connection with any Banking Relationship Debt shall collectively be referred to herein as the “**Prepetition Senior Obligations**.”

3. Pursuant to the Security Documents (as defined in the Prepetition Senior Loan Agreement) (as such documents are amended, restated, supplemented or otherwise modified from time to time, the “**Prepetition Senior Security Documents**”), by and between each of the Debtors and the Prepetition Senior Agent, each Debtor granted to the Prepetition Senior Agent, for the benefit of itself and the Prepetition Senior Lenders, to secure the Prepetition Senior Obligations, a first priority security interest in and continuing lien (the “**Prepetition Senior Liens**”) on substantially all of such Debtor’s assets and property, and all proceeds, products, accessions, rents and profits thereof, in each case whether then owned or existing or thereafter acquired or arising. All collateral granted or pledged by the Debtors pursuant to any Prepetition Senior Security Document or any other Prepetition Senior Loan Document, including, without limitation, the “Collateral” as defined in the Prepetition Senior Loan Agreement, and all pre-petition and post-petition proceeds thereof shall collectively be referred to herein as the “**Prepetition Senior Collateral**”.

4. (i) All Prepetition Senior Loan Documents executed and delivered by the Debtors to the Prepetition Senior Agent or any Prepetition Senior Lender are valid and enforceable by the Prepetition Senior Agent and the Prepetition Senior Lenders against each of the Debtors; (ii) the Prepetition Senior Liens constitute valid, binding, enforceable and perfected first priority liens and security interests in and on the Prepetition Senior Collateral, subject only to the Prior Liens (as defined below) and are not subject to avoidance, reduction, disallowance or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law (except insofar as such liens are subordinated to the Postpetition Liens and the Carve-Out (each term as hereinafter defined) in accordance with the provisions of this Order); (iii) the Prepetition Senior Obligations constitute legal, valid and binding obligations of each of the Debtors, (iv) no offsets, defenses or counterclaims to the Prepetition Senior Obligations exist, (v) no portion of the Prepetition Senior Obligations, or any amounts previously paid to, or on behalf of, Prepetition Senior Agent or any Prepetition Senior Lender on account of or with respect the Prepetition Senior Obligations, are subject to avoidance, reduction, disgorgement, disallowance, impairment or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law, and (vi) each Guaranty (as defined in the Prepetition Senior Loan Agreement) continues in full force and effect notwithstanding any use of Cash Collateral permitted hereunder or any financing and financial accommodations extended by the Postpetition Agent or Postpetition Lenders to the Debtors pursuant to the terms of this Order or Postpetition Loan Documents.

5. The Debtors have no valid claims (as such term is defined in section 101(5) of the Bankruptcy Code) or causes of action against the Prepetition Senior Agent or any Prepetition Senior Lender with respect to the Prepetition Senior Loan Agreement or any other Prepetition Senior Loan Documents, whether arising at law or at equity, including, without limitation, any re-characterization, subordination, avoidance or other debtor claims arising under or pursuant to sections 105, 510 or 542 through 553, inclusive, of the Bankruptcy Code.

6. As of the Petition Date, the Debtors were truly and justly indebted to the Prepetition Senior Agent and Prepetition Senior Lenders pursuant to the Prepetition Senior Loan Documents, without defense, counterclaim or offset of any kind, in the aggregate principal amount of not less than \$53.7 million in respect of loans made and letters of credit issued by the Prepetition Senior Agent and Prepetition Senior Lenders, plus all accrued and hereafter accruing and unpaid interest thereon and any additional fees and expenses (including any attorneys’,

accountants', appraisers' and financial advisors' fees and expenses that are chargeable or reimbursable under the Prepetition Senior Loan Documents) now or hereafter due under the Prepetition Senior Loan Agreement and the other Prepetition Senior Loan Documents.

Prepetition Junior Agent and Prepetition Junior Lenders

7. Pursuant to that certain Amended and Restated Loan Agreement, dated as of July 12, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "**Prepetition Junior Credit Agreement**"), among each Borrower (with Holdings, Services CA, Services NY, and RIS as guarantors), and Cortland Capital Market Services LLC, as administrative agent and collateral agent for itself and the Prepetition Junior Lenders (as defined below) (in such capacity, the "**Prepetition Junior Agent**" and, together with the Prepetition Senior Agent, the "**Prepetition Agents**"), and the other lenders party thereto (collectively, the "**Prepetition Junior Lenders**" and, together with the Prepetition Senior Lenders, the "**Prepetition Secured Lenders**"), the Prepetition Junior Lenders agreed to extend term loans to the Debtors in an aggregate principal amount of \$80,500,000. The Prepetition Junior Credit Agreement, along with any other agreements and documents executed or delivered in connection therewith, including, without limitation, the "Loan Documents" as defined therein, are collectively referred to herein as the "**Prepetition Junior Loan Documents**" (as the same may be amended, restated, supplemented or otherwise modified from time to time).

8. All obligations of the Debtors arising under the Prepetition Junior Credit Agreement (including, without limitation, the "Obligations" as defined therein) or any other Prepetition Junior Loan Document shall collectively be referred to herein as the "**Prepetition Junior Obligations**."

9. Pursuant to the Security Documents (as defined in the Prepetition Junior Credit Agreement) (as such documents are amended, restated, supplemented or otherwise modified from time to time, the "**Prepetition Junior Security Documents**"), by and between each of the Debtors and the Prepetition Junior Agent, each Debtor granted to the Prepetition Junior Agent, for the benefit of itself and the Prepetition Junior Lenders, to secure the Prepetition Junior Obligations, a second priority security interest in and continuing lien (the "**Prepetition Junior Liens**") in the Prepetition Senior Collateral.

10. (i) All Prepetition Junior Loan Documents executed and delivered by the Debtors to the Prepetition Junior Agent or any Prepetition Junior Lender are valid and enforceable by the Prepetition Junior Agent and the Prepetition Junior Lenders against each of the Debtors; (ii) the Prepetition Junior Liens constitute valid, binding, enforceable and perfected second priority liens and security interests in and on the Prepetition Senior Collateral, subject only to the Prior Liens (as defined below) and the Prepetition Senior Liens, and are not subject to avoidance, reduction, disallowance or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law (except insofar as such liens are subordinated to the Postpetition Liens and the Carve-Out (each term as hereinafter defined) in accordance with the provisions of this Order); (iii) the Prepetition Junior Obligations constitute legal, valid and binding obligations of each of the Debtors, (iv) no offsets, defenses or counterclaims to the Prepetition Junior Obligations exist, (v) no portion of the Prepetition Junior Obligations, or any amounts previously paid to Prepetition Junior Agent or any Prepetition Junior Lender on account of or with respect the Prepetition Junior Obligations, are subject to avoidance, reduction, disgorgement,

disallowance, impairment or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law, and (vi) each Guaranty (as defined in the Prepetition Junior Loan Agreement) continues in full force and effect notwithstanding any use of Cash Collateral permitted hereunder or any financing and financial accommodations extended by the Postpetition Agent or Postpetition Lenders to the Debtors pursuant to the terms of this Order or Postpetition Loan Documents.

11. The Debtors have no valid claims (as such term is defined in section 101(5) of the Bankruptcy Code) or causes of action against the Prepetition Junior Agent or any Prepetition Junior Lender with respect to the Prepetition Junior Loan Agreement or any other Prepetition Junior Loan Documents, whether arising at law or at equity, including, without limitation, any re-characterization, subordination, avoidance or other debtor claims arising under or pursuant to sections 105, 510 or 542 through 553, inclusive, of the Bankruptcy Code.

12. As of the Petition Date, the Debtors were truly and justly indebted to the Prepetition Junior Agent and Prepetition Junior Lenders pursuant to the Prepetition Junior Loan Documents, without defense, counterclaim or offset of any kind, in the aggregate principal amount of not less than \$86.5 million in respect of loans made by the Prepetition Junior Agent and/or Prepetition Junior Lenders, plus all accrued and hereafter accruing and unpaid interest thereon and any additional fees and expenses (including any attorneys', accountants', appraisers' and financial advisors' fees and expenses that are chargeable or reimbursable under the Prepetition Junior Loan Documents) now or hereafter due under the Prepetition Junior Loan Agreement and the other Prepetition Junior Loan Documents.

(b) The Debtors irrevocably waive any right to challenge or contest the Prepetition Senior Liens and/or the Prepetition Junior Liens and the validity of the Prepetition Senior Obligations and/or the Prepetition Junior Obligations; provided that, subject to paragraph 29 of this Order and the time limitations specified in paragraph 30 of this Order, none of the foregoing acknowledgments or agreements by the Debtors contained in this paragraph D shall be binding on any other party and shall not affect the rights of any committee, Person or entity (other than the Debtors with respect to the acknowledgements and agreements set forth in paragraph D) with respect to their rights to assert, pursue or otherwise allege any of the claims and actions described in paragraph 30 of this Order.

(c) As used herein, the term "**Prior Liens**" means only valid, enforceable, and non-avoidable liens and security interests in the Prepetition Senior Collateral that were perfected prior to the Petition Date (or perfected on or after the Petition Date to the extent permitted by Section 546(b) of the Bankruptcy Code), which are not subject to avoidance, reduction,

disallowance, impairment or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law and which are senior in priority to the Prepetition Senior Liens under applicable law and after giving effect to any subordination or intercreditor agreements. For the avoidance of doubt, the Prior Liens shall not include, or be deemed to include, any or all of the Prepetition Senior Liens, Adequate Protection Senior Liens (as defined in paragraph 17(a) below), Prepetition Junior Liens and/or Adequate Protection Junior Liens (as defined in paragraph 18(a) below), all of which liens are being primed by the Postpetition Liens as set forth herein.

E. Cash Collateral. For purposes of this Order, the term “**Cash Collateral**” shall mean and include all “cash collateral” as defined by section 363(a) of the Bankruptcy Code and shall include and consist of, without limitation, all of the respective cash proceeds of the Postpetition Collateral (as defined in paragraph 9 below) and Prepetition Senior Collateral in which any of the Prepetition Agents or Prepetition Secured Lenders has an interest (including, without limitation, any adequate protection lien or security interest), whether such interest existed as of the Petition Date or arises thereafter pursuant to this Order, any other order of this Court, applicable law or otherwise.

F. Exigent Circumstances. The Debtors have an immediate and critical need to obtain post-petition financing under the Postpetition Facility and to use Cash Collateral in order to, among other things, finance the ordinary costs of their operations, maintain business relationships with vendors, suppliers and customers, make payroll, make capital expenditures, and satisfy other working capital and operational needs throughout the sale process. The Debtors’ access to sufficient working capital and liquidity through the incurrence of post-petition financing under the Postpetition Facility and the use of Cash Collateral under the terms of this Order is vital to the preservation and maintenance of the going concern value of the Debtors’ estates throughout the sale process. Consequently, without access to the Postpetition Facility and the use of Cash Collateral, to the extent authorized pursuant to this Order, the Debtors and their estates would suffer immediate and irreparable harm.

G. No Alternative Sources of Funding. The use of Cash Collateral alone would be insufficient to meet the Debtors' post-petition liquidity needs. Given the Debtors' current financial condition and capital structure, the Debtors have attempted but are unable to obtain (i) adequate unsecured credit allowable either (a) under sections 364(b) and 503(b)(1) of the Bankruptcy Code or (b) under section 364(c)(1) of the Bankruptcy Code, (ii) adequate credit secured by (x) a senior lien on unencumbered assets of their estates under section 364(c)(2) of the Bankruptcy Code and (y) a junior lien on encumbered assets under section 364(c)(3) of the Bankruptcy Code, or (iii) secured credit under section 364(d)(1) of the Bankruptcy Code, from sources other than the Postpetition Agent and the Postpetition Lenders on terms more favorable than the terms of the Postpetition Facility. The only source of secured credit available to the Debtors, other than the use of Cash Collateral, is the Postpetition Facility. The Debtors require both additional financing under the Postpetition Facility and the use of Cash Collateral under the terms of this Order for their post-petition liquidity needs. After considering all of their alternatives, the Debtors have concluded, in an exercise of their sound business judgment, that the financing to be provided by the Postpetition Agent and the Postpetition Lenders pursuant to the terms of this Order and the Postpetition Loan Documents represents the best financing presently available to the Debtors.

H. Willingness of Postpetition Lenders. The Postpetition Agent and the Postpetition Lenders have indicated a willingness to provide the Debtors with certain financing commitments, but solely on the terms and conditions set forth in this Order and in the Postpetition Loan Documents.

I. Limited Consent. The consent of the Prepetition Senior Agent and the Prepetition Senior Lenders to the priming of their liens by the Postpetition Liens is limited to the Postpetition Facility presently before this Court, with Wells Fargo as Postpetition Agent and a subset of the Prepetition Senior Lenders as Postpetition Lenders, and shall not, and shall not be deemed to, extend to any other post-petition financing or to any modified version of this Postpetition Facility with any party other than Wells Fargo as Postpetition Agent. Furthermore,

the consent of the Prepetition Senior Agent and the Prepetition Senior Lenders to the Debtors' use of Cash Collateral and the priming of their liens by the Postpetition Liens as provided in this Order does not constitute, and shall not be construed as constituting, an acknowledgment or stipulation by the Prepetition Senior Agent and the Prepetition Senior Lenders that their interests in the Prepetition Senior Collateral are adequately protected pursuant to this Order or otherwise. Nothing in this Order, including, without limitation, any of the provisions herein with respect to adequate protection, shall constitute, or be deemed to constitute, a finding that the interests of the Prepetition Agents or any Prepetition Secured Lender are or will be adequately protected with respect to any non-consensual use of Cash Collateral or non-consensual priming of the Prepetition Senior Liens or Prepetition Junior Liens.

J. Section 364(d) Finding. The security interests and liens granted pursuant to this Order to the Postpetition Agent, for the benefit of itself and the Postpetition Lenders, are appropriate under section 364(d) of the Bankruptcy Code because, among other things: (i) such security interests and liens do not impair the interests of any holder of a valid, perfected, prepetition security interest or lien in any property of the Debtors' estates, and/or (ii) the holders of such security interests and liens have consented (or are deemed to have consented) to the security interests and priming liens granted pursuant to this Order to the Postpetition Agent for the benefit of itself and the Postpetition Lenders.

K. Prepetition Intercreditor Agreement. Pursuant and subject to that certain Intercreditor Agreement, dated as of August 20, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the "**Prepetition Intercreditor Agreement**"), by and between the Prepetition Senior Agent, on behalf of itself and the Prepetition Senior Lenders, and the Prepetition Junior Agent, on behalf of itself and the Prepetition Junior Lenders (and acknowledged by the Debtors), the Prepetition Junior Agent has agreed: (i) to subordinate its liens in the Prepetition Senior Collateral to the Postpetition Liens and the Carve-Out to the extent that the Prepetition Senior Liens are subordinated to the Postpetition Liens and the Carve-Out, and (ii) that it will not request adequate protection or any other relief in connection with the

Debtors' entry into the Postpetition Facility or their use of Cash Collateral, except to the extent permitted under Section 6 of the Prepetition Intercreditor Agreement.

L. Good Cause Shown. Good cause has been shown for immediate entry of this Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2) and such relief is in the best interest of the Debtors, their estates and creditors. In particular, the authorizations granted herein for the Debtors to execute the Postpetition Loan Documents, to use the Cash Collateral, and to obtain interim financing, including on a priming lien basis, are necessary to avoid immediate and irreparable harm to the Debtors and their estates, are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

M. Section 364(e); Good Faith. The Postpetition Facility, Postpetition Loan Documents, use of Cash Collateral and provision of adequate protection contained herein have been negotiated in good faith and at arm's-length among the Debtors, the Prepetition Senior Agent and Postpetition Agent. Accordingly, any credit extended and loans made to, Cash Collateral used by, and adequate protection provided by the Debtors pursuant to this Order shall be, and hereby are, deemed to have been extended, issued, made, used or provided, as the case may be, in "good faith" as required by, and within the meaning of, section 364(e) of the Bankruptcy Code.

Based upon the foregoing findings, stipulations, and conclusions, and upon the record made before this Court at the Interim Hearing, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. Motion Granted. The Motion is approved on an interim basis on the terms and conditions set forth in this Order. This Order shall become effective immediately upon its entry. To the extent any provisions in this Order conflict with any provisions of the Postpetition Loan Documents, the provisions of this Order shall control and govern to the extent of such conflict. All objections to the entry of this Order have been withdrawn or overruled.

2. Postpetition Loan Documents. The terms and conditions of the Postpetition Loan Agreement are hereby approved. The Debtors are hereby authorized to enter into and deliver the Postpetition Loan Agreement and such additional documents, instruments, notes and agreements as may be reasonably required by the Postpetition Agent to implement the terms or effectuate the purposes of this Order (as such additional documents, instruments, notes and agreements may be amended, restated, supplemented or otherwise modified from time to time in accordance with their terms, together with the Postpetition Loan Agreement, the “**Postpetition Loan Documents**”). Each Borrower is hereby authorized to borrow money and obtain letters of credit under the Postpetition Loan Agreement, in accordance with the terms of this Order and the Postpetition Loan Documents. Upon execution and delivery thereof by any Borrower or any other applicable Debtor, the Postpetition Loan Documents shall be incorporated by reference as part of this Order and shall constitute valid and binding obligations of the Debtors, enforceable against each Debtor party thereto (and its respective estate, successor and assigns) in accordance with the terms thereof. The Postpetition Agent may from time to time impose reserves against Borrowing Availability as Postpetition Agent deems necessary or appropriate in accordance with the Postpetition Loan Agreement (or, if not specified therein, in the Permitted Discretion (as defined in the Postpetition Loan Agreement) of the Postpetition Agent), including, without limitation, a reserve for the Carve-Out (as defined in paragraph 13 below).

3. Amendments. The Debtors are hereby authorized, without further notice, motion or application to, order of, or hearing before, this Court, to enter into agreements with the Postpetition Agent providing for any non-material modifications to the Approved Budget (as defined in paragraph 8 below) or the Postpetition Loan Agreement, or of any other modifications to the Postpetition Loan Agreement necessary to conform the Postpetition Loan Agreement to this Order; provided, however, that notice of any material modification or amendment to the Approved Budget or the Postpetition Loan Agreement shall be provided to counsel to the Creditors’ Committee (if one is appointed) and counsel to the U.S. Trustee, each of whom shall

have three (3) days from the date of such notice within which to object in writing to such modification or amendment. If the Creditors' Committee or the U.S. Trustee timely objects in writing served on counsel for the Agent and the Debtors to any material modification or amendment to the Approved Budget or the Postpetition Loan Agreement, then such modification or amendment shall only be permitted pursuant to an order of this Court.

4. Permitted Use.

a. Generally. Notwithstanding anything in this Order to the contrary, the Debtors may use the Cash Collateral and proceeds of the Postpetition Facility, obtain and maintain Letters of Credit and pay Postpetition Obligations solely in accordance with and pursuant to the financial covenants, availability formulae, and other terms and conditions set forth in the Postpetition Loan Documents and this Order, including, without limitation, pursuant to the Approved Budget, but in all events only until the earliest of (i) July 2, 2017, (ii) the closing of a sale of substantially all of the Debtors' assets pursuant to an Approved Sale Motion (as defined in the Postpetition Loan Agreement) and indefeasible payment in full of all Postpetition Obligations and Prepetition Senior Obligations, (iii) the closing of any refinancing of the Prepetition Senior Obligations and Postpetition Obligations, (iv) the effective date of a plan of reorganization in the Chapter 11 Cases, (v) the conversion or dismissal of any of the Chapter 11 Cases, (vi) the appointment of a trustee or examiner in any of the Chapter 11 Cases, and (vii) at the option of the Postpetition Agent in its sole discretion, the occurrence of any Event of Default under this Order and/or the Postpetition Loan Agreement (the date of the earliest such occurrence, the "**Commitment Termination Date**"). Notwithstanding the foregoing, but subject to the Maximum Amount (as defined in paragraph 7 below), if the Postpetition Agent or the Postpetition Lenders in their respective sole discretion advance funds or provide other extensions of credit to the Debtors in excess of any financial covenants, availability formulae, or other terms and conditions (or any other limitations in the Postpetition Loan Documents, including, without limitation, the Approved Budget), such advances (and any other indebtedness

in excess of such amount) shall constitute Postpetition Obligations entitled to the rights, priorities, benefits and protections of the Postpetition Loan Documents and this Order.

b. No Duty to Monitor Compliance. The Postpetition Agent, the Prepetition Agents, the Postpetition Lenders and the Prepetition Secured Lenders may assume the Debtors will comply with this Order, the Approved Budget and the Postpetition Loan Documents and shall not (i) have any obligation with respect to the Debtors' use of Cash Collateral or the use of proceeds of the Postpetition Facility; (ii) be obligated to ensure or monitor the Debtors' compliance with any financial covenants, formulae, or other terms and conditions of any Postpetition Loan Document or (iii) be obligated to pay (directly or indirectly from the Prepetition Senior Collateral or Postpetition Collateral) any expenses incurred or authorized to be incurred pursuant to the Postpetition Loan Documents.

5. Postpetition Obligations. For purposes of this Order, the term "**Postpetition Obligations**" shall mean all amounts owing under the Postpetition Loan Agreement and other Postpetition Loan Documents (including, without limitation, all "Obligations" as defined in the Postpetition Loan Agreement) and shall include the principal of, interest on, fees, costs, expenses and other charges owing in respect of, such amounts (including, without limitation, any reasonable attorneys', accountants', financial advisors' and other fees, costs and expenses that are chargeable or reimbursable under the Postpetition Loan Documents), and any obligations in respect of letters of credit or indemnity claims, in each case whether contingent or otherwise.

6. Interest, Fees, Costs and Expenses. The Postpetition Obligations shall bear interest at the rates, and be due and payable (and paid), as set forth in, and in accordance with the terms and conditions of, this Order and the Postpetition Loan Documents, in each case without further notice, motion or application to, order of, or hearing before, this Court. The Debtors shall pay on demand all reasonable fees, costs, expenses and other charges payable under the terms of the Postpetition Loan Documents, including, without limitation, all reasonable fees, costs and expenses described in the Postpetition Loan Agreement, in each case whether or

not the Postpetition Loan Agreement and transactions contemplated therein are consummated. None of such reasonable fees, costs and expenses shall be subject to Court approval or U.S. Trustee guidelines, and no recipient of any such payment shall be required to file with respect thereto any interim or final fee application with this Court; provided, that the Postpetition Agent shall submit invoices for its professional services to the Debtors, the U.S. Trustee, and counsel for the Creditors' Committee (if one is appointed). Such invoices may be redacted to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney-client privilege or of any benefits of the attorney work product doctrine. The Debtors, the U.S. Trustee, and the Creditors' Committee may object to the reasonableness of the fees, costs and expenses included in any professional fee invoice submitted by the Postpetition Agent; provided that, any such objection shall be forever waived and barred unless (i) it is filed with this Court and served on counsel to the Postpetition Agent no later than 14 days after the objecting party's receipt of the applicable professional fee invoice, and (ii) it describes with particularity the items or categories of fees, costs and expenses that are the subject of the objection and provides the specific basis for the objection to each such item or category of fees, costs and expenses. Any hearing on an objection to payment of any fees, costs and expenses of the Postpetition Agent set forth in a professional fee invoice shall be limited to the reasonableness or necessity of the particular items or categories of the fees, costs and expenses which are the subject of such objection. The Debtors shall indemnify the Postpetition Agent and the Postpetition Lenders (and other applicable parties) to the extent set forth in the Postpetition Loan Documents, including, without limitation, as provided in Section 3.4 the Postpetition Loan Agreement; provided however, that in no event shall the Postpetition Agent and the Postpetition Lenders (and other applicable parties) be indemnified for fraud, gross negligence, willful misconduct, or criminal acts. All such reasonable unpaid fees, costs, expenses, and charges that have not been disallowed by this Court on the basis of an objection filed in accordance with this Order hereof shall constitute

Postpetition Obligations and shall be secured by the Postpetition Collateral as specified in this Order. Any and all reasonable fees, commissions, costs and expenses paid prior to the Petition Date by any Debtor to the Postpetition Agent or Postpetition Lenders in connection with or with respect to the Postpetition Facility, Postpetition Loan Agreement or other Postpetition Loan Documents are hereby approved in full.

7. Maximum Amount. Subject to the terms and conditions set forth in this Order and in the Postpetition Loan Documents, the Debtors may use the proceeds of the Postpetition Facility and the Cash Collateral solely to: (i) pay outstanding Postpetition Obligations as provided in the Postpetition Loan Documents and this Order, (ii) make the adequate protection payments required under this Order, and (iii) fund general corporate and working capital requirements of the Debtors constituting administrative expenses in the Chapter 11 Cases, in each case in accordance with the Approved Budget and the terms of the Postpetition Loan Documents. The aggregate principal amount of Revolving Loans available under the Postpetition Loan Agreement shall not at any time exceed \$65,000,000 (less the outstanding Net Prepetition Senior Obligations (as defined in the Postpetition Loan Agreement)) without further order of this Court (the “**Maximum Amount**”), provided, however, that from and after the entry of this Order and prior to the entry of the Final Order, the maximum aggregate amount of Revolving Loans and Letters of Credit shall be limited to \$37,625,000.

8. Approved Budget.

a. Generally. Attached hereto as Exhibit A is a 13-week budget (the “**Initial Approved Budget**”) which reflects on a line-item basis the Debtors’ anticipated cumulative cash receipts and expenditures on a weekly basis and all necessary and required cumulative expenses which the Debtors expect to incur during each week of the Initial Approved Budget. The Initial Approved Budget may be modified or supplemented from time to time by additional budgets (covering any time period covered by a prior budget or covering additional time periods) prepared by Debtors and approved by the Postpetition Agent in writing (each such additional budget, a “**Supplemental Approved Budget**”), in each case without further notice,

motion or application to, order of, or hearing before, this Court (except as required by paragraph 3 above). The aggregate, without duplication, of all items in the Initial Approved Budget and any Supplemental Approved Budgets shall constitute an “**Approved Budget**.”

b. Budget Covenants. On a weekly basis for the period from the Petition Date through the last day of the week of determination, actual receipts of and disbursements by the Debtors shall comply with Section 10.3 of the Postpetition Loan Agreement. The Debtors shall provide to the Postpetition Agent, so as actually to be received on the second Business Day of each week, line-by-line certified variance reports for the preceding weekly period and on a cumulative basis from the Petition Date to the report date, comparing actual cash receipts and disbursements to amounts projected in the Approved Budget, in form and scope reasonably acceptable to the Postpetition Agent. The Debtors shall, on Friday of each week from the Closing Date until the Commitment Termination Date, deliver to the Postpetition Agent an updated, “rolling” 13-week budget which sets forth by line item updated projected receipts and disbursements for the Debtors during the period commencing from the end of the previous week through and including thirteen weeks thereafter; provided that the Debtors shall still be subject to and be governed by the terms of the Approved Budget then in effect and the Postpetition Agent, Prepetition Senior Agent, Postpetition Lenders and Prepetition Senior Lenders shall, as applicable, have no obligation to fund to such updated “rolling budget” or permit the use of Cash Collateral with respect thereto. The Debtors shall, by no later than five (5) Business Days prior to the end of the period covered by the then applicable Approved Budget, deliver to the Postpetition Agent a Supplemental Approved Budget. The Debtors acknowledge and agree that (i) the incurrence or payment by the Debtors of expenses (x) other than the itemized amounts set forth in the Approved Budget or (y) in excess of the variances permitted by Section 10.3 of the Postpetition Loan Agreement, or (ii) other violation of the terms and condition of this sub-paragraph (b) (each a “**Budget Default**”), shall constitute an Event of Default (as defined in Section 12 of the Postpetition Loan Agreement).

9. Postpetition Liens. As security for the full and timely payment of the Postpetition Obligations, the Postpetition Agent, for the benefit of the Postpetition Agent and the Postpetition Lenders, is hereby granted, pursuant to sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code, valid, binding, enforceable, unavoidable and fully perfected security interests, liens and mortgages (collectively, the “**Postpetition Liens**”) in and upon all pre-petition and post-petition real and personal, tangible and intangible property and assets of each of the Debtors of any kind or nature whatsoever, wherever located, whether now existing or hereafter acquired or arising, including, without limitation, all cash (including all Cash Collateral wherever held), cash equivalents, bank accounts, accounts, other receivables, chattel paper, contract rights, inventory, instruments, documents, securities (whether or not marketable), equipment, goods, fixtures, real property interests, intellectual property, general intangibles, investment property, supporting obligations, letter of credit rights, commercial tort claims, one hundred percent (100%) of the capital stock of each Debtor’s direct and indirect subsidiaries, all inter-company notes held by the Debtors, copyrights, trademarks, trade names, licenses, rights to payment including tax refund claims, and causes of action (exclusive of actions for preferences, fraudulent conveyances, and other avoidance power claims under sections 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code (the “**Avoidance Actions**”), but only after court approval and entry of the Final Order, inclusive of the proceeds and recoveries from the Avoidance Actions (the “**Avoidance Action Proceeds**”), and the Prepetition Senior Collateral, and the proceeds, products, offspring, rents and profits of all of the foregoing, including insurance proceeds (all of the foregoing, the “**Postpetition Collateral**”). Such Postpetition Liens shall not be released except to the extent that the liens securing the Postpetition Obligations and Prepetition Senior Obligations (in their respective priority) are transferred to the proceeds of a sale of substantially all of the Borrowers’ assets under section 363 of the Bankruptcy Code, such proceeds are an amount sufficient to pay or Cash Collateralize (as defined in the Prepetition Senior Loan Agreement) (as applicable) the Postpetition Obligations and Prepetition Senior Obligations in full, and such proceeds are applied to permanently and indefeasibly repay the

Postpetition Obligations and Prepetition Senior Obligations, in full, in cash; provided, that such Postpetition Liens on any such proceeds and any assets that were not sold as part of such sale shall not be released until the expiration of the Complaint Filing Deadline (or resolution of any complaint or adversary proceeding described in paragraph 30 of this Order).

10. Other Priority Matters. Subject to the Carve-Out, the Postpetition Liens: (a) shall, pursuant to section 364(c)(2) of the Bankruptcy Code, constitute first priority security interests in and liens on all Postpetition Collateral that is not otherwise subject to any Prior Lien; (b) shall, pursuant to section 364(d)(1) of the Bankruptcy Code, be senior to and prime (i) the Prepetition Senior Liens and any Prepetition Junior Liens, and (ii) the Adequate Protection Senior Liens and Adequate Protection Junior Liens (the liens described in clauses (i) and (ii) above, collectively, the “**Primed Liens**”); and (c) shall, pursuant to section 364(c)(3) of the Bankruptcy Code, be immediately junior in priority to any and all Prior Liens (other than the Primed Liens) on or in the Postpetition Collateral. Other than the Carve-Out and Prior Liens, the Postpetition Liens shall at all times be senior to the following (collectively, the “**Subordinate Liens and Related Rights**”): (i) the rights of any Debtor and any successor trustee or estate representative in the Chapter 11 Cases or any other subsequent proceedings under the Bankruptcy Code, including, without limitation, any chapter 7 proceeding if any of the Chapter 11 Cases are converted to a case under chapter 7 of the Bankruptcy Code (collectively, the “**Successor Case**”); (ii) any inter-company claim of any Debtor or any subsidiary or affiliate of any Debtor, and (iii) any security interest or lien which is either (x) avoided or otherwise preserved for the benefit of any Debtor’s estate under section 551 or any other provision of the Bankruptcy Code, or (y) junior or otherwise subordinate to the Prepetition Senior Liens. The Postpetition Liens shall be deemed legal, valid, binding, enforceable, and perfected liens, not subject to subordination, impairment or avoidance, for all purposes in the Chapter 11 Cases and any Successor Case. Other than the Carve-Out and Prior Liens, no other liens or security interests, whether for adequate protection or otherwise, shall be senior or equal to or pari passu with the Postpetition Liens in these Chapter 11 Cases or any Successor Case without the express

written consent of the Postpetition Agent given in accordance with the Postpetition Loan Agreement (which consent may be withheld in its sole discretion). Notwithstanding anything herein to the contrary, all parties retain and reserve all their rights to dispute the validity, priority, enforceability and perfection of the Prior Liens.

11. Super-Priority Claim. In addition to the Postpetition Liens, the Postpetition Agent and Postpetition Lenders are hereby granted, for all Postpetition Obligations, an allowed super-priority administrative expense claim pursuant to Section 364(c)(1) of the Bankruptcy Code (the “**Super-Priority Claim**”) against each Debtor and its respective estate. Except for the Carve-Out, the Super-Priority Claim shall have priority over all other costs and expenses of administration of any kind (and no cost or expense of administration shall be senior to, equal to, or pari passu with, the Super-Priority Claim), including those specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 363, 364, 503, 506, 507, 546, 1113 or 1114 or any other provision of the Bankruptcy Code or otherwise (whether incurred in these Chapter 11 Cases or any Successor Case, whether for adequate protection, the lack of, or failure to provide, adequate protection, or otherwise, including, without limitation, the Adequate Protection Senior Claims and Adequate Protection Junior Claims). The Super-Priority Claim shall at all times be senior to the following (collectively, the “**Subordinate Claims and Related Rights**”): (i) the rights of any Debtor or any subsidiary or affiliate of any Debtor, (ii) any successor trustee or estate representative in the Chapter 11 Cases or any Successor Case, or (iii) except for the Carve-Out, any other creditor or party in interest in the Chapter 11 Cases or any Successor Case. The Super-Priority Claim, the Adequate Protection Senior Claim (as defined below) and the Adequate Protection Junior Claim (as defined below) shall be payable from, and have recourse to, the Avoidance Actions and Avoidance Action Proceeds.

12. No Reduction or Impairment. No obligation or liability owed, or payment, transfer or grant of security, to Postpetition Agent or any Postpetition Lender under this Order or any other Postpetition Loan Document shall be stayed, restrained, voidable, impaired, or recoverable under the Bankruptcy Code or under any applicable law (including, without

limitation, under section 502(d) or 548 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law), or be subject to any defense, reduction, setoff, recoupment or counterclaim, whether in the Chapter 11 Cases or any Successor Case. Subject to paragraph 30 below, the release of claims by the Debtors against the Postpetition Agent and the Postpetition Lenders (and other applicable parties) set forth in Section 1.5 of the Postpetition Loan Agreement is hereby approved. The Postpetition Obligations, once paid by any Debtor, shall be non-refundable.

13. Carve-Out.

a. Generally. Notwithstanding anything to the contrary contained in this Order, the liens and claims granted to any of the Postpetition Agent, Postpetition Lenders, Prepetition Agents, or Prepetition Secured Lenders in this Order, the Postpetition Loan Documents, the Prepetition Senior Loan Documents and/or any Prepetition Junior Loan Documents shall be subject to the payment, without duplication, of the following fees and claims (collectively, the “**Carve-Out**”), but only to the extent that there are not sufficient, unencumbered funds in the Debtors’ estates to pay such amounts at the time payment is required to be made:

(i) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate (without regard to the notice set forth in (iii) below);

(ii) all reasonable fees and expenses up to \$100,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (without regard to the notice set forth in (iii) below);

(iii) to the extent allowed at any time, whether by interim order, procedural order, or otherwise, all unpaid fees and expenses (the “**Allowed Professional Fees**”) that are not excluded from the Carve-Out pursuant to paragraph 29 of this Order, and incurred by persons or firms retained by the Debtors pursuant to section 327, 328, or 363 of the Bankruptcy Code (the “**Debtor Professionals**”) and professionals of any statutory committees appointed in the Chapter 11 Cases whose retention is approved by this Court during the Chapter 11 Cases pursuant to section 328 or 1103 of the Bankruptcy Code (the “**Committee Professionals**”) and, together with the Debtor Professionals, the “**Retained Professionals**”) at any time before or on the first day following delivery by the Postpetition Agent of a Carve Out Trigger Notice (as

defined below), whether allowed by this Court prior to or after delivery of a Carve Out Trigger Notice; and

(iv) Allowed Professional Fees of Retained Professionals that are not excluded from the Carve-Out pursuant to paragraph 29 of this Order in an aggregate amount not to exceed \$250,000 incurred after the first day following delivery by the Postpetition Agent of the Carve Out Trigger Notice, to the extent allowed at any time, whether by interim order, procedural order, or otherwise (the amounts set forth in this clause (iv) being the “**Post-Carve Out Trigger Notice Cap**”).

b. Carve-Out Trigger Date. For purposes of the foregoing, “**Carve Out Trigger Notice**” shall mean a written notice delivered by email (or other electronic means) by the Postpetition Agent to the Debtors, their counsel, the U.S. Trustee, and counsel to the Creditors’ Committee (if any), which notice may be delivered only on or after (i) the occurrence and continuation of an Event of Default under the Postpetition Loan Agreement or the Commitment Termination Date and (ii) the termination of the Postpetition Agent’s or Postpetition Lenders’ obligations to make loans or provide other extensions of credit under the Postpetition Loan Agreement.

c. Reservation of Rights. Payment of any fees and expenses of the Retained Professionals pursuant to the Carve-Out shall not, and shall not be deemed to, (i) reduce any Debtor’s obligations owed to any of the Postpetition Agent, Postpetition Lenders, Prepetition Agents, and/or Prepetition Secured Lenders, or (ii) subordinate, modify, alter or otherwise affect any of the liens and security interests of such parties in the Postpetition Collateral or Prepetition Senior Collateral (or their respective claims against the Debtors). The Postpetition Agent, Postpetition Lenders, Prepetition Agents, and Prepetition Secured Lenders shall not be responsible for the direct payment or reimbursement of any fees or disbursements of any Retained Professionals (or of any other Person) incurred in connection with the Chapter 11 Cases or any Successor Case, and nothing in this Order or otherwise shall be construed to obligate such parties in any way to pay compensation to or to reimburse expenses of any Retained Professional or any other Person, or to ensure that any Debtor has sufficient funds to pay such compensation or reimbursement. Nothing herein shall impair, or be construed to

impair, the ability of any party to object to any of the fees, expenses, reimbursement or compensation of the Retained Professionals.

14. Cash Collection Procedures.

a. Generally. From and after the date of the entry of this Order, all collections and proceeds of any Postpetition Collateral or Prepetition Senior Collateral or services provided by any Debtor and all Cash Collateral which shall at any time come into the possession, custody or control of any Debtor, or to which any Debtor is now or shall become entitled at any time, shall be promptly deposited in the same bank accounts into which the collections and proceeds of the Prepetition Senior Collateral were deposited under the Prepetition Senior Loan Agreement (or in such other accounts as are designated by Postpetition Agent from time to time), and such collections and proceeds upon such deposit shall be applied, subject to the Carve-Out and any Prior Liens, against the Postpetition Obligations and Prepetition Senior Obligations as provided in the Postpetition Loan Documents and this Order. The Debtors shall promptly enter into any additional agreements providing for the establishment of lock boxes, blocked accounts, or similar arrangements in favor of the Postpetition Agent for purposes of facilitating cash collections from the Debtors in accordance with the terms of the Postpetition Loan Agreement and this Order.

b. Existing Accounts. The Prepetition Agents and the Prepetition Secured Lenders shall immediately share dominion and control with the Postpetition Agent with respect to each depository account of the Debtors or other third party that was subject to a deposit account control agreement or similar agreement with or in favor of any of the Prepetition Agents or the Prepetition Secured Lenders as of the Petition Date, and such agreements shall hereafter be additionally enforceable by the Postpetition Agent against, and binding upon, each depository institution party thereto until the Postpetition Obligations have been paid in full in cash and the Postpetition Loan Agreement shall have been terminated, after which such agreements shall again be solely enforceable by the Prepetition Agents and the Prepetition Secured Lenders, as applicable.

c. Cash Collateral Account; Application of Cash Collateral. All funds received by Prepetition Senior Agent or Postpetition Senior Agent to Cash Collateralize any of the Letters of Credit issued under (and as defined in) the Prepetition Senior Loan Agreement (each such Letter of Credit, a “**Prepetition Senior Letter of Credit**”; such funds, “**Prepetition Senior LC Cash Collateral**”), shall be deposited into a bank account in the name of Prepetition Senior Agent and maintained by Wells Fargo (the “**Prepetition Senior LC Cash Collateral Account**”). Following the expiration or termination of any Prepetition Senior Letter of Credit and the payment and satisfaction of all LC Obligations (as defined in the Prepetition Senior Loan Agreement) with respect to such Prepetition Senior Letter of Credit, the portion (if any) of Prepetition Senior LC Cash Collateral then held in the Prepetition Senior LC Cash Collateral Account based on such expired or terminated Prepetition Senior Letter of Credit (the amount of such portion to be determined in accordance with the definition of Cash Collateralize set forth in the Prepetition Senior Loan Agreement) shall be applied by Postpetition Agent in accordance with the terms of the Postpetition Loan Agreement and this Order.

15. Non-Ordinary Course Dispositions.

a. The Debtors shall comply in all respects with the sale process covenants and deadlines set forth the Postpetition Loan Agreement, for which time is of the essence, including, without limitation, the following:

(i) On or before seven days after the Petition Date, Borrowers must file a motion to approve sale and bidding procedures with this Court to sell substantially all of Borrowers’ assets together with a committed asset purchase agreement, in form and substance acceptable to Postpetition Agent and Postpetition Lenders (any such motion, a “**Sale Motion**”), to purchase substantially all of the assets of Borrowers from a purchaser satisfactory to Postpetition Agent and Postpetition Lenders (such purchaser, the “**Stalking Horse Bidder**”; such committed asset purchase agreement, the “**Stalking Horse Bid**”) in an amount at least sufficient to fully repay all obligations owed to Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent, and Prepetition Senior Lenders, including, without limitation, all Prepetition Senior Obligations and all Postpetition Obligations, in cash at closing, signed by the purchaser and Borrowers, with no material conditions to close, except for an order of the Bankruptcy Court approving the sale and a financing contingency and a contingency related to the Borrowers’ collective bargaining agreements, in each case, acceptable to Agent and Lenders.

(ii) Borrowers shall have obtained this Court's approval of the Stalking Horse Bid and the bidding procedures set forth in the Sale Motion no later than 25 days after the Petition Date, and such Stalking Horse Bid must provide for payment in full of Borrowers' obligations owed to Agent, Lenders, Prepetition Senior Agent and Prepetition Senior Secured Parties, including, without limitation, all Prepetition Senior Obligations and all Obligations.

(iii) The final auction of the assets covered by the Stalking Horse Bid must be held no later than 70 days after the Petition Date.

(iv) The contingencies to the Stalking Horse Bid set forth in Section 10.1(e) and (f) shall each have been waived by the Stalking Horse Bidder or otherwise satisfied on or before the date of the final hearing on the Sale Motion.

(v) This Court must grant Borrowers' Sale Motion no later than 75 days after the Petition Date, and the closing and funding of the sale described therein (including the receipt by Agent, Lenders, Prepetition Senior Agent and Prepetition Senior Lenders of full payment of Borrowers' obligations owed to Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent and Prepetition Senior Lenders, including, without limitation, all Prepetition Senior Obligations and all Postpetition Obligations) must occur no later than 85 days after the Petition Date.

b. Subject to the terms and conditions of the Prepetition Intercreditor Agreement, the respective rights of the Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent, and Prepetition Senior Lenders to credit bid all or any portion of the Postpetition Obligations and Prepetition Senior Obligations (as applicable) and the respective rights of the Prepetition Junior Agent and Prepetition Junior Lenders to credit bid all or any portion of the Prepetition Junior Obligations, in each case, under section 363(k) of the Bankruptcy Code and other applicable law in connection with any proposed sale of Prepetition Senior Collateral or Postpetition Collateral (other than the sale of Inventory in the ordinary course of any Debtor's business), or to object to such proposed sale or other Asset Disposition, shall be preserved through the closing of such sale or other Asset Disposition. Any and all proceeds arising from or in connection with any sale or lease of Postpetition Collateral or Prepetition Senior Collateral, or other Asset Disposition, including proceeds arising from or in connection with any Asset Disposition described in the Postpetition Loan Agreement, shall, subject to the terms of the

Postpetition Loan Documents, be immediately transferred to Postpetition Agent or Prepetition Senior Agent (as applicable) for application to, or cash collateralization of, the Postpetition Obligations or Prepetition Senior Obligations in accordance with the terms and conditions of the Postpetition Loan Documents and Prepetition Senior Loan Documents (in each case, as applicable).

16. Landlord Agreements. Upon notice to landlords that are party to landlord agreements with either Prepetition Agent, such landlord agreements shall, after court approval and entry of the Final Order, be deemed amended to include the Postpetition Agent as a beneficiary thereunder, and such agreements shall thereafter be additionally enforceable by the Postpetition Agent against, and binding upon, each landlord party thereto in accordance with, and subject to, its respective terms and conditions until the Postpetition Obligations shall have been paid in full in cash and the Postpetition Loan Agreement shall have been terminated, after which such agreements shall again be solely enforceable by the applicable Prepetition Agent

17. Adequate Protection Senior Obligations. Until the indefeasible repayment in full in cash of the Prepetition Senior Obligations and the expiration of the Complaint Filing Deadline (or resolution of any complaint or adversary proceeding described in paragraph 30 of this Order), as adequate protection for the Prepetition Senior Agent's interest in the Prepetition Senior Collateral, the Prepetition Senior Agent and Prepetition Senior Lenders are hereby granted the following:

a. Replacement Liens. Pursuant to sections 361(2), 362, 363(c)(2), and 363(e) of the Bankruptcy Code, the Prepetition Senior Agent, for its benefit and the benefit of the Prepetition Senior Lenders, is hereby granted by each Debtor continuing valid, binding, enforceable and perfected, liens and security interests in and on all of the Postpetition Collateral (the "**Adequate Protection Senior Liens**"). The Adequate Protection Senior Liens shall (i) be subordinate only to: (A) the Carve-Out, (B) the Postpetition Liens, and (C) the Prior Liens; and (ii) be senior and superior to the Subordinate Liens and Related Rights and, pursuant to the

Prepetition Intercreditor Agreement, the Prepetition Junior Liens. The Adequate Protection Senior Liens shall be deemed legal, valid, binding, enforceable, and perfected liens, not subject to subordination, impairment or avoidance, for all purposes in the Chapter 11 Cases and any Successor Case. Except as described in clause (i) above, no other liens or security interests, whether for adequate protection or otherwise, shall be senior or equal to or pari passu with the Adequate Protection Senior Liens in these Chapter 11 Cases or any Successor Case without the prior written consent of the Prepetition Senior Agent given in accordance with the Prepetition Senior Loan Agreement (which consent may be withheld in its sole discretion).

b. Adequate Protection Senior Claim. Pursuant to section 507(b) of the Bankruptcy Code, the Prepetition Senior Agent and the Prepetition Senior Lenders shall have an allowed super-priority administrative expense claim (the “**Adequate Protection Senior Claim**”) against each Debtor and its respective estate. The Adequate Protection Senior Claim shall: (i) be subordinate only to: (A) the Carve-Out, and (B) the Super-Priority Claim; and (ii) be senior and superior to the Subordinate Claims and Related Rights. Except as described in clause (i) above, no cost or expense of administration under any provision of the Bankruptcy Code (whether incurred in these Chapter 11 Cases or any Successor Case, whether for adequate protection, the lack of, or failure to provide, adequate protection, or otherwise), shall be senior to, equal to, or pari passu with, the Adequate Protection Senior Claim.

c. Adequate Protection Payments. As further adequate protection, subject to the rights set forth in paragraph 30 hereof, and without limiting any rights of the Prepetition Senior Agent and the Prepetition Senior Lenders under section 506(b) of the Bankruptcy Code which are hereby preserved, and in consideration, and as a requirement, for obtaining the consent of the Prepetition Senior Agent and Prepetition Senior Lenders to the entry of this Order and the Debtors’ consensual use of Cash Collateral as provided herein, (i) the proceeds of any Prepetition Senior Collateral and any Postpetition Collateral shall be paid to Prepetition Senior Agent and Prepetition Senior Lenders for application to the Prepetition Senior Obligations until such Prepetition Senior Obligations are paid in full or Cash Collateralized (as

defined in the Prepetition Senior Loan Agreement), (ii) Debtors shall make all payments of interest as and when due under the Prepetition Senior Loan Agreement, and (iii) the Debtors shall, on the Closing Date and on a monthly basis thereafter, pay or reimburse the Prepetition Senior Agent and Prepetition Senior Lenders for any and all of its accrued and past-due fees, costs, expenses and charges payable under the Prepetition Senior Loan Documents, including without limitation, the reasonable attorneys' and other fees and expenses of the Prepetition Senior Agent and Prepetition Senior Lenders as provided in the Prepetition Senior Loan Agreement, whether accrued prepetition or postpetition, all without further notice, motion or application to, order of, or hearing before, this Court.

d. Adequate Protection Senior Obligations. The Adequate Protection Senior Liens and Adequate Protection Senior Claim shall secure the payment of the Prepetition Senior Obligations in an amount equal to any diminution in the value of the Prepetition Senior Agent's interests in the Prepetition Senior Collateral from and after the Petition Date (the amount of such diminution, the "**Adequate Protection Senior Obligations**") including, without limitation, any such diminution resulting from the following: (i) the use by the Debtors of the Prepetition Senior Collateral, including, without limitation, the Cash Collateral, (ii) the imposition of the Postpetition Liens, which will prime the Primed Liens, (iii) the imposition of the automatic stay pursuant to section 362(a) of the Bankruptcy Code, (iv) the physical deterioration, consumption, use, sale, lease, disposition, shrinkage, or decline in market value of the Prepetition Senior Collateral or otherwise, or (v) costs and fees incurred in connection with the Prepetition Senior Loan Documents.

18. Adequate Protection Junior Obligations. As adequate protection for any claim of the Prepetition Junior Agent and Prepetition Junior Lenders for diminution in the value of the Prepetition Junior Agent's interests in the Prepetition Senior Collateral from and after the Petition Date (the amount of such diminution, the "**Adequate Protection Junior Obligations**") including, without limitation, any such diminution resulting from the following: (i) the use by the Debtors of the Prepetition Senior Collateral, including, without limitation, the Cash Collateral,

(ii) the imposition of the Postpetition Liens, which will prime the Primed Liens, (iii) the imposition of the automatic stay pursuant to section 362(a) of the Bankruptcy Code or (iv) the physical deterioration, consumption, use, sale, lease, disposition, shrinkage, or decline in market value of the Prepetition Senior Collateral or otherwise, the Prepetition Junior Agent and Prepetition Junior Lenders are hereby granted the following:

a. Replacement Liens. Subject to the foregoing requirements set forth in this paragraph 18, pursuant to sections 361(2), 362, 363(c)(2), and 363(e) of the Bankruptcy Code, the Prepetition Junior Agent, for its benefit and the benefit of the Prepetition Junior Lenders, is hereby granted by each Debtor continuing valid, binding, enforceable and perfected, liens and security interests in and on all of the Postpetition Collateral (the “**Adequate Protection Junior Liens**”). The Adequate Protection Junior Liens shall be entitled to the same rights, priorities, benefits and protections granted to or conferred upon the Adequate Protection Senior Liens under this Order, except that such Adequate Protection Junior Liens shall be junior and subordinate to the Prepetition Senior Liens and the Adequate Protection Senior Liens.

b. Adequate Protection Junior Claim. Subject to the foregoing requirements set forth in this paragraph 18, pursuant to section 507(b) of the Bankruptcy Code, the Prepetition Junior Agent and the Prepetition Junior Lenders shall have an allowed super-priority administrative expense claim (the “**Adequate Protection Junior Claim**”) against each Debtor and its respective estate. The Adequate Protection Junior Claim shall be entitled to the same rights, priorities, benefits and protections granted to or conferred upon the Adequate Protection Senior Claim under this Order, except that such Adequate Protection Junior Claim shall be junior and subordinate to the Adequate Protection Senior Claim.

c. Adequate Protection Payments. As further adequate protection, subject to the rights set forth in paragraph 30 hereof and paragraph 9 hereof, and without limiting any rights of the Prepetition Junior Agent and the Prepetition Junior Lenders under section 506(b) of the Bankruptcy Code which are hereby preserved, and in consideration, and as a requirement, for obtaining the consent of the Prepetition Junior Agent and Prepetition Junior

Lenders to the entry of this Order and the Debtors' consensual use of Cash Collateral as provided herein, the Debtors shall, on a monthly basis, pay or reimburse the Prepetition Junior Agent and Prepetition Junior Lenders for any and all reasonable attorneys' fees and expenses of the Prepetition Junior Agent and Prepetition Junior Lenders as provided in the Prepetition Junior Loan Agreement, whether accrued prepetition or postpetition, in an amount not to exceed the amounts set forth in the Approved Budget for Prepetition Junior Agent and Prepetition Junior Lenders' professional fees and expenses, all without further notice, motion or application to, order of, or hearing before, this Court.

19. Collections. Notwithstanding anything in this Order to the contrary, any and all claims and liens of the Prepetition Senior Agent and Prepetition Senior Lenders arising with respect to or in connection with this Order or the Prepetition Senior Loan Documents (the "**Superior Senior Obligations**"), including, without limitation, the Prepetition Senior Obligations, Prepetition Senior Liens, Adequate Protection Senior Obligations, and Adequate Protection Senior Claim, must and shall be indefeasibly paid and satisfied in full in cash or Cash Collateralized (as applicable), before any payment or distribution, whether pursuant to a plan of reorganization, setoff or otherwise, may or can be made to or retained by the Postpetition Agent or any of the Postpetition Lenders (in their respective capacities as such) arising with respect to or in connection with this Order and/or the Postpetition Loan Documents (collectively, the "**Subordinate Senior Obligations**"). Any payment or distribution, whether in cash, securities or other property, which would otherwise, but for the terms hereof, be payable or deliverable to Postpetition Agent or any Postpetition Lender in respect of or in connection with any Subordinate Senior Obligations shall be paid or delivered directly to the Prepetition Senior Agent (to be held and/or applied by Prepetition Senior Agent in accordance with the terms of this Order and the Prepetition Senior Loan Agreement) until all Superior Senior Obligations are indefeasibly paid and satisfied in full in cash or Cash Collateralized (as applicable).

20. Waiver of Section 506(c) Claims. Only after court approval and entry of the Final Order, no costs or expenses of administration or other charge, lien, assessment or claim

incurred on or after the Petition Date of any Person or entity shall be imposed against the Postpetition Agent, Postpetition Lenders, Prepetition Agents, or Prepetition Secured Lenders, their respective claims or the Prepetition Senior Collateral or Postpetition Collateral under section 506(c) of the Bankruptcy Code or otherwise, and the Debtors hereby irrevocably waive any and all such rights, remedies and benefits under section 506(c) of the Bankruptcy Code.

21. Other Waivers. Except for the Carve-Out and Prior Liens or as otherwise permitted by the Prepetition Intercreditor Agreement, no claim or lien having a priority superior to or pari passu with those granted pursuant to this Order to the Postpetition Agent, the Postpetition Lenders, the Prepetition Agents and the Prepetition Secured Lenders, respectively, shall be granted or allowed while any portion of the Postpetition Facility (or any refinancing thereof), the Commitments (as defined in the Postpetition Loan Agreement) thereunder, the Postpetition Obligations, the Adequate Protection Senior Obligations or the Adequate Protection Junior Obligations remain outstanding. Except as expressly permitted by the Postpetition Loan Agreement, but subject to the terms and conditions of the Prepetition Intercreditor Agreement, unless consented to in writing by the Postpetition Agent, no Debtor shall seek entry of any further orders in its Chapter 11 Case which authorize (a) under Bankruptcy Code section 363, the use of Cash Collateral; (b) the obtaining of credit or the incurring of indebtedness pursuant to Bankruptcy Code sections 364(c) or 364(d), (c) the return of goods pursuant to Bankruptcy Code section 546(h) to any creditor of the Debtors or to consent to any creditor taking any setoff against any of such creditor's prepetition indebtedness based upon any such return pursuant to Bankruptcy Code section 553 or otherwise, or (d) the granting mortgages, security interests, or liens in the Postpetition Collateral to any parties other than the Postpetition Agent and Postpetition Lenders pursuant to section 364(d) of the Bankruptcy Code or otherwise.

22. Automatic Perfection.

a. The Postpetition Liens, the Adequate Protection Senior Liens and the Adequate Protection Junior Liens shall not be subject to challenge and shall attach and become valid, perfected, enforceable, non-avoidable and effective by operation of law as of the

Petition Date without any further notice, act or action of or by any Person or entity, and without the necessity of execution by the Debtors, or the filing or recordation, of any financing statements, security agreements, vehicle lien applications, mortgages, filings with the U.S. Patent and Trademark Office, or other documents. If the Postpetition Agent or either Prepetition Agent hereafter requests that the Debtors execute and deliver to it any financing statements, security agreements, collateral assignments, mortgages, or other instruments and documents considered by such party to be reasonably necessary or desirable to further evidence the perfection of the liens and security interests provided under this Order, then the Debtors are hereby authorized and directed, at their sole cost and expense, to as promptly as practicable execute and deliver such financing statements, security agreements, mortgages, collateral assignments, instruments, and documents, and the Postpetition Agent and Prepetition Agents (as applicable) are hereby authorized to file or record such documents in their respective discretion, in which event all such documents shall be deemed to have been filed or recorded at the time and on the date of entry of this Order, but with the priorities as set forth herein. The Postpetition Agent and Prepetition Agents may (in their respective sole discretion), but shall not be required to, file a certified copy of this Order in any filing or recording office in any state, county or other jurisdiction in which any Debtor has real or personal property and such filing or recording shall be accepted and shall constitute sufficient evidence of perfection of such applicable parties' interests in the Postpetition Collateral at the time and on the date of entry of this Order, but with the priorities as set forth herein.

b. Notwithstanding anything in this Order to the contrary, the Prepetition Agents and Prepetition Secured Lenders shall not request or file such financing statements, mortgages, notices of lien or similar instruments, or otherwise confirm the perfection of such security interests and liens granted in this Order, unless the Postpetition Agent shall theretofore have done so or consented thereto.

c. To the extent that any applicable non-bankruptcy law would otherwise restrict the grant, scope, enforceability, attachment or perfection of the security

interests and liens authorized or created under or in connection with this Order or the Postpetition Loan Documents, or otherwise would impose filing or registration requirements or fees and charges with respect thereto, such law is hereby pre-empted to the maximum extent permitted by the United States Constitution, the Bankruptcy Code, applicable federal law, and the judicial power of the United States Bankruptcy Court; provided that the Postpetition Agent and Prepetition Agents may still take such steps as they wish to perfect their respective security interests and liens under otherwise applicable state law without waiving the benefits of this provision of this Order.

23. Default Under Other Documents. The Postpetition Agent, the Prepetition Agents, the Postpetition Lenders and the Prepetition Secured Lenders shall have all rights and remedies with respect to the Debtors and any other rights, remedies, benefits and privileges as are set forth in this Order and the Postpetition Loan Documents (as applicable). Except as otherwise expressly provided herein, notwithstanding anything to the contrary contained in any prepetition or postpetition agreement, contract, document, note or instrument to which any Debtor is a party or under which any Debtor is obligated or bound, any provision that restricts, conditions, prohibits, limits or impairs in any way any Debtor from granting the Postpetition Agent, the Prepetition Agents, the Postpetition Lenders and the Prepetition Secured Lenders the postpetition security interests or liens upon any of its assets, properties or other Postpetition Collateral or otherwise entering into and complying with all of the terms, conditions and provisions of this Order and Postpetition Loan Documents shall be unenforceable against such Debtor, and therefore, shall not adversely affect the validity, priority, perfection or enforceability of the liens, security interests, claims, rights, priorities and/or protections granted to the Postpetition Agent, the Prepetition Agents, the Postpetition Lenders and the Prepetition Secured Lenders pursuant to this Order and/or the Postpetition Loan Documents.

24. Successors and Assigns. The provisions of this Order and the Postpetition Loan Documents shall, as applicable, be binding upon and inure to the benefit of the Postpetition Agent, the Prepetition Agents, the Postpetition Lenders, the Prepetition Secured Lenders, and the

Debtors and their respective estates, and their respective successors and assigns, including, without limitation, any trustee or other fiduciary hereafter appointed as a legal representative of any of the Debtors or their estates, whether in these Chapter 11 Cases or any Successor Case.

25. Survival. The provisions of this Order and any actions taken pursuant thereto: (a) shall survive the entry of any order: (i) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (ii) substantively consolidating any of the Debtors or their respective estates; or (iii) dismissing or closing any of the Chapter 11 Cases; and (b) shall continue in full force and effect notwithstanding the entry of any such order.

26. Section 364(e); Effect of Modification or Appeal. Based on the findings set forth in this Order, in consideration for the financing provided under Postpetition Facility, the Postpetition Agent and the Postpetition Lenders are entitled to, and hereby are granted, the full rights, benefits, privileges and protections of, and provided by, section 364(e) of the Bankruptcy Code with respect to the Postpetition Obligations (and related liens, claims, rights, remedies and benefits) created or authorized by this Order in the event that this Order or any authorization or approval contained herein is subsequently stayed, vacated, reversed, amended or modified on appeal. The reversal or modification on appeal of an authorization in this Order under section 364 of the Bankruptcy Code to obtain credit or incur debt, or of a grant under this section of a priority or a lien, does not affect the validity of any debt so incurred, or any priority or lien so granted, to an entity that extended such credit in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and the incurring of such debt, or the granting of such priority or lien, were stayed pending appeal; provided, however, in the event of a subsequent modification or reversal, the rights of the Postpetition Agent and Postpetition Lenders as to funds advanced under this Interim Order are governed by the Interim Order and the Postpetition Loan Documents.

27. Modification of Automatic Stay; Other Remedies.

a. Subject to sub-paragraph (c) below, the automatic stay pursuant to section 362 of the Bankruptcy Code is hereby modified as to the Postpetition Agent and

Postpetition Lenders to the extent necessary to permit them to perform in accordance with, provide any notice under, and exercise, enjoy and enforce their respective rights, benefits, privileges and remedies pursuant to this Order and the other Postpetition Loan Documents, in each case without further notice, motion or application to, order of, or hearing before, this Court. Subject to sub-paragraph (c) below, regardless of any change in circumstances (whether or not foreseeable), the Debtors shall not seek to utilize section 105 of the Bankruptcy Code nor any other provision of the Bankruptcy Code or applicable law to prohibit the Postpetition Agent's or Postpetition Lenders' exercise, enjoyment and enforcement of any of such rights, benefits, privileges and remedies as and to the extent provided in this Order.

b. Subject to sub-paragraph (c) below, the Postpetition Agent and Postpetition Lenders are hereby authorized and granted leave from the automatic stay under section 362 of the Bankruptcy Code to do the following on and after the occurrence and continuation of an Event of Default under the Postpetition Loan Agreement (or otherwise on and after the Commitment Termination Date), in each case without further notice, motion or application to, order of, or hearing before, this Court:

- (i) terminate any obligation of Postpetition Agent or Postpetition Lenders to make loans or other extensions of credit under the Postpetition Loan Documents or this Order;
- (ii) declare all Postpetition Obligations immediately due and payable in full in cash, and require that all letters of credit and other contingent obligations related thereto, if any, to be cash collateralized or terminated without liability to Postpetition Agent or Postpetition Lenders;
- (iii) revoke the Debtors' right, if any, under this Order and/or the other Postpetition Loan Documents to use Cash Collateral; and
- (iv) receive and apply proceeds of Postpetition Collateral to the Postpetition Obligations and Prepetition Senior Obligations in accordance with the terms and conditions of this Order and the Postpetition Loan Documents.

c. On and after the occurrence and continuation of an Event of Default under the Postpetition Loan Agreement (or otherwise on and after the Commitment Termination Date), and after obtaining Court approval upon notice and hearing, the Postpetition Agent and the Postpetition Lenders shall be entitled to foreclose or otherwise enforce their respective liens on any or all of the Postpetition Collateral and/or to exercise any other default-related rights and remedies under the Postpetition Loan Documents, this Order and applicable law to the extent not already permitted pursuant to sub-paragraph (b) above. The parties shall use their best efforts to schedule and attend an expedited Court hearing within seven days of notice of the Event of Default or Commitment Termination Date being given to the Debtors, the United States Trustee, and the Creditors' Committee. The Debtors acknowledge and agree, and this Court hereby orders, that the only issue to be determined and decided at any Court hearing regarding such matters is whether an Event of Default has occurred and is continuing under the Postpetition Loan Agreement or whether the Commitment Termination Date has occurred and notice of such hearing need only be given to the Debtors, counsel to the Prepetition Junior Agent, any statutory committee of unsecured creditors and the U.S. Trustee.

28. No Waiver of Rights.

a. Generally. Without limiting the terms and conditions of paragraphs 9 through 12 and 19 of this Order, none of the Postpetition Agent, Postpetition Lenders, Prepetition Agents, or Prepetition Secured Lenders waives, and each expressly reserves, any and all claims, causes of action, defenses, rights and remedies it has or may have pursuant to any or all of the Prepetition Senior Loan Documents, the Prepetition Junior Loan Documents, the Postpetition Loan Documents, the Prepetition Intercreditor Agreement, any other inter-creditor or subordination agreement, the Bankruptcy Code and/or under applicable law against or with respect to any Debtor and any other Person or entity.

b. Relative Priorities; Prepetition Intercreditor Agreement. In determining the relative priorities, rights and remedies of the Prepetition Agents and Prepetition Secured Parties (including, without limitation, the relative priorities and rights of such parties

with respect to the replacement liens and administrative expense claims granted, or amounts payable, by the Debtors under this Order and the modification of the automatic stay), such priorities, rights and remedies shall, pursuant to section 510 of the Bankruptcy Code, continue to be governed by the Prepetition Intercreditor Agreement, and, without limiting the terms and conditions of paragraphs 9 through 12 and 19 of this Order, nothing in this Order or the Postpetition Loan Documents shall, or shall be deemed to, alter, amend, modify, impair, diminish or otherwise affect the terms and conditions of the Prepetition Intercreditor Agreement, which terms and conditions remain in full force and effect as between or among such parties. Furthermore, pursuant to section 510 of the Bankruptcy Code, any other inter-creditor or subordination agreement between and/or among the Prepetition Agents, any Prepetition Secured Lender, any Debtor and any other non-Debtor party thereto, and any other applicable inter-creditor or subordination provisions contained in any credit agreement, security agreement, indenture or related document, remain in full force and effect and are not amended, altered or modified by the terms of this Order or the Postpetition Loan Documents.

c. Additional Rights Preserved. Without limiting the generality of this paragraph 28, but subject to the Prepetition Intercreditor Agreement, the Postpetition Agent, Postpetition Lenders, Prepetition Agents and Prepetition Secured Lenders may, as applicable, petition this Court for any such additional protection they may reasonably require with respect to the Prepetition Senior Obligations, the Prepetition Junior Obligations, the Postpetition Obligations, or otherwise, including, without limitation, their rights to request additional adequate protection of their interests in the Prepetition Senior Collateral. Except as otherwise set forth herein, but subject to the Prepetition Intercreditor Agreement, entry of this Order shall not in any way constitute agreement, consent, or acquiescence by the Postpetition Agent, Postpetition Lenders, Prepetition Agents or Prepetition Secured Lenders to the terms of any plan of reorganization filed in the Chapter 11 Cases.

29. Restriction on Use of Lenders' Funds. No portion of the Postpetition Facility, the Postpetition Collateral, the Prepetition Senior Collateral, the Cash Collateral, or the

Carve-Out, and no disbursements set forth in the Approved Budget, shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with asserting any claims, actions or causes of action against or adverse to the interests of any of the Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent, Prepetition Junior Agent, Prepetition Senior Lenders, or Prepetition Junior Lenders, including, without limitation, any action challenging or raising any defenses to the Postpetition Obligations, the Prepetition Senior Obligations, the Prepetition Junior Obligations, the Postpetition Liens, the Prepetition Senior Liens, or the Prepetition Junior Liens; provided, that no more than \$25,000 in the aggregate of the proceeds of the Postpetition Facility or the Postpetition Collateral (including Cash Collateral) may be used by the Creditors' Committee (if one is formed) to investigate the Prepetition Senior Obligations, Prepetition Junior Obligations, the Prepetition Senior Liens, and the Prepetition Junior Liens.

30. Release of Claims Against Prepetition Agents and Prepetition Secured Lenders. The stipulations and admissions contained in Paragraph D of this Order, shall be binding on all parties in interest, including, without limitation, the Creditors' Committee, unless, and solely to the extent that, (a) the Creditors' Committee, or another party in interest, to the extent each has obtained Court approved standing and requisite authority, and has timely filed a complaint and commenced an adversary proceeding (subject to the limitations set forth in paragraph 29 of this Order) challenging the amount, extent, validity, or enforceability of the Prepetition Senior Obligations and/or the Prepetition Junior Obligations, or the perfection or priority of the Prepetition Senior Liens and/or the Prepetition Junior Liens, or otherwise asserting any claims or causes of action on behalf of the Debtors' estates against the Prepetition Senior Agent or the Prepetition Senior Lenders relating to the Prepetition Senior Obligations, or the Prepetition Junior Agent or Prepetition Junior Lenders relating to the Prepetition Junior Obligations, in each case no later than the earlier of (x) sixty (60) days after the date of appointment of the Creditors' Committee or (y) seventy-five (75) days after the Petition Date (such earlier date, the "Complaint Filing Deadline"), and (b) this Court rules in favor of the

plaintiff in any such timely and properly commenced adversary proceeding. If no such adversary proceeding is timely and properly commenced by the Complaint Filing Deadline, or to the extent such adversary proceeding does not result in a final and non-appealable order of this Court that is inconsistent with the acknowledgments of the Debtors contained in paragraph D of this Order, then, without the requirement or need to file any proof of claim with respect thereto and without further notice, motion or application to, order of, or hearing before, this Court, but in all cases subject to the Prepetition Intercreditor Agreement and paragraph 28 of this Order, the acknowledgments of the Debtors contained in paragraph D of this Order with respect to the Prepetition Agents, Prepetition Secured Lenders, Prepetition Senior Loan Documents, Prepetition Junior Loan Documents, Prepetition Senior Liens, Prepetition Junior Liens, Prepetition Senior Obligations, Prepetition Junior Obligations, and Prepetition Senior Collateral shall be binding, conclusive and final on the Creditors' Committee and any other Person, entity or party-in-interest in the Chapter 11 Cases and any Successor Case and (i) the claims, liens and security interests of the Prepetition Senior Agent, Prepetition Junior Agent, the Prepetition Senior Lenders, and the Prepetition Junior Lenders shall be deemed to be finally allowed for all purposes in these Chapter 11 Cases and any Successor Case and shall not be subject to challenge by any party in interest as to validity, priority or otherwise, and (ii) the Debtors and their estates shall be deemed to have forever released any and all claims or causes of action against the Prepetition Senior Agent and the Prepetition Senior Lenders with respect to the Prepetition Senior Loan Documents, or any related transactions, and the Prepetition Junior Agent and the Prepetition Junior Lenders with respect to the Prepetition Junior Loan Documents, or any related transactions. Notwithstanding anything to the contrary herein, if any such adversary proceeding is timely commenced, the stipulations contained in paragraph D hereof shall nonetheless remain binding on all parties in interest and preclusive (as provided in the second sentence of this paragraph 30) except to the extent that such stipulations are expressly challenged in such adversary proceeding. In addition, pursuant to Rule 4001(k)(3) of the Local Bankruptcy Rules of this Court, this Court shall have the right to unwind, after notice and hearing, the pay down of

the prepetition debt in the event that there is a timely and successful challenge to the validity, enforceability, extent, perfection, or priority of the Prepetition Senior Lenders' claims or liens held on their behalf, or a determination that the Prepetition Senior Obligations was undersecured as of the Petition Date, and the rollup unduly advantaged the Prepetition Senior Lenders.

31. No Marshaling. Only after court approval and entry of the Final Order, the Postpetition Agent, the Prepetition Agents, the Postpetition Lenders, and the Prepetition Secured Lenders shall not be subject to the equitable doctrine of "marshaling", "election of remedies" or any other similar doctrine, or an "equities of the case" claim under section 552(b) of the Bankruptcy Code, in each case with respect to any of its respective interests in the Postpetition Collateral and Prepetition Senior Collateral.

32. Limitation of Liability. In making decisions to advance loans to the Debtors, in administering any loans, in permitting the Debtors to use Cash Collateral, in approving any budget or in taking any actions permitted by this Order or the Postpetition Loan Documents, as applicable, the Postpetition Agent, the Prepetition Senior Agent, the Postpetition Lenders and the Prepetition Senior Lenders shall not, for any claims solely arising from any and all activities by the Debtors or any of their subsidiaries or affiliates, (i) be deemed to be in control of the operations of any Debtor or to be acting as a "controlling person," "responsible person" or "owner or operator" with respect to the operation or management of any Debtor, and/or (ii) owe any fiduciary duty to any Debtor, its respective creditors or its respective estate, and their relationship with each Debtor shall not constitute or be deemed to constitute a joint venture or partnership with such Debtor except to the extent provided under applicable law in favor of a government agency.

33. Insurance. To the extent that Wells Fargo, in its role as Prepetition Senior Agent, is listed as loss payee under the Debtors' insurance policies, Wells Fargo, in its role as Postpetition Agent, is also deemed to be the loss payee under the Debtors' insurance policies and shall act in that capacity and distribute any proceeds recovered or received in respect of any such

insurance policies in accordance with the terms and conditions of this Order and the Postpetition Loan Documents.

34. Payments Held in Trust. Except as expressly permitted in this Order or the Postpetition Loan Documents, in the event that any person or entity receives any payment on account of a security interest in Collateral, receives any Collateral or any proceeds of Collateral or receives any other payment with respect thereto from any source prior to the indefeasible payment in full in cash of all Prepetition Senior Obligations and Postpetition Obligations, and termination of the Postpetition Facility in accordance with the Postpetition Loan Documents, such person or entity shall be deemed to have received, and shall hold, any such payment or proceeds of Collateral in trust for the benefit of the Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent, and Prepetition Senior Lenders and shall immediately turn over such proceeds to the Postpetition Agent for application to the Postpetition Obligations or the Prepetition Senior Agent for application to the Prepetition Senior Obligations, or as otherwise instructed by this Court, for application in accordance with the Postpetition Loan Documents and this Order.

35. Additional Defaults. In addition and without limitation of the Events of Default set forth in and defined in the Postpetition Loan Documents, this Order, or any Final Order, it shall be a default hereunder (and constitute an “**Event of Default**” under the Postpetition Loan Agreement and this Order) if (a) an order is entered dismissing or converting any of the Chapter 11 Cases under section 1112 of the Bankruptcy Code or appointing a Chapter 11 trustee or an examiner with expanded powers, (b) the proposal by the Debtors or entry of any order (whether proposed by the Debtors or otherwise) providing for the sale of substantially all of the assets of the Debtors under section 363 of the Bankruptcy Code shall be entered by this Court unless, upon the closing of such transaction, all liens securing the Postpetition Obligations and Prepetition Senior Obligations (in their respective priority) are transferred to the proceeds of

such sale and such proceeds or are applied to permanently and indefeasibly repay the Postpetition Obligations and Prepetition Senior Obligations, as applicable, in full, in cash, (c) any other motion is filed by the Debtors for any relief directly or indirectly negatively affecting the Postpetition Collateral in a material manner unless all Prepetition Senior Obligations and Postpetition Obligations have been indefeasibly paid in final, in full, in cash, and completely satisfied upon consummation of the transaction contemplated thereby and such motion is otherwise approved of in writing by Postpetition Agent and Postpetition Lenders, (d) the Debtors fail to comply with any of the terms of, or its covenants under, this Order, the Approved Budget (subject to all applicable variances), or any stipulation or representation by the Debtors stated herein is false or misleading, or (e) the termination of the Stalking Horse Bid by the Debtors unless the Debtors have accepted a higher or better competing bid which provides for the permanent and indefeasible payment in full of the Postpetition Obligations and Prepetition Senior Obligations, as applicable, in cash, and provides for payment of expenses for the wind-down of Debtors' bankruptcy estates in an amount greater than that provided for by the Stalking Horse Bid. Any order for dismissal or conversion shall be automatically deemed to preserve the rights of the Postpetition Agent, Prepetition Senior Agent, Prepetition Junior Agent, Postpetition Lenders, Prepetition Senior Lenders, and Prepetition Junior Lenders under this Order. If an order dismissing any of these Chapter 11 Cases under section 305 or 1112 of the Bankruptcy Code or otherwise is at any time entered, (i) the claims, security interests, liens and claims granted to or for the benefit of the Postpetition Agent, Postpetition Lenders, Prepetition Senior Agent, and Prepetition Senior Lenders pursuant to this Order shall continue in full force and effect and shall maintain their priorities as provided in this Order, as applicable, until all Postpetition Obligations and Prepetition Senior Obligations shall have been paid and satisfied in full (and that such claims and liens, shall, notwithstanding such dismissal, remain binding on all

parties in interest), (ii) the claims, security interests, liens and claims granted to or for the benefit of the Prepetition Junior Agent and Prepetition Junior Lenders pursuant to this Order shall continue in full force and effect and shall maintain their priorities as provided in this Order, as applicable, until all Prepetition Junior Obligations shall have been paid and satisfied in full (and that such claims and liens, shall, notwithstanding such dismissal, remain binding on all parties in interest), and (iii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing such claims and liens. The parties shall use their best efforts to schedule and attend an expedited Court hearing within seven days of notice of any such additional Event of Default in accordance with the procedures set forth in paragraph 27(c) of this Interim Order.

36. Master Proof of Claim. The Prepetition Senior Agent shall be authorized (but not required) to file a master proof of claim against the Debtors (the “**Master Proof of Claim**”) on behalf of itself and the Prepetition Senior Lenders on account of their prepetition claims arising under the Prepetition Senior Loan Documents, and the Prepetition Senior Agent shall not be required to file a verified statement pursuant to Bankruptcy Rule 2019. If the Prepetition Senior Agent so files a Master Proof of Claim against the Debtors, the Prepetition Senior Agent (on its behalf and on behalf of each Prepetition Senior Lender), and each of its successors and assigns, shall be deemed to have filed a proof of claim in the aggregate amount set forth therein in each of the Chapter 11 Cases and any Successor Case, and the claims of the Prepetition Senior Agent and each Prepetition Senior Lender (and its successors and assigns) contained in the Master Proof of Claim shall be allowed or disallowed as if each such entity had filed a separate proof of claim in each Chapter 11 Case in the aggregate amount set forth therein. The Prepetition Senior Agent shall further be authorized to amend its respective Master Proof of Claim from time to time to, among other things, reflect a change in the holders of the claims set forth therein or a reallocation among such holders of the claims asserted therein resulting from any transfer of such claims. The provisions set forth in this Paragraph and any Master Proof of Claim filed pursuant to the terms hereof are intended solely for the purpose of administrative

convenience and shall not affect the substantive rights of any party in interest or their respective successors in interest, including, without limitation, the rights of the Prepetition Senior Agent and the Prepetition Senior Lenders as the holder of a claim against the Debtors under applicable law, and the numerosity requirements set forth in section 1126 of the Bankruptcy Code.

37. Final Hearing; Procedure for Objections to and Entry of Final Order. The Motion is set for a Final Hearing before this Court at **10 a.m. Eastern Time on April 28, 2017**, at which time any party in interest may present any timely filed objections to the entry of the Final Order, which order shall be in form and substance acceptable to the Postpetition Agent in its sole discretion. The Debtors shall, in accordance with the Bankruptcy Code, Bankruptcy Rules and Local Bankruptcy Rules of this Court, promptly serve a notice of the Final Hearing and entry of this Order, together with a copy of this Order, by electronic mail, facsimile, hand delivery or overnight delivery to the Notice Parties and Creditors' Committee (once appointed) or its counsel. Such notice shall state that objections to the entry of the Final Order shall be in writing and shall be filed with the United States Bankruptcy Court for the Southern District of New York by no later than 4:00 P.M. (Prevailing Eastern time) on April 21, 2017 (the "**Objection Deadline**"), which objections shall be served so that the same are actually received by the Objection Deadline by: (i) Matthew S. Barr, Esq. and Jill Frizzley, Esq., Weil, Gotshal & Manges LLP, New York, 767 Fifth Avenue, New York, New York 10153, fax (212-310-8007), matt.barr@weil.com and jill.frizzley@weil.com (counsel to the Debtors), (ii) David B. Kurzweil, Esq. and John Dyer, Esq., Greenberg Traurig, LLP, Terminus 200, 3333 Piedmont Road, N.E., Suite 2500, Atlanta, Georgia 30305, fax (678-553-2681 and 679-553-2236), kurzweild@gtlaw.com and dyerj@gtlaw.com (counsel to the Postpetition Agent & Prepetition Senior Agent); (iii) Brian S. Hermann, Esq. and Lauren Shemejda, Esq., Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019, fax (212-373-3545 and 212-492-0559), bhermann@paulweiss.com and lshumejda@paulweiss.com and Renee P. Lewis, Esq., Holland and Knight, LLP, 131 South Dearborn Street, 30th Floor, Chicago, IL 60603 fax (312-578-6666), renee.lewis@hklaw.com (counsel to Prepetition Junior Agent), (iv)

Richard Morrissey, Esq, 201 Varick Street, Suite 1006, New York, New York, 10014,
richased.morrissey@usdoj.com (the office of the United States Trustee). Any objections by
creditors or other parties-in-interest to any of the provisions of the Final Order shall be deemed
forever waived and barred unless timely filed and served in accordance with this paragraph.

Dated: April 4, 2017.
New York, New York

/s/ James L. Garrity, Jr.
UNITED STATES BANKRUPTCY JUDGE

DIP Forecast
(\$ in 000s)

Week Ending:	1 4/8	2 4/15	3 4/22	4 4/29	5 5/6	6 5/13	7 5/20	8 5/27	9 6/3	10 6/10	11 6/17	12 6/24	13 7/1	13 Week Total
CASH FLOW														
<i>Receipts</i>														
Operating Receipts (incl. sales tax collection):	\$ 6,431	\$ 6,621	\$ 6,868	\$ 6,715	\$ 6,822	\$ 7,131	\$ 7,039	\$ 7,022	\$ 7,210	\$ 7,000	\$ 6,990	\$ 6,984	\$ 6,972	\$ 89,806
Other Receipts	-	-	-	-	38	-	-	-	38	-	-	-	38	113
Total Receipts	\$ 6,431	\$ 6,621	\$ 6,868	\$ 6,715	\$ 6,860	\$ 7,131	\$ 7,039	\$ 7,022	\$ 7,248	\$ 7,000	\$ 6,990	\$ 6,984	\$ 7,010	\$ 89,920
<i>Operating Disbursements</i>														
Linen Purchases - Medline	\$ (645)	\$ (645)	\$ -	\$ -	\$ (646)	\$ (644)	\$ (644)	\$ -	\$ (642)	\$ (641)	\$ (641)	\$ (644)	\$ (640)	\$ (6,432)
Linen Purchases - All Other Vendors	(788)	(788)	(789)	(788)	(72)	(71)	(357)	(357)	(357)	(356)	(357)	(355)	(355)	(5,790)
Employee Costs	(3,670)	(2,824)	(3,731)	(2,424)	(3,872)	(2,709)	(3,834)	(2,560)	(3,936)	(3,143)	(3,832)	(2,544)	(3,935)	(43,014)
Rent and Capital Leases	(483)	-	-	-	(483)	-	-	-	(483)	-	-	-	(1,931)	(3,380)
Equipment Lease Payments	(569)	(383)	(82)	(109)	(371)	(86)	(167)	(69)	(93)	(412)	(254)	(91)	(415)	(3,101)
Utilities	(383)	(863)	(850)	(278)	(463)	(851)	(535)	(266)	(317)	(542)	(706)	(261)	(446)	(6,761)
Repairs & Maintenance	(355)	(237)	(226)	(319)	(267)	(206)	(240)	(172)	(267)	(206)	(240)	(172)	(235)	(3,144)
Operating Supplies	(422)	(326)	(373)	(372)	(372)	(321)	(321)	(320)	(320)	(320)	(325)	(313)	(319)	(4,423)
Fuel	(67)	(68)	(67)	(67)	(67)	(67)	(67)	(67)	(67)	(68)	(66)	(67)	(67)	(871)
Insurance and WC Claims	(153)	(220)	(182)	(151)	(389)	(151)	(191)	(162)	(153)	(151)	(191)	(171)	(151)	(2,415)
Taxes	(90)	(466)	-	(6)	(1)	(223)	(558)	(0)	(10)	(1)	(462)	(10)	(12)	(1,840)
Other OPEX and SG&A	(289)	(472)	(276)	(99)	(412)	(235)	(464)	(115)	(412)	(221)	(397)	(115)	(259)	(3,767)
Total Operating Disbursements	\$ (7,915)	\$ (7,294)	\$ (6,576)	\$ (4,613)	\$ (7,414)	\$ (5,565)	\$ (7,376)	\$ (4,088)	\$ (7,057)	\$ (6,060)	\$ (7,471)	\$ (4,744)	\$ (8,764)	\$ (84,937)
Operating Cash Flow	\$ (1,483)	\$ (673)	\$ 292	\$ 2,102	\$ (554)	\$ 1,567	\$ (337)	\$ 2,934	\$ 191	\$ 940	\$ (481)	\$ 2,240	\$ (1,754)	\$ 4,982
<i>Non-Operating Disbursements</i>														
Environmental	-	-	(250)	-	-	-	(250)	-	-	-	(250)	-	-	(750)
CAPEX	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(650)
<i>Bankruptcy Impact</i>														
Critical Vendor Payments	-	(1,500)	(500)	-	-	-	-	-	-	-	-	-	-	(2,000)
Utilities Restricted Cash	(1,500)	-	-	-	-	-	-	-	-	-	-	-	-	(1,500)
Adequate Protection (1st Lien)	-	-	-	-	(201)	-	-	-	-	(17)	-	-	-	(218)
DIP Fee ⁽¹⁾	(375)	-	-	-	-	-	-	-	-	-	-	-	-	(375)
BOD Fees	-	(25)	-	-	-	-	(25)	-	-	-	(8)	-	-	(58)
Professional Fees	-	-	-	-	-	(480)	-	-	-	(2,553)	-	-	-	(3,033)
US Trustee Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on DIP Balance	-	-	-	-	(96)	-	-	-	(294)	-	-	-	(15)	(405)
<i>Wind-Down Costs</i>														
Employees	-	-	(48)	-	-	-	-	(37)	-	-	(222)	-	-	(259)
Other	(48)	(48)	(48)	(296)	(48)	(48)	(48)	(497)	(48)	(48)	(848)	(147)	(48)	(2,220)
Taxes	-	-	-	-	-	-	-	(78)	-	-	(120)	-	-	(198)
Total Non-Operating Disbursements	\$ (1,973)	\$ (1,623)	\$ (848)	\$ (346)	\$ (395)	\$ (578)	\$ (373)	\$ (661)	\$ (392)	\$ (2,667)	\$ (1,498)	\$ (197)	\$ (113)	\$ (11,665)
Total Disbursements	\$ (9,888)	\$ (8,917)	\$ (7,424)	\$ (4,959)	\$ (7,810)	\$ (6,143)	\$ (7,749)	\$ (4,750)	\$ (7,449)	\$ (8,728)	\$ (8,969)	\$ (4,941)	\$ (8,877)	\$ (96,602)
Net Cash Flow	\$ (3,456)	\$ (2,296)	\$ (556)	\$ 1,756	\$ (949)	\$ 989	\$ (710)	\$ 2,272	\$ (201)	\$ (1,728)	\$ (1,979)	\$ 2,043	\$ (1,867)	\$ (6,682)
Book Cash Roll Forward														
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(+) Cash Receipts	6,431	6,621	6,868	6,715	6,860	7,131	7,039	7,022	7,248	7,000	6,990	6,984	7,010	89,200
(-) Pay Down of Prepetition Revolver	(6,431)	(6,621)	(6,868)	(6,715)	(6,860)	(7,131)	(7,039)	(2,852)	-	-	-	-	-	(50,517)
(-) Cash Disbursements	(9,888)	(8,917)	(7,424)	(4,959)	(7,810)	(6,143)	(7,749)	(4,750)	(7,449)	(8,728)	(8,969)	(4,941)	(8,877)	(96,602)
(+/-) DIP Borrowings / (Repayments)	9,888	8,917	7,424	4,959	7,810	6,143	7,749	579	201	1,728	1,979	(2,043)	1,867	57,199
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LIQUIDITY														
Availability	\$ 9,027	\$ 7,072	\$ 7,047	\$ 9,147	\$ 8,339	\$ 9,589	\$ 9,028	\$ 11,176	\$ 10,910	\$ 9,242	\$ 6,997	\$ 9,028	\$ 7,150	\$ 7,150
Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liquidity	\$ 9,027	\$ 7,072	\$ 7,047	\$ 9,147	\$ 8,339	\$ 9,589	\$ 9,028	\$ 11,176	\$ 10,910	\$ 9,242	\$ 6,997	\$ 9,028	\$ 7,150	\$ 7,150
<i>Borrowing Base</i>														
(+) A/R	\$ 29,704	\$ 30,120	\$ 30,148	\$ 30,296	\$ 30,349	\$ 30,129	\$ 30,192	\$ 30,160	\$ 29,774	\$ 29,668	\$ 29,739	\$ 29,644	\$ 29,672	\$ 29,672
(+) Inventory	32,545	32,522	32,684	32,846	33,005	33,162	33,094	33,248	33,430	33,584	33,564	33,716	33,854	33,854
(+) Fixed Assets	9,727	9,678	9,629	9,580	9,518	9,457	9,395	9,334	9,273	9,211	9,150	9,088	9,039	9,039
(-) Reserves	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)	(503)
(+/-) Timing Adjustment	(873)	(876)	(485)	(402)	(411)	(25)	190	6	206	279	23	15	(113)	(113)
Total Borrowing Base	\$ 70,600	\$ 70,941	\$ 71,473	\$ 71,817	\$ 71,958	\$ 72,219	\$ 72,369	\$ 72,244	\$ 72,179	\$ 72,239	\$ 71,973	\$ 71,960	\$ 71,950	\$ 71,950
Prepetition Revolver														
Beginning Revolver and LC Balance	\$ 50,517	\$ 44,086	\$ 37,465	\$ 30,597	\$ 23,882	\$ 17,022	\$ 9,890	\$ 2,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,517
(+/-) Revolver Borrowings / (Repayments)	(6,431)	(6,621)	(6,868)	(6,715)	(6,860)	(7,131)	(7,039)	(2,852)	-	-	-	-	-	(50,517)
(+) Revolver Interest and Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Revolver and LC Balance	\$ 44,086	\$ 37,465	\$ 30,597	\$ 23,882	\$ 17,022	\$ 9,890	\$ 2,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)
DIP Revolver														
Beginning Revolver Balance	\$ -	\$ 9,888	\$ 18,805	\$ 26,229	\$ 31,188	\$ 38,997	\$ 45,140	\$ 52,889	\$ 53,469	\$ 53,669	\$ 55,397	\$ 57,376	\$ 55,332	\$ -
(+/-) Revolver Borrowings / (Repayments)	9,888	8,917	7,424	4,959	7,810	6,143	7,749	579	201	1,728	1,979	(2,043)	1,867	57,199
Ending Revolver Balance	\$ 9,888	\$ 18,805	\$ 26,229	\$ 31,188	\$ 38,997	\$ 45,140	\$ 52,889	\$ 53,469	\$ 53,669	\$ 55,397	\$ 57,376	\$ 55,332	\$ 57,199	\$ 57,199
(+) Professional Fee Carve Out	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600
(+) Reserve for Taxes	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
CUMULATIVE ADJUSTED DIP NEED	\$ 17,488	\$ 26,405	\$ 33,829	\$ 38,788	\$ 46,597	\$ 52,740	\$ 60,489	\$ 61,069	\$ 61,269	\$ 62,997	\$ 64,976	\$ 62,932	\$ 64,799	\$ 64,799
Secured Debt Outstanding Balances														
DIP	\$ 17,488	\$ 26,405	\$ 33,829	\$ 38,788	\$ 46,597	\$ 52,740	\$ 60,489	\$ 61,069	\$ 61,269	\$ 62,997	\$ 64,976	\$ 62,932	\$ 64,799	\$ 64,799
1st Lien	44,086	37,465	30,597	23,882	17,022	9,890	2,852	-	-	-	-	-	-	-
2nd Lien (GA)	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525	24,525
2nd Lien (KKR)	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002	61,002
Total Secured Debt	\$ 147,100	\$ 149,397	\$ 149,953	\$ 148,197	\$ 149,146	\$ 148,158	\$ 148,868	\$ 146,596	\$ 146,796	\$ 148,524	\$ 150,503	\$ 148,459	\$ 150,326	\$ 150,326
Post-Petition Linen Trade A/P	\$ -	\$ -	\$ 646	\$ 1,290	\$ 2,003	\$ 2,715	\$ 3,140	\$ 4,207	\$ 4,639	\$ 5,063	\$ 5,486	\$ 5,899	\$ 6,324	\$ 6,324

[1] DIP arrangement fee of \$50k and facility fee of 50bps on the \$65M.