Court File No. CV-19-620484-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.	)	TUESDAY DAY, THE 6TH
	)	
JUSTICE HAINEY	)	DAY OF AUGUST, 2019

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF HOLLANDER SLEEP PRODUCTS, LLC, HOLLANDER SLEEP PRODUCTS CANADA LIMITED, DREAM II HOLDINGS, LLC, HOLLANDER HOME FASHIONS HOLDINGS, LLC, PACIFIC COAST FEATHER, LLC, HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC AND PACIFIC COAST FEATHER CUSHION, LLC

APPLICATION OF HOLLANDER SLEEP PRODUCTS, LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

RECOGNITION ORDER

THIS MOTION, made by Hollander Sleep Products, LLC ("**HSP**") in its capacity as the foreign representative (the "**Foreign Representative**") of HSP, Hollander Sleep Products Canada Limited, Dream II Holdings, LLC, Hollander Home Fashions Holdings, LLC, Pacific Coast Feather, LLC, Hollander Sleep Products Kentucky, LLC and Pacific Coast Feather Cushion, LLC (collectively, the "**Chapter 11 Debtors**" and each, a "**Chapter 11 Debtor**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order, among other things, recognizing certain orders granted by the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Marc Pfefferle sworn August 2, 2019 (the "**Third Pfefferle Affidavit**"), the report of KSV Kofman Inc., in its capacity as Information Officer, dated August 2, 2019 (the "**Second Report**"), each filed.

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the Information Officer, and those other parties present, no one else appearing although duly served as appears from the affidavits of service of Evan Barz and Shanaz Vellani sworn August 2 and 6, 2019, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined have the meaning given to them in the Third Pfefferle Affidavit.

RECOGNITION OF FOREIGN ORDERS

3. **THIS COURT ORDERS** that the following orders (collectively, the "**Foreign Orders**") of the U.S. Bankruptcy Court made in the cases commenced by the Chapter 11 Debtors pursuant to Chapter 11 of the United States Bankruptcy Code are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to section 49 of the CCAA:

(a) *Order (I) Approving (A) the Adequacy of Information in the Disclosure Statement, (B) Solicitation and Notice Procedures, and (C) Certain Dates with Respect to Plan Confirmation, and (II) Granting Related Relief* (the "**Disclosure Statement Order**");

(b) *Order (A) Approving the Debtors' Key Employee Retention Plans and (B) Granting Related Relief* (the "**KERP Order**");

(c) *Order (A) Authorizing the Employment and Retention of Houlihan Lokey Capital, Inc., as Financial Advisor and Investment Banker to the Debtors Nunc Pro Tunc to the Petition Date, (B) Approving the Terms of the Engagement Agreement, (C) Waiving Certain Time-Keeping Requirements, and (D) Granting Related Relief* (the "**Houlihan Lokey Retention Order**");

(d) *Order Authorizing Additional Services of Houlihan Lokey Capital Inc. Pursuant to Order (A) Authorizing the Employment and Retention of Houlihan Lokey Capital, Inc., as Financial Advisor and Investment Banker to the Debtors Nunc Pro Tunc to the Petition Date, (B) Approving the Terms of the Engagement Agreement, (C) Waiving Certain Time-Keeping Requirements, and (D) Granting Related Relief* (the "**Houlihan Lokey Additional Services Order**"); and

(e) *Final Order with Respect to DIP Term Loan Secured Parties and Prepetition Term Loan Secured Parties (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Term Loan Secured Parties, (E) Modifying the Automatic Stay, And (F) Granting Related Relief* (the "**Final DIP Term Order**"),

(copies of each such Foreign Orders are attached hereto as Schedules "A" to "E", respectively);

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Property (as defined in the Supplemental Order).

INFORMATION OFFICER'S REPORT

4. **THIS COURT ORDERS** that the Second Report and the actions, conduct and activities of the Information Officer as described therein be and are hereby approved.

GENERAL

5. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective counsel and agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby

respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Foreign Representative and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective counsel and agents in carrying out the terms of this Order.

6. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

7. **THIS COURT ORDERS** that this Order shall be effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

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TAB A

SCHEDULE A – DISCLOSURE STATEMENT ORDER

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC., *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. 107**

ORDER (I) APPROVING (A) THE ADEQUACY OF INFORMATION IN THE DISCLOSURE STATEMENT, (B) SOLICITATION AND NOTICE PROCEDURES, AND (C) CERTAIN DATES WITH RESPECT TO PLAN CONFIRMATION, AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the Debtors for entry of an order (this "Order") pursuant to sections 105, 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 2002, 3016, 3017, 3018, 3020, and Local Rules 3017-1, 3018-1, and 3020-1, (a) approving the adequacy of information in the Disclosure Statement, (b) approving Solicitation and Voting Procedures, (c) approving the confirmation schedule, and (d) granting related relief; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and this Court having the power to enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Disclosure Statement is hereby approved as providing Holders of Claims entitled to vote on the Plan with adequate information to make an informed decision as to whether to vote to accept or reject the Plan in accordance with section 1125(a)(1) of the Bankruptcy Code.

3. The Disclosure Statement (including all applicable exhibits thereto) provides Holders of Claims, Holders of Interests, and other parties in interest with sufficient notice of the injunction, exculpation, and release provisions contained in Article VIII of the Plan, in satisfaction of the requirements of Bankruptcy Rule 3016(c).

4. The mechanism set forth in the Ballots, Non-Voting Status Notices, and Confirmation Hearing Notice for opting into the Third-Party Release contained in Article VIII of the Plan are hereby approved.

5. The Debtors provided adequate and sufficient notice of the hearing to consider approval of the Disclosure Statement, the manner in which a copy of the Disclosure Statement (and exhibits thereto, including the Plan) could be obtained, and the time fixed for filing objections thereto, in satisfaction of the requirements of the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

6. The following dates are hereby established (subject to modification as necessary) with respect to the solicitation of votes to accept or reject the Plan and confirmation of the Plan:

a. **Voting Record Date**: July 29, 2019, as the date for determining: (i) Holders of Claims that are entitled to vote on the Plan and (ii) whether Claims have been properly transferred, including pursuant to Bankruptcy Rule 3001(e), such that the assignee may vote on the Plan;

b. **Solicitation Deadline**: July 31, 2019, as the deadline for distributing Solicitation Packages, including Ballots, to Holders of Claims entitled to vote to accept or reject the Plan;

c. **Plan Objection Deadline**: August 28, 2019, at 4:00 p.m., prevailing Eastern Time, is the deadline by which objections to the Plan must be filed with the Court and served as to be actually received by the appropriate notice parties;

d. **Voting Deadline**: August 28, 2019, at 4:00 p.m., prevailing Eastern Time, as the deadline by which all Ballots must be properly executed, completed, and delivered so that they are actually received by the Debtors' Solicitation Agent, Omni Management Group;

e. **Confirmation Brief and Reply Deadline**: September 3, 2019 at 9:00 a.m., prevailing Eastern Time, as the deadline to file a brief in support of confirmation of the Plan and/or a reply to any objections to confirmation of the Plan;

f. **Deadline to File Voting Report**: September 3, 2019, at 9:00 a.m., prevailing Eastern Time, is established as the date by which the Voting Report must be filed, and the Court hereby waives the timing requirement set forth in Local Rule 3018-1(a); and

g. **Confirmation Hearing**: September 4, 2019, at 11:00 a.m., prevailing Eastern Time, is the date and time for the hearing for the Court to consider confirmation of the Plan.

7. The Debtors are authorized to solicit, receive, and tabulate votes to accept the Plan in accordance with the Solicitation and Voting Procedures attached hereto as **Exhibit 1**, which are hereby approved in their entirety.

8. In addition to the Disclosure Statement and exhibits thereto, including the Plan and this Order (without exhibits), the Solicitation Packages to be transmitted on or before the

Solicitation Deadline to those Holders of Claims in the Voting Classes entitled to vote on the Plan as of the Voting Record Date shall include the following, the form of each of which is hereby approved:

a. a copy of the Solicitation and Voting Procedures;

b. an appropriate form of Ballot attached hereto as **Exhibits 2A–2B**, respectively;[3]

c. the cover letter attached hereto as **Exhibit 6**;

d. the Confirmation Hearing Notice attached hereto as **Exhibit 7**; and

e. the official committee of unsecured creditors' support letter attached hereto as **Exhibit 10** (the "Committee Support Letter").

9. The Solicitation Packages provide the Holders of Claims entitled to vote on the Plan with adequate information to make informed decisions with respect to voting on the Plan in accordance with Bankruptcy Rules 2002(b) and 3017(d), the Bankruptcy Code, and the Local Rules.

10. The Debtors shall distribute Solicitation Packages to all Holders of Claims entitled to vote on the Plan on or before the Solicitation Deadline. Such service shall satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

11. The Debtors are authorized, but not directed or required, to distribute the Plan, the Disclosure Statement, and this Order to Holders of Claims entitled to vote on the Plan in electronic format. The Ballots, the Solicitation and Voting Procedures, the cover letter, the Committee Support Letter, and the Confirmation Hearing Notice will be provided in paper form. On or before the Solicitation Deadline, the Debtors (through their Solicitation Agent) shall provide complete

[3] The Debtors will make every reasonable effort to ensure that any Holder of a Claim who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class, receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

Confirmation Hearing Notice (in a format modified for publication) one time on or before **July 31, 2019**, in the *The New York Times* (national edition), *USA TODAY* (national edition), and *The Globe and Mail* (national edition in Canada).

16. Except to the extent the Debtors determine otherwise, the Debtors are not required to provide Solicitation Packages to Holders of Claims or Interests in Non-Voting Classes, as such Holders are not entitled to vote on the Plan. Instead, on or before the Solicitation Deadline, the Solicitation Agent shall mail (first-class postage pre-paid) a Non-Voting Status Notice in lieu of Solicitation Packages, the form of each of which is hereby approved, to those parties, outlined below, who are not entitled to vote on the Plan:

a. ***Unimpaired Claims—Conclusively Presumed to Accept.*** Holders of Claims in Classes 1, 2, and 3 are not impaired under the Plan and, therefore, are conclusively presumed to have accepted the Plan. As such, Holders of such Claims will receive a notice, substantially in the form attached hereto as **Exhibit 3**, in lieu of a Solicitation Package.

b. ***Other Interests and Claims—Deemed to Reject.*** Holders of Interests in Classes 8 and 9 are receiving no distribution under the Plan and, therefore, are deemed to reject the Plan and will receive a notice, substantially in the form attached hereto as **Exhibit 4**, in lieu of a Solicitation Package.

c. ***Disputed Claims.*** Holders of Claims that are subject to a pending objection by the Debtors are not entitled to vote the disputed portion of their Claim. As such, Holders of such Claims will receive a notice, substantially in the form attached hereto as **Exhibit 5**.

17. The Debtors are not required to mail Solicitation Packages or other solicitation materials to (a) Holders of Claims that have already been paid in full during these chapter 11 cases or that are authorized to be paid in full in the ordinary course of business pursuant to an order previously entered by this Court, (b) any party to whom notice of the Disclosure Statement Hearing was sent but was subsequently returned as undeliverable and after commercially reasonable efforts to locate such party prove unsuccessful, or (c) Holders in Class 6 (Intercompany Claims) and Class 7 (Intercompany Interests).

18. The notice of Assumed Executory Contracts and Unexpired Leases (including the schedules), substantially in the form attached hereto as **Exhibit 8**, is approved.

19. The notice of Rejected Executory Contracts and Unexpired Leases (including the schedules), substantially in the form attached hereto as **Exhibit 9**, is approved.

20. The Debtors will mail to non-debtor counterparties to the Debtors' Executory Contracts or Unexpired Leases at least 14 days before the first day of the Confirmation Hearing the Executory Contracts and Unexpired Leases notices, substantially in the forms attached hereto as **Exhibit 8** and **Exhibit 9**, notifying them of the forthcoming assumption or rejection of their Executory Contract or Unexpired Lease. Counterparties to Executory Contracts and Unexpired Leases shall have 28 days from the date the notice of assumed Executory Contracts and Unexpired Leases is sent to file and serve an objection to the Debtors' proposed cure Claim in accordance with the procedures set forth in such notice.

21. Nothing in this Order shall be construed as a waiver of the right of the Debtors or any other party in interest, as applicable, to object to a proof of claim after the Voting Record Date.

22. All time periods set forth in this order shall be calculated in accordance with Bankruptcy Rule 9006(a).

23. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

24. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

New York, New York
Dated: July 25, 2019

s/Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Solicitation and Voting Procedures

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

SOLICITATION AND VOTING PROCEDURES

PLEASE TAKE NOTICE that on [•] 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. •] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan");[2] (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement") as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the "Solicitation Packages"); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

A. The Voting Record Date.

The Court has approved **July 29, 2019**, as the record date for purposes of determining which Holders of Claims in Class 4 (Term Loan Claims) and Class 5 (General Unsecured Claims), are entitled to vote on the Plan (the "Voting Record Date").

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1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or in the *Debtors' Motion for Entry of an Order (I) Approving (A) the Adequacy of Information in the Disclosure Statement, (B) Solicitation and Notice Procedures, and (C) Certain Dates With Respect To Plan Confirmation, and (II) Granting Related Relief* [Docket No. 107], as applicable.

B. The Voting Deadline.

The Court has approved **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**, as the voting deadline (the "Voting Deadline") for the Plan. The Debtors may extend the Voting Deadline, in their discretion, without further order of the Court. To be counted as votes to accept or reject the Plan, all votes must be incorporated on a ballot (a "Ballot") that is properly executed, completed, and returned in the pre-paid, pre-addressed return envelope included in the Solicitation Package or delivered by (1) first class mail, (2) overnight courier, (3) personal delivery, (4) the customized section on the Debtors' case administration website (in accordance with the instructions accompanying the Ballot), or (5) email, so that they are **actually received**, in any case, no later than the Voting Deadline by Omni Management Group (the "Solicitation Agent"). All Ballots returned by mail or personal delivery should be sent to: Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. All Ballots returned by email should be sent to: hollanderballots@omnimgt.com. Delivery of a Ballot to the Solicitation Agent by facsimile or any other electronic means other than by using the customized section on the Debtors' case administration website or by email will not be valid.

C. Form, Content, and Manner of Notices.

1. **The Solicitation Package.**

The following materials shall constitute the solicitation package (the "Solicitation Package"):

a. a copy of these Solicitation and Voting Procedures;

b. the *Notice of Hearing to Consider Confirmation of the Chapter 11 Plan Filed by the Debtors and Related Voting and Objection Deadlines*, in substantially the form attached as **Exhibit 7** to the Disclosure Statement Order (the "Confirmation Hearing Notice");

c. a cover letter, in substantially the form attached as **Exhibit 6** to the Disclosure Statement Order, describing the contents of the Solicitation Package and urging the Holders of Claims in each of the Voting Classes to vote to accept the Plan;

d. the applicable form of Ballot, in substantially the form of Ballots attached as **Exhibits 2A–2B** to the Disclosure Statement Order, as applicable, including a pre-paid, pre-addressed return envelope;

e. the approved Disclosure Statement (and exhibits thereto, including the Plan);

f. the Disclosure Statement Order (without exhibits);

g. the official committee of unsecured creditors' support letter, in substantially the form attached as **Exhibit 10** to the Disclosure Statement Order (the "Committee Support Letter"); and

h. any additional documents that the Court has ordered to be made available.

2. **Distribution of the Solicitation Package.**

The Solicitation Package shall provide the Plan, the Disclosure Statement, and the Disclosure Statement Order (without exhibits in electronic format (flash drive or CD-ROM), and all other contents of the Solicitation Package, including Ballots and these Solicitation and Voting Procedures, shall be provided in paper format. Any party that receives the materials in electronic format but would prefer paper format (to be provided at the Debtors' expense) may contact the Solicitation Agent by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367; and/or (d) emailing hollanderballots@omnimgt.com and requesting paper copies of the corresponding materials previously received in electronic format.

The Debtors shall serve, or cause to be served, all of the materials in the Solicitation Package (excluding the Ballots) on the U.S. Trustee and all parties who have requested service of papers in this case pursuant to Bankruptcy Rule 2002 as of the Voting Record Date. In addition, the Debtors shall mail, or cause to be mailed, the Solicitation Package to all Holders of Claims in the Voting Classes who are permitted to vote on or before July 31, 2019.

To avoid duplication and reduce expenses, the Debtors will make every reasonable effort to ensure that any Holder of a Claim who has filed duplicative Claims against a Debtor (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class as against that Debtor.

3. **Resolution of Disputed Claims for Voting Purposes; Resolution Event.**

a. Absent a further order of the Court, the Holder of a Claim in a Voting Class that is the subject of a pending objection on a "reduce and allow" basis filed prior to the Voting Deadline shall be entitled to vote such Claim in the reduced amount contained in such objection.

b. If a Claim in a Voting Class is subject to an objection other than a "reduce and allow" objection that is filed with the Court on or prior to 14 days before the Voting Deadline: (i) the Debtors shall cause the applicable Holder to be served with a Disputed Claim Notice substantially in the form attached as **Exhibit 5** to the Disclosure Statement Order, and (ii) the applicable Holder shall not be entitled to vote to accept or reject the Plan on account of such claim unless a Resolution Event (as defined herein) occurs as provided herein.

c. If a Claim in a Voting Class is subject to an objection other than a "reduce and allow" objection that is filed with the Court less than 14 days prior to the Voting Deadline, the applicable Claim shall be deemed temporarily allowed for voting purposes only, without further action by the Holder of such Claim and without further order of the Court, unless the Court orders otherwise.

d. A "Resolution Event" means the occurrence of one or more of the following events no later than two (2) business days prior to the Voting Deadline:

i. an order of the Court is entered allowing such Claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;

ii. an order of the Court is entered temporarily allowing such Claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;

iii. a stipulation or other agreement is executed between the Holder of such Claim and the Debtors resolving the objection and allowing such Claim in an agreed upon amount; or

iv. the pending objection is voluntarily withdrawn by the objecting party.

e. No later than one (1) business day following the occurrence of a Resolution Event, the Debtors shall cause the Solicitation Agent to distribute via email, hand delivery, or overnight courier service a Solicitation Package and a pre-addressed, postage pre-paid envelope to the relevant Holder.

4. **Non-Voting Status Notices for Unimpaired Classes and Classes Deemed to Reject the Plan.**

Certain Holders of Claims and Interests that are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code or who are not entitled to vote because they are Unimpaired or otherwise presumed to accept the Plan under section 1126(f) of the Bankruptcy Code will receive only the *Notice of Non-Voting Status to Holders of Unimpaired Claims Conclusively Presumed to Accept the Plan*, substantially in the form attached as **Exhibit 3** to the Disclosure Statement Order. Such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots). Certain Holders of Claims and Interests who are not entitled to vote because they are deemed to reject the Plan under section 1126(g) of the Bankruptcy Code will receive the *Notice of Non-Voting Status to Holders of Impaired Claims and Equity Interests Deemed to Reject the Plan*, substantially in the form attached as **Exhibit 4** to the Disclosure Statement Order. Such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots).

D. Voting and Tabulation Procedures.

1. Holders of Claims Entitled to Vote.

Only the following Holders of Claims in the Voting Classes shall be entitled to vote with regard to such Claims:

a. Holders of Claims who, on or before the Voting Record Date, have timely filed a Proof of Claim (or an untimely Proof of Claim that has been Allowed as timely by the Court under applicable law on or before the Voting Record Date) that (i) has not been expunged, disallowed, disqualified, withdrawn, or superseded prior to the Voting Record Date, and (ii) is not the subject of a pending objection, other than a "reduce and allow" objection, filed with the Court at least 14 days prior to the Voting Deadline, pending a Resolution Event as provided herein; *provided* that a Holder of a Claim that is the subject of a pending objection on a "reduce and allow" basis shall receive a Solicitation Package and be entitled to vote such Claim in the reduced amount contained in such objection absent a further order of the Court; *provided, further*, that Holders of Claims in the Voting Classes are entitled to vote such Claims without filing Proofs of Claim if such Holders are authorized by any order of this Court not to submit Proofs of Claim (including, pursuant to the DIP Orders and the Bar Date Order, the Holders of the DIP Claims, and the Class 4 Claims);

b. Holders of Claims that are listed in the Schedules unless such Claim is scheduled as contingent, unliquidated, or disputed and not otherwise paid or superseded by a timely filed Proof of Claim, *provided* that a Claim scheduled as contingent, unliquidated, or disputed that has not been superseded by a timely filed Proof of Claim will be allowed to vote only in the amounts set forth in section 2(d) of these Solicitation and Voting Procedures;

c. Holders whose Claims arise (i) pursuant to an agreement or settlement with the Debtors, as reflected in a document filed with the Court (or otherwise), (ii) in an order entered by the Court, or (iii) in a document executed by the Debtors pursuant to authority granted by the Court, in each case regardless of whether a Proof of Claim has been filed;

d. Holders of any Disputed Claim that has been temporarily allowed to vote on the Plan pursuant to Bankruptcy Rule 3018; and

e. with respect to any Entity described in subparagraphs (a) through (d) above, who, on or before the Voting Record Date, has transferred such Entity's Claim to another Entity, to the assignee of such Claim; *provided* that such transfer or assignment has been fully effectuated pursuant to the procedures set forth in Bankruptcy Rule 3001(e) and such transfer is reflected on the Claims Register on the Voting Record Date.

2. **Establishing Claim Amounts for Voting Purposes**.

Class 4 Term Loan Claims. The voting amounts for Class 4 Claims will be established based on the amount of the applicable positions held by such Class 4 Claim Holder, as of the Voting Record Date, as evidenced by the list of record holders maintained by the Term Loan Agent and dated as of the Voting Record Date.

Class 5 General Unsecured Claims. In tabulating votes, the following hierarchy shall be used to determine the amount of the Class 5 Claims associated with each claimant's vote:

a. the Claim amount (i) settled and/or agreed upon by the Debtors, as reflected in a document filed with the Court (or otherwise), (ii) set forth in an order of the Court, or (iii) set forth in a document executed by the Debtors pursuant to authority granted by the Court;

b. the Claim amount Allowed (temporarily or otherwise) pursuant to a Resolution Event under Section C.3(d) of these Solicitation and Voting Procedures;

c. the Claim amount contained in a Proof of Claim that has been timely filed by the applicable Bar Date (or deemed timely filed by the Court under applicable law), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided, however*, that (i) any Ballot cast by a Holder of a Claim who timely files a Proof of Claim in respect of a contingent Claim or a Claim in a wholly-unliquidated or unknown amount (based on a reasonable review by the Debtors and/or the Solicitation Agent) that is not the subject of an objection will count toward satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and will count as a Ballot for a Claim in the amount of $1.00 solely for the purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code, and (ii) if a Proof of Claim is filed as partially liquidated and partially unliquidated, such Claim will be Allowed for voting purposes only in the liquidated amount; *provided, further, however*, that to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount set forth in a document filed with the Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Court shall supersede the Claim amount set forth on the respective Proof of Claim for voting purposes;

d. the Claim amount listed in the Schedules (to the extent such Claim is not superseded by a timely filed Proof of Claim) that is not scheduled as contingent, disputed, or unliquidated and/or has not been paid; *provided, however*, that if the applicable Bar Date has not expired prior to the Voting Record Date, a Claim listed in the Schedules as contingent, disputed, or unliquidated will count as a vote towards satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and as a vote in the amount of $1.00 solely for the purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code; *provided, further*,

that if the applicable Bar Date has expired, a Claim listed in the Schedules as contingent, disputed, or unliquidated shall not be entitled to vote; and

e. Claims that have been paid or otherwise satisfied are disallowed for voting purposes.

Notwithstanding anything to the contrary contained herein: (x) any creditor who has filed or purchased duplicate Claims against the same Debtor within the same Class may be provided with only one Solicitation Package and one ballot for voting a single Claim in such Class, regardless of whether the Debtors have objected to such duplicate Claims; (y) Holders of Claims filed for $0.00 are not entitled to vote; and (z) if a Proof of Claim has been amended by a later timely filed Proof of Claim, only the later filed amending Claim will be counted for voting purposes, regardless of whether the Debtors have objected to such earlier filed Claim

3. Voting and Ballot Tabulation Procedures.

The following voting procedures and standard assumptions shall be used in tabulating Ballots, subject to the Debtors' right to waive any of the below specified requirements for completion and submission of Ballots so long as such requirement is not otherwise required by the Bankruptcy Code, Bankruptcy Rules, or Local Rules:

a. except as otherwise provided in the Solicitation and Voting Procedures, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline (as the same may be extended by the Debtors as set forth herein), the Debtors shall reject such Ballot as invalid and, therefore, shall not count it in connection with Confirmation of the Plan;

b. the Solicitation Agent will date-stamp all Ballots when received. The Solicitation Agent shall retain the original Ballots and an electronic copy of the same for a period of one year after the Effective Date of the Plan, unless otherwise ordered by the Court. The Solicitation Agent shall tabulate Ballots on a Debtor-by-Debtor basis;

c. the Debtors will file with the Court a certification of votes (the "Voting Report") on September 3, 2019, at 9:00 a.m., prevailing Eastern Time. The Voting Report shall, among other things, certify to the Court in writing the amount and number of Allowed Claims or Allowed Interests of each Class accepting or rejecting the Plan, and delineate every Ballot that does not conform to the voting instructions or that contains any form of irregularity including, but not limited to, those Ballots that are late or (in whole or in material part) illegible, unidentifiable, lacking signatures or lacking necessary information, received via facsimile or any other electronic means other than by using the customized section on the Debtors' case administration website or by email, or damaged ("Irregular Ballots"). The Voting Report shall indicate the Debtors' intentions with regard to each such Irregular Ballot. The Voting Report shall be served upon the Committee and the U.S. Trustee;

d. the method of delivery of Ballots to be sent to the Solicitation Agent is at the election and risk of each Holder, and except as otherwise provided, a Ballot will be deemed delivered only when the Solicitation Agent actually receives the executed Ballot;

e. an executed Ballot is required to be submitted by the Entity submitting such Ballot. Delivery of a Ballot to the Solicitation Agent by facsimile, or any electronic means other than expressly provided in the Solicitation and Voting Procedures will not be valid;

f. no Ballot should be sent to the Debtors, the Debtors' agents (other than the Solicitation Agent), or the Debtors' financial or legal advisors, and if so sent will not be counted;

g. if multiple Ballots are received from the same Holder with respect to the same Claim prior to the Voting Deadline, the last properly executed Ballot timely received will be deemed to reflect that voter's intent and will supersede and revoke any prior Ballot;

h. Holders must vote all of their Claims within a particular Class either to accept or reject the Plan and may not split any votes. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. Further, to the extent there are multiple Claims within the same Class, the Debtor may, in its discretion, aggregate the Claims of any particular Holder within a Class for the purpose of counting votes;

i. a person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity of a Holder of Claims must indicate such capacity when signing;

j. the Debtors, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Irregular Ballot at any time, either before or after the close of voting, and any such waivers will be documented in the Voting Report;

k. the Debtors shall notify any Holder submitting a Ballot not in proper form of any such defects and their intent to reject such Ballot if the alleged defects are not remedied within 7 days after receipt of notice of such alleged defect; *provided, further*, that any Holder to which the Debtors provide notice of their intent to reject such Ballot may submit an objection within 7 days of receipt of such notice. Any dispute regarding the form of any Ballot shall be determined by the Bankruptcy Court;

l. unless waived or as ordered by the Court, any defects or irregularities in connection with deliveries of Ballots must be cured prior to the Voting Deadline or such Ballots will not be counted;

m. in the event a designation of lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim will be counted for purposes of determining whether the Plan has been accepted and/or rejected;

n. subject to any order of the Court, the Debtors reserve the right to reject any and all Ballots not in proper form, the acceptance of which, in the opinion of the Debtors, would not be in accordance with the provisions of the Bankruptcy Code or the Bankruptcy Rules; *provided* that any such rejections will be documented in the Voting Report;

o. if a Claim has been estimated or otherwise Allowed for voting purposes only by order of the Court, such Claim shall be temporarily Allowed in the amount so estimated or Allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;

p. if an objection to a Claim is filed, such Claim shall be treated in accordance with the procedures set forth herein;

a. the following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim; (ii) any Ballot cast by any Entity that does not hold a Claim in a Voting Class; (iii) any Ballot cast for a Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed; (iv) any unsigned Ballot or Ballot lacking an original signature; (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; and (vi) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described herein;

q. after the Voting Deadline, no Ballot may be withdrawn or modified without the prior written consent of the Debtors;

r. the Debtors are authorized to enter into stipulations with the Holder of any Claim agreeing to the amount of a Claim for voting purposes; and

s. where any portion of a single Claim has been transferred to a transferee, all Holders of any portion of such single Claim will be: (i) treated as a single creditor for purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code (and for the other voting and solicitation procedures set forth herein), and (ii) required to vote every portion of such Claim collectively to accept or reject the Plan. In the event that: (x) a Ballot, (y) a group of Ballots within a Voting Class received from a single creditor, or (z) a group of Ballots received from the various Holders of multiple portions of a single Claim partially reject and partially accept the Plan, such Ballots shall not be counted.

E. Amendments to the Plan and Solicitation and Voting Procedures.

The Debtors reserve the right to make non-substantive or immaterial changes to the Disclosure Statement, the Plan, these Solicitation and Voting Procedures, the Confirmation Hearing Notice, the Non-Voting Status Notices, the Ballots, the cover letter, the Committee Support Letter, the Assumption and Rejection Notices, and related documents without further order of the Court, including changes to correct typographical and grammatical errors, if any, and to make conforming changes to the Disclosure Statement, the Plan, and any other materials in the Solicitation Packages before distribution.

* * * * *

Exhibit 2A

Form Class 4 Ballot

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

BALLOT FOR VOTING TO ACCEPT OR REJECT THE DEBTORS' JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

CLASS 4 CLAIMS

Please read and follow the enclosed instructions for completing Ballots carefully before completing this Ballot.

In order for your vote to be counted, this Ballot must be completed, executed, and returned so as to be actually received by the Solicitation Agent by August 28, 2019, at 4:00 p.m., prevailing Eastern Time (the "Voting Deadline"), in accordance with the following:

The above-captioned debtors and debtors in possession (collectively, the "Debtors") are soliciting votes with respect to the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as amended, supplemented, or modified from time to time, the "Plan") as set forth in the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as amended, supplemented, or modified from time to time, the "Disclosure Statement"). The United States Bankruptcy Court for the Southern District of New York (the "Court") has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code by entry of an order on [•], 2019 [Docket No. •] (the "Disclosure Statement Order"). Court approval of the Disclosure Statement does not indicate approval of the Plan by the Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

You are receiving this ballot (the "Ballot") because you are a Holder of a Class 4 Claim as of **July 29, 2019** (the "Voting Record Date"). Accordingly, you have a right to vote to accept or reject the Plan. You can cast your vote through this Ballot.

Your rights are described in the Disclosure Statement, which is included in the package (the "Solicitation Package") you are receiving with this Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them (a) from Omni Management Group (the "Solicitation Agent") at no charge by: (i) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (ii) visiting the Debtors' restructuring website at www.omnimgt.com/hollander; (iii) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367; or (iv) emailing hollanderballots@omnimgt.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors' expense); and/or (b) for a fee via PACER at http://www.nysb.uscourts.gov.

This Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan, agreeing to or opting into certain releases described below, and making certain certifications with respect to the Plan. If you believe you have received this Ballot in error, or if you believe that you have received the wrong ballot, please contact the Solicitation Agent immediately at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claim has been placed in Class 4 under the Plan. If you hold Claims in more than one Class, you will receive a ballot for each Class in which you are entitled to vote.

The Court may confirm the Plan and thereby bind all Holders of Claims and Interests. **To have your vote count as either an acceptance or rejection of the Plan, you must complete and return this Ballot so that the Solicitation Agent actually receives it on or before the Voting Deadline.**

The Voting Deadline is on August 28, 2019, at 4:00 p.m., prevailing Eastern Time.

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the holder of Class 4 Claims in the following aggregate amount (insert amount in box below):

Amount of Claim: $_____

Item 2. Vote on Plan.

The Holder of the Class 4 Claim against the Debtors set forth in Item 1 votes to (please check one):

☐ **ACCEPT** (vote FOR) the Plan	☐ **REJECT** (vote AGAINST) the Plan

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Item 3. Important information regarding the Debtor Release, Third-Party Release, Exculpation, and Injunction.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. EXCERPTS OF SUCH PROVISIONS ARE SET FORTH BELOW BUT PARTIES SHOULD RELY ONLY ON THE TERMS OF THE PLAN. PARTIES RECEIVING THIS BALLOT MAY OPT INTO THE THIRD-PARTY RELEASE PROVISIONS BY CHECKING THE BOX BELOW SPECIFICALLY PROVIDING FOR THE ACCEPTANCE OF THE THIRD-PARTY RELEASE PROVISIONS.

IF YOU VOTE TO ACCEPT THE PLAN, YOU SHALL BE DEEMED TO HAVE CONSENTED TO THE PLAN'S THIRD-PARTY RELEASE CONTAINED IN ARTICLE VIII OF THE PLAN, AS DESCRIBED IN THIS ITEM 3.

IF YOU VOTE TO REJECT THE PLAN OR WISH TO ABSTAIN FROM VOTING AND YOU WISH TO RELEASE CLAIMS YOU MAY HAVE AGAINST THE RELEASED PARTIES, YOU MAY CHECK THE BOX BELOW TO OPT INTO THE RELEASES; HOWEVER, YOU ARE NOT REQUIRED TO DO SO.

REGARDLESS OF WHETHER YOU ELECT TO OPT INTO THE PLAN'S THIRD-PARTY RELEASE PROVISIONS, YOUR RECOVERY UNDER THE PLAN REMAINS UNAFFECTED.

The undersigned Holder of the Class 4 Claim against the Debtors set forth in Item 1 elects to:

☐ **Opt Into the Third-Party Release in Article VIII of the Plan**

PARTIES THAT SIGN THE AMENDED & RESTATED RESTRUCTURING SUPPORT AGREEMENT SHALL BE DEEMED TO HAVE GRANTED THE THIRD-PARTY RELEASE REGARDLESS OF WHETHER THEY ELECT TO OPT INTO THE THIRD-PARTY RELEASE ON THEIR BALLOT.

Article VIII.D of the Plan contains the following Third-Party Release:

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating

to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan.

* * * * *

UNDER THE PLAN, "RELEASED PARTY" MEANS, COLLECTIVELY, AND IN EACH CASE IN ITS CAPACITY AS SUCH: (A) THE DEBTORS; (B) THE REORGANIZED DEBTORS; (C) THE PREPETITION SECURED LENDERS; (D) THE PREPETITION AGENTS; (E) THE DIP LENDERS; (F) THE PUT PURCHASERS; (G) THE DIP AGENTS; (H) THE EXIT FACILITY LENDERS; (I) THE EXIT FACILITY AGENTS; (J) THE WINNING BIDDER; (K) THE SPONSOR; (L) THE PARTIES TO THE RSA; (M) THE COMMITTEE; AND (N) WITH RESPECT TO EACH OF THE FOREGOING IN CLAUSES (A) THROUGH (M), SUCH ENTITY AND ITS CURRENT AND FORMER AFFILIATES, AND SUCH ENTITIES' AND THEIR CURRENT AFFILIATES' DIRECTORS, MANAGERS, OFFICERS, EQUITY HOLDERS (REGARDLESS OF WHETHER SUCH INTERESTS ARE HELD DIRECTLY OR INDIRECTLY), PREDECESSORS, PARTICIPANTS, SUCCESSORS, AND ASSIGNS, SUBSIDIARIES, AFFILIATES, MANAGED ACCOUNTS OR FUNDS, AND EACH OF THEIR RESPECTIVE CURRENT AND FORMER EQUITY HOLDERS, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, SHAREHOLDERS, MEMBERS (OTHER THAN MEMBERS OF THE COMMITTEE), MANAGEMENT COMPANIES, FUND ADVISORS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS; *PROVIDED* THAT ANY OF THE FOREGOING THAT DOES NOT CONSENT TO THE RELEASES SHALL NOT BE A "RELEASED PARTY."

IF YOU VOTE TO ACCEPT THE PLAN YOU WILL BE DEEMED A RELEASING PARTY PROVIDING THE THIRD-PARTY RELEASE CONTAINED IN ARTICLE VIII.D OF THE PLAN.

* * * * *

Item 4. Certifications.

By signing this Ballot, the undersigned certifies to the Court and the Debtors that:

(a) as of the Voting Record Date, the entity is either: (i) the Holder of the Claims being voted on this Ballot; or (ii) an authorized signatory for an entity that is the Holder of the Claims being voted on this Ballot;
(b) the entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
(c) the entity has reviewed the Plan and the Disclosure Statement with respect to the Third-Party Release and has made an informed decision whether or not to consent to the Third-Party Release;
(d) the entity has cast the same vote with respect to all its Claims in a single Class; and
(e) no other Ballots with respect to the Claims identified in Item 1 have been cast or, if any other Ballots have been cast with respect to such Claims, then any such earlier received Ballots are hereby revoked.

Name of Holder:	(Print or Type)
Signature:	
Name of Signatory:	(If other than Holder)
Title:	
Address:	
Telephone Number:	
Email:	
Date Completed:	

Please complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first-class mail, overnight courier, or hand-delivery to:

Hollander Sleep Products, LLC, Ballot Processing
c/o Omni Management Group
5955 DeSoto Avenue, Suite #100
Woodland Hills, CA 91367

OR

Complete, sign, and date this Ballot and submit it *promptly* (with an original signature) via the "Submit E-Ballot" section of the Debtors' case administration website at www.omnimgt.com/hollander, pursuant to the instructions set forth therein, or via email to the Solicitation Agent at hollanderballots@omnimgt.com.

The "Submit E-Ballot" section of the Debtors' case administration website and the Solicitation Agent's email address are the sole manners in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile or other means of electronic transmission will not be counted.

Creditors who submit a Ballot using the "Submit E-Ballot" section of the Debtors' case administration website or by emailing the Solicitation Agent should NOT also submit a Ballot via first-class mail, overnight courier, or hand-delivery.

If the Solicitation Agent does not actually receive this Ballot on or before August 28, 2019, at 4:00 p.m., prevailing Eastern Time (and if the Voting Deadline is not extended), your vote transmitted by this Ballot may be counted toward Confirmation of the Plan only in the sole and absolute discretion of the Debtors.

INSTRUCTIONS FOR COMPLETING THIS BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Ballot or in these instructions (the "Ballot Instructions") but not otherwise defined therein or herein shall have the meanings set forth in the Plan, a copy of which also accompanies the Ballot. **Please read the Plan and Disclosure Statement carefully before completing this Ballot.**

2. The Plan can be confirmed by the Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one Class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.

3. To ensure that your Ballot is counted, you **must** complete and submit this hard copy Ballot.

4. **Use of Ballot**. To ensure that your hard copy Ballot is counted, you must: (a) complete your Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Ballot; and (c) clearly sign and return your original Ballot (i) in the enclosed pre-addressed envelope or via first-class mail, overnight courier, or hand-delivery to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367, in accordance with paragraph 6 below or (ii) by following the instructions on the Debtors' case administration website at www.omnimgt.com/hollander (click "Submit E-Ballot" link) or by emailing the Solicitation Agent at hollanderballots@omnimgt.com. The Debtors' case administration website and the Solicitation Agent's email address are the sole manner in which Ballots in this class will be accepted via electronic or online transmission. **Ballots will not be accepted by facsimile or electronic means (other than the Debtors' case administration website and the Solicitation Agent's email address)**

5. Your Ballot **must** be returned to the Solicitation Agent so as to be **actually received** by the Solicitation Agent on or before the Voting Deadline. **The Voting Deadline is August 28, 2019, at 4:00 p.m., prevailing Eastern Time**.

6. If a Ballot is received after the Voting Deadline (and if the Voting Deadline is not extended), it may be counted only in the sole and absolute discretion of the Debtors. Additionally, **the following Ballots will not be counted**:

   (a) any Ballot that partially rejects and partially accepts the Plan;
   (b) any Ballot sent to the Debtors, the Debtors' agents (other than the Solicitation Agent), any administrative agent, or the Debtors' financial or legal advisors;
   (c) any Ballot sent by facsimile or any electronic means other than via the Debtors' case administration website or the Solicitation Agent's email address;
   (d) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
   (e) any Ballot cast by an entity that does not hold a Claim in the Class indicated in Item 1 of the Ballot;
   (f) any Ballot submitted by a Holder not entitled to vote pursuant to the Plan;
   (g) any unsigned Ballot;
   (h) any non-original Ballot; and/or
   (i) any Ballot not marked to accept or reject the Plan or any Ballot marked both to accept and reject the Plan.

7. The method of delivery of a Ballot to the Solicitation Agent is at the election and risk of each Holder of a Claim. Except as otherwise provided herein, such delivery will be deemed made only when the Solicitation Agent **actually receives** the original executed Ballot. In all cases, Holders should allow sufficient time to assure timely delivery.

8. If multiple Ballots are received from the same Holder of a Claim with respect to the same Claim prior to the Voting Deadline, the latest, timely received, and properly completed Ballot will supersede and revoke any earlier received Ballots; *provided* that a Holder may not change its vote in a previously cast Ballot from acceptance to

rejection or from rejection to acceptance without first obtaining authority from the Court pursuant to the requirements of and in compliance with Bankruptcy Rule 3018(a). Accordingly, a Ballot changing a vote in a previously submitted Ballot without authority from the Court will not be counted.

9. You must vote all of your Claims within a Class either to accept or reject the Plan and may not split your vote. Further, if a Holder has multiple Claims within a Class, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple Claims within such Class for the purpose of counting votes.

10. This Ballot does not constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.

11. **Please be sure to sign and date your Ballot**.

12. If you hold Claims in more than one Class under the Plan you may receive more than one Ballot coded for each different Class. Each Ballot votes only your Claims indicated on that Ballot, so please complete and return each Ballot that you receive.

Please return your Ballot promptly.

If you have any questions regarding this Ballot, these Voting Instructions, or the Solicitation and Voting Procedures, please call the Debtors' restructuring hotline at (844) 212-9942 (toll free) in the United States or Canada, or, if outside of the United States or Canada, +1 (818) 906-8300, or email hollanderballots@omnimgt.com.

If the Solicitation Agent does not actually receive this Ballot on or before the Voting Deadline, which is on August 28, 2019, at 4:00 p.m., prevailing Eastern Time (and if the Voting Deadline is not extended), your vote transmitted hereby may be counted only in the sole and absolute discretion of the Debtors.

Exhibit 2B

Form Class 5 Ballot

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

BALLOT FOR VOTING TO ACCEPT OR REJECT THE DEBTORS' JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

CLASS 5 CLAIMS

Please read and follow the enclosed instructions for completing Ballots carefully before completing this Ballot.

In order for your vote to be counted, this Ballot must be completed, executed, and returned so as to be actually received by the Solicitation Agent by August 28, 2019, at 4:00 p.m., prevailing Eastern Time (the "Voting Deadline"), in accordance with the following:

The above-captioned debtors and debtors in possession (collectively, the "Debtors") are soliciting votes with respect to the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as amended, supplemented, or modified from time to time, the "Plan") as set forth in the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as amended, supplemented, or modified from time to time, the "Disclosure Statement"). The United States Bankruptcy Court for the Southern District of New York (the "Court") has approved the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code by entry of an order on [•], 2019 [Docket No. •] (the "Disclosure Statement Order"). Court approval of the Disclosure Statement does not indicate approval of the Plan by the Court. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan.

You are receiving this ballot (the "Ballot") because you are a Holder of a Class 5 Claim as of **July 29, 2019** (the "Voting Record Date"). Accordingly, you have a right to vote to accept or reject the Plan. You can cast your vote through this Ballot.

Your rights are described in the Disclosure Statement, which is included in the package (the "Solicitation Package") you are receiving with this Ballot (as well as the Plan, Disclosure Statement Order, and certain other materials). If you received Solicitation Package materials in electronic format and desire paper copies, or if you need to obtain additional Solicitation Packages, you may obtain them (a) from Omni Management Group (the "Solicitation Agent") at no charge by: (i) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (ii) visiting the Debtors' restructuring website at www.omnimgt.com/hollander; (iii) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367; or (iv) emailing hollanderballots@omnimgt.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors' expense); and/or (b) for a fee via PACER at http://www.nysb.uscourts.gov.

This Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan, agreeing to or opting into certain releases described below, and making certain certifications with respect to the Plan. If you believe you have received this Ballot in error, or if you believe that you have received the wrong ballot, please contact the Solicitation Agent immediately at the address, telephone number, or email address set forth above.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the Plan's classification and treatment of your Claim. Your Claim has been placed in Class 5 under the Plan. If you hold Claims in more than one Class, you will receive a ballot for each Class in which you are entitled to vote.

The Court may confirm the Plan and thereby bind all Holders of Claims and Interests. **To have your vote count as either an acceptance or rejection of the Plan, you must complete and return this Ballot so that the Solicitation Agent actually receives it on or before the Voting Deadline.**

The Voting Deadline is on August 28, 2019, at 4:00 p.m., prevailing Eastern Time.

Item 1. Amount of Claim.

The undersigned hereby certifies that as of the Voting Record Date, the undersigned was the holder of Class 5 Claims in the following aggregate amount (insert amount in box below):

Amount of Claim: $_____

Item 2. Vote on Plan.

The Holder of the Class 5 Claim against the Debtors set forth in Item 1 votes to (please check one):

☐ **ACCEPT** (vote FOR) the Plan	☐ **REJECT** (vote AGAINST) the Plan

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Item 3. Important information regarding the Debtor Release, Third-Party Release, Exculpation, and Injunction.

ARTICLE VIII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. EXCERPTS OF SUCH PROVISIONS ARE SET FORTH BELOW BUT PARTIES SHOULD RELY ONLY ON THE TERMS OF THE PLAN. PARTIES RECEIVING THIS BALLOT MAY OPT INTO THE THIRD-PARTY RELEASE PROVISIONS BY CHECKING THE BOX BELOW SPECIFICALLY PROVIDING FOR THE ACCEPTANCE OF THE THIRD-PARTY RELEASE PROVISIONS.

IF YOU VOTE TO ACCEPT THE PLAN, YOU SHALL BE DEEMED TO HAVE CONSENTED TO THE PLAN'S THIRD-PARTY RELEASE CONTAINED IN ARTICLE VIII OF THE PLAN, AS DESCRIBED IN THIS ITEM 3.

IF YOU VOTE TO REJECT THE PLAN OR WISH TO ABSTAIN FROM VOTING AND YOU WISH TO RELEASE CLAIMS YOU MAY HAVE AGAINST THE RELEASED PARTIES, YOU MAY CHECK THE BOX BELOW TO OPT INTO THE RELEASES; HOWEVER, YOU ARE NOT REQUIRED TO DO SO.

REGARDLESS OF WHETHER YOU ELECT TO OPT INTO THE PLAN'S THIRD-PARTY RELEASE PROVISIONS, YOUR RECOVERY UNDER THE PLAN REMAINS UNAFFECTED.

The undersigned Holder of the Class 5 Claim against the Debtors set forth in Item 1 elects to:

☐ **Opt Into the Third-Party Release in Article VIII of the Plan**

PARTIES THAT SIGN THE AMENDED & RESTATED RESTRUCTURING SUPPORT AGREEMENT SHALL BE DEEMED TO HAVE GRANTED THE THIRD-PARTY RELEASE REGARDLESS OF WHETHER THEY ELECT TO OPT INTO THE THIRD-PARTY RELEASE ON THEIR BALLOT.

Article VIII.D of the Plan contains the following Third-Party Release:

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating

to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan.

* * * * *

UNDER THE PLAN, "RELEASED PARTY" MEANS, COLLECTIVELY, AND IN EACH CASE IN ITS CAPACITY AS SUCH: (A) THE DEBTORS; (B) THE REORGANIZED DEBTORS; (C) THE PREPETITION SECURED LENDERS; (D) THE PREPETITION AGENTS; (E) THE DIP LENDERS; (F) THE PUT PURCHASERS; (G) THE DIP AGENTS; (H) THE EXIT FACILITY LENDERS; (I) THE EXIT FACILITY AGENTS; (J) THE WINNING BIDDER; (K) THE SPONSOR; (L) THE PARTIES TO THE RSA; (M) THE COMMITTEE; AND (N) WITH RESPECT TO EACH OF THE FOREGOING IN CLAUSES (A) THROUGH (M), SUCH ENTITY AND ITS CURRENT AND FORMER AFFILIATES, AND SUCH ENTITIES' AND THEIR CURRENT AFFILIATES' DIRECTORS, MANAGERS, OFFICERS, EQUITY HOLDERS (REGARDLESS OF WHETHER SUCH INTERESTS ARE HELD DIRECTLY OR INDIRECTLY), PREDECESSORS, PARTICIPANTS, SUCCESSORS, AND ASSIGNS, SUBSIDIARIES, AFFILIATES, MANAGED ACCOUNTS OR FUNDS, AND EACH OF THEIR RESPECTIVE CURRENT AND FORMER EQUITY HOLDERS, OFFICERS, DIRECTORS, MANAGERS, PRINCIPALS, SHAREHOLDERS, MEMBERS (OTHER THAN MEMBERS OF THE COMMITTEE), MANAGEMENT COMPANIES, FUND ADVISORS, EMPLOYEES, AGENTS, ADVISORY BOARD MEMBERS, FINANCIAL ADVISORS, PARTNERS, ATTORNEYS, ACCOUNTANTS, INVESTMENT BANKERS, CONSULTANTS, REPRESENTATIVES, AND OTHER PROFESSIONALS; *PROVIDED* THAT ANY OF THE FOREGOING THAT DOES NOT CONSENT TO THE RELEASES SHALL NOT BE A "RELEASED PARTY."

IF YOU VOTE TO ACCEPT THE PLAN YOU WILL BE DEEMED A RELEASING PARTY PROVIDING THE THIRD-PARTY RELEASE CONTAINED IN ARTICLE VIII.D OF THE PLAN.

* * * * *

Item 4. Certifications.

By signing this Ballot, the undersigned certifies to the Court and the Debtors that:

(a) as of the Voting Record Date, the entity is either: (i) the Holder of the Claims being voted on this Ballot; or (ii) an authorized signatory for an entity that is the Holder of the Claims being voted on this Ballot;
(b) the entity (or in the case of an authorized signatory, the Holder) has received a copy of the Disclosure Statement and the Solicitation Package and acknowledges that the solicitation is being made pursuant to the terms and conditions set forth therein;
(c) the entity has reviewed the Plan and the Disclosure Statement with respect to the Third-Party Release and has made an informed decision whether or not to consent to the Third-Party Release;
(d) the entity has cast the same vote with respect to all its Claims in a single Class; and
(e) no other Ballots with respect to the Claims identified in Item 1 have been cast or, if any other Ballots have been cast with respect to such Claims, then any such earlier received Ballots are hereby revoked.

Name of Holder:	_____ (Print or Type)
Signature:	_____
Name of Signatory:	_____ (If other than Holder)
Title:	_____
Address:	_____ _____
Telephone Number:	_____
Email:	_____
Date Completed:	

Please complete, sign, and date this Ballot and return it (with an original signature) promptly in the envelope provided via first-class mail, overnight courier, or hand-delivery to:

Hollander Sleep Products, LLC, Ballot Processing
c/o Omni Management Group
5955 DeSoto Avenue, Suite #100
Woodland Hills, CA 91367

OR

Complete, sign, and date this Ballot and submit it *promptly* (with an original signature) via the "Submit E-Ballot" section of the Debtors' case administration website at www.omnimgt.com/hollander, pursuant to the instructions set forth therein, or via email to the Solicitation Agent at hollanderballots@omnimgt.com.

The "Submit E-Ballot" section of the Debtors' case administration website and the Solicitation Agent's email address are the sole manners in which Ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile or other means of electronic transmission will not be counted.

Creditors who submit a Ballot using the "Submit E-Ballot" section of the Debtors' case administration website or by emailing the Solicitation Agent should NOT also submit a Ballot via first-class mail, overnight courier, or hand-delivery.

If the Solicitation Agent does not actually receive this Ballot on or before August 28, 2019, at 4:00 p.m., prevailing Eastern Time (and if the Voting Deadline is not extended), your vote transmitted by this Ballot may be counted toward Confirmation of the Plan only in the sole and absolute discretion of the Debtors.

INSTRUCTIONS FOR COMPLETING THIS BALLOT

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan attached as **Exhibit A** to the Disclosure Statement. Capitalized terms used in the Ballot or in these instructions (the "Ballot Instructions") but not otherwise defined therein or herein shall have the meanings set forth in the Plan, a copy of which also accompanies the Ballot. **Please read the Plan and Disclosure Statement carefully before completing this Ballot.**

2. The Plan can be confirmed by the Court and thereby made binding upon you if it is accepted by the Holders of at least two-thirds in amount and more than one-half in number of Claims in at least one Class of creditors that votes on the Plan and if the Plan otherwise satisfies the requirements for confirmation provided by section 1129(a) of the Bankruptcy Code. Please review the Disclosure Statement for more information.

3. To ensure that your Ballot is counted, you **must** complete and submit this hard copy Ballot.

4. **Use of Ballot**. To ensure that your hard copy Ballot is counted, you must: (a) complete your Ballot in accordance with these instructions; (b) clearly indicate your decision either to accept or reject the Plan in the boxes provided in Item 2 of the Ballot; and (c) clearly sign and return your original Ballot (i) in the enclosed pre-addressed envelope or via first-class mail, overnight courier, or hand-delivery to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367, in accordance with paragraph 6 below or (ii) by following the instructions on the Debtors' case administration website at www.omnimgt.com/hollander (click "Submit E-Ballot" link) or by emailing the Solicitation Agent at hollanderballots@omnimgt.com. The Debtors' case administration website and the Solicitation Agent's email address are the sole manner in which Ballots in this class will be accepted via electronic or online transmission. **Ballots will not be accepted by facsimile or electronic means (other than the Debtors' case administration website and the Solicitation Agent's email address)**

5. Your Ballot **must** be returned to the Solicitation Agent so as to be **actually received** by the Solicitation Agent on or before the Voting Deadline. **The Voting Deadline is August 28, 2019, at 4:00 p.m., prevailing Eastern Time**.

6. If a Ballot is received after the Voting Deadline (and if the Voting Deadline is not extended), it may be counted only in the sole and absolute discretion of the Debtors. Additionally, **the following Ballots will not be counted**:

   (a) any Ballot that partially rejects and partially accepts the Plan;
   (b) any Ballot sent to the Debtors, the Debtors' agents (other than the Solicitation Agent), any administrative agent, or the Debtors' financial or legal advisors;
   (c) any Ballot sent by facsimile or any electronic means other than via the Debtors' case administration website or the Solicitation Agent's email address;
   (d) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of the Claim;
   (e) any Ballot cast by an entity that does not hold a Claim in the Class indicated in Item 1 of the Ballot;
   (f) any Ballot submitted by a Holder not entitled to vote pursuant to the Plan;
   (g) any unsigned Ballot;
   (h) any non-original Ballot; and/or
   (i) any Ballot not marked to accept or reject the Plan or any Ballot marked both to accept and reject the Plan.

7. The method of delivery of a Ballot to the Solicitation Agent is at the election and risk of each Holder of a Claim. Except as otherwise provided herein, such delivery will be deemed made only when the Solicitation Agent **actually receives** the original executed Ballot. In all cases, Holders should allow sufficient time to assure timely delivery.

8. If multiple Ballots are received from the same Holder of a Claim with respect to the same Claim prior to the Voting Deadline, the latest, timely received, and properly completed Ballot will supersede and revoke any earlier received Ballots; *provided* that a Holder may not change its vote in a previously cast Ballot from acceptance to

rejection or from rejection to acceptance without first obtaining authority from the Court pursuant to the requirements of and in compliance with Bankruptcy Rule 3018(a). Accordingly, a Ballot changing a vote in a previously submitted Ballot without authority from the Court will not be counted.

9. You must vote all of your Claims within a Class either to accept or reject the Plan and may not split your vote. Further, if a Holder has multiple Claims within a Class, the Debtors may, in their discretion, aggregate the Claims of any particular Holder with multiple Claims within such Class for the purpose of counting votes.

10. This Ballot does not constitute, and shall not be deemed to be, (a) a Proof of Claim or (b) an assertion or admission of a Claim.

11. **Please be sure to sign and date your Ballot**.

12. If you hold Claims in more than one Class under the Plan you may receive more than one Ballot coded for each different Class. Each Ballot votes only your Claims indicated on that Ballot, so please complete and return each Ballot that you receive.

Please return your Ballot promptly.

If you have any questions regarding this Ballot, these Voting Instructions, or the Solicitation and Voting Procedures, please call the Debtors' restructuring hotline at (844) 212-9942 (toll free) in the United States or Canada, or, if outside of the United States or Canada, +1 (818) 906-8300, or email hollanderballots@omnimgt.com.

If the Solicitation Agent does not actually receive this Ballot on or before the Voting Deadline, which is on August 28, 2019, at 4:00 p.m., prevailing Eastern Time (and if the Voting Deadline is not extended), your vote transmitted hereby may be counted only in the sole and absolute discretion of the Debtors.

Exhibit 3

Non-Impaired Non-Voting Status Notice

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE OF NON-VOTING STATUS TO HOLDERS OF UNIMPAIRED CLAIMS CONCLUSIVELY PRESUMED TO ACCEPT THE PLAN

PLEASE TAKE NOTICE that on [•], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. •] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan"); (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that because of the nature and treatment of your Claim under the Plan, **you are not entitled to vote on the Plan**. Specifically, under the terms of the Plan, as a Holder of a Claim (as currently asserted against the Debtors) that is not impaired and conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, you are not entitled to vote on the Plan.

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan (the "Confirmation Hearing") will commence on **September 4, 2019, at 11:00 a.m., prevailing Eastern Time**, before the Honorable Michael E. Wiles, in the United

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, New York 10004-1408.

PLEASE TAKE FURTHER NOTICE that the deadline for filing objections to the Plan is **August 28, 2019, at 4:00 p.m., prevailing Eastern Time** (the "Plan Objection Deadline"). Any objection to the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state, with particularity, the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; (d) be filed with the Court (contemporaneously with a proof of service) so as to be actually received on or before **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**; and (e) be served so that it is actually received by the Plan Objection Deadline by each of the entities on the Master Service List (as defined in the case management order in these chapter 11 cases [Docket No. 184] and available on the Debtors' case website at www.omnimgt.com/hollander).

PLEASE TAKE FURTHER NOTICE that if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases, by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov.

PLEASE TAKE FURTHER NOTICE that Article VIII of the Plan contains certain release, injunction, and exculpation provisions, including the Third-Party Releases set forth below. You are advised to carefully review and consider the Plan, including the release, injunction, and exculpation provisions, as your rights may be affected.

Article VIII.D of the Plan contains the following Third-Party Release:[3]

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and

[3] The Released Parties are: (a) the Debtors; (b) the Reorganized Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Exit Facility Lenders; (i) the Exit Facility Agents; (j) the Winning Bidder; (k) the Sponsor; (l) the parties to the RSA; (m) the Committee; and (n) with respect to each of the foregoing in clauses (a) through (m), such Entity and its current and former Affiliates, and such Entities' and their current Affiliates' directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, participants, successors, and assigns, subsidiaries, affiliates, managed accounts or funds, and each of their respective current and former equity holders, officers, directors, managers, principals, shareholders, members (other than members of the Committee), management companies, fund advisors, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals; *provided* that any of the foregoing that does not consent to the releases shall not be a "Released Party."

after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan.

* * * * *

This Notice of Non-Voting Status may be returned by mail or by electronic, online transmission solely by emailing the Debtors' Solicitation Agent following the directions described below. Please choose only one method of return of your Notice of Non-Voting Status.

HOW TO OPT INTO THE RELEASES.

1. If you wish to make an election to opt into the release provisions contained in Article VIII.D of the Plan set forth above check the box in Item 1.
2. Review the certifications contained in Item 2.

3. Sign and date this notice of non-voting status and fill out the other required information in the applicable area below.

4. For your election to opt into the release provisions to be counted, your Notice of Non-Voting Status and Opt-In Form must be properly completed and actually received by the solicitation agent no later than **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**. To opt into the release provisions, you may use the postage-paid envelope provided or send your notice of non-voting status to the following address:

Hollander Sleep Products, LLC, Ballot Processing
c/o Omni Management Group
5955 DeSoto Avenue, Suite #100
Woodland Hills, CA 91367

You may also opt into the release provision by emailing your notice of non-voting status to the Debtors' Solicitation Agent at hollanderballots@omnimgt.com. If you choose to submit your Notice of Non-Voting Status and Opt-In Form via email, you should not return a hard copy of your Notice of Non-Voting Status and Opt-In Form by mail.

EMAILING THE DEBTORS' SOLICITATION AGENT IS THE SOLE MANNER IN WHICH NOTICE OF NON-VOTING STATUS MAY BE DELIVERED VIA ELECTRONIC TRANSMISSION.

NOTICES OF NON-VOTING STATUS AND OPT-IN FORM SUBMITTED BY FACSIMILE OR OTHER ELECTRONIC MEANS WILL NOT BE COUNTED.

Item 1. Release.

PLEASE TAKE NOTICE that you may check the box below to opt into the release provisions contained in Article VIII.D of the Plan and set forth above.

IF YOU OPT INTO THE RELEASE PROVISIONS BY CHECKING THE BOX BELOW AND PROPERLY AND TIMELY SUBMITTING THIS NOTICE OF NON-VOTING STATUS, YOU WILL BE DEEMED TO HAVE UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE RELEASED PARTIES (AS DEFINED IN THE PLAN) FROM, AMONG OTHER THINGS, ANY AND ALL CAUSES OF ACTION (AS DEFINED IN THE PLAN) EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN. IF YOU WOULD OTHERWISE BE ENTITLED TO A RELEASE UNDER ARTICLE VIII.D OF THE PLAN, BUT YOU DO NOT GRANT THE RELEASES CONTAINED IN ARTICLE VIII.D OF THE PLAN, THEN YOU SHALL NOT RECEIVE THE BENEFIT OF THE RELEASES SET FORTH IN ARTICLE VIII.D OF THE PLAN.

☐ **Opt Into** the Third-Party Release.

Item 2. Certification.

By returning this Notice of Non-Voting Status and Opt-In Form, the holder of the Unimpaired Claim(s) or Interest(s) identified below certifies that (a) it was the holder of Unimpaired Claim(s) or Interest(s) as of the Record Date and/or it has full power and authority to opt into the Third-Party Release for the Unimpaired Claim(s) or Interest(s) identified below with respect to such Unimpaired Claim(s) or Interest(s) and (b) it understands the scope of the releases.

YOUR RECEIPT OF THIS NOTICE OF NON-VOTING STATUS DOES NOT SIGNIFY THAT YOUR CLAIM OR INTEREST HAS BEEN OR WILL BE ALLOWED.

Name of Holder:	_____ (Print or Type)
Signature:	_____
Name of Signatory:	_____ (If other than Holder)
Title:	_____
Address:	_____
	_____
	_____
Telephone Number:	_____
Email:	_____
Date Completed:	_____

Exhibit 4

Impaired Non-Voting Status Notice

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE OF NON-VOTING STATUS TO HOLDERS OF IMPAIRED CLAIMS AND EQUITY INTERESTS DEEMED TO REJECT THE PLAN

PLEASE TAKE NOTICE that on [•], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. •] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan"); (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that because of the nature and treatment of your Claim or Interest under the Plan, **you are not entitled to vote on the Plan**. Specifically, under the terms of the Plan, as a Holder of a Claim or Interest (as currently asserted against the Debtors) that is receiving no distribution under the Plan, you are deemed to reject the Plan pursuant to section 1126(f) of the Bankruptcy Code and are not entitled to vote on the Plan.

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan (the "Confirmation Hearing") will commence on **September 4, 2019, at 11:00 a.m., prevailing Eastern Time**, before the Honorable Michael E. Wiles, in the United

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, New York 10004-1408.

PLEASE TAKE FURTHER NOTICE that the deadline for filing objections to the Plan is **August 28, 2019, at 4:00 p.m., prevailing Eastern Time** (the "Plan Objection Deadline"). Any objection to the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state, with particularity, the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; (d) be filed with the Court (contemporaneously with a proof of service) so as to be actually received on or before **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**; and (e) be served so that it is actually received by the Plan Objection Deadline by each of the entities on the Master Service List (as defined in the case management order in these chapter 11 cases [Docket No. 184] and available on the Debtors' case website at www.omnimgt.com/hollander).

PLEASE TAKE FURTHER NOTICE that if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases, by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov.

PLEASE TAKE FURTHER NOTICE that Article VIII of the Plan contains certain release, injunction, and exculpation provisions, including the Third-Party Releases set forth below. You are advised to carefully review and consider the Plan, including the release, injunction, and exculpation provisions, as your rights may be affected.

Article VIII.D of the Plan contains the following Third-Party Release:[3]

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and

[3] The Released Parties are: (a) the Debtors; (b) the Reorganized Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Exit Facility Lenders; (i) the Exit Facility Agents; (j) the Winning Bidder; (k) the Sponsor; (l) the parties to the RSA; (m) the Committee; and (n) with respect to each of the foregoing in clauses (a) through (m), such Entity and its current and former Affiliates, and such Entities' and their current Affiliates' directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, participants, successors, and assigns, subsidiaries, affiliates, managed accounts or funds, and each of their respective current and former equity holders, officers, directors, managers, principals, shareholders, members (other than members of the Committee), management companies, fund advisors, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals; *provided* that any of the foregoing that does not consent to the releases shall not be a "Released Party."

after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan.

* * * * *

This Notice of Non-Voting Status may be returned by mail or by electronic, online transmission solely by emailing the Debtors' Solicitation Agent following the directions described below. Please choose only one method of return of your Notice of Non-Voting Status.

HOW TO OPT INTO THE RELEASES.

1. If you wish to make an election to opt into the release provisions contained in Article VIII.D of the Plan set forth above check the box in Item 1.
2. Review the certifications contained in Item 2.

3. Sign and date this notice of non-voting status and fill out the other required information in the applicable area below.

4. For your election to opt into the release provisions to be counted, your Notice of Non-Voting Status and Opt-In Form must be properly completed and actually received by the solicitation agent no later than **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**. To opt into the release provisions, you may use the postage-paid envelope provided or send your notice of non-voting status to the following address:

Hollander Sleep Products, LLC, Ballot Processing
c/o Omni Management Group
5955 DeSoto Avenue, Suite #100
Woodland Hills, CA 91367

You may also opt into the release provision by emailing your notice of non-voting status to the Debtors' Solicitation Agent at hollanderballots@omnimgt.com. If you choose to submit your Notice of Non-Voting Status and Opt-In Form via email, you should not return a hard copy of your Notice of Non-Voting Status and Opt-In Form by mail.

EMAILING THE DEBTORS' SOLICITATION AGENT IS THE SOLE MANNER IN WHICH NOTICE OF NON-VOTING STATUS MAY BE DELIVERED VIA ELECTRONIC TRANSMISSION.

NOTICES OF NON-VOTING STATUS AND OPT-IN FORM SUBMITTED BY FACSIMILE OR OTHER ELECTRONIC MEANS WILL NOT BE COUNTED.

Item 1. Release.

PLEASE TAKE NOTICE that you may check the box below to opt into the release provisions contained in Article VIII.D of the Plan and set forth above.

IF YOU OPT INTO THE RELEASE PROVISIONS BY CHECKING THE BOX BELOW AND PROPERLY AND TIMELY SUBMITTING THIS NOTICE OF NON-VOTING STATUS, YOU WILL BE DEEMED TO HAVE UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE RELEASED PARTIES (AS DEFINED IN THE PLAN) FROM, AMONG OTHER THINGS, ANY AND ALL CAUSES OF ACTION (AS DEFINED IN THE PLAN) EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN. IF YOU WOULD OTHERWISE BE ENTITLED TO A RELEASE UNDER ARTICLE VIII.D OF THE PLAN, BUT YOU DO NOT GRANT THE RELEASES CONTAINED IN ARTICLE VIII.D OF THE PLAN, THEN YOU SHALL NOT RECEIVE THE BENEFIT OF THE RELEASES SET FORTH IN ARTICLE VIII.D OF THE PLAN.

☐ **Opt Into** the Third-Party Release.

Item 2. Certification.

By returning this Notice of Non-Voting Status and Opt-In Form, the holder of the Impaired Claim(s) or Interest(s) identified below certifies that (a) it was the holder of Impaired Claim(s) or Interest(s) as of the Record Date and/or it has full power and authority to opt into the Third-Party Release for the Impaired Claim(s) or Interest(s) identified below with respect to such Impaired Claim(s) or Interest(s) and (b) it understands the scope of the releases.

YOUR RECEIPT OF THIS NOTICE OF NON-VOTING STATUS DOES NOT SIGNIFY THAT YOUR CLAIM OR INTEREST HAS BEEN OR WILL BE ALLOWED.

Name of Holder:	_____ (Print or Type)
Signature:	_____
Name of Signatory:	_____ (If other than Holder)
Title:	_____
Address:	_____
	_____
	_____
Telephone Number:	_____
Email:	_____
Date Completed:	_____

Exhibit 5

Notice to Disputed Claim Holders

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE OF NON-VOTING STATUS WITH RESPECT TO DISPUTED CLAIMS

PLEASE TAKE NOTICE that on [•], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. [•]] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (as modified, amended, or supplemented from time to time, the "Plan") [Docket No. [•]]; (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that the Disclosure Statement, Disclosure Statement Order, the Plan, and other documents and materials included in the Solicitation Package, except ballots, may be obtained at no charge from Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases (the "Solicitation Agent") by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada, or outside of the United States or Canada, by calling +1 (818) 906-8300 (international); (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov.

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1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

PLEASE TAKE FURTHER NOTICE that you are receiving this notice because you are the Holder of a Claim that is subject to a pending objection by the Debtors. **You are not entitled to vote any disputed portion of your Claim on the Plan unless one or more of the following events have taken place before a date that is three business days before the Voting Deadline** (each, a "Resolution Event"):

1. an order of the Court is entered allowing such Claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;

2. an order of the Court is entered temporarily allowing such Claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;

3. a stipulation or other agreement is executed between the Holder of such Claim and the Debtors temporarily allowing the Holder of such Claim to vote its Claim in an agreed upon amount; or

4. the pending objection to such Claim is voluntarily withdrawn by the objecting party.

Accordingly, this notice and the Disclosure Statement Order are being sent to you for informational purposes only.

PLEASE TAKE FURTHER NOTICE that if a Resolution Event occurs, then no later than one (1) business day thereafter, the Solicitation Agent shall distribute a ballot, and a pre-addressed, postage pre-paid envelope to you, which must be returned to the Solicitation Agent no later than the Voting Deadline, which is on **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**.

PLEASE TAKE FURTHER NOTICE that if you have any questions about the status of any of your Claims, you should contact the Solicitation Agent in accordance with the instructions provided above.

* * * * *

New York, New York
Dated: _____, 2019

Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

- and -

Joseph M. Graham (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

Counsel to the Debtors and Debtors in Possession

Exhibit 6

Cover Letter

HOLLANDER

SLEEP PRODUCTS

[DATE]

Via First Class Mail

RE: *In re Hollander Sleep Products, LLC, et al.*, Chapter 11 Case No. 19-11608 (MEW) (Bankr. S.D.N.Y.)

TO ALL HOLDERS OF CLAIMS ENTITLED TO VOTE ON THE PLAN:

Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors")[1] each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the "Court") on May 19, 2019.

You have received this letter and the enclosed materials because you are entitled to vote on the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan"). On [•], 2019, the Court entered an order [Docket No. [•]] (the "Disclosure Statement Order"), (a) authorizing the Debtors to solicit acceptances for the Plan; (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the "Solicitation Package"); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan, and for filing objections to the Plan.

You are receiving this letter because you are entitled to vote on the Plan. Therefore, you should read this letter carefully and discuss it with your attorney. If you do not have an attorney, you may wish to consult one.

In addition to this cover letter, the enclosed materials comprise your Solicitation Package, and were approved by the Court for distribution to Holders of Claims in connection with the solicitation of votes to accept the Plan. The Solicitation Package consists of the following:

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1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

a. a copy of the solicitation and voting procedures attached as **Exhibit 1** to the Disclosure Statement Order;

b. a Ballot, together with detailed voting instructions and a pre-addressed, postage pre-paid return envelope;

c. this letter;

d. the Disclosure Statement, as approved by the Court (and exhibits thereto, including the Plan);

e. the Disclosure Statement Order (excluding the exhibits thereto);

f. the notice of the hearing to consider confirmation of the Plan; and

g. such other materials as the Court may direct.

Hollander Sleep Products, LLC (on behalf of itself and each of the other Debtors) has approved the filing of the Plan and the solicitation of votes to accept the Plan. The Debtors believe that the acceptance of the Plan is in the best interests of their estates, Holders of Claims and Interests, and all other parties in interest. Moreover, the Debtors believe that any alternative other than Confirmation of the Plan could result in extensive delays and increased administrative expenses, which, in turn, likely would result in smaller distributions (or no distributions) on account of Claims asserted in these chapter 11 cases.

The Debtors strongly urge you to properly and timely submit your Ballot casting a vote to accept the Plan in accordance with the instructions in your Ballot.

The Voting Deadline is August 28, 2019, at 4:00 p.m., prevailing Eastern Time.

The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions, however, please feel free to contact Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases (the "Solicitation Agent"), by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 in the United States or Canada, or, outside of the United States or Canada by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov. Please be advised that the Solicitation Agent is authorized to answer questions about the Plan solicitation process, and provide additional copies of solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

Sincerely,

Marc. L. Pfefferle
Chief Executive Officer

Exhibit 7

Confirmation Hearing Notice

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE OF HEARING TO CONSIDER CONFIRMATION OF THE CHAPTER 11 PLAN FILED BY THE DEBTORS AND RELATED VOTING AND OBJECTION DEADLINES

PLEASE TAKE NOTICE that on [•], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. [•]] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan"); (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan (the "Confirmation Hearing") will commence on **September 4, 2019, at 11:00 a.m., prevailing Eastern Time**, before the Honorable Michael E. Wiles, in the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, New York 10004-1408.

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1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

Please be advised: The Confirmation Hearing may be continued from time to time by the Court or the Debtors without further notice other than by such adjournment being announced in open court, by agenda filed with the Court, or by a notice of adjournment filed with the Court and served on all parties entitled to notice.

CRITICAL INFORMATION REGARDING VOTING ON THE PLAN

Voting Record Date. The voting record date is **July 29, 2019** (the "Voting Record Date"), which is the date for determining which Holders of Claims in Classes 4 and 5 are entitled to vote on the Plan.

Voting Deadline. The deadline for voting on the Plan is on **August 28, 2019, at 4:00 p.m., prevailing Eastern Time** (the "Voting Deadline"). If you received a Solicitation Package, including a Ballot, and intend to vote on the Plan, you must: (a) follow the instructions carefully; (b) complete all of the required information on the Ballot; and (c) execute and return your completed Ballot according to and as set forth in detail in the voting instructions so that it is actually received by the Debtors' solicitation agent, Omni Management Group (the "Solicitation Agent") on or before the Voting Deadline. **A failure to follow such instructions may disqualify your vote.**

CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN

Article VIII of the Plan contains Release, Exculpation, and Injunction provisions, and Article VIII.D contains a Third-Party Release. Thus, you are advised to review and consider the Plan carefully because your rights might be affected thereunder.

Plan Objection Deadline. The deadline for filing objections to the Plan is **August 28, 2019, at 4:00 p.m., prevailing Eastern Time** (the "Plan Objection Deadline"). All objections to the relief sought at the Confirmation Hearing must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan (or related materials) that would resolve such objection; (d) be filed with the Court (contemporaneously with a proof of service) and so as to be actually received on or before **August 28, 2019, at 4:00 p.m., prevailing Eastern Time**; and (e) be served so that it is actually received by the Plan Objection Deadline by each of the entities on the Master Service List (as defined in the case management order in these chapter 11 cases [Docket No. 184] and available on the Debtors' case website at www.omnimgt.com/hollander).

ADDITIONAL INFORMATION

Obtaining Solicitation Materials. The materials in the Solicitation Package are intended to be self-explanatory. If you should have any questions or if you would like to obtain additional solicitation materials (or paper copies of solicitation materials if you received a flash drive or CD-ROM), please feel free to contact the Debtors' Solicitation Agent, by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot

Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these Chapter 11 Cases for a fee via PACER at: http://www.nysb.uscourts.gov. Please be advised that the Solicitation Agent is authorized to answer questions about, and provide additional copies of, solicitation materials, but may not advise you as to whether you should vote to accept or reject the Plan.

Filing the Plan Supplement. The Debtors will file the Plan Supplement (as defined in the Plan) 14 days before the first day of the Confirmation Hearing. Once filed, the Plan Supplement may be obtained from the Solicitation Agent for free or for a fee via PACER, each as set forth above.

Binding Nature of the Plan:

If confirmed, the Plan shall bind all Holders of Claims and Interests to the maximum extent permitted by applicable law, whether or not such Holder will receive or retain any property or interest in property under the Plan, has filed a Proof of Claim in these chapter 11 cases, or failed to vote to accept or reject the Plan or voted to reject the Plan.

HOW TO OPT INTO THE RELEASES

Any Holder of a Claim or Interest that wants to grant the Third-Party Release set forth in Article VIII.D of the Plan must return its Ballot or Non-Voting Status Notice, as applicable, to the Debtors' Solicitation Agent, Omni Management Group, by no later than **August 28, 2019**, by following the instructions for electing to opt into the Third-Party Release set forth in such Ballot or Non-Voting Status Notice, as applicable.[3]

RELEASES

Article VIII.C of the Plan contains the following Debtor Release:

Effective as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, including the service of the Released Parties in facilitating the expeditious reorganization of the Debtor and implementation of the restructuring contemplated by the Plan, the adequacy of which is hereby confirmed, on and after the Effective Date each Released Party is deemed released and discharged by each and all of the Debtors, the Reorganized Debtors, and their Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, as applicable, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Reorganized

[3] Voting stakeholders who vote to accept the Plan will be deemed to consent to the Third-Party Release whether such voting stakeholders check the box on their respective Ballot to "opt into" the Third-Party Release or not.

Debtors, or their Estates or Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the Prepetition Facilities, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the Prepetition Facilities, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (1) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan and (2) any Causes of Action listed on the Schedule of Retained Causes of Action.

<u>Article VIII.D of the Plan contains the following Third-Party Release</u>:

Effective as of the Effective Date, in exchange for good and valuable consideration, including the obligations of the Debtors under the Plan and the contributions of the Released Parties in facilitating the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Plan, to the fullest extent permissible under applicable law, as such law may be extended or integrated after the Effective Date, on and after the Effective Date each of the Releasing Parties shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever, released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims, asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their Estates, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in

the Plan, the business or contractual arrangements between any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions, the Restructuring Transactions, the Sale Transaction (if applicable), entry into the Exit Facilities, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction (if applicable), the Exit Facilities, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the RSA, the Disclosure Statement, the DIP Facilities, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, willful misconduct, or gross negligence, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Exit Facility Documents and any documents set forth in the Plan Supplement) executed to implement the Plan.

Article VIII.E of the Plan provides for the following Exculpation:

Effective as of the Effective Date, to the fullest extent permissible under applicable law and without affecting or limiting either the Debtor Release or the Third-Party Release, and except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby exculpated from, any Cause of Action for any Claim related to any act or omission based on the negotiation, execution, and implementation of any transactions approved by the Bankruptcy Court in the Chapter 11 Cases, including the RSA, the Disclosure Statement, the Plan, the Plan Supplement, the Confirmation Order, or any Restructuring Transaction, contract, instrument, release, or other agreement or document contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order, created or entered into in connection with the RSA, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of any securities pursuant to the Plan or the distribution of property under the Plan or any other related agreement, and the implementation of the Restructuring Transactions contemplated by the Plan, except for Claims related to any act or omission that is determined by Final Order to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes on, and distribution of consideration pursuant to, the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such

distributions made pursuant to the Plan. Notwithstanding the foregoing, the exculpation shall not release any obligation or liability of any Entity for any post-Effective Date obligation under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

Article VIII.F of the Plan provides for the following Injunction:

Effective as of the Effective Date, pursuant to section 524(a) of the Bankruptcy Code, to the fullest extent permissible under applicable law, and except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims or Interests that have been discharged pursuant to Article VIII.A of the Plan, released pursuant to the Debtor Release, the Third-Party Release, or another provision of the Plan (including the release of liens pursuant to Article VIII.B of the Plan), or are subject to exculpation pursuant to Article VIII.E of the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind, against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Plan.

New York, New York
Dated: _____, 2019

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Counsel to the Debtors and Debtors in Possession

Exhibit 8

Notice of Assumption of Executory Contracts and Unexpired Leases

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE OF (A) EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO BE ASSUMED BY THE DEBTORS PURSUANT TO THE PLAN, (B) CURE AMOUNTS, IF ANY, AND (C) RELATED PROCEDURES IN CONNECTION THEREWITH

PLEASE TAKE NOTICE that on [●], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. [●]] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [●]] (as modified, amended, or supplemented from time to time, the "Plan"); (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [●]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that under the terms of Article V of the Plan, each Executory Contract and Unexpired Lease of a Debtor will be deemed automatically assumed pursuant to sections 365 and 1123 of the Bankruptcy Code on the Effective Date of the Plan, other than those that:

1. are identified on the Schedule of Rejected Executory Contracts and Unexpired Leases;

---

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

2. previously expired or terminated pursuant to its own terms;

3. have been previously assumed or rejected by the Debtors pursuant to a Court order;

4. are the subject of a motion to reject Executory Contracts or Unexpired Leases that is pending on the Effective Date; or

5. are subject to a motion to reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date.

You are receiving this notice because you or one of your affiliates is a counterparty to an Executory Contract or Unexpired Lease[3] with one or more of the Debtors as listed on **Exhibit A**, attached hereto.

The Debtors intend to assume the Executory Contracts or Unexpired Leases listed on Exhibit A to which you are a counterparty. The Debtors have conducted a review of the Debtors' books and records and have determined that the amount to cure unpaid obligations under such contract or lease is as set forth in **Exhibit A** (the "Cure Claim"). Unless otherwise ordered by the Court, any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption and assignment or related Cure Claim must be filed with the Court and served on **[●], 2019, at 4:00 p.m., prevailing Eastern Time**, the date that is 14 days from the date of this notice, and served so that it is actually received by each of the entities on the Master Service List (as defined in the case management order in these chapter 11 cases [Docket No. 184] and available on the Debtors' case website at www.omnimgt.com/hollander). If you fail to object in a timely manner to the proposed assumption or Cure Claim with respect to any Executory Contract or Unexpired Lease, you will be deemed to have assented to such assumption and Cure Claim.

PLEASE TAKE FURTHER NOTICE that in the event of a dispute regarding: (1) the amount of any Cure Claim, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption or the cure payments required by section 365(b)(1) of the Bankruptcy Code, the Cure Claim shall only be paid following the entry of a Final Order or Final Orders resolving the dispute and approving the assumption (and, if applicable, assignment).

PLEASE TAKE FURTHER NOTICE that the assumption of an Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any Assumed Executory Contract or Unexpired Lease at any time before the date that the Debtors assume such Executory Contract or Unexpired Lease. Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall

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3 This notice is being sent to counterparties to Executory Contracts and Unexpired Leases. This notice is not an admission by the Debtors that such contract or lease is executory or unexpired.

be deemed disallowed and expunged, without further notice to or action, order, or approval of the Court.

YOUR STATUS AS A COUNTERPARTY TO AN EXECUTORY CONTRACT AND/OR AN UNEXPIRED LEASE DOES NOT IN AND OF ITSELF ENTITLE YOU TO VOTE ON THE PLAN. Accordingly, this notice is being sent to you for informational purposes only.

PLEASE TAKE FURTHER NOTICE that if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases, by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 in the United States and Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov.

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New York, New York
Dated: _____, 2019

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Counsel to the Debtors and Debtors in Possession

Exhibit A

Debtor Obligor	Counterparty Name	Description of Contract	Amount Required to Cure Default Thereunder, If Any

Exhibit 9

Notice of Rejection of Executory Contracts and Unexpired Leases

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

NOTICE REGARDING EXECUTORY CONTRACTS AND UNEXPIRED LEASES TO BE REJECTED PURSUANT TO THE PLAN

PLEASE TAKE NOTICE that on [•], 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order [Docket No. [•]] (the "Disclosure Statement Order"), (a) authorizing Hollander Sleep Products, LLC and its affiliated debtors and debtors in possession (collectively, the "Debtors"), to solicit acceptances for the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Plan"); (b) approving the *Disclosure Statement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [•]] (as modified, amended, or supplemented from time to time, the "Disclosure Statement")[2] as containing "adequate information" pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

PLEASE TAKE FURTHER NOTICE that under the terms of Article V of the Plan, each Executory Contract and Unexpired Lease of a Debtor will be deemed automatically assumed pursuant to sections 365 and 1123 of the Bankruptcy Code on the Effective Date of the Plan, other than those that:

1. are identified on the Schedule of Rejected Executory Contracts and Unexpired Leases;

2. previously expired or terminated pursuant to its own terms;

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1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Capitalized terms not otherwise defined herein shall have the same meanings set forth in the Plan or Disclosure Statement, as applicable.

3. have been previously assumed or rejected by the Debtors pursuant to a Court order;

4. are the subject of a motion to reject Executory Contracts or Unexpired Leases that is pending on the Effective Date; or

5. are subject to a motion to reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date.

You are receiving this notice because you or one of your affiliates is a counterparty to an Executory Contract or an Unexpired Lease[3] with one or more of the Debtors as listed on **Exhibit A**, attached hereto.

The Debtors intend to reject the Executory Contracts or Unexpired Leases listed on Exhibit A to which you are a counterparty.

Objections. If you wish to object to the rejection of an Executory Contract or Unexpired Lease, an objection and notice setting the objection for hearing must be filed with the Court and served by **[●], 2019, at 4:00 p.m., prevailing Eastern Time**, the date that is 14 days from the date of this notice, and served so that it is actually received by each of the entities on the Master Service List (as defined in the case management order in these chapter 11 cases [Docket No. 184] and available on the Debtors' case website at www.omnimgt.com/hollander).

Proofs of Claim. Additionally, entry of the Confirmation Order will constitute a Court order approving the rejection of your Executory Contracts or Unexpired Leases. As set forth in the Plan, such rejection will be effective on the Effective Date of the Plan. As a result of the Executory Contracts or Unexpired Leases to which you are a counterparty being rejected, you may be entitled to an unsecured claim for which a Proof of Claim must be filed. After entry of the Confirmation Order, you will receive a separate notice of the Effective Date, which notice will contain a proof of claim bar date for rejected contracts. Pursuant to the Plan, if the rejection of your Executory Contracts or Unexpired Leases gives rise to a Claim by you, unless otherwise provided by an order of the Court, any Proofs of Claim based on the rejection of the Debtors' Executory Contracts or Unexpired Leases must be filed with the Court within 30 days after the later of (1) the effective date of such rejection, or (2) the Effective Date.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the Reorganized Debtors, the Estates, or their property of any of the foregoing parties without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III.B of the Plan and

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3 This notice is being sent to counterparties to Executory Contracts and Unexpired Leases. This notice is not an admission by the Debtors that such contract or lease is executory or unexpired.

may be objected to in accordance with the provisions of Article VII of the Plan and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

YOUR STATUS AS A COUNTERPARTY TO AN EXECUTORY CONTRACT AND/OR AN UNEXPIRED LEASE DOES NOT IN AND OF ITSELF ENTITLE YOU TO VOTE ON THE PLAN. Accordingly, this notice is being sent to you for informational purposes only.

PLEASE TAKE FURTHER NOTICE that if you would like to obtain a copy of the Disclosure Statement, the Plan, the Plan Supplement, or related documents, you should contact Omni Management Group, the Solicitation Agent retained by the Debtors in these chapter 11 cases, by: (a) calling the Debtors' restructuring hotline at (844) 212-9942 in the United States and Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300; (b) visiting the Debtors' restructuring website at: www.omnimgt.com/hollander; and/or (c) writing to Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nysb.uscourts.gov.

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New York, New York
Dated: _____, 2019

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Counsel to the Debtors and Debtors in Possession

Exhibit A

Debtor Obligor	Counterparty Name	Description of Contract

Exhibit 10

Committee Support Letter

TO: ALL UNSECURED CREDITORS OF HOLLANDER SLEEP PRODUCTS, LLC, ET AL.

Re: Hollander Sleep Products, LLC, *et al.*[1]
U.S. Bankruptcy Court, Southern District of New York, Case No. 19-11608 (MEW)

The Official Committee of Unsecured Creditors (the "Committee"), appointed by the United States Trustee in the chapter 11 cases of Hollander Sleep Products, LLC, *et al.* ("Hollander" or the "Debtors"), **recommends that all general unsecured creditors vote to accept the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (the "Plan")[2] in accordance with the instructions set forth in the ballot being delivered to you by the Debtors. The Plan is the result of a negotiated resolution by and among the Debtors, the Committee, certain holders of secured claims under the Debtors' Term Loan Credit Agreement and the Sponsor.** The Committee was formed under the Bankruptcy Code to represent the interests of all general unsecured creditors. The Committee urges you to carefully review this letter, the enclosed Plan, and Disclosure Statement, and to vote in favor of the Plan by returning your ballot no later than **August 28, 2019**, at 4:00 p.m., prevailing Eastern Time.

The Plan provides for either a sale of the Debtors' assets (a "Sale Transaction") or a reorganization under which the secured claims held by the Term Loan Lenders will be converted to equity of the reorganized Debtors (a "Reorganization Transaction").[3] The Plan classifies General Unsecured Claims under Class 5. Under the Plan, each Holder of an Allowed Class 5 General Unsecured Claim will receive a proportionate share of (i) a fund in an amount up to $650,000 (the "Last Out Loans Turnover Amount"), and (ii) proceeds of any Commercial Tort Claims (if any) that may be pursued on behalf of General Unsecured Creditors.

If there is a Sale Transaction, holders of allowed Class 5 General Unsecured Claims will also receive a proportionate share of (iii) no less than $600,000 (the "GUC Sale Transaction Recovery Pool") and (iv) any excess cash after payment of senior creditors and other plan allocated funding (the "Excess Distributable Cash").

In the alternative, under a Reorganization Transaction, holders of allowed Class 5 Claims will also either receive (iv) a proportionate share of a $500,000 fund (the "GUC Reorganization Recovery Pool") or (v) beneficial trade terms from the Reorganized Debtors including a 1% distribution on account of their claims (the "Vendor Support Initiative"). In all events, under a Reorganization Transaction, holders of allowed General Unsecured Claims will receive a

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1 The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

2 Defined terms are set forth in the Plan.

3 This is a general summary of the Plan terms only. Please refer to the Plan for the complete treatment of General Unsecured Creditor Claims.

proportionate share of any "Future Sale Consideration" in the event the Reorganized Debtors are sold within 24 months of exiting bankruptcy.

Importantly, under the Plan, the Debtors and the Reorganized Debtors waive all Avoidance Actions that otherwise may be asserted against, among others, holders of General Unsecured Claims.

Absent confirmation of the Plan, these cases may be converted to liquidation under chapter 7, in which case holders of unsecured claims would most likely not receive any recovery and a chapter 7 trustee may determine to pursue Avoidance Actions against holders of Claims, including, General Unsecured Claims. The Committee believes, as do the Debtors, that the Plan provides the best possible recoveries to holders of General Unsecured Claims under the circumstances, and that any alternative would result in unnecessary delay, uncertainty, and expense as well as a materially diminished or zero recovery. The recovery under the Plan is the result of efforts by the Committee to negotiate a material increase in the distributions for holders of General Unsecured Claims.

THE COMMITTEE THEREFORE RECOMMENDS THAT YOU VOTE TO "ACCEPT" THE PLAN AND RETURN YOUR BALLOT AS SPECIFIED IN THE VOTING INSTRUCTIONS YOU RECEIVED.

July __, 2019

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF HOLLANDER SLEEP PRODUCTS, LLC, ET AL.

/s/ R. Stan Holland
Hollander NC IA LLC
By: R. Stan Holland

Solely in his capacity as the Chair of the Official Committee of Unsecured Creditors of Hollander Sleep Products, LLC, et al., and not in any other capacity

TAB B

SCHEDULE B – KERP ORDER

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC., *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. 186**

ORDER (A) APPROVING THE DEBTORS' KEY EMPLOYEE RETENTION PLANS AND (B) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) approving the Debtors' key employee retention plan, a summary of which is attached hereto as **Exhibit 1** (the "Hollander Retention Plan"), (b) approving retention payments related to the closure of the Thomson, Georgia plant, a summary of which is attached hereto as **Exhibit 2** (the "Georgia Retention Plan," and together with the Hollander Retention Plan, the "Retention Plans"), and (c) granting related relief, all as more fully set forth in the Motion; and upon the Pfefferle Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated January 31, 2012; and this Court having the power to enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms not otherwise herein defined shall have the meanings ascribed to such terms in the Motion.

this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.

2. Pursuant to sections 503(c) and 363(b)(1) of the Bankruptcy Code, the Retention Plans are approved.

3. The Debtors are authorized, but not directed, to implement the Retention Plans and make the payments contemplated thereunder at the times specified in the Motion.

4. The Debtors may add a replacement participant(s) to the Retention Plans upon the resignation or the termination for cause of any Participant, *provided* that the Debtors must provide advance notice of such replacement participant to counsel for the U.S. Trustee and counsel to the UCC.

5. Notwithstanding the relief granted in this Order, any payment made by the Debtors pursuant to the authority granted herein shall be subject to and in compliance with any orders entered by the Court approving the Debtors' entry into any postpetition debtor in possession financing facility and any budget in connection therewith and/or authorizing the Debtors' use of cash collateral and any budget in connection therewith.

6. Notwithstanding Bankruptcy Rule 6004(h), the terms and provisions of this Order shall be immediately effective and enforceable upon its entry.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

8. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

New York, New York
Dated: August 2, 2019

s/Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Hollander Retention Plan Summary

Hollander Participants

Title	Retention $
Manager Finance & Accounting	10,000
VP Finance & Accounting	15,000
Director Merchandising	10,000
Director Ecommerce	10,000
Director IT	10,000
Director HR	10,000
Director Materials	5,000
Director Planning and Customer Service	10,000
Director Materials	10,000
Director Materials	10,000
Director Materials	10,000
Manager Merchandising	5,000
Manager Finance & Accounting	10,000
HR Staff	5,000
Plant Manager	10,000
Plant Manager	10,000
Manager Finance & Accounting	10,000
Manager Finance & Accounting	5,000
Manager Materials	5,000
Manager Operations	10,000
Plant Manager	10,000
Plant Manager	10,000
Plant Manager	10,000
Plant Manager	10,000
Plant Manager	10,000
Plant Manager	10,000
Manager Merchadising	5,000
Manager Merchadising	10,000
Sales Manager	10,000
Sales Manager	10,000
Plant Manager	10,000
Plant Manager	10,000
HR Staff	5,000
VP Finance & Accounting	15,000
VP Sales	15,000
VP Finance	5,000
VP Hospitality	15,000
VP IT	15,000
VP Manufacturing	15,000
VP Manufacturing	15,000
VP Materials	20,000
VP Merchandising	20,000
VP Sales	15,000
VP Sales	15,000
VP Finance & Accounting	5,000
VP Quality	15,000
VP Sales	15,000
47	GRAND TOTAL 500,000

Exhibit 2

Georgia Retention Plan Summary

Georgia Participants

Title	Retention $	
Mechanic	1,000	
Clerk Routing	2,000	
Clerk Inventory	2,000	
Mechanic	2,000	
Clerk Receiving	1,000	
Supervisor Production	2,000	
Mechanic	2,000	
Inspector Quality	1,000	
Mechanic	2,000	
Clerk Routing	2,000	
Coordinator Training/Onboarding	3,000	
Coordinator Payroll Benefits	2,000	
Mechanic	1,000	
Manager Shipping	3,000	
Supervisor Production	2,000	
Coordinator Quality	2,000	
Mechanic	2,000	
Mechanic	1,000	
Supervisor Production	2,000	
Mechanic	2,000	
Mechanic	1,000	
Supervisor Inventory	4,000	
Mechanic Trainee	2,000	
Mechanic	1,000	
Manager Production	2,000	
Manager Maintenance	4,000	
	3,000	
27	**TOTAL**	**54,000**

TAB C

SCHEDULE C – HOULIHAN LOKEY RETENTION ORDER

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC., *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. 69**

ORDER (A) AUTHORIZING THE EMPLOYMENT AND RETENTION OF HOULIHAN LOKEY CAPITAL, INC. AS FINANCIAL ADVISOR AND INVESTMENT BANKER TO THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE, (B) APPROVING THE TERMS OF THE ENGAGEMENT AGREEMENT, (C) WAIVING CERTAIN TIME-KEEPING REQUIREMENTS, AND (D) GRANTING RELATED RELIEF

Upon the application (the "Application")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) authorizing the employment and retention of Houlihan Lokey Capital, Inc. ("Houlihan Lokey") as its financial advisor and investment banker pursuant to the terms of the Engagement Agreement dated as of May 2, 2019, a copy of which is attached hereto as **Exhibit 1** (the "Engagement Agreement"), (b) approving the provisions of the Engagement Agreement, including the proposed compensation arrangement set forth in the Application, under section 328(a) of title 11 of the United States Code (the "Bankruptcy Code"), (c) waiving certain time-keeping requirements under Bankruptcy Rule 2016(a), Local Rule 2016-1, the Amended Guidelines, and the UST Guidelines, and (d) granting related relief, all as more fully set forth in the Application; and upon the Burian Declaration; and

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms used but not defined herein shall have the meanings given to them in the Application.

this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Application and opportunity for a hearing on the Application were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing, if any, before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Application is granted to the extent set forth in this Order.

2. The retention and employment of Houlihan Lokey as financial advisor and investment banker to the Debtors pursuant to sections 327 and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Rules 2014-1 and 2016-1, *nunc pro tunc* to the Petition Date, on the terms and conditions set forth in the Engagement Agreement and the Application, is approved, subject to the terms of this Order and the following modifications to the Engagement Agreement as set forth herein.

3. None of the fees payable to Houlihan Lokey, pursuant to the Engagement Agreement, shall constitute a "bonus" or fee enhancement under applicable law.

4. Houlihan Lokey shall file interim and final fee applications for allowance of compensation and reimbursement of expenses, including without limitation, any Monthly Fees and/or Transaction Fees, pursuant to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the *Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals*, dated December 21, 2010 (General Order M-412), the Amended Guidelines, and any other orders of the Court; *provided, however*, that the interim and final fee applications filed by Houlihan Lokey shall be subject to review only pursuant to the standard of review set forth in section 328 of the Bankruptcy Code and not subject to the standard of review set forth in section 330 of the Bankruptcy Code, except as otherwise expressly set forth herein.

5. Notwithstanding the preceding paragraph, the U.S. Trustee and the Court shall retain the right to object to the compensation and fees and expenses to be paid to Houlihan Lokey pursuant to the Application and the Engagement Agreement, based on the reasonableness standard provided for in section 330 of the Bankruptcy Code, and the Court shall consider any such objection by the U.S. Trustee under section 330 of the Bankruptcy Code; *provided* that reasonableness for this purpose shall include, among other things, an evaluation by comparing the fees payable in this case to the fees paid to other investment banking firms for comparable services in other chapter 11 cases and outside of chapter 11 cases, and shall not be evaluated primarily on the basis of time committed or the length of these cases.

6. The Debtors are authorized to employ and retain and compensate and reimburse Houlihan Lokey pursuant to the terms of the Engagement Agreement as modified by this Order.

7. Notwithstanding Section 3(ii)(a) of the Engagement Agreement, the Restructuring Transaction Fee shall be payable, if at all, upon the effective date of a plan as opposed to confirmation of the plan.

8. Notwithstanding anything to the contrary in the Engagement Agreement, in the event that a Sale Transaction is consummated and Houlihan Lokey is paid a Sale Transaction Fee in connection therewith, upon the consummation of a subsequent Restructuring Transaction, including a plan of liquidation, Houlihan Lokey shall be entitled to receive an additional restructuring transaction fee in the amount of $350,000.00, $300,000.00, or $250,000.00, as applicable, as if such Restructuring Transaction was a Sale Transaction and not a standalone Restructuring Transaction.

9. Notwithstanding Section 3(ii)(d)(III) of the Engagement Agreement, the Court is not presently approving the provisions of the Engagement Agreement relating to the provision of services with respect to an equity or equity-linked securities Financing Transaction or the payment of a Financing Transaction Fee in respect of such a transaction, without prejudice to the Debtors' right to file a subsequent application with respect to approval of any such services and fees.

10. Notwithstanding anything to the contrary in the Engagement Agreement, if the Debtors cease operations and elect to liquidate all or substantially all of their assets prior to any Sale Transaction, Houlihan Lokey shall not be entitled to a Restructuring Transaction Fee or a Sale Transaction Fee.

11. Notwithstanding anything to the contrary in the Engagement Agreement, to the extent the Debtors wish to expand the scope of Houlihan Lokey's services beyond those services approved in this Order or pay additional fees to Houlihan Lokey that are not the Monthly Fees or Transaction Fees described in the Engagement Agreement and approved in this Order, the Debtors

shall be required to seek further approval from this Court. The Debtors shall file notice of any proposed additional services or fees and any underlying engagement agreement with the Court and serve such notice on the U.S. Trustee, the Official Committee of Unsecured Creditors appointed in these cases, and any party requesting notice under Bankruptcy Rule 2002. If no such party files an objection within 21 days of the Debtors filing such notice, the additional services and fees and any underlying engagement agreement may be approved by the Court by further order without further notice or hearing.

12. The terms of Section 19 of the Engagement Agreement are not approved and are deemed to have been removed from the Engagement Agreement.

13. Pursuant to the terms of the Engagement Agreement, the Aggregate Gross Consideration incentive thresholds in section 3(ii)(b) have been agreed to by the parties and such thresholds have been disclosed to the U.S. Trustee and the Official Committee of Unsecured Creditors and memorialized in a Side Letter that is to be filed under seal pursuant to an Order dated July 8, 2019 [Docket NO. 187].

14. Houlihan Lokey shall include in its interim and final fee applications, among other things, time records setting forth, in a summary format, a description of the services rendered by each professional, and the amount of time spent on each date by each such individual in rendering services on behalf of the Debtors in half-hour (0.5) increments, and Houlihan Lokey shall be excused from keeping time in tenth-hour increments.

15. Notwithstanding anything in the Application or the Engagement Agreement to the contrary, Houlihan Lokey shall (i) to the extent that Houlihan Lokey uses the services of independent contractors, subcontractors or employees of foreign affiliates or subsidiaries (collectively, the "Contractors") in these cases, Houlihan Lokey shall pass-through the cost of such

Contractors to the Debtors at the same rate that Houlihan Lokey pays the Contractors, (ii) seek reimbursement for actual costs only, (iii) ensure that the Contractors are subject to the same conflict checks as required for Houlihan Lokey, and (iv) file with the Court such disclosures required by Bankruptcy Rule 2014.

16. In the event that, during the pendency of these cases, Houlihan Lokey seeks reimbursement for any attorneys' fees and/or expenses pursuant to the terms of the Engagement Agreement (as modified by this Order), the invoices and supporting time records from such attorneys, appropriately redacted to preserve applicable privileges, shall be included in Houlihan Lokey's own fee applications, and such invoices and time records shall be in compliance with the Local Rules, and shall be subject to the Amended Guidelines, the UST Guidelines and the approval of the Bankruptcy Court pursuant to sections 330 and 331 of the Bankruptcy Code without regard to whether such attorneys have been retained under section 327 of the Bankruptcy Code, and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code.

17. The Debtors shall be bound by the indemnification, reimbursement, contribution, and exculpation provisions set forth in the Engagement Agreement, subject during the pendency of these cases to the following:

a. subject to the provisions of subparagraphs (b) and (c) below, the Debtors are authorized to indemnify, and shall indemnify, Houlihan Lokey and the other Indemnified Parties for any claims arising out of or related to Houlihan Lokey's engagement under, or any matter referred to in, the Engagement Agreement and/or the services to be provided by Houlihan Lokey as specified in the Application, but not for any claim arising from, related to, or in connection with Houlihan Lokey's performance of any other services other than those in connection with the engagement, unless such services and indemnification therefor are approved by this Court;

b. the Debtors shall have no obligation to indemnify Houlihan Lokey for any claim or expense that is either (i) judicially determined (the determination

having become final) to have resulted primarily from Houlihan Lokey's actual fraud, gross negligence, bad faith, breach of fiduciary duty (if any), self dealing, or willful misconduct, or (ii) settled prior to a judicial determination as to Houlihan Lokey's actual fraud, gross negligence, bad faith, breach of fiduciary duty (if any), self dealing, or willful misconduct, but determined by this Court, after notice and a hearing pursuant to subparagraph (c) infra, to be a claim or expense for which Houlihan Lokey is not entitled to receive indemnity under the terms of the Engagement Agreement as modified by this Order; and

c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing these chapter 11 cases, any Indemnified Party believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, reimbursement, and/or contribution obligations under the Engagement Agreement (as modified by this Order), including, without limitation, the advancement of defense costs, such Indemnified Party must file an application therefor in this Court, and the Debtors may not pay any such amounts to Houlihan Lokey before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Indemnified Parties for indemnification, contribution, or reimbursement, and not as a provision limiting the duration of the Debtors' obligation to indemnify or provide contribution or reimbursement to Houlihan Lokey.

18. The second paragraph of Section 22 of the Engagement Agreement shall not apply during these chapter 11 cases unless otherwise ordered by the Court.

19. For the avoidance of doubt, the fourth paragraph of Section 22 of the Engagement Agreement shall not apply to any third-party purchaser of the Debtors' assets during these chapter 11 cases.

20. Notwithstanding Section 22 of the Engagement Agreement, unless otherwise ordered by the Court, the indemnity, reimbursement, and other obligations and agreements of the Company set forth therein shall not apply to any services provided by Houlihan Lokey in connection with this engagement prior to the Petition Date.

21. Houlihan Lokey shall be compensated in accordance with the procedures set forth in the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, this Order, and any other applicable orders of this Court.

22. Houlihan Lokey shall use its best efforts, and will coordinate with the Debtors and its other retained professionals, not to duplicate any of the services provided to the Debtors by any of its other retained professionals.

23. To the extent that there may be any inconsistency between the terms of the Application, the Burian Declaration, the Engagement Agreement, and this Order, the terms of this Order shall govern.

24. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

25. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

26. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

27. Notwithstanding anything to the contrary in the Engagement Agreement, including Section 21 therein, this Court shall have exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order and any

disputes relating to the Engagement Agreement, including the Transaction Fees or the services provided by Houlihan Lokey.

New York, New York
Dated: July 10, 2019

s/Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Engagement Agreement

HOULIHAN LOKEY

Personal and Confidential

As of May 02, 2019

Hollander Sleep Products, LLC
6501 Congress Avenue Suite 300
Boca Raton, FL 33487
Attn: Marc Pfefferle

Dear Ladies and Gentlemen:

This letter agreement (this "Agreement") confirms the terms under which Dream II Holdings, LLC, Hollander Sleep Products, LLC, Hollander Home Fashions Holdings, LLC, Hollander Sleep Products Kentucky, LLC, Pacific Coast Feather, LLC, Pacific Cost Feather Cushion, LLC and Hollander Sleep Products Canada Limited, (collectively with their direct and indirect subsidiaries, the "Company") has engaged Houlihan Lokey Capital, Inc. ("Houlihan Lokey"), effective as of the date indicated above (the "Effective Date"), as its financial advisor to provide financial advisory and investment banking services in connection with a financial restructuring or reorganization of, and/or one or more sale transactions, and/or one or more financing transactions for, the Company, as well as such other financial matters as to which the Company and Houlihan Lokey may agree in writing during the term of this Agreement.

1. **Services**. In connection with each potential Transaction (as defined below), Houlihan Lokey will assist and advise the Company with the analysis, evaluation, pursuit and effectuation of any such Transaction. Houlihan Lokey's services will consist of, if appropriate and if requested by the Company, (i) assisting the Company in the development and distribution of selected information, documents and other materials, including, if appropriate, advising the Company in the preparation of an offering memorandum (it being expressly understood that the Company will remain solely responsible for such materials and all of the information contained therein); (ii) assisting the Company in evaluating indications of interest and proposals regarding any Transaction(s) from current and/or potential lenders, equity investors, acquirers and/or strategic partners; (iii) assisting the Company with the negotiation of any Transaction(s), including participating in negotiations with creditors and other parties involved in any Transaction(s); (iv) providing expert advice and testimony regarding financial matters related to any Transaction(s), if necessary; (v) attending meetings of the Company's Board of Directors, creditor groups, official constituencies and other interested parties, as the Company and Houlihan Lokey mutually agree; and (vi) providing such other financial advisory and investment banking services as may be required by additional issues and developments not anticipated on the Effective Date, as described in Section 10 of this Agreement.

2. **Exclusive Agency.** The Company agrees that neither it nor its management will initiate any discussions regarding a Transaction during the term of this Agreement, except with prior consultation with Houlihan Lokey. In the event the Company or its management receives any inquiry regarding a Transaction from any party, the Company shall promptly inform Houlihan Lokey of such inquiry so that Houlihan Lokey can assist the Company in evaluating such party and its interest in a Transaction and in any resulting negotiations.

3. **Fees.** In consideration of Houlihan Lokey's acceptance of this engagement, the Company shall pay the following:

(i) *Monthly Fees*: In addition to the other fees provided for herein, upon the Effective Date, and on every monthly anniversary of the Effective Date during the term of this Agreement, the Company shall pay Houlihan Lokey in advance, without notice or invoice, a nonrefundable cash fee of $100,000 ("Monthly Fee") for a minimum of four months from the Effective Date (collectively, the "Minimum Monthly Fees"). Each Monthly Fee shall be earned upon Houlihan Lokey's receipt thereof in consideration of Houlihan Lokey accepting this engagement and performing services as described herein. If this Agreement is terminated before the end of fourth month from the Effective Date, the Company hereby agrees to pay to Houlihan Lokey, on the effective date of such termination, the unpaid amount of the Minimum Monthly Fees.

(ii) *Transaction Fee(s)*: In addition to the other fees provided for herein, the Company shall pay Houlihan Lokey the following transaction fee(s):

a. *Restructuring Transaction Fee.* Upon the earlier to occur of: (I) in the case of an out-of-court Restructuring Transaction (as defined herein), the closing of such Restructuring Transaction; and (II) in the case of an in-court Restructuring Transaction, the date of confirmation of a plan of reorganization or liquidation under Chapter 11 of the Bankruptcy Code (as defined below) pursuant to an order of the applicable bankruptcy court, Houlihan Lokey shall earn, and the Company shall promptly pay to Houlihan Lokey, a cash fee ("Restructuring Transaction Fee") of $1,000,000; provided that, in the event that one or more Sale Transactions (as defined below) have occurred prior to the consummation of a Restructuring Transaction and the Restructuring Transaction consists of a plan or other reorganization concerning the remaining assets of the Company versus merely a liquidation and distribution of the relevant sale proceeds to creditors, the Restructuring Transaction Fee shall be reduced to the applicable multiple transaction fee as described in section 3(ii)(c);

b. *Sale Transaction Fee.* Upon the closing of a Sale Transaction (as defined herein), Houlihan Lokey shall earn, and the Company shall thereupon pay immediately and directly from the gross proceeds of such Sale Transaction, as a cost of such Sale Transaction, a cash fee ("Sale Transaction Fee") of $1,000,000 plus 3.0% of the combined AGC (as defined herein) above a threshold to be agreed upon in good faith by Houlihan Lokey and Barings, as agent for the Term Loan or by the Bankruptcy Court (for all consummated Sale Transactions and all asset sales by third party liquidators or other similar asset disposition specialist), and 5.0% of the combined AGC in excess of a higher threshold to be agreed upon in good faith by Houlihan Lokey and Barings, as agent for the Term Loan or by the Bankruptcy Court (for all consummated Sale Transactions and all asset sales by third party liquidators or other similar asset disposition specialist);

c. *Subsequent Sale Transaction Fee.* If multiple Sale Transactions are consummated under the term of this Agreement, or one Sale Transaction followed by consummation of a plan

of reorganization or liquidation, for each additional Sale Transaction, Houlihan Lokey shall earn, and the Company shall thereupon pay immediately and directly from the gross proceeds of such Sale Transaction, as a cost of such Sale Transaction, a cash fee (each being a "Subsequent Sale Transaction Fee") of:

i. $350,000 for the first subsequent Sale Transaction;

ii. $300,000 for the second subsequent Sale Transaction; and

iii. $250,000 for any subsequent Sale Transaction thereafter

Provided that under no circumstance will any Subsequent Sale Transaction Fee represent more than 10% of the AGC (as defined herein) of such subsequent Sale Transaction. The delta between the actual subsequent Sale Transaction Fee and the respective Sale Transaction Fee determined pursuant to Section 3 (c) (i), (ii), and (iii), above shall be added to the next subsequent Sale Transaction fee in Section 3 (c), if any;

d. *Financing Transaction Fee.* Upon the closing of each Financing Transaction (as defined herein), Houlihan Lokey shall earn, and the Company shall thereupon pay immediately and directly from the gross proceeds of such Financing Transaction, as a cost of such Financing Transaction, a cash fee ("Financing Transaction Fee") equal to the sum of: (I) 1.5% of the gross proceeds of any indebtedness raised or committed that is senior to other indebtedness of the Company, secured by a first priority lien and unsubordinated, with respect to both lien priority and payment, to any other obligations of the Company (other than with respect to debtor-in-possession financing); (II) 3.0% of the gross proceeds of any indebtedness raised or committed that is secured by a lien (other than a first lien), is unsecured and/or is subordinated; and (III) 5.0% of the gross proceeds of all equity or equity-linked securities (including, without limitation, convertible securities and preferred stock) placed or committed. Any warrants issued in connection with the raising of debt or equity capital shall, upon the exercise thereof, be considered equity for the purpose of calculating the Financing Transaction Fee, and such portion of the Financing Transaction Fee shall be paid upon such exercise and from the gross proceeds thereof, regardless of any prior termination or expiration of this Agreement. It is understood and agreed that if the proceeds of any such Financing Transaction are to be funded in more than one stage, Houlihan Lokey shall be entitled to its applicable compensation hereunder upon the closing date of each stage. The Financing Transaction Fee(s) shall be payable in respect of any sale of securities whether such sale has been arranged by Houlihan Lokey, by another agent (or other issuer of the Securities (as defined below) in such Financing Transaction) or directly by the Company. Any non-cash consideration provided to or received in connection with the Financing Transaction (including but not limited to intellectual or intangible property) shall be valued for purposes of calculating the Financing Transaction Fee as equaling the number of Securities issued in exchange for such consideration multiplied by (in the case of debt securities) the face value of each such Security or (in the case of equity securities) the price per Security paid in the then current round of financing. The fees set forth herein shall be in addition to any other fees that the Company may be required to pay to any investor or other purchaser of Securities to secure its financing commitment.

Any Restructuring Transaction Fee, Sale Transaction Fee, Subsequent Sale Transaction Fee, and Financing Transaction Fee is each referred to herein as a "Transaction Fee" and are collectively referred to

herein as "Transaction Fees." All payments received by Houlihan Lokey pursuant to this Agreement at any time shall become the property of Houlihan Lokey without restriction. No payments received by Houlihan Lokey pursuant to this Agreement will be put into a trust or other segregated account.

4. **Term and Termination.** This Agreement may be terminated at any time by either party upon thirty days' prior written notice of termination to the other party. The expiration or termination of this Agreement shall not affect (i) any provision of this Agreement other than Sections 1 through 3 and (ii) Houlihan Lokey's right to receive, and the Company's obligation to pay, any and all fees, expenses, and other amounts due, as set forth herein, whether or not any Transaction shall be consummated prior to or subsequent to the effective date of expiration or termination, as more fully set forth in this Agreement.

In addition, notwithstanding the expiration or termination of this Agreement, Houlihan Lokey shall be entitled to full payment by the Company of the Transaction Fees described in this Agreement: (i) so long as a Transaction is consummated during the term of this Agreement, or within 12 months after the date of expiration or termination of this Agreement ("Tail Period"), and/or (ii) if an agreement in principle to consummate a Transaction is executed by any entity comprising the Company during the term of this Agreement, or within the Tail Period, and such Transaction is consummated at any time following such execution with the counterparty named in such agreement, or with any affiliate or employee of, or investor in, such counterparty, or any affiliate of any of the foregoing.

5. **Agreement from Secured Lenders.** Houlihan Lokey's obligations to provide the services described herein are contingent upon, and expressly subject to, the execution of a waiver, subordination or similar agreement, in form and substance satisfactory to Houlihan Lokey, pursuant to which the Company's senior secured lenders consent to the performance of the Company's obligations under this Agreement, including, without limitation, the Company's payment of Houlihan Lokey's fees and expenses, herein , as a cost of any Transaction and free and clear of such lenders' security interests in the Company's assets.

6. **Transaction.** As used in this Agreement, the term "Transaction" shall mean any of the following:

(i) *Restructuring Transaction.* The consummation of any plan of reorganization or, following a Sale Transaction, plan of liquidation under the Bankruptcy Code, or any transaction or series of transactions that constitute a recapitalization, or restructuring of the equity and/or debt securities and/or other indebtedness, obligations or liabilities (including, without limitation, preferred stock, partnership interests, lease obligations, trade credit facilities, collective bargaining agreements and other contract or tort obligations) of any entity comprising the Company, including accrued and/or accreted interest thereon, which are outstanding as of the Effective Date, including, without limitation, interest bearing trade debt and the Company's Third Amended and Restated Credit Agreement dated as of June 9, 2017 (as amended, supplemented or otherwise modified from time to time) and the Company's Term Loan Credit Agreement dated as of June 9, 2017 (as amended, supplemented or otherwise modified from time to time), which recapitalization or restructuring is effected pursuant to an exchange transaction, tender offer, a plan of reorganization or liquidation under the Bankruptcy Code, a solicitation of consents, waivers, acceptances or authorizations, any change of control transaction, any refinancing, sale, acquisition, merger, repurchase, exchange, conversion to equity, cancellation, forgiveness, retirement and/or a modification or amendment to the terms, conditions, or covenants (including, without limitation, the principal balance, accrued or accreted interest, payment term, other debt service requirement and/or financial or operating covenant) of any agreements or instruments governing any of the equity and/or debt securities and/or other indebtedness of any entity comprising the Company (such modification or amendment shall include, without limitation, any forbearance for at least 12 months with

respect to any payment obligation) or any combination of the foregoing transactions (each a "Restructuring Transaction");

(ii) *Sale Transaction.* Any transaction or series of related transactions that constitute the disposition to one or more third parties (including, without limitation, any person, group of persons, partnership, corporation or other entity, and also including, among others, any of the existing owners, shareholders, employees, or creditors of any entity comprising the Company and/or the affiliates of each) in one or a series of related transactions of (a) a material portion of the equity securities of any entity comprising the Company or any interest held by any entity comprising the Company and/or (b) any material portion of the assets (including the assignment of any executory contracts) or operations of any entity comprising the Company or any joint venture or partnership or other entity formed by it, in either case, including, without limitation, through a sale or exchange of capital stock, options or assets with or without a purchase option, a merger, consolidation or other business combination, an exchange or tender offer, a recapitalization, the formation of a joint venture, partnership or similar entity, or any similar transaction, including, without limitation, any sale transaction under Sections 363, 1129 or any other provision of Title 11, United States Code (11 U.S.C. §§ 101 et seq.) (the "Bankruptcy Code") (each a "Sale Transaction"); provided, that notwithstanding the foregoing, the sale of *de minimis* assets under which the Company has engaged a third party liquidator or other similar asset disposition specialist (as agreed to in good faith by the Company and Houlihan Lokey) shall not constitute a Sale Transaction; or

(iii) *Financing Transaction.* (a) Any transaction or series of related transactions that constitutes any refinancing of all or any portion of the existing obligations of any entity comprising the Company and/or (b) the placement, raising or issuance of any form of equity, equity-linked or debt securities (including, without limitation, any convertible securities, preferred stock, unsecured, non-senior or subordinated debt securities, and/or senior notes or bank debt) or any loan or other financing, including any "debtor in possession financing" or "exit financing" in connection with a case under the Bankruptcy Code by any entity comprising the Company (any or all of which being "Securities"), from any source excluding, any of the existing owners, shareholders, employees, or lenders, including any successors thereto, of any entity comprising the Company (whether or not such transaction is effectuated in-court, out-of-court, through the confirmation of a plan of reorganization or otherwise under the Bankruptcy Code, or whether the requisite consents to such transaction(s) are obtained in-court or out-of-court) (each a "Financing Transaction").

7. **Aggregate Gross Consideration ("AGC").** For the purpose of calculating the Sale Transaction Fee and Subsequent Transaction Fees, the AGC shall be the gross proceeds and other consideration paid to, or received by, or to be paid to or received by, any entity comprising the Company, or any of its equity or debt holders, or other parties in interest, including, without limitation, holders of warrants and convertible securities, and holders of options or stock appreciation rights, whether or not vested (collectively "Constituents"), in connection with the relevant Sale Transaction, or any asset sales by third party liquidators or other similar asset disposition specialist. Such proceeds and consideration shall be deemed to include, without limitation: amounts in escrow and any deposits or other amounts forfeited by any investor; cash, notes, securities, and other property; payments made in installments; Contingent Payments (as defined below) and/or insurance proceeds upon the occurrence of an insurable event that diminishes the value of the Company. Upon the closing of a Sale Transaction in which less than 100% of the ownership of the equity interests are sold, the AGC shall be calculated as if 100% of the ownership of the equity interests of the Company on a fully diluted basis had been sold by dividing (i) the total consideration, whether in cash, securities, notes or other forms of consideration, received or receivable by the Company and/or its Constituents by (ii) the percentage of ownership which is sold. If, in the Sale Transaction, no consideration

is being paid in respect of the existing equity, AGC of the retained equity shall be determined by the good faith agreement of the parties as to the value of such retained equity implied by the Sale Transaction. In addition, if any of the liabilities of any entity comprising the Company are assumed, decreased, reinstated, satisfied or otherwise paid off in conjunction with a Sale Transaction (by any entity comprising the Company or any investor, in the form of "cure" payments or otherwise), or any of the assets of any entity comprising the Company are sold or otherwise transferred outside of the Company's ordinary course of business to another party prior to the closing of a Sale Transaction (including, without limitation, any dividends or distributions paid to security holders or amounts paid to repurchase any securities) or are retained by any entity comprising the Company after the closing of the Sale Transaction, the AGC will be increased to reflect the face value of any such liabilities and the fair market value of any such assets. Contingent Payments shall be defined as the consideration received or receivable by the Company, or any of its Constituents and/or any other parties in the form of deferred performance-based payments, "earn-outs", or other contingent payments based upon the future performance of any entity comprising the Company, or any of its businesses or assets.

8. **Value of Consideration.** For the purpose of calculating the AGC received in a Sale Transaction, any securities, other than a promissory note, will be valued at the time of the closing of the Sale Transaction, without regard to any restrictions on transferability, as follows: (i) if such securities are traded on a stock exchange, the securities will be valued at the average last sale or closing price for the ten trading days immediately prior to the closing of the Sale Transaction; (ii) if such securities are traded primarily in over-the-counter transactions, the securities will be valued at the mean of the closing bid and asked quotations similarly averaged over a ten trading day period immediately prior to the closing of the Sale Transaction; and (iii) if such securities have not been traded prior to the closing of the Sale Transaction, Houlihan Lokey and the Company shall negotiate in good faith to agree on a fair valuation thereof, without regard to any restrictions on transferability, for the purposes of calculating the AGC. For any lease payments and other consideration that is not freely tradable or has no established public market, if the consideration utilized consists of property other than securities, then the value of such property shall be the fair market value thereof as determined in good faith by Houlihan Lokey and the Company. If any consideration to be paid is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted into U.S. dollars at the prevailing exchange rate on the date or dates on which such consideration is payable. The value of any purchase money or other promissory notes shall be deemed to be the face amount thereof. In the event the AGC includes any Contingent Payments, Houlihan Lokey's Transaction Fee shall be calculated based on the mutually agreed value of such Contingent Payments as of closing. If the parties cannot reach such an agreement, an additional Sale Transaction Fee shall be paid to Houlihan Lokey from, and on account of, such Contingent Payments at the same time that each of such Contingent Payments are received regardless of any prior termination or expiration of this Agreement. Each such additional Sale Transaction Fee shall be calculated pursuant to the provisions of this Agreement based upon the amount of each such Contingent Payment.

9. **Characterization of Multiple and/or Complex Transactions.** In the event the Company and Houlihan Lokey are unable to agree in good faith upon the classification of any single Transaction as a Restructuring Transaction, Sale Transaction or Financing Transaction, or if a single Transaction with only one third party shall consist of two, or more, of the foregoing types of Transactions, or elements thereof, Houlihan Lokey shall receive only one Transaction Fee in respect of such Transaction, which shall be equal to the greater of the Restructuring Transaction Fee, Sale Transaction Fee or Financing Transaction Fee, as applicable, as calculated in accordance with the terms of this Agreement. For the avoidance of doubt, if two or more single Transactions occur simultaneously or at different times, whether or not they are connected with or related to one another, the Company shall pay Houlihan Lokey the Transaction Fee for each such Transaction in addition to, and not in lieu of, each other.

10. **Reasonableness of Fees.** The parties acknowledge that this engagement will require a substantial professional commitment of time and effort by Houlihan Lokey. Moreover, the amount of time and effort may vary substantially during different periods of the engagement. As a result, in order to ensure the availability of all necessary professional resources, whenever required, Houlihan Lokey may be foreclosed from pursuing other alternative engagement opportunities. In light of the foregoing, and given: (i) the numerous issues which can currently be anticipated in engagements such as this, (ii) Houlihan Lokey's commitment to the variable level of time and effort necessary to address such issues, (iii) the expertise and capabilities of Houlihan Lokey that will be required in this engagement, and (iv) the market rate for Houlihan Lokey's services of this nature, whether in-court or out-of-court, the parties agree that the fee arrangement provided for herein is reasonable, fairly compensates Houlihan Lokey, and provides the requisite certainty to the Company. The parties further agree and acknowledge that: (a) additional issues and developments, not currently anticipated, may arise and have an impact upon the services to be rendered by Houlihan Lokey hereunder, and may result in substantially more work and/or services being performed by Houlihan Lokey than is anticipated at this time; and (b) as a result of such unanticipated issues and/or developments, the results of Houlihan Lokey's services under this Agreement may also be substantially more beneficial than anticipated at this time. Accordingly, in the event of the occurrence of (a) and/or (b), in the prior sentence, each of the parties to this Agreement may, at the conclusion of the services rendered by Houlihan Lokey pursuant hereto, agree to a modification of the Transaction Fees described herein to more appropriately reflect the actual work performed, services rendered and/or any extraordinary results achieved by Houlihan Lokey pursuant to its engagement hereunder.

11. **Expenses.** In addition to all of the other fees and expenses described in this Agreement, and regardless of whether any Transaction is consummated, the Company shall, upon Houlihan Lokey's request, reimburse Houlihan Lokey for its reasonable and documented out-of-pocket expenses incurred from time to time in connection with its services hereunder. Houlihan Lokey bills its clients for its reasonable out-of-pocket expenses including, but not limited to (i) travel-related and certain other expenses, without regard to volume-based or similar credits or rebates Houlihan Lokey may receive from, or fixed-fee arrangements made with, travel agents, airlines or other vendors, and (ii) research, database and similar information charges paid to third party vendors, and reprographics expenses, to perform client-related services that are not capable of being identified with, or charged to, a particular client or engagement in a reasonably practicable manner, based upon a uniformly applied monthly assessment or percentage of the fees due to Houlihan Lokey.

Houlihan Lokey shall, in addition, be reimbursed by the Company for the reasonable and documented fees and expenses of Houlihan Lokey's legal counsel incurred in connection with the negotiation and performance of this Agreement and the matters contemplated hereby.

12. **Invoicing and Payment.** All amounts payable to Houlihan Lokey shall be made in lawful money of the United States in accordance with the payment instructions set forth on the invoice provided with this Agreement, or to such accounts as Houlihan Lokey shall direct, and the Company shall provide contemporaneous written notice of each such payment to Houlihan Lokey. All amounts invoiced by Houlihan Lokey shall be exclusive of value added tax, withholding tax, sales tax and any other similar taxes ("Taxes"). All amounts charged by Houlihan Lokey will be invoiced together with Taxes where appropriate.

13. **Information.** The Company will provide Houlihan Lokey with access to management and other representatives of the Company and other participants in any Transaction, as reasonably requested by Houlihan Lokey. The Company will furnish Houlihan Lokey with such information as Houlihan Lokey may reasonably request for the purpose of carrying out its engagement hereunder, all of which will be, to the Company's best knowledge, accurate and complete at the time furnished. In addition, with respect to financial forecasts and projections that may be furnished to or discussed with Houlihan Lokey by the

Company or any other entity, Houlihan Lokey will be entitled to assume that such financial forecasts and projections have been or will be reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of the Company's or such other entity's management, as the case may be, as to the matters covered thereby. The Company will promptly notify Houlihan Lokey in writing of any material inaccuracy or misstatement in, or material omission from, any information previously delivered to, or discussed with, Houlihan Lokey, or any materials provided to any interested party. Houlihan Lokey shall rely, without independent verification, on the accuracy and completeness of all information that is publicly available and of all information furnished by or on behalf of the Company or any other potential party to any Transaction or otherwise reviewed by, or discussed with, Houlihan Lokey. The Company understands and agrees that Houlihan Lokey will not be responsible for the accuracy or completeness of such information, and shall not be liable for any inaccuracies or omissions therein. The Company acknowledges that Houlihan Lokey has no obligation to conduct any appraisal of any assets or liabilities of the Company or any other party or to evaluate the solvency of any party under any applicable laws relating to bankruptcy, insolvency or similar matters. Houlihan Lokey's role in reviewing any information is limited solely to performing such a review as it shall deem necessary to support its own advice and analysis and shall not be on behalf of any other party. Any advice (whether written or oral) rendered by Houlihan Lokey pursuant to this Agreement is intended solely for the use of the Board of Directors of the Company (solely in its capacity as such) in evaluating a Transaction, and such advice may not be relied upon by any other person or entity or used for any other purpose. Any advice rendered by, or other materials prepared by, or any communication from, Houlihan Lokey may not be disclosed, in whole or in part, to any third party, or summarized, quoted from, or otherwise referred to in any manner without the prior written consent of Houlihan Lokey. In addition, neither Houlihan Lokey nor the terms of this Agreement may otherwise be referred to without our prior written consent=.

14. **Confidential Information.** Houlihan Lokey acknowledges that, in connection with the services to be provided pursuant to this Agreement, certain confidential, non-public and proprietary information concerning the Company and the Transaction ("Confidential Information") has been or may be disclosed by the Company to Houlihan Lokey, any of its affiliates, or any of their respective agents, advisors, accountants, attorneys, employees, subcontractors, officers, directors and other representatives (collectively, "Representatives"). Houlihan Lokey agrees that, without the Company's prior consent, no Confidential Information will be disclosed, in whole or in part, to any other party (other than to any potential party to a Transaction under appropriate assurances of confidentiality, to those Representatives who need access to any Confidential Information for purposes of performing the services to be provided hereunder, or as may be required by law or regulatory authority). The term "Confidential Information" does not include any information: (a) that was already in the possession of Houlihan Lokey or any of its Representatives, or that was available to Houlihan Lokey or any of its Representatives on a non-confidential basis, prior to the time of disclosure to Houlihan Lokey or such Representatives; (b) obtained by Houlihan Lokey or any of its Representatives from a third party which, insofar as is known to Houlihan Lokey or such Representatives, is not subject to any prohibition against disclosure; (c) which was or is independently developed by Houlihan Lokey or any of its Representatives without violating any confidentiality obligations under this paragraph; or (d) which was or becomes generally available to the public through no fault of Houlihan Lokey. If Houlihan Lokey becomes required by legal process or requested by regulatory authority to disclose any Confidential Information, prompt notice thereof (to the extent legally permissible) shall be given to the Company (provided that no notification shall be required in respect of any disclosure to regulatory authorities having jurisdiction over Houlihan Lokey), and Houlihan Lokey may disclose only that information which its counsel advises it is compelled to disclose. The obligations set forth in this paragraph shall remain in effect for a period of one year after the Effective Date.

15. **Additional Provisions Regarding Financing Transaction.** The Company authorizes Houlihan Lokey to provide an information memorandum (or similar document) (as such document may be amended or supplemented and including any information incorporated therein by reference, the "Information

Memorandum") and other pertinent information to prospective investors and other purchasers which are approved by the Company and subject to execution by each such prospective investor or other purchaser of a confidentiality agreement and agrees not to transmit the Information Memorandum to prospective investors or other purchasers without Houlihan Lokey's prior approval. The Company will be solely responsible for the contents of the Information Memorandum and any and all other written or oral communications provided by or on behalf of the Company to any actual or prospective investor or other purchaser. The Company represents and warrants that the Information Memorandum and such other communications will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If an event occurs as a result of which the Information Memorandum (as then supplemented or amended) would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the Company will promptly notify Houlihan Lokey of such event and Houlihan Lokey will suspend solicitations of prospective investors and other purchasers until such time as the Company prepares (and the Company agrees that, if the solicitation of prospective investors and other purchasers has been so suspended after the Company has accepted orders from prospective investors or other purchasers, the Company will promptly prepare) a supplement or amendment to the Information Memorandum which corrects such statement(s) or omission(s). The Company will (i) make available to each bona fide offeree of the Securities such information (in addition to that contained in the Information Memorandum) concerning the offering of the Securities, the Company and any other relevant matters, and (ii) provide each bona fide offeree the opportunity to ask questions of, and receive answers from, the officers and employees of the Company concerning the terms and conditions of the offering of the Securities.

The Company acknowledges that closing of a Financing Transaction is subject, among other factors, to acceptable documentation, market conditions, and satisfaction of the conditions set forth in one or more agreements to be entered into with any financier, lender, investor or other purchaser of Securities. It is expressly understood that this engagement does not constitute any commitment, express or implied, on the part of Houlihan Lokey to acquire, and does not ensure the successful placement of, any portion of the Securities. The Company further acknowledges and agrees that Houlihan Lokey is not acting as an underwriter of the Securities and shall have no responsibility or obligation to underwrite the Securities.

In connection with all offers and sales of the Securities, the Company will cause to be addressed and delivered to Houlihan Lokey a written opinion of Company counsel acceptable to Houlihan Lokey containing (i) an opinion to the effect that the placement of Securities was exempt from registration under the Securities Act of 1933, as amended (the "Act"), and (ii) any other opinions of counsel that have been provided to investors or other purchasers of the Securities or which Houlihan Lokey may reasonably request. The Company also will cause to be furnished to Houlihan Lokey at or after each closing of a sale of Securities copies (addressed to Houlihan Lokey, if requested and as appropriate) of such agreements, opinions, certificates and other documents (including, without limitation, accountant's letters) as Houlihan Lokey may reasonably request. The Company hereby acknowledges and agrees that Houlihan Lokey shall be entitled to rely upon the representations and warranties made (whether pursuant to a subscription agreement or in any other format) to investors or other purchasers of Securities and the Company shall be deemed to have made such representations and warranties to and for the benefit of Houlihan Lokey.

It is understood that the offer and sale of the Securities in a Financing Transaction will be exempt from the registration requirements of the Act, pursuant to Section 4(a)(2) thereof. The Company has not taken, and will not take, any action, directly or indirectly, so as to cause the transactions contemplated by this Agreement to fail to be entitled to exemption under Section 4(a)(2) of the Act. The Company will promptly from time to time take such reasonable action as necessary to qualify the Securities as a private placement under the securities laws of such States and foreign jurisdictions as any prospective investor or

other purchaser may reasonably request and will comply with applicable laws. The Company shall cause the issuer of the Securities to offer and sell the Securities only to investors and other purchasers of the Securities that they reasonably believe to be "accredited investors", as defined in Rule 501 of Regulation D under the Act. The Company will cause the issuer of the Securities to file in a timely manner with the Securities and Exchange Commission (the "SEC") and/or each other regulatory authority any notices or other filings with respect to the Securities required by Rule 503 of Regulation D under the Act and/or other applicable law or regulation and will upon request furnish to Houlihan Lokey a signed copy of each such notice or filing promptly after its submission.

16. **Limitations on Services as Advisor.** Houlihan Lokey's services are limited to those specifically provided in this Agreement, or subsequently agreed upon in writing by the parties hereto. Houlihan Lokey shall have no obligation or responsibility for any other services including, without limitation, any crisis management or business consulting services related to, among other things, the implementation of any operational, organizational, administrative, cash management, or similar activities. The parties understand that Houlihan Lokey is being engaged hereunder as an independent contractor to provide the services hereunder solely to the Company, and that Houlihan Lokey is not acting as an agent or fiduciary of the Company, its security holders or creditors or any other person or entity in connection with this engagement, and the Company agrees that it shall not make, and hereby waives, any claim based on an assertion of such an agency or fiduciary relationship. In performing its services pursuant to this Agreement, Houlihan Lokey is not assuming any responsibility for the Company's decision on whether to pursue, endorse or support any business strategy, or to effect, or not to effect, any Transaction(s), which decision shall be made by the Company in its sole discretion. Any duties of Houlihan Lokey arising by reason of this Agreement or as a result of the services to be rendered by Houlihan Lokey hereunder will be owed solely to the Company.

17. **Bankruptcy Court Approval.** In the event that the Company is or becomes a debtor under Chapter 11 of the Bankruptcy Code, whether voluntarily or involuntarily, the Company shall seek an order authorizing the employment of Houlihan Lokey pursuant to the terms of this Agreement, as a professional person pursuant to, and subject to the standard of review of, Section 328(a) of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and applicable local rules and orders and not subject to any other standard of review under Section 330 of the Bankruptcy Code. In so agreeing to seek Houlihan Lokey's retention under Section 328(a) of the Bankruptcy Code, the Company acknowledges that it believes that Houlihan Lokey's general restructuring experience and expertise, its knowledge of the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company in pursuing any Transaction, that the value to the Company of Houlihan Lokey's services derives in substantial part from that expertise and experience and that, accordingly, the structure and amount of the contingent Transaction Fee(s) is reasonable regardless of the number of hours to be expended by Houlihan Lokey's professionals in the performance of the services to be provided hereunder. The Company shall submit Houlihan Lokey's employment application as soon as practicable following the Company's filing of a voluntary Chapter 11 case, or the entry of an order for relief in any involuntary case filed against the Company, and use its best efforts to cause such application to be considered on the most expedited basis. The employment application and the proposed order authorizing employment of Houlihan Lokey shall be provided to Houlihan Lokey as much in advance of any Chapter 11 filing as is practicable, and must be acceptable to Houlihan Lokey in its sole discretion. Following entry of the order authorizing the employment of Houlihan Lokey, the Company shall pay all fees and expenses due pursuant to this Agreement, as approved by the court having jurisdiction of the bankruptcy case involving the Company (the "Bankruptcy Court"), as promptly as possible in accordance with the terms of this Agreement and the order of such Bankruptcy Court, the Bankruptcy Code, the Bankruptcy Rules and applicable local rules and orders, and will work with Houlihan Lokey to promptly file any and all necessary applications regarding such fees and expenses with the Bankruptcy Court. Houlihan Lokey shall have no obligation to provide services under this Agreement in the event that the Company becomes a debtor under the Bankruptcy Code unless Houlihan Lokey's retention under this Agreement is approved under Section 328(a) of the

Bankruptcy Code by final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which is acceptable to Houlihan Lokey in all respects. If the order authorizing the employment of Houlihan Lokey is not obtained, or is later reversed or set aside for any reason, Houlihan Lokey may terminate this Agreement, and the Company shall reimburse Houlihan Lokey for all fees and expenses reasonably incurred prior to the date of expiration or termination, subject to the requirements of the Bankruptcy Code, Bankruptcy Rules and applicable local rules and orders. Prior to commencing a Chapter 11 case, the Company shall pay all amounts due and payable to Houlihan Lokey in cash. The terms of this Section are solely for the benefit of Houlihan Lokey, and may be waived, in whole or in part, only by Houlihan Lokey.

18. **Additional Services.** To the extent Houlihan Lokey is requested by the Company to perform any financial advisory or investment banking services which are not within the scope of this engagement (such as rendering a fairness opinion), the Company shall pay Houlihan Lokey such fees as shall be mutually agreed upon by the parties hereto in writing, in advance, depending on the level and type of services required, and shall be in addition to the fees and expenses described hereinabove.

19. **Required Services.** If Houlihan Lokey is required to render services not described herein, but which relate directly or indirectly to the subject matter of this Agreement (including, but not limited to, producing documents, answering interrogatories, attending depositions, giving expert or other testimony, whether by subpoena, court process or order, or otherwise), the Company shall pay Houlihan Lokey additional fees to be mutually agreed upon for such services, plus reasonable and documented related out-of-pocket costs and expenses, including, among other things, the reasonable and documented legal fees and expenses of Houlihan Lokey's counsel in connection therewith.

20. **Credit.** After the announcement or closing of any Transaction, Houlihan Lokey may, at its own expense, place announcements on its corporate website and in financial and other newspapers and periodicals (such as a customary "tombstone" advertisement, including the Company's logo or other identifying marks) describing its services in connection therewith. Furthermore, if requested by Houlihan Lokey, the Company agrees that in any press release announcing any Transaction, the Company will include in such press release a mutually acceptable reference to Houlihan Lokey's role as financial advisor to the Company with respect to such Transaction.

21. **Choice of Law; Jury Trial Waiver; Jurisdiction. THIS AGREEMENT SHALL BE DEEMED TO BE MADE IN NEW YORK. THIS AGREEMENT AND ALL DISPUTES ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. EACH OF HOULIHAN LOKEY AND THE COMPANY (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS EQUITY HOLDERS) IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF THE ENGAGEMENT OF HOULIHAN LOKEY PURSUANT TO, OR THE PERFORMANCE BY HOULIHAN LOKEY OF THE SERVICES CONTEMPLATED BY, THIS AGREEMENT. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY CLAIMS OR DISPUTES BETWEEN OR AMONG THE PARTIES HERETO ARISING OUT OF OR RELATED TO THIS AGREEMENT (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) SHALL BE BROUGHT AND MAINTAINED IN ANY FEDERAL OR STATE COURT OF COMPETENT JURISDICTION SITTING IN THE COUNTY OF NEW YORK IN THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE**

SOUTHERN DISTRICT OF NEW YORK, WHICH COURTS SHALL HAVE EXCLUSIVE JURISDICTION OVER THE ADJUDICATION OF SUCH MATTERS, AND AGREES TO VENUE IN SUCH COURTS; PROVIDED THAT SUCH CONSENT AND AGREEMENT SHALL NOT BE DEEMED TO REQUIRE ANY BANKRUPTCY CASE INVOLVING THE COMPANY TO BE FILED IN SUCH COURTS, AND IF THE COMPANY BECOMES A DEBTOR UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, DURING ANY SUCH CASE, ANY CLAIMS MAY ALSO BE HEARD AND DETERMINED BEFORE THE BANKRUPTCY COURT. EACH PARTY FURTHER IRREVOCABLY SUBMITS AND CONSENTS IN ADVANCE EXCLUSIVELY TO SUCH JURISDICTION AND VENUE IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURTS, AND HEREBY WAIVES IN ALL RESPECTS ANY CLAIM OR OBJECTION WHICH IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS. THE COMPANY AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, SUIT OR CLAIM BROUGHT IN ANY OF THE COURTS REFERRED TO ABOVE SHALL BE CONCLUSIVE AND BINDING UPON IT AND MAY BE ENFORCED IN ANY OTHER COURTS HAVING JURISDICTION OVER IT BY SUIT UPON SUCH JUDGMENT. THE COMPANY IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ALL SUCH DISPUTES BY THE MAILING OF COPIES OF SUCH PROCESS TO THE COMPANY AT 6501 CONGRESS AVENUE, SUITE 300, BOCA RATON, FL 33487.

22. **Indemnification and Standard of Care.** As a material part of the consideration for the agreement of Houlihan Lokey to furnish its services under this Agreement, the Company agrees (i) to indemnify and hold harmless Houlihan Lokey and its affiliates, and their respective past, present and future directors, officers, partners, members, employees, agents, representatives, advisors, subcontractors and controlling persons (collectively, the "Indemnified Parties"), to the fullest extent lawful, from and against any and all losses, claims, damages or liabilities (or actions in respect thereof), joint or several, arising out of or related to Houlihan Lokey's engagement under, or any matter referred to in, this Agreement, and (ii) to reimburse each Indemnified Party for all expenses (including, without limitation, the reasonable and documented fees and expenses of counsel) as they are incurred in connection with investigating, preparing, pursuing, defending, settling, compromising or otherwise becoming involved in any action, suit, dispute, inquiry, investigation or proceeding, pending or threatened, brought by or against any person or entity (including, without limitation, any shareholder or derivative action or any claim to enforce this Agreement), arising out of or related to such engagement or matter. However, the Company shall not be liable under the foregoing indemnification provision for any loss, claim, damage or liability which is finally judicially determined by a court of competent jurisdiction to have resulted primarily from actual fraud, bad faith, the willful misconduct or gross negligence of such Indemnified Party.

If for any reason the foregoing indemnification or reimbursement is unavailable to any Indemnified Party or insufficient fully to indemnify any Indemnified Party or to hold it harmless, then the Company shall contribute to the amount paid or payable by such Indemnified Party as a result of the losses, claims, damages, liabilities or expenses referred to in subsections (i) or (ii) of such indemnification or reimbursement provisions in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and Houlihan Lokey, on the other hand, in connection with the matters contemplated by this Agreement. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Company shall contribute to such amount paid or payable by such Indemnified Party in such proportion as is appropriate to reflect not only such relative benefits, but also the relative fault of the Company (and its affiliates, and their respective directors, employees, agents and other advisors), on the one hand, and such Indemnified Party, on the other hand, in connection therewith, as well as any other relevant equitable considerations. Notwithstanding the foregoing, in no event shall the Indemnified Parties be required to contribute an aggregate amount in excess of the amount of fees actually received by Houlihan Lokey from the Company pursuant to this Agreement. Relative benefits received by the Company, on the one hand, and Houlihan Lokey, on the other hand, shall

be deemed to be in the same proportion as (i) the total value paid or received or contemplated to be paid or received by the Company, and its security holders, creditors, and other affiliates, as the case may be, pursuant to the transaction(s) (whether or not consummated) contemplated by the engagement hereunder, bears to (ii) the fees received by Houlihan Lokey under this Agreement. The Company shall not settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any pending or threatened action, suit, dispute, inquiry, investigation or proceeding arising out of or related to Houlihan Lokey's engagement under, or any matter referred to in, this Agreement (whether or not an Indemnified Party is an actual or potential party thereto), or participate in or otherwise facilitate any such settlement, compromise, consent or termination by or on behalf of any person or entity, unless such settlement, compromise, consent or termination contains a release of the Indemnified Parties reasonably satisfactory in form and substance to Houlihan Lokey.

The Company further agrees that neither Houlihan Lokey nor any other Indemnified Party shall have any liability (whether direct or indirect and regardless of the legal theory advanced) to the Company or any person or entity asserting claims on behalf of or in right of the Company arising out of or related to Houlihan Lokey's engagement under, or any matter referred to in, this Agreement, except for losses, claims, damages or liabilities incurred by the Company which are finally judicially determined by a court of competent jurisdiction to have resulted primarily from the willful misconduct or gross negligence of such Indemnified Party.

The Company shall cause any new company or entity that may be formed by the Company, for any purpose, to agree to all of the obligations in this Section to Houlihan Lokey in accordance with the foregoing provisions. Prior to entering into any agreement or arrangement with respect to, or effecting, any (i) merger, statutory exchange or other business combination or proposed sale, exchange, dividend or other distribution or liquidation of all or a significant portion of its assets, or (ii) significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth in this Agreement, the Company will notify Houlihan Lokey in writing thereof (if not previously so notified) and, if requested by Houlihan Lokey, shall arrange in connection therewith alternative means of providing for the obligations of the Company set forth in this Agreement, including the assumption of such obligations by another party, insurance, surety bonds, the creation of an escrow, or other credit support arrangements, in each case in an amount and upon terms and conditions satisfactory to Houlihan Lokey.

The indemnity, reimbursement, and other obligations and agreements of the Company set forth herein (i) shall apply to any services provided by Houlihan Lokey in connection with this engagement prior to the Effective Date and to any modifications of this Agreement, (ii) shall be in addition to any obligation or liability which the Company may otherwise have to any Indemnified Party, and (iii) shall survive the completion of the services described in, and any expiration or termination of the relationship established by, this Agreement. The Company agrees that Houlihan Lokey would be irreparably injured by any breach of any such obligations or agreements, that money damages alone would not be an adequate remedy for any such breach and that, in the event of any such breach, Houlihan Lokey shall be entitled, in addition to any other remedies, to injunctive relief and specific performance.

23. **Miscellaneous.** This Agreement shall be binding upon the parties hereto and their respective successors, heirs and assigns and any successor, heir or assign of any substantial portion of such parties' respective businesses and/or assets, including any Chapter 11 or Chapter 7 trustee appointed on behalf of the Company.

Nothing in this Agreement, express or implied, is intended to confer or does confer on any person or entity, other than the parties hereto, the Indemnified Parties and each of their respective successors, heirs

and assigns, any rights or remedies (directly or indirectly as a third party beneficiary or otherwise) under or by reason of this Agreement or as a result of the services to be rendered by Houlihan Lokey hereunder.

This Agreement is the complete and exclusive statement of the entire understanding of the parties regarding the subject matter hereof, and supersedes all previous agreements or understandings regarding the same, whether written or oral. This Agreement may not be amended, and no portion hereof may be waived, except in a writing duly executed by the parties hereto.

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect pursuant to the terms hereof.

To help the United States government fight the funding of terrorism and money laundering activities, the federal law of the United States requires all financial institutions to obtain, verify and record information that identifies each person with whom they do business as a condition to doing business with that person. Accordingly, the Company will provide Houlihan Lokey upon request (i) certain information regarding the identities of all individuals who, directly or indirectly, own 25% or more of the Company's equity interests as well as the Company's executive officers, and (ii) certain identifying information necessary to verify the Company's identity, such as a government-issued identification number (e.g., a U.S. taxpayer identification number), certified articles of incorporation, a government-issued business license, partnership agreement, or trust instrument. By executing this Agreement, the Company confirms that all such information provided to Houlihan Lokey is accurate and complete.

This Agreement may be executed in any number of counterparts, each of which will be deemed an original and all of which will constitute one and the same instrument. Such counterparts may be delivered by one party to the other by facsimile or other electronic transmission, and such counterparts shall be valid for all purposes.

The Company has all requisite power and authority to enter into this Agreement. This Agreement has been duly and validly authorized by all necessary action on the part of the Company and has been duly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms. This Agreement has been reviewed by the signatories hereto and their counsel. There shall be no construction of any provision against Houlihan Lokey because this Agreement was drafted by Houlihan Lokey, and the parties waive any statute or rule of law to such effect.

The Company agrees that it will be solely responsible for ensuring that any Transaction complies with applicable law. The Company understands that Houlihan Lokey is not undertaking to provide any legal, regulatory, accounting, insurance, tax or other similar professional advice and the Company confirms that it is relying on its own counsel, accountants and similar advisors for such advice.

To the extent that the Company hereunder is comprised of more than one entity or company, the obligations of the Company under this Agreement are joint and several, and any consent, direction, approval, demand, notice or the like given by any one of such entities or companies shall be deemed given by all of them and, as such, shall be binding on the Company.

The Company understands and acknowledges that Houlihan Lokey and its affiliates (collectively, the "Houlihan Lokey Group") engage in providing investment banking, securities trading, financing, financial advisory, and consulting services and other commercial and investment banking products and services to a wide range of institutions and individuals. In the ordinary course of business, the Houlihan Lokey Group and certain of its employees, as well as investment funds in which they may have financial

interests or with which they may co-invest, may acquire, hold or sell, long or short positions, or trade or otherwise effect transactions, in debt, equity, and other securities and financial instruments (including bank loans and other obligations) of, or investments in, the Company or any other party that may be involved in the matters contemplated by this Agreement or have other relationships with such parties. With respect to any such securities, financial instruments and/or investments, all rights in respect of such securities, financial instruments and investments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion. In addition, the Houlihan Lokey Group may in the past have had, and may currently or in the future have, financial advisory or other investment banking or consulting relationships with parties involved in the matters contemplated by this Agreement, including parties that may have interests with respect to the Company, a Transaction or other parties involved in a Transaction, from which conflicting interests or duties may arise. Although the Houlihan Lokey Group in the course of such other activities and relationships or otherwise may have acquired, or may in the future acquire, information about the Company, a Transaction or such other parties, or that otherwise may be of interest to the Company, the Houlihan Lokey Group shall have no obligation to, and may not be contractually permitted to, disclose such information, or the fact that the Houlihan Lokey Group is in possession of such information, to the Company or to use such information on the Company's behalf.

In order to enable Houlihan Lokey to bring relevant resources to bear on its engagement hereunder from among its global affiliates, the Company agrees that Houlihan Lokey may share information obtained from the Company and other parties hereunder with other members of the Houlihan Lokey Group, and may perform the services contemplated hereby in conjunction with such other members.

If the foregoing correctly sets forth our agreement, please sign and return to us a copy of this Agreement along with a check (or wire transfer confirmation) for $100,000 on account of the first Monthly Fee.

All of us at Houlihan Lokey thank you for choosing us to advise the Company, and look forward to working with you on this engagement.

Very truly yours,

HOULIHAN LOKEY CAPITAL, INC.

By: _____
Saul Burian
Managing Director

Accepted and agreed to as of the Effective Date:

Dream II Holdings, LLC
Hollander Sleep Products, LLC
Hollander Home Fashions Holdings, LLC
Hollander Sleep Products Kentucky, LLC
Pacific Coast Feather, LLC
Pacific Cost Feather Cushion, LLC
Hollander Sleep Products Canada Limited
on their own behalf, and on behalf of their direct and indirect subsidiaries

By: _____

TAB D

SCHEDULE D – HOULIHAN LOKEY ADDITIONAL SERVICES ORDER

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

ORDER AUTHORIZING ADDITIONAL SERVICES OF HOULIHAN LOKEY CAPITAL INC. PURSUANT TO ORDER (A) AUTHORIZING THE EMPLOYMENT AND RETENTION OF HOULIHAN LOKEY CAPITAL, INC. AS FINANCIAL ADVISOR AND INVESTMENT BANKER TO THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE, (B) APPROVING THE TERMS OF THE ENGAGEMENT AGREEMENT, (C) WAIVING CERTAIN TIME-KEEPING REQUIREMENTS, AND (D) GRANTING RELATED RELIEF

Upon the *Notice of Presentment of Order Authorizing Additional Services of Houlihan Lokey Capital, Inc. Pursuant to Order (A) Authorizing the Employment and Retention of Houlihan Lokey Capital, Inc. as Financial Advisor and Investment Banker to the Debtors* Nunc Pro Tunc *to the Petition Date, (B) Approving the Terms of the Engagement Agreement, (C) Waiving Certain Time-Keeping Requirements, and (D) Granting Related Relief* (the "Notice"),[2] filed on July 9, 2019, all as more fully set forth in the Notice; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

[2] Capitalized terms used but not defined herein shall have the meanings given to them in the Notice.

having found that venue of this proceeding and the Notice in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Notice is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' Notice and opportunity for a hearing on the Notice were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Notice; and this Court having determined that the legal and factual bases set forth in the Notice establish just cause for the relief granted herein; and no objections to the Notice having been filed by the Objection Deadline; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Addendum to the Engagement Agreement is approved to the extent set forth herein.

2. Houlihan Lokey Capital, Inc. ("Houlihan") is authorized to provide the Services in the Addendum to the Debtors, and the Debtors are authorized to compensate and reimburse Houlihan for the Services rendered pursuant to the Addendum.

3. Houlihan's Services pursuant to the Addendum are subject in all respect to the terms and conditions of the Engagement Agreement and the order concerning the retention of Houlihan Lokey entered by this Court at docket number 205.

4. This Court shall retain jurisdiction with respect to any and all matters arising from or relating to the implementation or interpretation of this Order.

Dated: August 1, 2019
New York, New York

s/Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

TAB E

SCHEDULE E – FINAL DIP TERM ORDER

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,[1]	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)

FINAL ORDER WITH RESPECT TO DIP TERM LOAN SECURED PARTIES AND PREPETITION TERM LOAN SECURED PARTIES (A) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION FINANCING, (B) AUTHORIZING THE DEBTORS TO USE CASH COLLATERAL, (C) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (D) GRANTING ADEQUATE PROTECTION TO THE PREPETITION TERM LOAN SECURED PARTIES, (E) MODIFYING THE AUTOMATIC STAY, AND (F) GRANTING RELATED RELIEF

Upon the motion, dated May 19, 2019 (the "DIP Motion") of Hollander Sleep Products, LLC (the "DIP Term Loan Borrower") and Hollander Home Fashions Holdings, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather, LLC and Pacific Coast Feather Cushion, LLC (collectively the "DIP ABL Borrowers" and together with the DIP Term Loan Borrower, the "Borrowers") on behalf of themselves and their affiliated debtors and debtors in possession (together with Dream II Holdings, LLC ("Parent"), collectively, the "Debtors") in the above-captioned chapter 11 cases (collectively, the "Cases"), seeking entry of an order (this "Final Order") pursuant to sections 105, 361, 362, 363, 364(c)(l), 364(c)(2), 364(c)(3), 364(d), 364(e), 507 and 552 of chapter 11 of title 11 of the United States Code (the

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Dream II Holdings, LLC (7915); Hollander Home Fashions Holdings, LLC (2063); Hollander Sleep Products, LLC (2143); Pacific Coast Feather, LLC (1445); Hollander Sleep Products Kentucky, LLC (4119); Pacific Coast Feather Cushion, LLC (3119); and Hollander Sleep Products Canada Limited (3477). The location of the Debtors' service address is: 901 Yamato Road, Suite 250, Boca Raton, Florida 33431.

"Bankruptcy Code"), Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Local Rule 4001-2, *inter alia*:

(i) authorizing on a final basis the Debtors (other than Debtor Hollander Sleep Products Canada Limited) to obtain senior secured postpetition financing on a superpriority basis in the aggregate principal amount of up to $28,000,000.00 (the "DIP Term Loan Credit Facility," and the loans thereunder, the "DIP Term Loans") pursuant to the terms and conditions of that certain superpriority secured Debtor-in-Possession Term Loan Credit Agreement (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "DIP Term Loan Credit Agreement"), by and among the DIP Term Loan Borrower, the guarantors party thereto from time to time (the "DIP Term Loan Guarantors") (the DIP Term Loan Guarantors, together with the DIP Term Loan Borrower, the "DIP Term Loan Parties" or "DIP Parties"), the financial institutions party thereto from time to time as lenders (collectively, the "DIP Term Loan Lenders," and together with the DIP Term Loan Agent (defined below), the "DIP Term Loan Secured Parties" or "DIP Lenders"), and Barings Finance LLC, as administrative agent (in such capacity, the "DIP Term Loan Agent") for and on behalf of itself and the DIP Term Loan Lenders, substantially in the form of Exhibit C attached to the DIP Motion;

(ii) authorizing on a final basis the Debtors party thereto to execute and deliver the DIP Term Loan Credit Agreement and any other agreements and documents related thereto (collectively with the DIP Term Loan Credit Agreement, the "DIP Term Loan Documents" or "DIP Documents") and to perform such other acts as may be necessary or desirable in connection with the DIP Term Loan Documents;

(iii) granting on a final basis the DIP Term Loan Credit Facility and all obligations owing thereunder and under the DIP Term Loan Documents to the DIP Term Loan Agent and DIP

Term Loan Lenders (collectively, and including all "Obligations" as described in the DIP Term Loan Credit Agreement, the "DIP Term Loan Obligations" or "DIP Obligations") allowed superpriority administrative expense claim status in each of the Cases and any Successor Cases, in each case subject to the Carve Out (as defined herein);

(iv) granting on a final basis to the DIP Term Loan Agent, for the benefit of itself and the other DIP Term Loan Secured Parties, automatically perfected security interests in and liens on all of the DIP Term Collateral (as defined below), including, without limitation, all property constituting "Cash Collateral" as defined in section 363(a) of the Bankruptcy Code, which liens shall be subject to the Carve Out and the priorities set forth herein;

(v) authorizing and directing the Debtors on a final basis to pay the principal, interest, fees, expenses and other amounts payable under the DIP Term Loan Documents as such become due, including, without limitation, continuing commitment fees, closing fees, audit fees, appraisal fees, exit fees, liquidator fees, structuring fees, administrative agent's fees, the reasonable fees and disbursements of the DIP Term Loan Agent's and DIP Term Loan Secured Parties' respective attorneys, advisors, accountants and other consultants, all to the extent provided in, and in accordance with, the applicable DIP Term Loan Documents;

(vi) authorizing the Debtors on a final basis to use the Prepetition Collateral, including the Cash Collateral (each as defined below) of the Prepetition Term Loan Secured Parties under the Prepetition Term Loan Documents, and providing adequate protection to the Prepetition Term Loan Secured Parties for any Diminution in Value (as defined below) of their interests in the Prepetition Collateral, including the Cash Collateral, as applicable, and subject to the Carve Out; and

(vii) vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the DIP Term Loan Documents, the Interim Order, the Second Interim Order (as defined below), and this Final Order.

The Court having considered the DIP Motion, the exhibits attached thereto, the *Declaration of Saul Burian in Support of the Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Lenders, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* [Docket No. 19], the DIP Term Loan Documents, the *Declaration of Marc Pfefferle, Chief Executive Officer of Hollander Sleep Products, LLC, in Support of Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 3], and the evidence submitted and argument made at the first interim hearing (the "First Interim Hearing"); and the Court having entered after the First Interim Hearing the *Interim Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Lenders, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* [Docket No. 53] (the "First Interim Order");[2] and the Court having conducted an additional hearing on the DIP Motion on July 1, 2019 (as such hearing pertains to the approval of the DIP Term Loan Facility, the "Second Interim Hearing" and, collectively with the First Interim Hearing, the "Interim Hearings"), and

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[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Interim Order.

with respect to the DIP Term Loan Credit Facility, the Court having entered the *Second Interim Order (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Lenders, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* [Docket No. 176] (the "Second Interim Order" and, collectively with the First Interim Order, the "Interim Orders")[3]; and notice of the Final Hearing having been given in accordance with Bankruptcy Rules 2002, 4001(b), (c) and (d), and all applicable Local Rules; and the final hearing (the "Final Hearing") with respect to the portion of the DIP Motion pertaining to the DIP Term Loan Credit Facility and the Prepetition Term Loan Credit Facility having been held on July 17, 2019, and concluded; and the Committee having consented to this form of Final Order following extensive good-faith negotiations that resulted in a global settlement, the terms of which will be incorporated into an amended and restated Restructuring Support Agreement, by and between the Debtors, the Prepetition Term Loan Lenders, Sentinel Capital Partners, LLC, on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and the Committee (as may be amended, restated, or modified from time to time) and reflected in a revised proposed chapter 11 plan; and all objections, if any, to the relief requested in the DIP Motion pertaining to the DIP Term Loan Credit Facility and the Prepetition Term Loan Credit Facility having been withdrawn, resolved by modifications to the Final Order set forth herein, or overruled by the Court; and it appearing that approval of the relief requested in the DIP Motion pertaining to the DIP Term Loan Credit Facility and the Prepetition Term Loan Credit Facility is reasonable and in the best

[3] With respect to the DIP ABL Facility, the Court entered a final order on July 3, 2019 [Docket No. 175] (the "Final ABL Order").

interests of the Debtors, their estates, and all parties-in-interest, and is essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors' assets; and the Court having determined that the legal and factual bases set forth in the DIP Motion establish just cause for the relief granted herein; and it appearing that the Debtors' entry into the DIP Term Loan Credit Agreement is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARINGS AND FINAL HEARING, THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[4]

Deemed Modifications to DIP Term Loan Credit Agreement and DIP Term Loan Documents

1. No restructuring support agreement or plan support agreement has been approved by the Court, and any provision of the DIP Term Loan Credit Agreement or DIP Term Loan Documents that purports to obligate the Debtors to the terms of such an agreement, or that purports to make it a default if the Debtors breach any such agreement, shall not be effective unless such agreements are authorized by further order of this Court.

2. No provision in this Final Order or in the DIP Term Loan Credit Agreement or DIP Term Loan Documents shall prevent the Debtors from seeking to refinance the obligations thereunder or from seeking the Court's approval of such a refinancing (including the issuance of liens that are superior to or equal in standing to the liens that secure the obligations under the DIP

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[4] The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

Term Loan Credit Agreement or DIP Term Loan Documents), and it shall not be a default if the Debtors seek or obtain approval of such a refinancing or of such liens, *provided* that the DIP Term Loan Obligations are repaid in full in accordance with the terms of the DIP Term Loan Documents upon the consummation of and with the proceeds of any such refinancing.

The DIP Term Loan Credit Agreement and DIP Term Loan Documents are deemed to have been amended by the foregoing.

Findings of Fact

A. Petition Date. On May 19, 2019 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the "Court").

B. Debtors in Possession. The Debtors have continued in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Cases.

C. Jurisdiction and Venue. This Court has jurisdiction over the Cases, the DIP Motion, and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of the DIP Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2). This Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Cases and the proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The bases for the relief sought in the DIP Motion and granted in the Interim Orders and this Final Order are sections 105, 361, 362, 363, 364, 506, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and the Local Rules.

D. Committee Formation. On May 30, 2019, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an official committee of unsecured

creditors in these Cases pursuant to section 1102 of the Bankruptcy Code (the "Creditors' Committee").

E. Notice. Proper, timely, adequate, and sufficient notice of the Motion has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and no other or further notice of the Motion with respect to the relief requested at the Final Hearing or the entry of this Final Order shall be required. The relief granted herein is necessary for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors' assets.

F. Debtors' Stipulations. After consultation with their attorneys and financial advisors, and without prejudice to the rights of the Debtors and parties-in-interest as set forth in paragraph 41 herein, the Debtors, on their behalf and on behalf of their estates, admit, stipulate, acknowledge, and agree as follows (paragraphs F(i) through F(xv) below are referred to herein, collectively, as the "Debtors' Stipulations"), which Debtors' Stipulations shall not constitute a finding of this Court in accordance with Local Bankruptcy Rule 4001-2(g)(4); and further, which Debtors' Stipulations shall be deemed not effective solely with respect to any Challenge timely brought or filed prior to the Challenge Period Termination Date, unless and until such Challenge is overruled, settled, or denied by final order of the Court:

(i) *Prepetition Term Loan Facilities.* Pursuant to that certain Term Loan Credit Agreement dated as of June 9, 2017 (as amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition Term Loan Credit Agreement," and collectively with any other agreements and documents executed or delivered in connection therewith, each as may be amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition Term Loan Documents" or "Prepetition Documents") among (a) the borrower thereto (the "Prepetition

Term Loan Borrower" and together with the "Guarantors" as defined in the Prepetition Term Loan Credit Agreement, the "Prepetition Term Loan Parties"), (b) Dream II Holdings, LLC and Hollander Home Fashions Holdings, LLC, as parent guarantors, (c) Barings Finance LLC, as administrative agent (in such capacity, the "Prepetition Term Loan Administrative Agent"), and (d) the lenders party thereto (the "Prepetition Term Loan Lenders," and together with the Prepetition Term Loan Administrative Agent, the "Prepetition Term Loan Secured Parties"), the Prepetition Term Loan Lenders provided first lien term loans to the Prepetition Term Loan Borrower (the "Prepetition Term Loan Credit Facility").

(ii) *Prepetition Term Loan Obligations.* The Prepetition Term Loan Credit Facility provided the Prepetition Term Loan Borrower with commitments to provide term loans in the aggregate principal amount of up to $190,000,000. As of the Petition Date, the aggregate principal amount outstanding under the Prepetition Term Loan Credit Facility was $166,472,407.49 (together with accrued and unpaid interest, any fees, expenses and disbursements (including, without limitation, attorneys' fees and related expenses and disbursements), indemnification obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of the Prepetition Term Loan Borrowers and certain Prepetition Term Loan Guarantors' obligations pursuant to the Prepetition Term Loan Documents, including all "Obligations" as defined in the Prepetition Term Loan Credit Agreement, the "Prepetition Term Loan Obligations").

(iii) *Prepetition Term Loan Liens and Prepetition Term Loan Priority Collateral.* As more fully set forth in the Prepetition Term Loan Documents, prior to the Petition Date, the Prepetition Term Loan Borrowers and the Prepetition Term Loan Guarantors granted to the Prepetition Term Loan Administrative Agent, for the benefit of itself and the Prepetition Term Loan

Secured Parties, a security interest in and continuing lien (the "Prepetition Term Loan Liens") on substantially all of their assets and property, including, without limitation, (a) a first priority security interest in and continuing lien on the Term Loan Priority Collateral (as defined in that certain DIP Intercreditor Agreement referred to and as defined below) and all substitutions, replacements, accessions, products, and proceeds of any of the Term Loan Priority Collateral, in any form, including insurance proceeds and all claims against third parties for loss or damage to, or destruction of, or other voluntary conversion (including claims in respect of condemnation or expropriation) of any kind or nature of any or all of the foregoing (the "Prepetition Term Loan Priority Collateral"), and (b) a second priority security interest in and continuing lien on the ABL Priority Collateral (as defined in that certain DIP Intercreditor Agreement referred to and as defined below) and all substitutions, replacements, accessions, products, and proceeds of any of the ABL Priority Collateral, in any form, including insurance proceeds and all claims against third parties for loss or damage to, or destruction of, or other voluntary conversion (including claims in respect of condemnation or expropriation) of any kind or nature of any or all of the foregoing (collectively, the "Prepetition ABL Priority Collateral," and together with the Prepetition Term Loan Priority Collateral, the "Prepetition Collateral").[5] The Prepetition Term Loan Secured Parties do not have liens on and security interests in the assets of the Canadian Loan Parties (as defined in the DIP Intercreditor Agreement).

(iv) *Priority of Prepetition Term Loan Liens; Prepetition Intercreditor Agreement; DIP Intercreditor Agreement.* The Prepetition ABL Agent and Prepetition Term Loan Administrative Agent entered into that certain Intercreditor Agreement dated as of June 9, 2017

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[5] Prepetition Term Loan Obligations are not secured by any ABL Canadian Collateral (as defined in the Intercreditor Agreement).

(as amended, restated, supplemented, or otherwise modified in accordance with its terms prior to the Petition Date, the "Prepetition Intercreditor Agreement") to govern the respective rights, interests, obligations, priority, and positions of the Prepetition ABL Secured Parties and Prepetition Term Loan Secured Parties with respect to the assets and properties of the Debtors and other obligors, including the Prepetition ABL Priority Collateral and Prepetition Term Loan Priority Collateral. Each of the Prepetition ABL Borrowers and Prepetition Term Loan Borrower acknowledged the Prepetition Intercreditor Agreement. The Prepetition Intercreditor Agreement is binding and enforceable against the Prepetition ABL Loan Parties, Prepetition Term Loan Parties, Prepetition ABL Secured Parties, and Prepetition Term Loan Secured Parties in accordance with its terms and the Prepetition ABL Loan Parties, Prepetition Term Loan Parties, Prepetition ABL Secured Parties, and Prepetition Term Loan Secured Parties are not entitled to take any action that would be contrary to the provisions thereof. On May 23, 2019, the DIP ABL Agent and DIP Term Loan Agent entered into the Amended and Restated Intercreditor Agreement, amending and restating the Prepetition Intercreditor Agreement in its entirety (the "DIP Intercreditor Agreement"). The DIP Intercreditor Agreement is binding and enforceable against the Prepetition Term Loan Parties, Prepetition ABL Loan Parties, Prepetition ABL Secured Parties, the Prepetition Term Loan Secured Parties, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the DIP Term Loan Parties, and the DIP ABL Loan Parties in accordance with its terms and the Prepetition ABL Secured Parties, Prepetition Term Loan Secured Parties, DIP ABL Secured Parties, DIP Term Loan Secured Parties, Prepetition Term Loan Parties, Prepetition ABL Loan Parties, DIP Term Loan Parties, and DIP ABL Loan Parties are not entitled to take any action that would be contrary to the provisions thereof.

(v) *Validity, Extent, Perfection and Priority of Prepetition Term Loan Liens.* Subject to paragraph 41 of this Final Order, the Debtors further acknowledge and agree that, as of the Petition Date: (a) the Prepetition Term Loan Liens on the Prepetition Collateral were valid, binding, enforceable, non-avoidable and properly perfected and were granted to, or for the benefit of, the Prepetition Term Loan Secured Parties, for fair consideration and reasonably equivalent value; (b) the Prepetition Term Loan Liens were senior in priority over any and all other liens on the Prepetition Collateral (other than ABL Canadian Collateral (as defined in the DIP Intercreditor Agreement)), subject only to (1) the Prepetition ABL Liens on the Prepetition ABL Priority Collateral, (2) the Carve Out, and (3) certain liens otherwise permitted by the Prepetition Term Loan Documents (solely to the extent any such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the Prepetition Term Loan Liens as of the Petition Date, the "Permitted Prior Liens"); (c) the Prepetition Term Loan Obligations constitute legal, valid, binding, and non-avoidable obligations of the Prepetition Term Loan Parties enforceable in accordance with the terms of the applicable Prepetition Term Loan Documents; (d) no offsets, challenges, objections, defenses, claims, or counterclaims of any kind or nature to any of the Prepetition Term Loan Liens or Prepetition Term Loan Obligations exist, and no portion of the Prepetition Term Loan Liens or Prepetition Term Loan Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, or subordination (equitable or otherwise) pursuant to the Bankruptcy Code or applicable non-bankruptcy law; (e) the Debtors and their estates have no claims, objections, challenges, causes of action, and/or choses in action, including without limitation, avoidance claims under Chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions for recovery or disgorgement, against any of the Prepetition Term Loan Secured Parties, or any of their respective affiliates,

agents, attorneys, advisors, professionals, officers, directors and employees arising out of, based upon or related to the Prepetition Term Loan Facility; (f) the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Term Loan Obligations, the priority of the Debtors' obligations thereunder, and the validity, extent, and priority of the liens securing the Prepetition Term Loan Obligations; and (g) the Prepetition Term Loan Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code to the extent of the value of the Prepetition Collateral upon which the Prepetition Term Loan Secured Parties have Prepetition Term Loan Liens.

(vi) *Default by the Debtors.* The Debtors acknowledge and stipulate that the Prepetition Term Loan Parties are in default of their obligations under the Prepetition Term Loan Documents.

(vii) *Releases.* Subject to Paragraph 41 of this Final Order, the Debtors hereby absolutely and unconditionally release and forever discharge and acquit the Prepetition Term Loan Secured Parties and their respective affiliates and each of their respective former, current or future officers, partners, directors, managers, members, principals, employees, agents, related funds, investors, financing sources, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals and the respective successors and assigns thereof, in each case solely in their respective capacity as such (collectively, the "Released Parties") from any and all obligations and liabilities to the Debtors (and theirs successors and assigns) and from any and all claims, counterclaims, demands, debts, accounts, contracts, liabilities, actions and causes of action arising prior to the Petition Date (collectively, the "Released Claims") of any kind, nature or description, whether known or unknown, foreseen or unforeseen or liquidated or unliquidated, arising in law or equity or upon contract or tort or under any state or

federal law or otherwise, arising out of or related to (as applicable) the Prepetition Term Loan Documents, the obligations owing and the financial obligations made thereunder, the negotiation thereof and of the transactions reflected thereby and the obligations and financial obligations made thereunder, in each case that the Debtors at any time had, now have or may have, or that their successors or assigns hereafter can or may have against any of the Released Parties for or by reason of any act, omission, matter, cause or thing whatsoever arising at any time on or prior to the date of this Final Order arising out of or related to (as applicable) the Prepetition Term Loan Documents, the obligations owing and the financial obligations made thereunder, the negotiation thereof and of the transactions reflected thereby and the obligations and financial obligations made thereunder, whether such Released Claims are matured, contingent, liquidated, unliquidated, unmatured, known, unknown, or otherwise.

(viii) *Cash Collateral.* All cash, securities, or other properties of the DIP Parties (and the proceeds therefrom) to the extent subject to the valid, perfected, enforceable, and unavoidable liens as of the Petition Date of the Prepetition Term Loan Secured Parties, including, without limitation, all cash, securities, or other property (and the proceeds therefrom) and other amounts on deposit or maintained by the DIP Parties in any account or accounts subject to rights of set-off under the Prepetition Term Loan Documents and applicable law, for the benefit of the Prepetition Term Loan Secured Parties, subject to the terms of the DIP Intercreditor Agreement. All proceeds of the Prepetition Collateral (including cash on deposit in any account or accounts as of the Petition Date, securities, or other property, whether subject to control agreements or otherwise, in each case that constitutes Prepetition Collateral) to the extent subject to the valid, perfected, enforceable, and unavoidable liens as of the Petition Date of the Prepetition ABL Secured Parties and/or Prepetition Term Loan Secured Parties are "Cash Collateral" of the

applicable Prepetition ABL Secured Parties and Prepetition Term Loan Secured Parties within the meaning of section 363(a) of the Bankruptcy Code (the "Cash Collateral" and solely with respect to the Prepetition Term Loan Priority Collateral, the "Term Loan Cash Collateral"), subject to the Carve Out and the terms of the DIP Intercreditor Agreement.

(ix) *DIP Intercreditor Agreement.* Pursuant to section 510 of the Bankruptcy Code, except as expressly provided by the terms of the Interim Orders, this Final Order, the DIP Intercreditor Agreement and any other intercreditor agreement or subordination agreement between and/or among any Prepetition ABL Loan Party, any Prepetition Term Loan Party, any Debtor or affiliate thereof, and any other applicable intercreditor or subordination provisions contained in any of the Prepetition ABL Documents or Prepetition Term Loan Documents (i) shall remain in full force and effect, (ii) shall continue to govern the relative priorities, rights and remedies of the Prepetition ABL Secured Parties and the Prepetition Term Loan Secured Parties (including the relative priorities, rights and remedies of such parties with respect to the replacement liens and administrative expense claims and superpriority administrative expense claims granted, or amounts payable, by the Debtors under the Interim Orders, this Final Order, or any other order entered in respect of the DIP Motion or otherwise and the modification of the automatic stay), and (iii) shall not be deemed to be amended, altered, or modified by the terms of the Interim Orders, this Final Order, any other ordered entered in respect of the DIP Motion, the DIP ABL Documents, or the DIP Term Loan Documents, unless expressly set forth herein. The DIP ABL Credit Facility is an ABL Document as that term is used in the DIP Intercreditor Agreement, and the DIP Term Loan Credit Facility is a Term Loan Document as that term is used in the DIP Intercreditor Agreement.

G. Findings Regarding Postpetition Financing

(i) *Request for Postpetition Financing.* The Debtors seek authority on a final basis to (a) enter into the DIP Term Loan Credit Facility on the terms described herein and in the DIP Term Loan Documents, and (b) use Term Loan Cash Collateral on the terms described herein to administer their Cases and fund their operations.

(ii) *Priming of the Prepetition Liens.* The priming of the Prepetition Term Loan Secured Parties on the Prepetition Term Loan Priority Collateral (and the priming of the Prepetition Term Loan Secured Parties on the Prepetition ABL Priority Collateral) under section 364(d) of the Bankruptcy Code, as contemplated by the DIP Term Loan Credit Facility, as authorized by the Interim Orders;

(iii) and this Final Order, and as further described below, will enable the Debtors to continue borrowing under the DIP Term Loan Credit Facility and to continue to operate their businesses to the benefit of their estates and creditors. The Prepetition Term Loan Secured Parties are entitled to receive adequate protection as set forth in the Interim Orders; and this Final Order pursuant to sections 361, 363, and 364 of the Bankruptcy Code, solely to the extent of any diminution in value ("Diminution in Value") of each of their respective interests in the Prepetition Collateral (including Cash Collateral), subject to the Carve Out.

(iv) *Need for Postpetition Financing and Use of Cash Collateral.* The Debtors continue to have a critical need to obtain the financing pursuant to the DIP Term Loan Credit Facility and to continue to use the Prepetition Term Loan Priority Collateral (including Term Loan Cash Collateral) in order to, among other things, (i) permit the orderly continuation of the operation of their businesses, (ii) maintain business relationships with customers, vendors and suppliers, (iii) make payroll, and (iv) satisfy other working capital and operational needs. The access by the DIP

Parties to sufficient working capital and liquidity through the use of Term Loan Cash Collateral and other Prepetition Term Loan Priority Collateral, incurrence of new indebtedness under the DIP Term Loan Documents and other financial accommodations provided under the DIP Term Loan Documents are necessary and vital to the preservation and maintenance of the going concern value of the DIP Parties and to a successful reorganization of the DIP Parties and DIP Term Loan Obligations. The terms of the proposed financing are fair and reasonable, reflect each DIP Parties' exercise of prudent business judgment, and are supported by reasonably equivalent value and fair consideration. The adequate protection provided in the Interim Orders and this Final Order and other benefits and privileges contained herein are consistent with and authorized by the Bankruptcy Code.

(v) *No Term Loan Credit Available on More Favorable Terms.* The DIP Term Loan Credit Facility is the best source of term loan debtor in possession financing available to the Debtors. Given their current financial condition, financing arrangements, and capital structure, the Debtors have been and continue to be unable to obtain term loan financing from sources other than the DIP Term Loan Secured Parties on terms more favorable than the DIP Term Loan Credit Facility. The Debtors are unable to obtain unsecured credit allowable under Bankruptcy Code section 503(b)(1) as an administrative expense. The Debtors have also been and are unable to obtain: (a) unsecured credit having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a), and 507(b) of the Bankruptcy Code; (b) credit secured solely by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) credit secured solely by a junior lien on property of the Debtors and their estates that is subject to a lien. Term loan financing on a postpetition basis is not otherwise available without granting the DIP Term Loan Agent, for the benefit of itself and the DIP Term Loan Secured Parties and on

account of the obligations under the DIP Term Loan Credit Facility: (1) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities set forth in paragraph 6 hereof, (2) superpriority claims and liens, and (3) the other protections set forth in the Interim Orders and this Final Order.

(vi) *Use of proceeds of the DIP Term Loan Credit Facility.* As a condition to entry into the DIP Term Loan Documents, the extension of credit under the DIP Term Loan Credit Facility, and the authorization to use Term Loan Cash Collateral, the DIP Term Loan Agent, the DIP Term Loan Secured Parties, and the Prepetition Term Loan Secured Parties required, and the Debtors agreed, that proceeds of the DIP Term Loan Credit Facility shall be used, in each case in a manner consistent with the terms and conditions of the Interim Orders, this Final Order and the DIP Term Loan Documents and in accordance with the budget attached hereto as Exhibit A, as the same may be modified from time to time consistent with the terms of the DIP ABL Documents and DIP Term Loan Documents, and subject to such variances as permitted in the DIP Term Loan Credit Agreement (such budget, as so modified, the "Approved Budget"), solely for: (a) working capital and letters of credit; (b) other general corporate purposes of the Debtors; (c) permitted payment of costs of administration of the Cases; (d) payment of such prepetition expenses of the Prepetition Term Loan Secured Parties as consented to by the DIP Term Loan Agent and the "Required Lenders" under the DIP Term Loan Credit Agreement (the "Required DIP Term Loan Lenders"); (e) payment of interest, fees, and expenses (including without limitation, legal and other professionals' fees and expenses of the DIP Term Loan Agent) owed under the DIP Term Loan Documents; (f) payment of certain adequate protection amounts to the Prepetition Term Loan Secured Parties as set forth in paragraph 16 hereof; and (g) payment of the Carve Out shall be in accordance with paragraph 38 of this Final Order.

(vii) *Application of Proceeds of Collateral.* As a condition to entry into the DIP Term Loan Credit Agreement, the extension of credit under the DIP Term Loan Credit Facility and authorization to use Term Loan Cash Collateral, the Debtors, the DIP ABL Agent, the DIP Term Loan Agent, the DIP ABL Secured Parties, DIP Term Loan Lenders, the Prepetition ABL Secured Parties, and the Prepetition Term Loan Secured Parties have agreed that, as of and commencing on the date of the First Interim Hearing, the Debtors shall continue to apply the proceeds of DIP Term Loan Priority Collateral in accordance with the Interim Orders, this Final Order and the DIP Intercreditor Agreement.

H. Adequate Protection. Subject to the Carve Out and solely to the extent of any Diminution in Value, the Prepetition Term Loan Administrative Agent, for the benefit of itself and the Prepetition Term Loan Secured Parties is entitled to receive adequate protection in the Prepetition Collateral. Pursuant to sections 361, 363, and 507(b) of the Bankruptcy Code, as adequate protection (but only to the extent of any Diminution in Value): the Prepetition Term Loan Secured Parties will receive (a) adequate protection liens and superpriority claims, as more fully set forth in paragraphs 12-16 herein and (b) current payment of reasonable and documented fees and expenses (including, without limitation, legal and other professionals' fees and expenses of the Prepetition Term Loan Administrative Agent, whether arising before or after the Petition Date).

I. Sections 506(c) and 552(b). In light of (i) the DIP Term Loan Agent's and DIP Term Loan Secured Parties' agreement that their liens and superpriority claims shall be subject to the Carve Out (including the caps and limitations set forth therein), (ii) the Prepetition Term Loan Secured Parties' agreement that, with respect to the Prepetition Term Loan Priority Collateral, their liens shall be subject to the Carve Out (and the caps and limitations set forth therein), subordinate to the DIP Term Loan Liens, and, in the case of the Prepetition ABL Priority Collateral, subordinate

to the DIP ABL Liens and the Prepetition ABL Liens, and (iii) the Prepetition Term Loan Secured Parties' agreement that, with respect to the Prepetition Term Loan Priority Collateral, their liens shall not include the ABL Canadian Collateral and shall be subject to the Carve Out and subordinate to the DIP Term Loan Liens and, in the case of the ABL Priority Collateral, subordinate to the DIP ABL Liens, the Prepetition ABL Liens, the Canadian Intercompany Superpriority Administrative Claims, and the DIP Term Loan Liens, (a) the Prepetition Term Loan Secured Parties are entitled to a waiver of any "equities of the case" exception under section 552(b) of the Bankruptcy Code, and (b) the Debtors are entitled to grant a waiver of the provisions of section 506(c) of the Bankruptcy Code to the DIP Agents, DIP Lenders, DIP Obligations, Prepetition ABL Secured Parties, Prepetition ABL Obligations, and Prepetition Term Loan Secured Parties, subject to the terms of the DIP Intercreditor Agreement. For the avoidance of doubt, any determination hereunder on the relief sought in the DIP Motion concerning the section 506(c) waiver shall be binding on, and adhere to the benefit of, the DIP ABL Secured Parties and Prepetition ABL Secured Parties notwithstanding anything to the contrary in the Final ABL Order.

J. Good Faith of the DIP Term Loan Agents and DIP Term Loan Secured Parties.

(i) *Willingness to Provide Financing.* The DIP Term Loan Secured Parties have indicated a willingness to provide and to continue to provide financing to the Debtors subject to: (a) entry of the Interim Orders and this Final Order; (b) final approval of the terms and conditions of the DIP Term Loan Credit Facility and the DIP Term Loan Documents; (c) satisfaction of the closing conditions set forth in the DIP Term Loan Documents; and (d) findings by this Court that the DIP Term Loan Credit Facility is essential to the Debtors' estates, that the DIP Term Loan Agent and DIP Term Loan Secured Parties are extending credit to the Debtors pursuant to the DIP Term Loan Documents in good faith, and that the DIP Term Loan

Agent's and DIP Term Loan Secured Parties' claims, superpriority claims, security interests and liens, and other protections granted pursuant to the Interim Orders and this Final Order and the DIP Term Loan Documents will have the protections provided by section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment.* Based on the DIP Motion, the declarations filed in support of the DIP Motion, and the record presented to the Court at the Interim Hearings and Final Hearing, (i) the terms of the financing provided by the DIP Term Loan Credit Facility, (ii) the adequate protection provided by the Interim Orders, this Final Order, and DIP Term Loan Documents, and (iii) the terms on which the DIP Parties may continue to use the Prepetition Collateral (including Cash Collateral), in each case pursuant to the Interim Orders, this Final Order, and the DIP Term Loan Documents, are in each case fair and reasonable, reflect the DIP Parties' exercise of prudent business judgment consistent with their fiduciary duties, constitute reasonably equivalent value and fair consideration, and represents the best financing (and terms) presently available.

(iii) *Good Faith Pursuant to Section 364(e).* The terms and conditions of the DIP Term Loan Credit Facility were negotiated in good faith and at arms' length among the Debtors, the Prepetition Term Loan Secured Parties, and the DIP Term Loan Secured Parties, with the assistance and counsel of their respective advisors. The credit to be extended under the DIP Term Loan Credit Facility shall be deemed to have been allowed, advanced, made, or extended in good faith by the DIP Term Loan Secured Parties within the meaning of section 364(e) of the Bankruptcy Code.

K. Immediate Entry. Sufficient cause existed for immediate entry of the Interim Orders pursuant to Bankruptcy Rule 4001(c)(2).

L. Final Hearing. Notice of the Final Hearing and the relief requested in the DIP Motion has been provided by the Debtors, whether by facsimile, electronic mail, overnight courier, or hand delivery, to certain parties-in-interest, including, among others: (i) the U.S. Trustee, (ii) those entities or individuals included on the Debtors' list of 50 largest unsecured creditors on a consolidated basis, (iii) counsel to the Prepetition ABL Agent, (iv) counsel to the Prepetition Term Loan Administrative Agent; (v) counsel to the Put Purchasers; (vi) the Creditors' Committee; and (vii) all other parties entitled to notice under the Local Rules. The Debtors have made reasonable efforts to afford the best notice possible under the circumstances and no other notice is required in connection with the relief set forth in the Interim Orders or this Final Order.

Based upon the foregoing findings and conclusions, the DIP Motion and the record before the Court with respect to the DIP Motion, and after due consideration and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. DIP Term Loan Credit Facility Approved. The DIP Motion is granted on a final basis solely to the extent set forth below, the DIP Term Loan Credit Facility was authorized in part on an interim basis pursuant to the Interim Orders as modified therein, and hereby is authorized and approved on a final basis as set forth below (including any modifications in this Final Order as to the Interim Orders), and the use of Cash Collateral was authorized pursuant to the terms of the Interim Orders and the use of the Term Loan Cash Collateral is hereby authorized on a final basis, in each case, subject to the terms and conditions set forth in this Final Order. All objections to the Interim Orders and this Final Order as they relate to the DIP Term Loan Credit Facility and use of Term Loan Cash Collateral, to the extent not withdrawn, waived, settled, or

resolved, and all reservations of rights included therein, are hereby denied and overruled on the merits. This Final Order shall become effective immediately upon its entry.

DIP Term Loan Credit Facility Authorization

2. Authorization of the DIP Term Loan Financing. The DIP Term Loan Credit Facility was approved on an interim basis pursuant to the Interim Orders (as described therein) and is hereby approved on a final basis on the terms set forth in this Final Order. The Debtors were expressly and immediately authorized and empowered pursuant to the Interim Orders to execute and deliver the DIP Term Loan Documents and are hereby expressly and immediately authorized and empowered on a final basis to continue borrowing under the DIP Term Loan Documents, and to incur and to perform the DIP Term Loan Obligations in accordance with, and subject to, the terms of the Interim Orders, this Final Order and the DIP Term Loan Documents, and to deliver all instruments, certificates, agreements, and documents which may be required or necessary for the performance by the Debtors under the DIP Term Loan Credit Facility and the creation and perfection of the DIP Term Loan Liens (as defined below) described in and provided for by the Interim Orders and this Final Order and the DIP Term Loan Documents. The Debtors were authorized and directed pursuant to the Interim Orders and are hereby authorized and directed on a final basis to pay, in accordance with the Interim Orders and this Final Order, the principal, interest, fees, expenses and other amounts described in the DIP Term Loan Documents and all other documents comprising the DIP Term Loan Credit Facility as such become due and without need to obtain further Court approval, including, without limitation, closing fees, unused facility fees, continuing commitment fees, backstop fees, exit fees, servicing fees, audit fees, appraisal fees, liquidator fees, structuring fees, administrative agent's fees, the reasonable fees and disbursements of the DIP Term Loan Agent's attorneys, advisors, accountants, and other

consultants, whether or not such fees arose before or after the Petition Date, and whether or not the transactions contemplated by the Interim Orders or this Final Order are consummated, to implement all applicable reserves and to take any other actions that may be necessary or appropriate, all to the extent provided in the Interim Orders, this Final Order or the DIP Term Loan Documents. All collections and proceeds, whether from ordinary course collections, asset sales, debt or equity issuances, insurance recoveries, condemnations or otherwise, will be deposited and applied as required by this Final Order and the DIP Term Loan Documents. As of the date of execution and delivery, the DIP Term Loan Documents continue to represent valid and binding obligations of the Debtors, enforceable against each of the Debtors and their estates in accordance with their terms.

3. Authorization to Borrow. From the entry of this Final Order through and including the Termination Declaration (as defined below), and subject to the terms, conditions, limitations on availability and reserves set forth in the DIP Term Loan Documents, the Interim Orders and this Final Order, the Debtors were authorized pursuant to the Interim Orders and are hereby authorized to (i) borrow money pursuant to the DIP Term Loan Credit Agreement and the DIP Term Loan Guarantors were authorized pursuant to the Interim Orders and are hereby authorized by this Final Order to guaranty the DIP Term Loan Parties' DIP Term Loan Obligations with respect to such borrowings, in each case up to an aggregate principal amount equal to $28,000,000 on a final basis together with applicable interest, expenses, fees and other charges payable in connection with the DIP Term Loan Credit Facility, subject to any limitations on borrowing under the DIP Term Loan Documents, which shall be used for all purposes permitted under the DIP Term Loan Documents, including, without limitation, to provide working capital for the DIP Parties and to pay interest, fees, costs, charges, and expenses in accordance with the

Interim Orders, this Final Order, and the Approved Budget (subject to the variances permitted by the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement). In connection with obtaining and using funds to enable the Debtors to pay the expenses set forth in the Approved Budget (subject to the variances permitted by the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement), the Debtors shall borrow and use (or in the case of amounts already borrowed under the DIP Term Loan Credit Facility, use), on a weekly and cumulative basis, an equal amount from the DIP ABL Credit Facility (subject to Excess Availability (as defined in the DIP ABL Credit Agreement)) and the amounts borrowed under the DIP Term Loan Credit Facility.

4. DIP Term Loan Obligations. The DIP Term Loan Documents, the Interim Orders and this Final Order shall constitute and evidence the validity and binding effect of the Debtors' DIP Term Loan Obligations, which DIP Term Loan Obligations shall be enforceable against the Debtors, their estates and any successors thereto, including without limitation, any trustee appointed in the Cases, or in any case under Chapter 7 of the Bankruptcy Code upon the conversion of any of the Cases, or in any other proceedings superseding or related to any of the foregoing (collectively, the "Successor Cases"). Upon entry of this Final Order, the DIP Term Loan Obligations will include all loans, and any other indebtedness or obligations, contingent or absolute, which may now or from time to time be owing by any of the Debtors to any of the DIP Term Loan Secured Parties, under the DIP Term Loan Documents, the Interim Orders or this Final Order, including, without limitation, all principal, accrued interest, costs, charges, fees, expenses, and other amounts under the DIP Term Loan Documents. The DIP Term Loan Parties shall continue to be jointly and severally liable for the DIP Term Loan Obligations. The DIP Term Loan Obligations, as applicable, shall be due and payable, without notice or demand, and the use of Term Loan Cash Collateral shall automatically cease on each applicable Termination Date, as

applicable, except as provided in paragraph 29 herein. No obligation, payment, transfer, or grant of collateral security hereunder, under the Interim Orders or under the DIP Term Loan Documents (including any DIP Term Loan Obligation or DIP Term Loan Liens, and including in connection with any adequate protection provided to the Prepetition Term Loan Secured Parties) stayed, restrained, voidable, avoidable, or recoverable, under the Bankruptcy Code or under any applicable law (including, without limitation, under sections 502(d), 544, and 547 to 550 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law), or subject to any avoidance, reduction, setoff, recoupment, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, or any other challenge under the Bankruptcy Code or any applicable law or regulation by any person or entity.

5. DIP Term Loan Liens. In order to secure the DIP Term Loan Obligations, effective immediately upon entry of the First Interim Order, pursuant to sections 361, 362, 364(c)(2), 364(c)(3), and 364(d) of the Bankruptcy Code, the DIP Term Loan Agent, for the benefit of itself and the DIP Term Loan Secured Parties, were granted pursuant to the Interim Orders and are hereby granted, continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens on (collectively, the "DIP Term Loan Liens") all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of, with respect to the DIP Term Loan Obligations, each of the DIP Term Loan Parties (the "DIP Term Loan Collateral" or "DIP Collateral"),[6] including without limitation: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other

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[6] For the avoidance of doubt, the DIP Term Loan Collateral does not include ABL Canadian Collateral (as defined by the DIP Intercreditor Agreement).

receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located), instruments, documents, securities (whether or not marketable), and investment property (including, without limitation, all of the issued and outstanding capital stock of each of its subsidiaries), furniture, fixtures, equipment, goods, franchise rights, trade names, trademarks, servicemarks, copyrights, patents, intellectual property, general intangibles, rights to the payment of money (including, without limitation, tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, causes of action (excluding commercial tort claims and avoidance actions (but including avoidance actions brought pursuant to section 549 of the Bankruptcy Code to recover any post-petition transfer of DIP Collateral)) and all substitutions, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds, (b) all owned real property interests and all proceeds of leased real property, and (c) proceeds of any avoidance actions brought pursuant to section 549 of the Bankruptcy Code to recover any post-petition transfer of DIP Collateral. DIP Collateral that is of a type that would be ABL Priority Collateral (as defined the DIP Intercreditor Agreement) and the proceeds and products thereof shall in each case, constitute "DIP ABL Priority Collateral," DIP Collateral that is of a type that would be Term Loan Priority Collateral (as defined in the DIP Intercreditor Agreement) and the proceeds and products thereof and shall, in each case, constitute "DIP Term Loan Priority Collateral".

6. DIP Lien Priority. The DIP Term Loan Liens are valid, automatically perfected, non-avoidable, senior in priority, and superior to any security, mortgage, collateral interest, lien or claim to any of the DIP Collateral, except that the DIP Term Loan Liens shall be subject to the Carve Out, and shall otherwise be junior only to: (i) as to the DIP Term Loan Priority Collateral, Permitted Prior Liens; and (ii) as to the DIP ABL Priority Collateral, (A) Permitted

Prior Liens; (B) the DIP ABL Liens; (C) the Prepetition ABL Liens; (D) the Prepetition ABL Adequate Protection Liens; and (E) the Canadian Intercompany Superpriority Administrative Claims. Other than as set forth herein or in the DIP Term Loan Documents, the DIP Term Loan Liens shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter granted in the Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in the Cases or any Successor Cases, upon the conversion of any of the Cases to a case under Chapter 7 of the Bankruptcy Code (or in any other Successor Case), and/or upon the dismissal of any of the Cases or Successor Cases. The DIP Term Loan Liens shall not be subject to section 510, 549, or 550 of the Bankruptcy Code. No lien or interest avoided and preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the DIP Term Loan Liens. Notwithstanding anything herein to the contrary, none of the Prepetition Term Loan Adequate Protection Liens or DIP Term Loan Liens shall exist with respect to any ABL Canadian Collateral (as defined by the DIP Intercreditor Agreement).

7. Superpriority Claims. The DIP Term Loan Secured Parties were pursuant to the Interim Orders and hereby are granted on a final basis (as of the date of entry of the First Interim Order), pursuant to Section 364(c)(1) of the Bankruptcy Code, allowed superpriority administrative expense claims in each of the Cases and any Successor Cases (collectively, the "DIP Term Loan Superpriority Claims") for all DIP Term Loan Obligations: (a) except as set forth herein, with priority over any and all administrative expense claims and unsecured claims against the Debtors or their estates in any of the Cases and any Successor Cases, at any time existing or arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Bankruptcy Code Sections 105, 326, 328, 330, 331, 364, 503(a), 503(b), 506(c) (in regard to surcharge claims against secured creditors other than the

Prepetition Term Loan Secured Parties), 507(a), 507(b), 546(c), 546(d), 726, 1113, and 1114, and any other provision of the Bankruptcy Code, as provided under Section 364(c)(1) of the Bankruptcy Code; and (b) which shall at all times be senior to the rights of the Debtors and their estates, and any successor trustee or other estate representative to the extent permitted by law; provided that the DIP Term Loan Agent and DIP Term Loan Secured Parties shall first use reasonably commercial efforts to seek recourse against the DIP Term Loan Priority Collateral before exercising any remedies against proceeds of avoidance actions. Notwithstanding the foregoing, the DIP Term Loan Superpriority Claims and the "DIP Superpriority Claims" (as defined in the Interim Orders) of the DIP Term Loan Parties shall be *pari passu* with each other, without otherwise impairing the lien priorities as set forth herein, and subject to the terms of the DIP Intercreditor Agreement and Carve Out (including the caps and limitations therein).

8. No Obligation to Extend Credit. Except as required to fund the Carve Out in accordance with the terms of this Final Order, the DIP Term Loan Agent and DIP Term Loan Secured Parties shall have no obligation to make any loan or advance under the DIP Term Loan Documents unless all of the conditions precedent to the making of such extension of credit under the DIP Term Loan Documents and this Final Order have been satisfied in full or waived by the DIP Term Loan Agent (acting at the direction of the Required DIP Term Loan Lenders) in accordance with the terms of the DIP Term Loan Credit Agreement.

9. Use of Proceeds of DIP Term Loan Credit Facility. The Debtors shall continue to use advances of credit under the DIP Term Loan Credit Facility, in accordance with the Approved Budget (subject to such variances as permitted in the DIP Term Loan Credit Agreement), only for the purposes specifically set forth in the Interim Orders, this Final Order and

the DIP Term Loan Documents, and in compliance with the terms and conditions in the Interim Orders, this Final Order and the DIP Term Loan Documents.

10. No Monitoring Obligation. No DIP Term Loan Secured Party shall have any obligation nor responsibility to monitor any DIP Term Loan Party's use of DIP Term Loan Credit Facility, and each DIP Term Loan Secured Party may rely upon each DIP Term Loan Party's representation that the use of the DIP Term Loan Credit Facility at any time is in accordance with the requirements of the Interim Orders, this Final Order, the DIP Term Loan Documents and Bankruptcy Rule 4001(c)(2).

11. Authorization to Use Cash Collateral. Subject to the terms and conditions of this Final Order, the DIP Term Loan Credit Facility and the DIP Term Loan Documents and in accordance with the Approved Budget (subject to variances as permitted in the DIP Term Loan Credit Agreement), the Debtors were authorized pursuant to the Interim Orders and hereby are authorized to use Term Loan Cash Collateral until the Termination Date. Nothing in the Interim Orders or this Final Order shall authorize the disposition of any assets of the Debtors outside the ordinary course of business, or any Debtor's use of any Cash Collateral or other proceeds resulting therefrom, except as permitted in this Final Order (including with respect to the Carve Out), the DIP Term Loan Credit Facility, the DIP Term Loan Documents, and in accordance with the Approved Budget (subject to such variances as permitted in the DIP Term Loan Credit Agreement).

12. Prepetition Term Loan Adequate Protection Liens. Subject to the terms of the DIP Intercreditor Agreement and the Carve Out and solely to the extent of any Diminution in Value: pursuant to Sections 361, 363(e), and 364(d) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition Term Loan Secured Parties in the Prepetition Collateral solely against any Diminution in Value of such interests in the Prepetition Collateral, the

Prepetition Term Loan Parties granted pursuant to the Interim Orders and hereby grant (as of the date of entry of the First Interim Order) to the Prepetition Term Loan Administrative Agent, for the benefit of itself and the Prepetition Term Loan Secured Parties continuing valid, binding, enforceable, and perfected postpetition security interests in and liens on the DIP Term Loan Collateral (the "Prepetition Term Loan Adequate Protection Liens" or "Adequate Protection Liens").

13. Priority of Prepetition Term Loan Adequate Protection Liens. Subject to the terms of the DIP Intercreditor Agreement: the Prepetition Term Loan Adequate Protection Liens shall be subject to the Carve Out (and the caps and limitations set forth therein) and shall otherwise be junior only to: (a) with respect to the DIP ABL Priority Collateral (1) Permitted Prior Liens; (2) the DIP ABL Liens; (3) the Canadian Intercompany Superpriority Administrative Claims; (4) the Prepetition ABL Liens; (5) the Prepetition ABL Adequate Protection Liens; (6) the DIP Term Loan Liens; and (7) the Prepetition Term Loan Liens; and (b) with respect to the DIP Term Loan Priority Collateral (1) Permitted Prior Liens; (2) the DIP Term Loan Liens; and (3) the Prepetition Term Loan Liens. The Prepetition Term Loan Adequate Protection Liens shall be senior to all other security interests in, liens on, or claims against any of the DIP Term Loan Parties' assets. Except as provided herein, the Prepetition Term Loan Adequate Protection Liens shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter in the Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in any of the Cases or any Successor Cases, or upon the dismissal of any of the Cases or Successor Cases. The Prepetition Term Loan Adequate Protection Liens shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code. No lien or interest avoided and preserved for the benefit of

the estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the Prepetition Term Loan Liens or the Prepetition Term Loan Adequate Protection Liens.

14. Prepetition Term Loan Adequate Protection Superpriority Claims. Subject to the terms of the DIP Intercreditor Agreement and the Carve Out and solely to the extent of any Diminution in Value, as further adequate protection of the interests of the Prepetition Term Loan Secured Parties in the Prepetition Collateral (other than the ABL Canadian Collateral) solely against any Diminution in Value of such interests in the Prepetition Collateral (other than the ABL Canadian Collateral), the Prepetition Term Loan Administrative Agent, on behalf of itself and the Prepetition Term Loan Secured Parties, was pursuant to the Interim Orders and is hereby granted as and to the extent provided by section 507(b) of the Bankruptcy Code as allowed superpriority administrative expense claims in each of the Cases and any Successor Cases (other than in the Case of the Canadian Borrower) (the "Prepetition Term Loan Superpriority Claim" or "Adequate Protection Superpriority Claims").

15. Priority of the Prepetition Term Loan Adequate Protection Superpriority Claims. Except as set forth herein, including with respect to the Canadian Intercompany Superpriority Administrative Claims, the Prepetition Term Loan Superpriority Claim shall have priority over all administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (solely with respect to surcharge claims against secured creditors other than the Prepetition Term Loan Secured Parties), 507(a), 507(b), 546(c), 546(d), 726, 1113, and 1114 of the Bankruptcy Code; *provided, however*, that the Prepetition ABL Superpriority Claims and the Prepetition Term Loan Superpriority Claims shall be *pari passu* with

each other (in each of the Cases other than the Recognition Proceedings, which shall be limited to Prepetition ABL Superpriority Claims in favor of the ABL Secured Parties), without otherwise impairing the lien priorities as set forth herein, and subject to the Carve Out and junior to the DIP Term Loan Superpriority Claims.

16. Adequate Protection Payments and Protections for Prepetition Term Loan Secured Parties. As further adequate protection and solely to the extent of any Diminution in Value and subject to the Carve Out (the "Prepetition Term Loan Adequate Protection Payments"), the Debtors are authorized and directed to provide adequate protection to the Prepetition Term Loan Secured Parties in the form of payment in cash in connection with the Cases and the Case of the Canadian Borrower (and as to fees and expenses without the need for the filing of formal fee applications) upon entry of this Final Order, as provided in the DIP Term Loan Credit Agreement.

17. Adequate Protection Reservation. Nothing herein shall impair or modify the application of section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Term Loan Secured Parties under the Interim Orders or hereunder is insufficient to compensate for any Diminution in Value of their respective interests in the Prepetition Collateral during the Cases or any Successor Cases. The receipt by the Prepetition Term Loan Secured Parties of the adequate protection provided in the Interim Orders or herein shall not be deemed an admission that the respective interests of the Prepetition Term Loan Secured Parties are adequately protected. Further, the Interim Orders and this Final Order shall not prejudice or limit the rights of the Prepetition Term Loan Secured Parties to seek additional relief with respect to the use of Cash Collateral or for additional adequate protection or the rights of any party to oppose such requests for additional relief.

Additional Provisions to DIP Financing and Use of Term Loan Cash Collateral

18. Amendment of the DIP Term Loan Documents. The DIP Term Loan Documents may from time to time be amended, modified, or supplemented by the parties thereto without further order of the Court if: (a) the amendment, modification, or supplement is in accordance with the DIP Term Loan Documents, and (b) a copy (which may be provided through electronic mail or facsimile) of the amendment, modification, or supplement is provided to counsel to DIP ABL Agent, the Creditors' Committee and any other committee appointed under section 1102 or 1104 of the Bankruptcy Code, and the U.S. Trustee (collectively, the "Notice Parties") not less than three (3) business days in advance in writing; and (c) the amendment, modification, or supplement is filed with the Court; *provided, however*, that neither consent of the Notice Parties nor approval of the Court will be necessary to effectuate any such amendment, modification or supplement and provided further that such amendment, modification, or supplement shall be without prejudice to the right of any party in interest to be heard; provided, further, that no such amendment, modification, or supplement shall modify the DIP Term Loan Documents in a manner that is materially different from that approved by the Court.

19. Budget Maintenance. The use of borrowings and letters of credit under the DIP Term Loan Credit Facility shall be in accordance with the Approved Budget (subject to such variances as permitted in the DIP Term Loan Credit Agreement) and the terms and conditions set forth in the DIP Term Loan Document. The Approved Budget and any modification to, or amendment or update of, the Approved Budget shall be subject to the reasonable approval of, and in form and substance reasonably acceptable to the DIP ABL Agent in accordance with the DIP ABL Documents and DIP Term Loan Agent in accordance with the DIP Term Loan Documents. The Debtors will promptly provide the Creditors' Committee with copies of the Approved Budget and any modifications, amendments, or updates thereto that have been approved by the DIP ABL

Agent in accordance with the DIP ABL Documents and DIP Term Loan Agent in accordance with the DIP Term Loan Documents. No amendment or modifications as to the DIP Term Loan Documents shall be made unless the Creditors' Committee is provided with three (3) business days' prior notice. If an objection to the proposed modifications or amendments is expressed by the Creditors' Committee in writing within such time period, then the parties agree to seek an expedited hearing to resolve the objection if it cannot be resolved amongst themselves.

20. Budget Compliance. The use of borrowings and letters of credit under the DIP Term Loan Credit Facility shall be in accordance with the Approved Budget (subject to such variances as permitted in the DIP Term Loan Credit Agreement) and the DIP Term Loan Documents; *provided, however*, that, in the case of the fees, costs and expenses of the DIP Term Loan Agent, the Debtors shall pay such fees, costs and expenses in accordance with the DIP Term Loan Documents and this Final Order without being limited by the Approved Budget.

21. Modification of Automatic Stay. The automatic stay imposed under section 362(a)(2) of the Bankruptcy Code was, pursuant to the Interim Orders, and is hereby modified as necessary to effectuate all of the terms and provisions of the Interim Orders and this Final Order, including, without limitation, to: (a) permit the Debtors to grant on a final basis the DIP Term Loan Liens (as of the date of entry of the First Interim Order), Prepetition Term Loan Adequate Protection Liens (as of the date of entry of the First Interim Order), DIP Term Loan Superpriority Claims, and Prepetition Term Loan Superpriority Claims; (b) permit the Debtors on a final basis to perform such acts as the DIP Term Loan Agent, DIP Term Loan Secured Parties, or the Prepetition Term Loan Administrative Agent each may reasonably request to assure the perfection and priority of the liens granted herein; (c) permit the Debtors on a final basis to incur all liabilities and obligations to the DIP Term Loan Secured Parties, and the Prepetition Term Loan

Secured Parties under the DIP Term Loan Documents, the DIP Term Loan Credit Facility, the Interim Orders, and this Final Order; and (d) authorize the Debtors on a final basis to pay, and the DIP Term Loan Agent, the DIP Term Loan Secured Parties, and the Prepetition Term Loan Secured Parties to retain and apply, payments made in accordance with the terms of the Interim Orders, this Final Order, and the DIP Term Loan Documents.

22. Perfection of DIP Term Loan Liens and Prepetition Term Loan Adequate Protection Liens. The Interim Orders and this Final Order shall be sufficient and conclusive evidence of the creation, validity, perfection, and priority of all liens granted therein and herein, including the DIP Term Loan Liens and the Prepetition Term Loan Adequate Protection Liens, without the necessity of filing or recording any financing statement, mortgage, notice, or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action (including, for the avoidance of doubt, entering into any deposit account control agreement) to validate or perfect (in accordance with applicable non-bankruptcy law) the DIP Term Loan Liens, the Prepetition Term Loan Adequate Protection Liens, or to entitle the DIP Term Loan Secured Parties and the Prepetition Term Loan Secured Parties to the priorities granted herein (subject to the DIP Intercreditor Agreement). Notwithstanding the foregoing, the DIP Term Loan Agent and the Prepetition Term Loan Administrative Agent each are authorized to file, as in its reasonable discretion it deems necessary or advisable, such financing statements, security agreements, mortgages, notices of liens, and other similar documents to perfect in accordance with applicable non-bankruptcy law or to otherwise evidence the DIP Term Loan Liens and the Prepetition Term Loan Adequate Protection Liens, and all such financing statements, mortgages, notices, and other documents shall be deemed to have been filed or recorded as of the Petition Date; *provided, however*, that no such filing or recordation

shall be necessary or required in order to create or perfect the DIP Term Loan Liens, or the Prepetition Term Loan Adequate Protection Liens. The Debtors were, pursuant to the Interim Orders, and hereby are authorized and directed to execute and deliver reasonably promptly to the DIP Term Loan Agent and Prepetition Term Loan Administrative Agent all such financing statements, mortgages, notices and other documents as the DIP Term Loan Agent and Prepetition Term Loan Administrative Agent may reasonably request; provided that nothing herein shall require the Debtors to obtain any required consent of third parties to any such financing statements, mortgages, notices, and other documents. The DIP Term Loan Agent and the Prepetition Term Loan Administrative Agent, each in its discretion, may file a photocopy of this Final Order as a financing statement with any filing or recording office or with any registry of deeds or similar office, in addition to or in lieu of such financing statements, notices of lien, or similar instrument. To the extent that any Prepetition Term Loan Administrative Agent is the secured party under any security agreement, mortgage, leasehold mortgage, landlord waiver, credit card processor notices or agreements, bailee letters, custom broker agreements, financing statement, account control agreements, or any other Prepetition Term Loan Documents or is listed as loss payee, lenders' loss payee, or additional insured under any of the Debtors' insurance policies, DIP Term Loan Agent shall also be deemed to be the secured party or mortgagee, as applicable, under such documents or to be the loss payee or additional insured, as applicable. The Prepetition Term Loan Administrative Agent shall serve as agent for the DIP Term Loan Agent for purposes of perfecting the DIP Term Loan Agent's liens on all DIP Collateral that, without giving effect to the Bankruptcy Code and this Final Order, is of a type such that perfection of a lien therein may be accomplished only by possession or control by a secured party.

23. Application of Proceeds of Collateral. Subject to the Carve Out, as a condition to the entry of the DIP Term Loan Documents, the extension of credit under the DIP Term Loan Credit Facility and the authorization to use Cash Collateral, the Debtors have agreed that as of and commencing on the date of the First Interim Hearing, the Debtors shall apply all net proceeds of DIP Term Loan Priority Collateral that is sold in the ordinary course or liquidated as follows: (i) *first*, to costs and expenses of the DIP Term Loan Agent; (ii) *second*, to reduce the DIP Term Loan Obligations; (iii) *third*, to reduce the Prepetition Term Loan Obligations; and (iv) after indefeasible repayment in full in cash of the Prepetition Term Loan Obligations and the DIP Term Loan Obligations (including, in each case, provision for contingent obligations), (w) to costs and expenses of the DIP ABL Agent, (x) to reduce the Prepetition ABL Obligations, (y) to reduce the DIP ABL Obligations, and (z) to the repayment of the Canadian Intercompany Superpriority Administrative Claims. The reduction of the Prepetition ABL Obligations and Prepetition Term Loan Obligations is subject to the preservation of rights provided in paragraph 41 herein.

24. Protections of Rights of DIP Term Loan Secured Parties and Prepetition Term Loan Secured Parties.

(i) Unless the DIP Term Loan Agent and the Prepetition Term Loan Administrative Agent shall have provided their prior written consent or all DIP Term Loan Obligations and all Prepetition Term Loan Obligations have been indefeasibly paid in full in cash and all commitments thereunder are terminated, there shall not be entered in any of these Cases or any Successor Cases (including any order confirming any plan of reorganization or liquidation) any order that authorizes any of the following: (i) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other Lien on all or any portion of the DIP Collateral or Prepetition Collateral and/or that is entitled to administrative

priority status, in each case that is superior to or *pari passu* with the DIP Term Loan Liens, the DIP Term Loan Superpriority Claims, the Prepetition Term Loan Liens, the Prepetition Term Loan Adequate Protection Liens, and/or the Prepetition Term Loan Superpriority Claims; (ii) the use of Cash Collateral for any purpose other than as permitted in the DIP Term Loan Documents, the Interim Orders and this Final Order and the Approved Budget (subject to such variances as permitted in the DIP Term Loan Credit Agreement), the return of goods pursuant to section 546(h) of the Bankruptcy Code (or other return of goods on account of any prepetition indebtedness) to any creditor of any Debtor or any creditor's taking any setoff against any of its prepetition indebtedness based upon any such return of goods pursuant to section 553 of the Bankruptcy Code or otherwise, or (iii) any modification of any of the DIP Term Loan Agent's, DIP Term Loan Secured Parties', or the Prepetition Term Loan Secured Parties' rights under the Interim Orders, this Final Order, the DIP Term Loan Documents or the Prepetition Term Loan Documents with respect any DIP Term Loan Obligations or Prepetition Term Loan Obligations.

(ii) The Debtors (and/or their legal and financial advisors in the case of clauses (ii) through (iv) below) will, whether or not the DIP Term Loan Obligations have been indefeasibly paid in full in cash, (i) maintain books, records, and accounts to the extent and as required by the DIP Term Loan Documents, (ii) reasonably cooperate with, consult with, and provide to the DIP Term Loan Secured Parties all such information and documents that any or all of the Debtors are obligated (including upon reasonable request by any of the DIP Term Loan Agent or the DIP Term Loan Secured Parties) to provide under the DIP Term Loan Documents or the provisions of the Interim Orders, this Final Order, or as reasonably requested by the DIP Term Loan Secured Parties, in each case as and to the extent required by the DIP Term Loan Documents, (iii) upon reasonable advance notice, permit consultants, advisors, and other representatives

(including third party representatives) of each of the DIP Term Loan Secured Parties and the Prepetition Term Loan Administrative Agent to visit and inspect any of the Debtors' respective properties, to examine and make abstracts or copies from any of their respective books and records, to tour the Debtors' business premises and other properties, and to discuss, and provide advice with respect to, their respective affairs, finances, properties, business operations, and accounts with their respective officers, employees, independent public accountants, and other professional advisors as and to the extent required by the DIP Term Loan Documents and/or the Prepetition Term Loan Documents, (iv) permit the DIP Term Loan Agent, the DIP Term Loan Secured Parties, and the Prepetition Term Loan Administrative Agent, and their respective consultants, advisors and other representatives to consult with the Debtors' management and advisors on matters concerning the Debtors' businesses, financial condition, operations and assets, in each case as and to the extent required by the DIP Term Loan Documents, and (v) upon reasonable advance notice, permit the DIP Term Loan Agent, the DIP Term Loan Secured Parties and the Prepetition Term Loan Administrative Agent to conduct, at their discretion and at the Debtors' cost and expense, field audits, collateral examinations, liquidation valuations and inventory appraisals at reasonable times in respect of any or all of the DIP Collateral and Prepetition Collateral in each case as and to the extent required by the DIP Term Loan Documents. The Creditors' Committee shall receive any financial reporting required to be provided by the Debtors contemporaneously with the provision of such reports to the DIP Term Loan Secured Parties or Prepetition Term Loan Secured Parties.

(iii) No Debtor shall object to any DIP Term Loan Secured Parties' or any Prepetition Term Loan Secured Parties' credit bidding up to the full amount of the applicable outstanding DIP Term Loan Obligations and Prepetition Term Loan Obligations (as applicable), in

each case, including any accrued interest and expenses, in any sale of any DIP Collateral or Prepetition Collateral, as applicable, and whether such sale is effectuated through Section 363 or 1129 of the Bankruptcy Code, by a Chapter 7 trustee under Section 725 of the Bankruptcy Code, with the approval of the Canadian Court in respect of any sale of assets of the Canadian Loan Parties, or otherwise, subject, in each case, (w) to the rights and duties of the parties under the DIP Intercreditor Agreement, (x) to a Challenge (as defined herein) and (y) to the provision of consideration sufficient to pay in full in cash any senior liens on the collateral that is subject to the credit bid. For the avoidance of doubt, nothing in this paragraph 24 shall prejudice the rights of the Debtors to refinance the DIP Term Loan Obligations, *provided* that the DIP Term Loan Obligations are repaid in full in accordance with the terms of the DIP Term Loan Documents.

25. Proceeds of Subsequent Financing. Except with respect to the DIP ABL Obligations contemplated by the DIP Motion, if the Debtors, any trustee, any examiner with expanded powers, or any responsible officer subsequently appointed in these Cases or any Successor Cases, shall obtain credit or incur debt pursuant to Bankruptcy Code sections 364(b), 364(c), or 364(d) or in violation of the DIP Term Loan Documents at any time prior to the indefeasible repayment in full of all DIP Term Loan Obligations and Prepetition Term Loan Obligations, and the termination of the DIP Term Loan Secured Parties' obligation to extend credit under the DIP Term Loan Credit Facility, including subsequent to the confirmation of any plan with respect to any or all of the Debtors and the Debtors' estates, and such facilities are secured by any DIP Collateral, then all the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Term Loan Agent to be applied in accordance with this Final Order, the DIP Term Loan Documents and the DIP Intercreditor Agreement.

26. Cash Collection. From and after the date of the entry of the First Interim Order, the Debtors shall continue to maintain cash management in accordance with the DIP Term Loan Documents, as modified by this Final Order. Unless otherwise agreed to in writing by the DIP Term Loan Agent and Prepetition Term Loan Administrative Agent, the Debtors shall maintain no accounts except those identified in any interim and/or final order granting the *Debtors' Motions for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms, and (D) Continue to Perform Intercompany Transactions, and (II) Granting Related Relief* (the "Cash Management Order"). Until such time as Debtors are able to establish a deposit account at a bank other than Wells Fargo Bank, National Association to serve as the TL Deposit Account (as defined in the DIP Term Loan Credit Agreement), the account established for such purpose at Wells Fargo Bank, National Association shall constitute such TL Deposit Account and shall be subject to a fully perfected first priority lien and security interest in favor of the DIP Term Loan Agent as fully as if it were subject to a control agreement in favor of the DIP Term Loan Agent. For the avoidance of doubt, any TL Deposit Account shall not be subject to any liens or security interests other than liens and security interests in favor of the DIP Term Loan Agent.

27. Maintenance of DIP Collateral. Until the indefeasible payment in full of all DIP Term Loan Obligations, all Prepetition Term Loan Obligations, and the termination of the DIP Term Loan Secured Parties' obligation to extend credit under the DIP Term Loan Credit Facility, the Debtors shall: (a) insure the DIP Collateral as required under the DIP Term Loan Documents or the Prepetition Term Loan Documents, as applicable; and (b) maintain the cash management system in effect as of the Petition Date, as modified by any Cash Management Order which has

first been agreed to by the DIP Term Loan Agent or as otherwise required by the DIP Term Loan Documents.

28. Disposition of DIP Collateral. The Debtors shall not sell, transfer, lease, encumber or otherwise dispose of any portion of the DIP Term Loan Priority Collateral or Prepetition Term Loan Priority Collateral other than in the ordinary course of business without the prior written consent of the DIP Term Loan Agent (acting at the direction of the Required Term DIP Lenders) and the Prepetition Term Loan Administrative Agent (acting at the direction of the "Required Lenders" (as defined in the Prepetition Term Loan Credit Agreement) (and no such consent shall be implied, from any other action, inaction or acquiescence by the DIP Term Loan Secured Parties, or Prepetition Term Loan Secured Parties), except as otherwise provided for in the DIP Term Loan Documents, and subject to the DIP Intercreditor Agreement.

29. Termination Date. On the Termination Date, (a) all DIP Term Loan Obligations shall be immediately due and payable, all commitments to extend credit under the DIP Term Loan Credit Facility will terminate, other than as required in paragraph 38 with respect to the Carve Out, and (b) all authority to use Cash Collateral shall cease. For the purposes of this Final Order, the "DIP Term Loan Termination Date" shall mean the date the commitments are terminated pursuant to the terms of the DIP Term Loan Credit Agreement, including with respect to any cross termination rights with respect to the termination of the DIP ABL Credit Agreement in accordance with its terms.

30. Events of Default. The occurrence of any of the following events, unless waived by the DIP Term Loan Agent in writing and in accordance with the terms of the applicable DIP Term Loan Documents, shall constitute an event of default (collectively, the "Events of Default"): (a) the failure of the Debtors to perform, in any respect, any of the terms, provisions,

conditions, covenants, or obligations under this Final Order or any Canadian Recognition Order, including, without limitation, failure to make any payment under this Final Order when due, (b) the occurrence of an "Event of Default" under, and as defined in, the DIP Term Loan Credit Agreement, (c) any adverse modifications, amendments, or reversal of the Interim Orders or this Final Order, and no such waiver shall be implied by any other action, inaction or acquiescence by any party, (d) an order converting or dismissing any of the Cases, (e) an order appointing a chapter 11 trustee in the Cases, (f) an order appointing an examiner with enlarged powers in the Cases (beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code, and (g) a plan proposed by the Debtors or confirmation thereof that does not propose to indefeasibly repay the DIP Term Loan Obligations in full in cash, unless otherwise consented to by the DIP Term Loan Agent.

31. Milestones. As a condition to the DIP Term Loan Credit Facility and the use of Cash Collateral, the Debtors shall comply with the case milestones set forth in the DIP Term Loan Credit Agreement, as modified by the order approving the *Debtors' Motion Seeking Entry of an Order (I) Approving the Bidding Procedures and Related Dates and Deadline, (II) Scheduling Hearings and Objection Deadlines with Respect to the Debtors' Disclosure Statement and Plan Confirmation, and (III) Granting Related Relief* [Docket No 22], subject to waiver or extension on the terms set forth in the DIP Term Loan Credit Agreement. For the avoidance of doubt, the terms herein with respect to any milestones shall after the date of this Final Order supersede any such language in the Interim Orders.

32. Rights and Remedies Upon Event of Default. Upon the occurrence and during the continuation of an Event of Default under the DIP Term Loan Documents, notwithstanding the provisions of section 362 of the Bankruptcy Code, without any application,

motion or notice to, hearing before, or order from the Court, but subject to the terms of this Final Order and the Canadian Recognition Orders (a) the DIP Term Loan Agent may declare (any such declaration shall be referred to herein as a "Termination Declaration") (1) all DIP Term Loan Obligations owing under the DIP Term Loan Documents to be immediately due and payable, (2) the termination, reduction, or restriction of any further commitment to extend credit to the Debtors to the extent any such commitment remains under the DIP Term Loan Credit Facility, (3) termination of the DIP Term Loan Credit Facility and the DIP Term Loan Documents as to any future liability or obligation of the DIP Term Loan Secured Parties, but without affecting any of the DIP Term Loan Liens or the DIP Term Loan Obligations, and (4) that the application of the Carve Out has occurred through the delivery of the Carve Out Trigger Notice to the Borrowers; (b) interest, including, where applicable, default interest, shall accrue and be paid as set forth in the DIP Term Loan Documents, and (c) the DIP Term Loan Agent may declare a termination, reduction, or restriction on the ability of the Debtors to use Term Loan Cash Collateral (the date which is the earliest to occur of (i) any such date a Termination Declaration is delivered by DIP Term Loan Agent or a "Termination Declaration" (as defined in the Interim Orders) is delivered by DIP ABL Agent and (ii) the DIP ABL Termination Date or DIP Term Loan Termination Date (as applicable), shall be referred to herein as the "Termination Date"). The Termination Declaration shall be given by electronic mail (or other electronic means) to counsel to the Debtors, counsel to the DIP ABL Agent, counsel to the Creditors' Committee and any other committee appointed under section 1102 or 1104 of the Bankruptcy Code, and the U.S. Trustee. The automatic stay in the Cases otherwise applicable to the DIP Term Loan Secured Parties, and the Prepetition Term Loan Secured Parties is hereby modified so that seven (7) business days after the date a Termination Declaration is delivered (the "Remedies Notice Period"): (A) the DIP Term

Loan Secured Parties shall be entitled to exercise their rights and remedies in accordance with the respective DIP Term Loan Documents, the Interim Orders and this Final Order and shall be permitted to satisfy the relevant DIP Term Loan Obligations, DIP Superpriority Claim and DIP Term Loan Liens, subject to the Carve Out, (B) the Prepetition Term Loan Secured Parties shall be entitled to exercise their rights and remedies to satisfy the relevant Prepetition Term Loan Secured Obligations, Prepetition Term Loan Superpriority Claims, and Prepetition Term Loan Adequate Protection Liens, subject to and consistent with (i) the Carve Out, (ii) this Final Order, and (iii) the DIP Intercreditor Agreement. During the Remedies Notice Period, unless otherwise ordered by the Court, the Debtors and/or the Creditors' Committee shall be entitled to seek an emergency hearing within the Remedies Notice Period on any basis and the DIP Term Loan Agent shall consent to such an emergency hearing. During the Remedies Notice Period, DIP Term Loan Secured Parties shall not be required to consent to the use of any Cash Collateral or provide any loans or other financial accommodations under the DIP Term Loan Credit Facility other than for the payment of accrued and unpaid employee wages and benefits otherwise payable in the ordinary course and in accordance with the Approved Budget and subject to paragraph 38 and availability under the DIP Term Loan Credit Agreement. Unless the Court orders otherwise, the automatic stay, as to all of the DIP Term Loan Secured Parties, and Prepetition Term Loan Secured Parties, shall automatically be terminated at the end of the Remedies Notice Period without further notice or order. Upon expiration of the Remedies Notice Period, the DIP Term Loan Secured Parties, and the Prepetition Term Loan Secured Parties shall be permitted to exercise all remedies set forth herein, in the DIP Term Loan Documents, the Prepetition Term Loan Documents, and as otherwise available at law without further order of or application or motion to the Court consistent with the DIP Intercreditor Agreement.

33. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Final Order. The DIP Term Loan Secured Parties have acted in good faith in connection with the Interim Orders and this Final Order and are entitled to rely upon the protections granted herein and by section 364(e) of the Bankruptcy Code. Based on the findings set forth in this Final Order and the record made during the Interim Hearings and the Final Hearing, and in accordance with section 364(e) of the Bankruptcy Code, in the event any or all of the provisions of the Interim Orders or this Final Order are hereafter modified, amended or vacated by a subsequent order of this Court or any other court, the DIP Term Loan Secured Parties are entitled to the protections provided in section 364(e) of the Bankruptcy Code. Any such modification, amendment or vacatur shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim or priority previously or hereby authorized or created.

34. DIP and Other Expenses. The Debtors are authorized and directed to pay all reasonable and documented fees and expenses of (x) the DIP Term Loan Agent and DIP Term Loan Secured Parties in connection with the DIP Term Loan Credit Facility, as provided in the DIP Term Loan Documents (subject to applicable limitations on the DIP Parties' obligations to pay such amounts in the DIP Term Loan Documents), whether or not the transactions contemplated hereby are consummated, and (y) the Prepetition Term Loan Administrative Agent and Prepetition Term Loan Secured Parties (including the fees and expenses of counsel), as provided in the applicable Prepetition Term Loan Document, subject to the terms of this paragraph. Payment of all such fees and expenses shall not be subject to allowance by the Court. Professionals for the DIP Term Loan Agent, the DIP Term Loan Secured Parties, the Prepetition Term Loan Administrative Agent, and the Prepetition Term Loan Secured Parties shall not be required to comply with the U.S. Trustee fee guidelines. No attorney or advisor to the DIP Term Loan Agent,

DIP Term Loan Secured Parties, Prepetition Term Loan Administrative Agent, or Prepetition Term Loan Secured Parties shall be required to file an application seeking compensation for services or reimbursement of expenses with the Court. No fees or expenses of the DIP Term Loan Secured Parties, DIP Term Loan Agent, or Prepetition Term Loan Secured Parties shall be paid prior to the provision of a monthly statement or invoice (which may be presented in summary form and/or redacted or modified 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) to counsel for the Creditors' Committee and the Office of the United States Trustee (hereinafter "Lender Expense Notice Parties"). Any Lender Expense Notice Party shall have ten (10) days after submission of such invoice to assert an objection to payment of the amounts sought in the subject invoice. Provided no objection has been raised by any such Lender Expense Notice Party(ies) within the time period provided for herein, the Debtors (or DIP Term Loan Agent, as applicable) shall be authorized without further order of the Court to pay such invoice. In the event a Lender Expense Notice Party(ies) asserts an objection within the time period provided for herein, the Debtors (or DIP Term Loan Agent, as applicable) shall be authorized without further order of the Court to pay the undisputed portion of such invoice and any dispute with regard to amounts objected to shall be resolved by the Court.

35. Budget. The Approved Budget was approved pursuant to the Interim Orders and the Budget attached hereto as Exhibit A hereby is approved and the proceeds of the DIP Term Loan Credit Facility and Cash Collateral under the Interim Orders and Final Order shall be used by the Debtors in accordance with the Approved Budget (subject to such variances as permitted in

the DIP Term Loan Credit Agreement), the Interim Orders, this Final Order, and the DIP Term Loan Documents and to fund the Carve Out, subject to the terms and limitations provided in paragraph 38 below. None of the DIP Term Loan Secured Parties' consent (if any) to, or acknowledgement of, the Approved Budget shall be construed as consent to use the proceeds of the DIP Term Loan Credit Facility or Cash Collateral beyond the respective maturity dates set forth in the DIP Term Loan Documents, regardless of whether the aggregate funds shown on the Approved Budget have been expended.

36. Indemnification. The Debtors shall indemnify and hold harmless the DIP Term Loan Secured Parties in accordance with the terms and conditions of the DIP Term Loan Credit Agreement.

37. Master Proofs of Claim. The DIP Term Loan Secured Parties and the Prepetition Term Loan Secured Parties will not be required to file proofs of claim in any of the Cases or Successor Cases for any claim allowed herein. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in any of the Cases or Successor Cases to the contrary, and in order to facilitate the processing of claims, to ease the burden upon the Court and to reduce an unnecessary expense to the Debtors' estates, the Prepetition Term Loan Administrative Agent and/or each other Prepetition Term Loan Secured Party is authorized to file in the Debtors' lead chapter 11 Case, Case No. 19-11608, a single, master proof of claim on behalf of the relevant Prepetition Term Loan Secured Parties on account of any and all of their respective claims arising under the applicable Prepetition Term Loan Documents and hereunder (each a "Master Proof of Claim") against each of the Debtors. Upon the filing of a Master Proof of Claim against each of the Debtors, the Prepetition Term Loan Secured Parties, and each of their respective successors and assigns, shall be deemed to have filed a proof of claim in the amount set forth opposite its

name therein in respect of its claims against each of the Debtors of any type or nature whatsoever with respect to the applicable Prepetition Term Loan Documents, and the claim of each Prepetition Term Loan Secured Party (and each of its respective successors and assigns), named in a Master Proof of Claim shall be treated as if such entity had filed a separate proof of claim in each of these Cases. The Master Proofs of Claim shall not be required to identify whether any Prepetition Term Loan Secured Party acquired its claim from another party and the identity of any such party or to be amended to 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 the transfer of all or any portion of such claims. The provisions of this paragraph and each Master Proof of Claim are intended solely for the purpose of administrative convenience and shall not affect the right of each Prepetition Term Loan Secured Party (or its successors in interest) to vote separately on any plan proposed in these Cases. The Master Proofs of Claim shall not be required to attach any instruments, agreements or other documents evidencing the obligations owing by each of the Debtors to the applicable Prepetition Term Loan Secured Parties, which instruments, agreements or other documents will be provided upon reasonable request to counsel to the Prepetition Term Loan Administrative Agent.

38. Carve Out.

(a) Carve Out. As used in this Final Order, the "Carve Out" means the sum of (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; (ii) all reasonable fees and expenses up to $50,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (the "Chapter 7 Trustee Carve-Out") and all approved expenses incurred by members of the Creditors' Committee solely in their capacity as such (the "Committee Expenses"); (iii) to the extent allowed at any time, whether by interim order, final order, procedural

order, or otherwise, all unpaid fees and expenses (the "Allowed Professional Fees") incurred by persons or firms retained by the Debtors pursuant to section 327, 328, or 363 of the Bankruptcy Code (the "Debtor Professionals") and the Creditors' Committee pursuant to section 328 or 1103 of the Bankruptcy Code (the "Committee Professionals" and, together with the Debtor Professionals, the "Professional Persons") at any time before or on the first business day following delivery by the DIP ABL Agent or DIP Term Loan Agent of a Carve Out Trigger Notice (as defined below), whether allowed by the Court prior to or after delivery of a Carve Out Trigger Notice; and (v) Allowed Professional Fees of Professional Persons in an aggregate amount not to exceed $1,250,000 incurred after the first business day following delivery by the DIP ABL Agent or the DIP Term Loan 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").[7] For purposes of the foregoing, "Carve Out Trigger Notice" shall mean a written notice delivered by email (or other electronic means) by the DIP ABL Agent or DIP Term Loan Agent to the Debtors, their lead restructuring counsel, the U.S. Trustee, and counsel to the Creditors' Committee, which notice may be delivered following the occurrence and during the continuation of an Event of Default and acceleration of the DIP Term Loan Obligations or an "Event of Default" under the DIP ABL Documents and acceleration of the DIP ABL Obligations, respectively, stating that the Post Carve Out Trigger Notice Cap has been invoked.

(b) Fee Estimates. Not later than 7:00 p.m. New York time on the third business day of each week starting with the first full calendar week following the Closing Date, each

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[7] Notwithstanding the foregoing, up to $250,000 of the Post-Carve Out Trigger Notice Cap may be used to pay Allowed Professional Fees of Professional Persons incurred prior to the delivery of a Carve Out Trigger Notice to the extent such Allowed Professional Fees exceed the Professional Fee Carve Out Cap (as defined below).

Professional Person shall deliver to the Debtors a statement setting forth a good-faith estimate of the amount of fees and expenses (collectively, "Estimated Fees and Expenses") incurred during the preceding week by such Professional Person (through Saturday of such week, the "Calculation Date"), along with a good-faith estimate of the cumulative total amount of unreimbursed fees and expenses incurred through the applicable Calculation Date and a statement of the amount of such fees and expenses that have been paid to date by the Debtors (each such statement, a "Weekly Statement"); *provided, that* within one business day of the occurrence of the Termination Declaration Date (as defined below), each Professional Person shall deliver one additional statement (the "Final Statement") setting forth a good-faith estimate of the amount of fees and expenses incurred during the period commencing on the calendar day after the most recent Calculation Date for which a Weekly Statement has been delivered and concluding on the Termination Declaration Date. For purposes of this paragraph 38(b) and paragraph 38(c), counsel to the Creditors' Committee will be deemed to be the party that has incurred the Committee Expenses, all references to a "Professional Person" shall be deemed to include the counsel to the Creditors' Committee in respect of the Committee Expenses and all references to "Allowed Professional Fees" will be deemed to include the Committee Expenses. If any Professional Person fails to deliver a Weekly Statement within three calendar days after such Weekly Statement is due, such Professional Person's entitlement (if any) to any funds in the Carve Out Reserves (as defined below) with respect to the aggregate unpaid amount of Allowed Professional Fees for the applicable period(s) for which such Professional Person failed to deliver a Weekly Statement covering such period shall be limited to the aggregate unpaid amount of Allowed Professional Fees included in the Approved Budget for such period for such Professional Person; *provided, that* such Professional Person shall be entitled to be paid any unpaid amount of Allowed Professional Fees

in excess of Allowed Professional Fees included in the Approved Budget for such period for such Professional Person from a reserve to be funded by the Debtors from all cash on hand as of such date and any available cash thereafter held by any Debtor pursuant to paragraph 38(c) below. Solely as it relates to the DIP ABL Agent and DIP ABL Secured Parties, any deemed draw and borrowing pursuant to paragraph 38(c)(i) for amounts under paragraph 38(a)(iii) above shall be limited to the greater of (x) the sum of (I) the aggregate unpaid amount of Estimated Fees and Expenses included in such Weekly Statements timely received by the Debtors prior to the Termination Declaration Date *plus*, without duplication, (II) the aggregate unpaid amount of Estimated Fees and Expenses included in the Final Statements timely received by the Debtors pertaining to the period through and including the Termination Declaration Date, and (y) the aggregate unpaid amount of Allowed Professional Fees included in the Approved Budget for the period prior to the Termination Declaration Date (such amount, the "Professional Fee Carve Out Cap"). For the avoidance of doubt, the DIP ABL Agent and DIP ABL Lenders shall be entitled to maintain at all times a reserve (the "Carve-Out Reserve") in an amount (the "Carve-Out Reserve Amount") equal to the sum of (i) the greater of (x) the aggregate unpaid amount of Estimated Fees and Expenses included in all Weekly Statements timely received by the Debtors, and (y) the aggregate amount of Allowed Professional Fees contemplated to be unpaid in the Approved Budget at the applicable time, *plus* (ii) the Post-Carve Out Trigger Notice Cap, *plus* (iii) an amount equal to the amount of Allowed Professional Fees set forth in the Approved Budget for the following week occurring after the most recent Calculation Date, *plus* (iv) the amounts contemplated under paragraph 38(a)(i) and 38(a)(ii) above. Not later than 7:00 p.m. New York time on the fourth business day of each week starting with the first full calendar week following the Closing Date, the Debtors shall deliver to the DIP ABL Agent, the DIP Term Loan Agent, and

the Creditors' Committee concurrently a report setting forth the Carve-Out Reserve Amount as of such time (the "Fee Report"), and, in setting the Carve Out Reserve, the DIP ABL Agent and DIP ABL Lenders shall be entitled to rely upon such reports in accordance with the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement. Prior to the delivery of the first report setting forth the Carve-Out Reserve Amount, the DIP ABL Agent or the DIP Term Loan Agent may calculate the Carve-Out Reserve Amount by reference to the Approved Budget for subsection (i) of the Carve-Out Reserve Amount. Notwithstanding anything herein to the contrary, DIP ABL Agent may increase the Carve-Out Reserve Amount to include additional amounts with respect to any monitoring charge or other charge arising from the Canadian insolvency proceeding of the Canadian Borrower and for the projected amount of any success, completion, commission-based, or other non-hourly fees billed by or due to any financial advisor, investment banker (including any "Sale Transaction Fee" or "Supplemental Sale Transaction Fee" (each as defined below)), monitor, or other Professional engaged by any Debtor, the Creditors' Committee, or any committee in the Cases.

(c) Carve Out Reserves. On the day on which a Carve Out Trigger Notice is given by either the DIP ABL Agent or the DIP Term Loan Agent to the Debtors with a copy to counsel to the Creditors' Committee (the "Termination Declaration Date"), the Carve Out Trigger Notice shall be deemed (i) a draw request and notice of borrowing by the Debtors for DIP ABL Loans under the DIP ABL Credit Agreement in an amount equal to the sum of (x) the amounts set forth in paragraphs (a)(i) and (a)(ii), above, and (y) the then unpaid amounts of the Allowed Professional Fees up to the Professional Fee Carve Out Cap (any such amounts actually advanced shall constitute DIP ABL Loans) and (ii) a draw request and notice of borrowing by the Debtors for DIP Term Loans under the DIP Term Loan Facility in an amount equal to the unpaid amounts

of the Allowed Professional Fees in excess of the Professional Fee Carve Out Cap (any such amounts actually advanced shall constitute DIP Term Loans), and shall also constitute a demand to the Debtors to utilize all cash on hand as of such date and any available cash thereafter held by any Debtor to fund a reserve in an amount equal to the then unpaid amounts of the Allowed Professional Fees (which cash amounts shall reduce, on a dollar-for-dollar basis, the draw requests and applicable DIP ABL Loans and DIP Term Loans pursuant to the foregoing clauses (i) and (ii) of this sentence of this paragraph (c)). The Debtors shall deposit and hold such amounts in a segregated account at the DIP ABL Agent in trust exclusively to pay such unpaid Allowed Professional Fees (the "Pre-Carve Out Trigger Notice Reserve"). On the Termination Declaration Date, the Carve Out Trigger Notice shall also be deemed a request by the Debtors for (1) DIP ABL Loans under the DIP ABL Credit Agreement in an amount equal to the Post Carve Out Trigger Notice Cap (any such amounts actually advanced shall constitute DIP ABL Loans) and, (2) to the extent not funded by the DIP ABL Lenders, for DIP Term Loans in an amount equal to any unfunded portion of the Post-Carve Out Trigger Notice Cap (any such amounts actually advanced shall constitute DIP Term Loans), and shall also constitute a demand to the Debtors to utilize all cash on hand as of such date and any available cash thereafter held by any Debtor to fund a reserve in an amount equal to the Post-Carve Out Trigger Notice Cap (which cash amounts shall reduce, on a dollar-for-dollar basis, the draw requests and applicable DIP ABL Loans and DIP Term Loans pursuant to the foregoing clauses (1) and (2) of this sentence of this paragraph (c)). The Debtors shall deposit and hold such amounts in a segregated account at the DIP ABL Agent in trust exclusively to pay such Allowed Professional Fees benefiting from the Post-Carve Out Trigger Notice Cap (the "Post Carve Out Trigger Notice Reserve" and, together with the Pre-Carve Out Trigger Notice Reserve, the "Carve Out Reserves"). On the third business day following the

Termination Declaration Date and the deemed requests for the making of DIP ABL Loans and DIP Term Loans as provided in this paragraph (c), notwithstanding anything in the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement to the contrary, including with respect to (1) the existence of a Default (as defined in the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement), Event of Default or an "Event of Default" (as defined in the DIP ABL Credit Agreement), (2) the failure of the Debtors to satisfy any or all of the conditions precedent for the making of any DIP ABL Loan under the DIP ABL Credit Agreement or DIP Term Loans under the DIP Term Loan Credit Agreement, respectively, (3) any termination of the DIP ABL Loan Commitments or commitments under the DIP Term Loan Credit Facility following an Event of Default or "Event of Default" (as defined in the DIP ABL Credit Agreement), or (4) the occurrence of the Maturity Date (as defined in the ABL DIP Credit Agreement or DIP Term Loan Credit Agreement), each DIP ABL Lender and DIP Term Loan Lender with an outstanding Commitment shall make available to the DIP ABL Agent or DIP Term Loan Agent, as applicable, such DIP ABL Lender's or such DIP Term Loan Lender's pro rata share of such DIP ABL Loans or DIP Term Loans, as applicable. For the avoidance of doubt, the Carve Out Reserves shall constitute the primary source for payment of Allowed Professional Fees entitled to benefit from the Carve Out, and any lien priorities or superpriority claims granted pursuant to this Final Order to secure payment of the Carve Out shall be limited to any shortfall in funding as provided below.

(d) Application of Carve Out Reserves.

(i) All funds in the Pre-Carve Out Trigger Notice Reserve shall be used first to pay the obligations set forth in subparagraphs (a)(i) through (a)(iii) of the definition of Carve Out set forth above (the "Pre-Carve Out Amounts"), but not, for the avoidance of doubt, the Post-Carve Out Trigger Notice Cap (other than amounts up to $250,000 to the extent the Pre-Carve

Out Amounts exceed the Professional Fee Carve Out Cap), until paid in full. If the Pre-Carve Out Trigger Notice Reserve has not been reduced to zero, subject to clause (iii), below, all remaining funds shall be distributed *first* to the DIP ABL Agent on account of the applicable DIP ABL Obligations until indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable Issuing Bank), and *thereafter* to the Prepetition ABL Secured Parties in accordance with their rights and priorities as of the Petition Date.

(ii) All funds in the Post-Carve Out Trigger Notice Reserve (other than up to $250,000, which may be used to pay Pre-Carve Out Amounts to the extent they exceed the Professional Fee Carve Out Cap) shall be used first to pay the obligations set forth in clause (iv) of the definition of Carve Out set forth above (the "Post-Carve Out Amounts"). If the Post-Carve Out Trigger Notice Reserve has not been reduced to zero, subject to clause (iii), below, all remaining funds shall be distributed *first* to the DIP ABL Agent on account of the applicable DIP ABL Obligations until indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable Issuing Bank), and *thereafter* to the Prepetition ABL Secured Parties in accordance with their rights and priorities as of the Petition Date.

(iii) Notwithstanding anything to the contrary in the DIP ABL Credit Agreement, DIP Term Loan Credit Agreement or this Final Order, if either of the Carve Out Reserves is not funded in full in the amounts set forth in this paragraph (c), then, any excess funds in one of the Carve Out Reserves following the payment of the Pre-Carve Out Amounts and

Post-Carve Out Amounts, respectively, shall be used to fund the other Carve Out Reserve to the extent of any shortfall in funding prior to making any payments to the DIP ABL Agent or the Prepetition ABL Secured Parties, as applicable.

(iv) Notwithstanding anything to the contrary in the DIP ABL Credit Agreement, DIP Term Loan Credit Agreement, or this Final Order, following the third business day after delivery of a Carve Out Trigger Notice, the DIP ABL Agent, the Prepetition ABL Agent, the DIP Term Loan Agent, and the Prepetition Term Loan Administrative Agent shall not sweep or foreclose on cash (including cash received as a result of the sale or other disposition of any assets) of the Debtors until the Carve Out Reserves have been fully funded, but shall have a security interest in any residual interest in the Carve Out Reserves, with any excess paid as provided in paragraphs (ii) and (iii) above.

(v) Notwithstanding anything to the contrary in this Final Order, (i) the failure of the Carve Out Reserves to satisfy in full the Allowed Professional Fees shall not affect the priority of the Carve Out with respect to any shortfall (as described below), and (ii) subject to the limitations with respect to the DIP ABL Agent, DIP ABL Secured Parties, Prepetition ABL Agent and Prepetition ABL Secured Parties set forth in paragraph (b), above, in no way shall any Approved Budget, Carve Out, Post-Carve Out Trigger Notice Cap or Carve Out Reserves be construed as a cap or limitation on the amount of the Allowed Professional Fees due and payable by the Debtors. For the avoidance of doubt and notwithstanding anything to the contrary herein or in the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement, the Carve Out subject to the Professional Fee Carve Out Cap shall be senior to all liens and claims securing the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement, the Prepetition ABL Adequate Protection Liens, the Prepetition Term Loan Adequate Protection Liens, and the

Diminution in Value claims, and any and all other forms of adequate protection, liens, or claims securing the DIP ABL Obligations, DIP Term Loan Obligations, the Prepetition ABL Obligations, or the Prepetition Term Loan Obligations and shall be deemed a true carve out from the Prepetition Term Loan Priority Collateral and not from any property of the Debtors' estates not subject to the Prepetition Term Loan Liens.

(vi) Notwithstanding anything herein to the contrary, the Carve Out in respect of any "Transaction Fees" for Houlihan Lokey will be junior to the Prepetition ABL Obligations and DIP ABL Obligations to the extent secured by the DIP ABL Priority Collateral other than (x) the pro rata share (determined in proportion to the allocation of the "Transaction" proceeds as between the DIP ABL Priority Collateral and the DIP Term Priority Collateral) of any "Sale Transaction Fee" or "Supplemental Sale Transaction Fee" (as each term is defined in the Debtors' engagement letter with Houlihan Lokey) authorized by the Court in respect of a "Sale Transaction" (as defined in such engagement letter) that is a going concern sale (and not a liquidation sale) of the DIP ABL Priority Collateral consented to by DIP ABL Agent or (y) to the extent otherwise agreed in writing by the DIP ABL Agent in its sole discretion.

(e) No Direct Obligation To Pay Allowed Professional Fees. The DIP ABL Agent, DIP Term Loan Agent, DIP ABL Secured Parties and DIP Term Loan Secured Parties shall not be responsible for the payment or reimbursement of any fees or disbursements of any Professional Person incurred in connection with the Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Final Order or otherwise shall be construed to obligate the DIP ABL Agent, DIP Term Loan Agent, DIP ABL Secured Parties and DIP Term Loan Secured Parties, in any way, to pay compensation to, or to reimburse expenses of, any Professional

Person or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement.

(f) Payment of Allowed Professional Fees Prior to the Termination Declaration Date. Any payment or reimbursement made prior to the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall not reduce the Carve Out.

(g) Payment of Carve Out On or After the Termination Declaration Date. Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall permanently reduce the Carve Out on a dollar-for-dollar basis. Any funding of the Carve Out shall be added to, and made a part of, the DIP ABL Obligations or DIP Term Loan Obligations, as applicable, secured by the DIP Collateral and shall be otherwise entitled to the protections granted under the Interim Orders, this Final Order, the DIP ABL Documents, the DIP Term Loan Documents, the Bankruptcy Code, and applicable law.

(h) Reservation of Rights. Nothing herein shall be construed to impair the right or ability of any party to object to the fees, expenses, reimbursement, or other compensation described with respect to these Carve-Out provisions.

39. Limitations on the Use of DIP Proceeds, Cash Collateral and Carve Out. The DIP ABL Credit Facility, the DIP Term Loan Credit Facility, the DIP Collateral, the Prepetition Collateral, the Cash Collateral, and the Carve Out may not be used in connection with: (a) preventing, hindering, or delaying any of the DIP ABL Agent's, the DIP Term Loan Agent's, the DIP ABL Secured Parties', the DIP Term Loan Secured Parties', the Prepetition ABL Secured Parties' or the Prepetition Term Loan Secured Parties' enforcement or realization upon any of the DIP Collateral or Prepetition Collateral; (b) using or seeking to use Cash Collateral without the

consent of the DIP ABL Agent or the DIP Term Loan Agent and the Required DIP Term Loan Lenders; (c) using or seeking to use any insurance proceeds constituting DIP Collateral without the consent of the DIP ABL Agent or the DIP Term Loan Agent and the Required DIP Term Loan Lenders, as applicable, *provided, however* that the Debtors may use or seek to use any insurance proceeds constituting DIP Collateral if the DIP Obligations are repaid in full in accordance with the terms of the DIP Documents; (d) incurring Indebtedness (as defined in the DIP ABL Credit Agreement or the DIP Term Loan Credit Agreement, as applicable) secured by liens senior or *pari passu* to the DIP ABL Liens, the Prepetition ABL Liens, and/or the Prepetition ABL Adequate Protection Liens without the prior consent of the DIP ABL Agent or the DIP Term Loan Agent and the Required DIP Term Loan Lenders, as applicable, except to the extent permitted under the DIP ABL Credit Agreement or DIP Term Loan Credit Agreement, as applicable; (e) seeking to amend or modify any of the rights granted to the DIP ABL Agent, DIP Term Loan Agent, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties under the Interim Orders, this Final Order, the DIP ABL Documents, the DIP Term Loan Documents, the Prepetition ABL Documents or the Prepetition Term Loan Documents, including seeking to use Cash Collateral and/or DIP Collateral on a contested basis; (f) objecting to or challenging in any way the DIP ABL Liens, DIP Term Loan Liens, DIP ABL Obligations, DIP Term Loan Obligations, Prepetition ABL Liens, Prepetition Term Loan Liens, Prepetition ABL Obligations, Prepetition Term Loan Obligations, DIP Collateral (including Cash Collateral) or, as the case may be, Prepetition Collateral, or any other claims or liens, held by or on behalf of any of the DIP ABL Agent, DIP Term Loan Agent, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties, respectively; (g) asserting, commencing or prosecuting

any claims or causes of action whatsoever, including, without limitation, any actions under Chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions to recover or disgorge payments, against any of the DIP ABL Agent, DIP Term Loan Agent, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors and employees; (h) litigating, objecting to, challenging, or contesting in any manner, or raising any defenses to, the validity, extent, amount, perfection, priority, or enforceability of any of the DIP ABL Obligations, DIP Term Loan Obligations, the DIP ABL Liens, DIP Term Loan Liens, Prepetition ABL Liens, Prepetition Term Loan Liens, Prepetition ABL Obligations, Prepetition Term Loan Obligations or any other rights or interests of any of the DIP ABL Agent, DIP Term Loan Agent, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties; or (i) seeking to subordinate, recharacterize, disallow or avoid the DIP ABL Obligations, DIP Term Loan Obligations, Prepetition ABL Obligations or Prepetition Term Loan Obligations; *provided, however*, that the Carve Out and such collateral proceeds and loans under the DIP ABL Documents and DIP Term Loan Documents may be used for allowed fees and expenses, in an amount not to exceed $200,000 in the aggregate, incurred solely by the Creditors' Committee, in investigating (but not prosecuting or challenging) the validity, enforceability, perfection, priority or extent of the Prepetition ABL Liens or Prepetition Term Loan Liens (the "Limited Amount"); provided, however, that nothing herein shall be deemed to limit the Debtors or the Creditors' Committee from taking any actions that they deem to be required in the exercise of their fiduciary obligations. Notwithstanding anything to the contrary in this Final Order, nothing herein shall be deemed to (a) limit the ability of the Creditors' Committee's professionals to be paid from

unencumbered assets for services rendered in the investigation or prosecution of claims against the Prepetition ABL Secured Parties or Prepetition Term Loan Secured Parties; (b) preclude the Court from awarding fees and expenses to the Creditors' Committee professionals pursuant to section 330 of the Bankruptcy Code for such services rendered; nor (c) relieve the Debtors or any plan proponent(s) from paying all allowed administrative expenses in connection with confirmation of any plan.

40. Payment of Compensation. Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any Professional Person or shall affect the right of the DIP ABL Agent, DIP Term Loan Agent, the DIP ABL Secured Parties, the DIP Term Loan Secured Parties, the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties to object to the allowance and payment of such fees and expenses. So long as an unwaived Event of Default or "Event of Default" (as defined in the DIP ABL Credit Agreement) has not occurred, the Debtors shall be permitted to pay fees and expenses allowed and payable by final order of the Court (that has not been vacated or stayed, unless the stay has been vacated) under sections 328, 330, 331, and 363 of the Bankruptcy Code, as the same may be due and payable, as reflected in the most recent Approved Budget provided by the Debtors to the DIP ABL Agent and DIP Term Loan Agent.

41. Effect of Stipulations on Third Parties.

(i) *Generally*. Except as set forth in this Final Order, upon the expiration of the Challenge Period (as defined below) except and solely to the extent a Challenge or Challenge Motion has been interposed, unless and until such Challenge is overruled, settled, or denied by Final Order of the Court, the admissions, stipulations, agreements, releases, and waivers set forth in this Final Order are and shall be deemed effective and binding in all circumstances and

for all purposes on the Debtors, any subsequent trustee, responsible person, examiner with expanded powers, any other estate representative, and all creditors and parties in interest and all of their successors in interest and assigns, including, without limitation, any chapter 7 or chapter 11 trustee or examiner appoint or elected for any of the Debtors and official committee that may be appointed in these cases (each, a "Challenge Party"), unless, and solely to the extent that the Court rules in favor of the Challenge Party in any such timely and properly filed Challenge (as defined herein); *provided, however*, that any releases by the DIP Term Loan Secured Parties and Prepetition Term Loan Secured Parties of the Put Purchasers shall be governed by the Restructuring Support Agreement (as defined in the Plan). For purposes of this paragraph 41: (a) "Challenge" means any claim against any of the Prepetition Term Loan Secured Parties by or on behalf of the Debtors, or to object to or to challenge the stipulations, findings or Debtors' Stipulations set forth herein, including, but not limited to those in relation to: (i) the validity, extent, priority, or perfection of the mortgage, security interests, and liens of any Prepetition Term Loan Secured Party; (ii) the validity, allowability, priority, or amount of the Prepetition Term Loan Obligations; or (iii) any liability of any of the Prepetition Term Loan Secured Parties with respect to anything arising from any of the respective Prepetition Term Loan Documents and the entry into the Put Agreement and Existing Participation Agreement; and (b) "Challenge Period" means sixty (60) days after the entry of the Final ABL Order (or such longer period as the Court orders for cause shown before the expiration of such period or is agreed to by the Prepetition Term Loan Administrative Agent in writing). During the Challenge Period, a Challenge Party shall be entitled to determine whether a basis to assert a Challenge exists. Nothing herein shall be deemed to grant standing in favor of any Challenge Party absent further order of this Court, *provided* that nothing herein shall limit any party in interests rights, if any, to object to any claims pursuant to section

502(a) of the Bankruptcy Code until the expiration of the Challenge Period Termination Date, nor limit the rights of any other parties to contest any such claims asserted pursuant to section 502(a). Notwithstanding anything to the contrary in this Final Order, the Debtors, if timely notified of a potential Challenge (a "Challenge Notice"), shall retain authority to prosecute, settle, or compromise such Challenge in the exercise of their business judgment and subject to any applicable further order of court. Nothing herein shall limit the Creditors' Committee's ability to (x) file a motion in respect of any timely Challenge Notice (a "Challenge Motion"), provided that such Challenge Motion is filed before the Challenge Period Termination Date (or such later date as may be agreed upon among the applicable Debtor(s) and the applicable parties subject to such Challenge Notice) and such Challenge Motion is in respect of a Challenge for which it cannot obtain standing, but meets the standard applicable to pursue such matters for the applicable Debtor(s) derivatively assuming the applicable Debtor were not a limited liability company, and (y) seek pursuant to that Challenge Motion a mechanism by which to prosecute such Challenge described in such Challenge Notice. In the event the Creditors' Committee files a Challenge Motion for which it cannot obtain standing, the expiration of the Challenge Period solely for the specific Challenge set forth in the Challenge Motion shall be tolled pending further order of the Court, and applicable parties shall meet and confer with respect to an appropriate process for the prosecution of any such Challenge.

(ii) *Binding Effect.* Upon the expiration of the Challenge Period (the "Challenge Period Termination Date"), without the filing of a Challenge or Challenge Motion, or, upon the filing of a Challenge or Challenge Motion, a Final Order of the Court overruling, settling, or denying the Challenge: (A) any and all such Challenges and objections by any party (including, without limitation, the Creditors' Committee, any Chapter 11 trustee, and/or any examiner or other

estate representative appointed in these Cases, and any Chapter 7 trustee and/or examiner or other estate representative appointed in any Successor Case), shall be deemed to be forever waived, released and barred, (B) all matters not subject to the Challenge, findings, Debtors' Stipulations, waivers, releases, affirmations and other stipulations as to the priority, extent, and validity as to each Prepetition Term Loan Secured Parties' claims, liens, interests, and validity of the Prepetition Term Loan Obligations shall be of full force and effect and forever binding upon the Debtors, the Debtors' bankruptcy estates and all creditors, interest holders, and other parties in interest in these Cases and any Successor Cases; and (C) any and all claims or causes of action against (i) any of the Prepetition Term Loan Secured Parties shall be forever waived and released by the Debtors' estates, all creditors, interest holders and other parties in interest in these Cases and any Successor Cases.

42. No Third Party Rights/No Superior Rights of Reclamation. Except as explicitly provided for herein, this Final Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary. Based on the findings and rulings herein concerning the integrated nature of the DIP Term Loan Credit Agreement and the Prepetition Term Loan Credit Facility and the relation back of the DIP Term Loan Liens, in no event shall any alleged right of reclamation or return (whether asserted under Section 546(c) of the Bankruptcy Code or otherwise) be deemed to have priority over the DIP Term Loan Liens.

43. Section 506(c) Claims. The Debtors have waived the right (and the Professional Persons have waived any derivative rights) to charge any expense of administration of the Cases, and Successor Cases, or any future proceeding that may result therefrom, and no costs or expenses of administration which have been or may be incurred in the Cases at any time

shall be charged against the DIP Agents, DIP Lenders, DIP Obligations, the Prepetition Secured Parties, the Prepetition Secured Obligations, or any of their respective claims, the DIP Collateral, or the Prepetition Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code, or otherwise, without the prior written consent, as applicable, of the DIP Agents, DIP Lenders, and Prepetition Secured Parties, as applicable, and no such consent shall be implied from any other action, inaction, or acquiescence by any such agents or lenders. For the avoidance of doubt, notwithstanding anything to the contrary in the Final ABL Order, this paragraph 43 shall be binding upon, and adhere to the benefit of, the DIP ABL Secured Parties and Prepetition ABL Secured Parties.

44. No Marshaling/Applications of Proceeds. Except as otherwise set forth in paragraph 7, the DIP Term Loan Agent, DIP Term Loan Secured Parties, and Prepetition Term Loan Secured Parties shall not be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral or the Prepetition Collateral, as the case may be, and proceeds shall be received and applied pursuant to this Final Order, including, for the avoidance of doubt, in accordance with paragraph 23 hereof, and the DIP Term Loan Documents notwithstanding any other agreement or provision to the contrary.

45. Section 552(b). The Prepetition Term Loan Secured Parties are each entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to the Prepetition Term Loan Secured Parties, with respect to proceeds, product, offspring or profits of any of the Prepetition Collateral.

46. Access to DIP Collateral. Without limiting any other rights or remedies of the DIP Term Loan Agent, and subject to and consistent with any applicable rights that a landlord

may have under applicable nonbankruptcy law (except to the extent that such rights are modified by the Court upon a separate motion with notice to the applicable landlords of the leased premises and an opportunity for such landlords to respond and be heard), upon not less than three (3) Business Days' written notice to the landlord of any leased premises that an Event of Default or a Termination Date has occurred and is continuing, the DIP ABL Agent or DIP Term Loan Agent, as applicable, subject to the applicable notice provisions if any, in this Final Order, the Canadian Recognition Orders, and any separate applicable agreement by and between such landlord and the DIP ABL Agent or DIP Term Loan Agent may obtain access to Collateral subject to the following conditions: unless otherwise approved by landlord, (i) any such notice to landlord shall specifically identify any Collateral to be accessed and provide details of any removal actions; (ii) any access or removal actions shall be subject to reasonable rules and restrictions by landlord and shall not unreasonably interfere with the conduct of business at the leased premises; and (iii) any party accessing the leased premises shall pay the rent and operating expenses currently in effect on a per diem basis and such occupancy period shall not extend past 30 days without prior landlord approval, *provided, however*, that nothing in this Final Order shall be deemed to grant the DIP ABL Agent or DIP Term Loan Agent an assignment of the Debtors' rights under the lease or a waiver of any provisions under the lease or applicable non-bankruptcy law relating to notice or foreclosure, all of which are preserved in favor of the landlord and not waived or altered by this Final Order. Nothing herein shall require the DIP ABL Agent or DIP Term Loan Agent to assume any lease as a condition to the rights afforded in this paragraph.

47. Exculpation. Nothing in the Interim Orders, this Final Order, the DIP Term Loan Documents, the existing agreements, or any other documents related to the transactions contemplated hereby shall in any way be construed or interpreted to impose or allow the imposition

upon any DIP Term Loan Secured Party any liability for any claims arising from the postpetition activities of the DIP Parties, including in the operation of their businesses, or in connection with their restructuring efforts and administration of these Cases. In addition, (a) the DIP Term Loan Secured Parties shall not, in any way or manner, be liable or responsible for: (i) the safekeeping of the DIP Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any Diminution in Value thereof, or (iv) any act or default of any carrier, servicer, bailee, custodian, forwarding agency, or other person, and (b) all risk of loss, damage, or destruction of the DIP Collateral shall be borne by the DIP Parties.

48. Limits on Lender Liability. The DIP Term Loan Secured Parties and the Prepetition Term Loan Secured Parties, each in their capacities as such, solely by reason of entering into the DIP Term Loan Credit Facility and taking the actions permitted under the DIP Term Loan Documents, the Interim Orders and this Final Order, shall not be deemed in control of the operations of the Debtors or to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors, so long as the DIP Term Loan Secured Parties' other actions do not otherwise constitute, within the meaning of 42 U.S.C. § 9601(20)(F), actual participation in the management or operational affairs of a vessel or facility owned or operated by a Debtor, or otherwise cause liability to arise to the federal or state Government or the status of responsible person or managing agent to exist under applicable law (as such terms, or any similar terms, are used in the Internal Revenue Code, WARN Act, the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, as amended, or any similar federal or state statute).

49. Joint and Several Liability. Nothing in the Interim Orders or this Final Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, it

being understood, however, that the Borrowers and the DIP Term Loan Guarantors shall be jointly and severally liable for the obligations hereunder and all DIP Term Loan Obligations in accordance with the terms hereof and of the DIP Term Loan Credit Facility and the DIP Term Loan Documents.

50. Rights Preserved. Notwithstanding anything in the Interim Orders or this Final Order to the contrary, the entry of the Interim Orders and this Final Order are without prejudice to, and do not constitute a waiver of, expressly or implicitly: (a) the DIP Term Loan Secured Parties' and Prepetition Term Loan Secured Parties' right to seek any other or supplemental relief in respect of the Debtors; (b) any of the rights of any of the DIP Term Loan Agent, DIP Term Loan Secured Parties and Prepetition Term Loan Secured Parties under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Cases or Successor Cases, conversion of any of the Cases to cases under Chapter 7, or appointment of a Chapter 11 trustee or examiner with expanded powers, or (iii) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a Chapter 11 plan or plans; or (c) subject to the DIP Intercreditor Agreement, any other rights, claims or privileges (whether legal, equitable or otherwise) of any of the DIP Term Loan Secured Parties, or Prepetition Term Loan Secured Parties. Notwithstanding anything herein to the contrary, the entry of this Final Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, the Debtors', the Creditors' Committee's, or any party in interest's right to oppose any of the relief requested in accordance with the immediately preceding sentence except as expressly set forth in this Final Order.

51. No Waiver by Failure to Seek Relief. The failure of the DIP Term Loan Secured Parties, or Prepetition Term Loan Secured Parties to seek relief or otherwise exercise their

rights and remedies under this Final Order, the DIP Term Loan Documents, the Prepetition Term Loan Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Term Loan Secured Parties, Prepetition Term Loan Secured Parties, Creditors' Committee, or any party in interest.

52. Binding Effect of Interim Orders and Final Order. Immediately upon execution by this Court, the terms and provisions of the Interim Orders became valid and binding and the terms and provisions of this Final Order shall become valid and binding (in which any conflict shall be construed in favor of this Final Order) upon and inure to the benefit of the Debtors, DIP ABL Agent, DIP Term Loan Agent, DIP ABL Secured Parties, DIP Term Loan Secured Parties, the DIP ABL Obligations, the DIP Term Loan Obligations, the Prepetition ABL Secured Parties, the Prepetition ABL Obligations, Prepetition Term Loan Secured Parties, the Prepetition Term Loan Secured Obligations, all other creditors of any of the Debtors, the Creditors' Committee (or any other court appointed committee) appointed in the Cases, and all other parties-in-interest and their respective successors and assigns, including any trustee or other fiduciary hereafter appointed in any of the Cases, any Successor Cases, or upon dismissal of any Case or Successor Case.

53. No Modification of Final Order. Until and unless the DIP Term Loan Obligations and the Prepetition Term Loan Obligations have been indefeasibly paid in full in cash, and all commitments to extend credit under the DIP Term Loan Credit Facility have been terminated, the Debtors irrevocably waive the right to seek and shall not seek or consent to, directly or indirectly: (a) without the prior written consent of the DIP Term Loan Secured Parties (or the Prepetition Term Loan Administrative Agent acting at the direction of the "Required Lenders" (as defined in the Prepetition Term Loan Credit Agreement)), (i) any material modification, stay, vacatur or amendment to this Final Order; or (ii) a priority claim for any administrative expense

or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation any administrative expense of the kind specified in sections 503(b), 506(c), 507(a), or 507(b) of the Bankruptcy Code) in any of the Cases or Successor Cases, equal or superior to the DIP Term Loan Superpriority Claims or Prepetition Term Loan Superpriority Claims, other than the Carve Out; (b) without the prior written consent of the DIP Term Loan Agent (or the Prepetition Term Loan Administrative Agent acting at the direction of the "Required Lenders" (as defined in the Prepetition Term Loan Credit Agreement)) any order allowing use of Cash Collateral (other than as permitted during the Remedies Notice Period) resulting from DIP Collateral or Prepetition Collateral; (c) without the prior written consent of the DIP Term Loan Agent, any lien on any of the DIP Collateral with priority equal or superior to the DIP Term Loan Liens, except as specifically provided in the DIP Term Loan Documents; or (d) without the prior written consent of the Prepetition Term Loan Administrative Agent (acting at the direction of the "Required Lenders" (as defined in the Prepetition Term Loan Credit Agreement)), any lien on any of the DIP Collateral with priority equal or superior to the Prepetition Term Loan Liens or Prepetition Term Loan Adequate Protection Liens, except as specifically provided in the DIP Term Loan Documents. The Debtors irrevocably waive any right to seek any amendment, modification or extension of this Final Order without the prior written consent, as provided in the foregoing, of the DIP Term Loan Agent (or the Prepetition Term Loan Administrative Agent (acting at the direction of the "Required Lenders" as defined in the Prepetition Term Loan Credit Agreement)), and no such consent shall be implied by any other action, inaction or acquiescence of the DIP Term Loan Agent or the Prepetition Term Loan Administrative Agent.

54. Continuing Effect of DIP Intercreditor Agreement. The Debtors, DIP ABL Agent, DIP Term Loan Agent, DIP ABL Secured Parties, DIP Term Loan Secured Parties, Prepetition ABL Secured Parties and Prepetition Term Loan Secured Parties each shall be bound by, and in all respects of the DIP ABL Credit Facility and DIP Term Loan Credit Facility shall be governed by, and be subject to all the terms, provisions, and restrictions of the DIP Intercreditor Agreement, except as may be expressly modified by this Final Order.

55. Final Order Controls. In the event of any inconsistency between the terms and conditions of the Interim Orders and of this Final Order or the DIP Term Loan Documents and of this Final Order, the provisions of this Final Order shall govern and control. In the event of any inconsistency between the terms and conditions of any other order regarding any postpetition financing or use of cash collateral, the provisions of this Final Order shall govern and control to the extent such terms and conditions relate to the (i) Prepetition Term Loan Credit Facility, Prepetition Term Loan Secured Parties, Prepetition Term Loan Obligations, Prepetition Term Loan Documents, Prepetition Collateral, Prepetition Term Loan Liens, Prepetition Term Loan Priority Collateral, Prepetition Term Loan Superpriority Claims, Prepetition Term Loan Adequate Protection Payments, Prepetition Term Loan Adequate Protection Liens, DIP Term Loan Credit Facility, DIP Term Loan Secured Parties, DIP Term Loan Obligations, DIP Term Loan Documents, DIP Term Loan Collateral, DIP Term Loan Liens, DIP Term Loan Priority Collateral, or DIP Term Loan Superpriority Claims, and (ii) the Prepetition ABL Secured Parties and DIP ABL Secured Parties but only with respect to the waiver of 506(c) as set forth in this Final Order. Notwithstanding anything to the contrary in the Interim Orders, upon entry of this Final Order, any modifications by the Interim Orders to the DIP Term Loan Documents shall be superseded by this Final Order and such modifications shall no longer have any effect.

56. Discharge. The DIP Term Loan Obligations and the obligations of the Debtors with respect to the adequate protection provided herein shall not be discharged by the entry of an order confirming any plan of reorganization in any of the Cases, notwithstanding the provisions of section 1141(d) of the Bankruptcy Code, unless such obligations have been indefeasibly paid in full in cash, on or before the effective date of such confirmed plan of reorganization, or each of the DIP Term Loan Agent, DIP Term Loan Secured Parties and Prepetition Term Loan Administrative Agent, as applicable, has otherwise agreed in writing. None of the Debtors shall propose or support any plan of reorganization or sale of all or substantially all of the Debtors' assets, or order confirming such plan or approving such sale, that is not conditioned upon the indefeasible payment of the DIP Term Loan Obligations, and the payment of the Debtors' obligations with respect to the adequate protection provided for herein, in full in cash within a commercially reasonable period of time (and in no event later than the effective date of such plan of reorganization or sale) (a "Prohibited Plan or Sale") without the written consent of the DIP Term Loan Agent and the Prepetition Term Loan Administrative Agent, as applicable. For the avoidance of doubt, the Debtors' proposal or support of a Prohibited Plan or Sale, or the entry of an order with respect thereto, shall constitute an Event of Default hereunder and under the DIP Term Loan Documents.

57. Survival. The provisions of the Interim Orders, this Final Order, and any actions taken pursuant thereto and hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Cases; (b) converting any of the Cases to a case under Chapter 7 of the Bankruptcy Code; (c) dismissing any of the Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Cases or Successor Cases. The terms and provisions of the Interim Orders and this Final Order, including the claims,

liens, security interests, and other protections granted to the DIP Term Loan Agent, DIP Term Loan Secured Parties, and the Prepetition Term Loan Secured Parties granted pursuant to the Interim Orders, this Final Order and/or the DIP Term Loan Documents, shall continue in the Cases, in any Successor Cases, or following dismissal of the Cases or any Successor Cases, and shall maintain their priority as provided by the Interim Orders and this Final Order until: (i) in respect of the DIP Term Loan Credit Facility, all the DIP Term Loan Obligations, pursuant to the DIP Term Loan Documents, the Interim Orders and this Final Order, have been indefeasibly paid in full in cash or otherwise satisfied to the satisfaction of the DIP Term Loan Secured Parties; and (ii) in respect of the Prepetition Term Loan Credit Agreement, all of the Prepetition Term Loan Obligations pursuant to the Prepetition Term Loan Documents, the Interim Orders and this Final Order have been indefeasibly paid in full in cash or otherwise satisfied to the satisfaction of the Prepetition Term Loan Secured Parties. The terms and provisions concerning the indemnification of the DIP Term Loan Agent and DIP Term Loan Secured Parties shall continue in the Cases, in any Successor Cases, following dismissal of the Cases or any Successor Cases, following termination of the DIP Term Loan Documents and/or the indefeasible repayment of the DIP Term Loan Obligations.

58. Dallas County, Texas Ad Valorem Taxes. Notwithstanding any other provisions of this Final Order, any valid liens currently held by Dallas County shall neither be primed by nor subordinated to any liens granted hereby. Subject to further order of this Court, up to a maximum of $380,000 of proceeds of the sales of assets located in the state of Texas that are subject to a lien held by Dallas County shall be deposited in a segregated account as adequate protection for the secured claims of Dallas County prior to the distribution of any such proceeds to any other creditor; *provided* that the segregated amount shall be reduced if the actual or estimated taxes are less than $380,000 at the time of any such sale; and provided further that such

amount up to $380,000 shall be funded first from DIP Term Priority Collateral located in the state of Texas. Any valid liens of Dallas County shall attach to these proceeds to the same extent and with the same priority as such liens currently attach to the applicable property of the Debtors. These funds shall be in the nature of adequate protection and shall constitute neither the allowance of the claims of Dallas County, nor a cap on the amounts it may be entitled to receive. The claims and liens of Dallas County shall remain subject to any objections made by any party (including the Debtors) who would otherwise be entitled to raise any objection as to, among other things, the claim amount or the priority, validity, or extent of such liens. These segregated proceeds may be distributed upon agreement among Dallas County, the Debtors, the DIP ABL Secured Parties and the DIP Term Loan Secured Parties, or upon order of the Court with notice to Dallas County. Nothing in this Final Order shall be deemed an admission as to the validity of any claim of Dallas County against a Debtor entity.

59. Canadian Intercompany Superpriority Administrative Claims. The Canadian Intercompany Superpriority Administrative Claims shall be subject to the Carve Out and shall otherwise be junior only to: (a) with respect to the DIP ABL Priority Collateral (1) Permitted Prior Liens; (2) the DIP ABL Liens; (3) the Prepetition ABL Liens; and (4) the Prepetition ABL Adequate Protection Liens; and (b) with respect to the DIP Term Loan Priority Collateral (1) Permitted Prior Liens; (2) the DIP Term Loan Liens; (3) the Prepetition Term Loan Liens; (4) the Prepetition Term Loan Adequate Protection Liens; (5) the DIP ABL Liens; (6) the Prepetition ABL Liens; and (7) the Prepetition ABL Adequate Protection Liens; and shall otherwise be senior to all other security interests in, liens on, or claims against any of the Debtors' assets.

60. Necessary Action. The Debtors are authorized to take any and all such actions as are necessary or appropriate to implement the terms of the Interim Orders and this Final Order.

61. Bankruptcy Rules. The requirements of Bankruptcy Rules 4001, 6003, and 6004, in each case to the extent applicable, are satisfied by the contents of the DIP Motion.

62. Nunc Pro Tunc Effect of this Final Order. This Final Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be enforceable *nunc pro tunc* to the Petition Date immediately upon execution hereof.

63. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, or 9014 of the Bankruptcy Rules, or any local bankruptcy rules, or Rule 62(a) of the Federal Rules of Civil Procedure, this Final Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Final Order.

64. The Debtors shall within two (2) business days of its entry serve copies of this Final Order to the parties having been given notice of the Final Hearing and to any party that has filed a request for notices with this Court.

Dated: New York, New York
July 19, 2019

/s/ Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Budget

DREAM II HOLDINGS
CASH FORECAST - WEEKLY

CONSOLIDATED - USD		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
Week #	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		18
Week Start Date	5/13/19	5/20/19	5/27/19	6/3/19	6/10/19	6/17/19	6/24/19	7/1/19	7/8/19	7/15/19	7/22/19	7/29/19	8/5/19	8/12/19	8/19/19	8/26/19	9/2/19	9/9/19	TOTAL	9/16/19
Week End Date	5/17/19	5/24/19	5/31/19	6/7/19	6/14/19	6/21/19	6/28/19	7/5/19	7/12/19	7/19/19	7/26/19	8/2/19	8/9/19	8/16/19	8/23/19	8/30/19	9/6/19	9/13/19	17 WEEKS	9/20/19
RECEIPTS:																				
Customer Accounts Receivable Collection		$ 6,395	$ 6,880	$ 11,360	$ 8,271	$ 7,448	$ 7,135	$ 6,826	$ 7,901	$ 8,575	$ 9,462	$ 7,968	$ 8,026	$ 11,789	$ 10,999	$ 9,328	$ 9,611	$ 9,598	$ 147,573	
TOTAL CASH RECEIPTS	$ -	$ 6,395	$ 6,880	$ 11,360	$ 8,271	$ 7,448	$ 7,135	$ 6,826	$ 7,901	$ 8,575	$ 9,462	$ 7,968	$ 8,026	$ 11,789	$ 10,999	$ 9,328	$ 9,611	$ 9,598	$ 147,573	
DISBURSEMENTS:																				
Material Purchases																				
Material Purchases		$ 2,293	$ 2,503	$ 4,034	$ 7,069	$ 10,331	$ 6,377	$ 2,460	$ 5,251	$ 4,300	$ 5,148	$ 5,142	$ 4,231	$ 4,104	$ 4,312	$ 4,721	$ 3,192	$ 5,105	$ 80,574	
Critical Vendor Payments		913	97	363	1,078	500	340	309	340	-	148	250	-	-	-	-	-	-	4,338	
503(b)(9) Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$ 5,081
Material Purchases Subtotal	$ -	$ 3,207	$ 2,600	$ 4,397	$ 8,147	$ 10,831	$ 6,717	$ 2,769	$ 5,591	$ 4,300	$ 5,296	$ 5,392	$ 4,231	$ 4,104	$ 4,312	$ 4,721	$ 3,192	$ 5,105	$ 84,912	
Other A/P																				
Other A/P		$ 419	$ 766	$ 570	$ 1,164	$ 1,530	$ 2,228	$ 778	$ 1,174	$ 2,327	$ 2,685	$ 2,685	$ 2,685	$ 2,685	$ 1,935	$ 1,935	$ 1,935	$ 4,935	$ 32,433	
Pre-Closing Plant Consolidation Initiatives		-	-	-	-	-	-	-	-	35	60	64	66	103	431	64	40	247	1,111	
IT Migration & Plant Equipment Deposits		-	-	-	-	-	-	-	-	-	233	192	-	-	-	-	-	-	425	
Utility Deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contingency/Cure Payments		-	-	-	-	-	-	-	-	-	83	-	83	-	-	-	83	-	250	$ 2,000
Other A/P Subtotal	$ -	$ 419	$ 766	$ 570	$ 1,164	$ 1,530	$ 2,228	$ 778	$ 1,174	$ 2,363	$ 3,061	$ 2,940	$ 2,834	$ 2,788	$ 2,366	$ 1,999	$ 2,058	$ 5,181	$ 34,219	
Rent																				
Current Rent		$ 129	$ -	$ 929	$ 292	$ -	$ (0)	$ 1,272	$ -	$ -	$ -	$ 1,471	$ -	$ -	$ -	$ -	$ 1,471	$ -	$ 5,565	
Stub & Cure Rent		-	-	-	-	342	91	-	-	-	-	-	-	-	-	-	-	-	433	745
Rent Sub-Total	$ -	$ 129	$ -	$ 929	$ 292	$ 342	$ 91	$ 1,272	$ -	$ -	$ -	$ 1,471	$ -	$ -	$ -	$ -	$ 1,471	$ -	$ 5,998	
Royalty																				
Royalty Payments		$ -	$ -	$ -	$ 1,595		$ -	$ -	$ 1,595	$ -	$ 84	$ 809	$ -	$ 84	$ -	$ -	$ -	$ 1,070	$ 5,238	
Royalty Sub-Total	$ -	$ -	$ -	$ -	$ 1,595	$ -	$ -	$ -	$ 1,595	$ -	$ 84	$ 809	$ -	$ 84	$ -	$ -	$ -	$ 1,070	$ 5,238	
Payroll																				
Ordinary Course Payroll		$ 1,150	$ 1,868	$ 1,243	$ 1,896	$ 1,117	$ 1,882	$ 1,201	$ 1,825	$ 1,243	$ 1,890	$ 1,243	$ 1,890	$ 1,243	$ 1,890	$ 1,243	$ 1,890	$ 1,243	$ 25,957	
Severance Payments		7	27	4	23	3	-	-	-	-	-	-	-	-	-	-	-	-	64	
Board Fees		-	-	8	-	-	-	8	-	-	-	8	-	-	-	-	8	-	33	
KEIP / KERP		-	-	-	-	-	-	-	-	-	-	-	-	-	125	125	125	125	500	
Payroll Sub-Total	$ -	$ 1,156	$ 1,894	$ 1,255	$ 1,919	$ 1,120	$ 1,882	$ 1,210	$ 1,825	$ 1,243	$ 1,890	$ 1,251	$ 1,890	$ 1,243	$ 2,015	$ 1,368	$ 2,023	$ 1,368	$ 26,554	
Restructuring Costs																				
Restructuring Costs		$ -	$ 1,580	$ -	$ -	$ 182	$ 404	$ 585	$ 435	$ 119	$ 994	$ 2,330	$ 469	$ 1,105	$ 927	$ 384	$ -	$ 6,047		
D&O Tail		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150	$ 3,187	$ 1,500
Restructuring Costs Sub-Total	$ -	$ -	$ 1,580	$ -	$ -	$ 182	$ 404	$ 585	$ 435	$ 119	$ 994	$ 2,330	$ 469	$ 1,105	$ 927	$ 384	$ -	$ 6,197	$ 150	
Interest & Financing Payments																			$ 15,711	
Pre-Petition ABL Interest		$ -	$ -	$ -	$ -	$ -	$ -	$ 247	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 247	
ABL DIP Interest & Fees		1,350	8	-	-	-	(1)	290	-	-	-	311	-	-	-	-	311	128	2,398	
Term DIP Interest & Fees		825	-	-	-	-	148	-	-	-	-	151	-	-	-	1,500	169	71	2,864	
Interest Payments Sub-Total	$ -	$ 2,175	$ 8	$ -	$ -	$ -	$ 147	$ 537	$ -	$ -	$ -	$ 462	$ -	$ -	$ -	$ 1,500	$ 480	$ 199	$ 5,509	
TOTAL DISBURSEMENTS	$ -	$ 7,086	$ 6,849	$ 7,153	$ 13,117	$ 14,005	$ 11,469	$ 7,151	$ 10,820	$ 8,025	$ 11,324	$ 14,657	$ 9,423	$ 9,324	$ 9,620	$ 9,972	$ 9,226	$ 19,121	$ 176,142	
TOTAL NET OPERATING CASH FLOW	$ -	$ (691)	$ 31	$ 4,208	$ (4,846)	$ (6,557)	$ (4,333)	$ (325)	$ (2,720)	$ 550	$ (1,863)	$ (6,689)	$ (1,397)	$ 2,466	$ 1,379	$ (643)	$ 386	$ (9,523)	$ (30,569)	

DREAM II HOLDINGS
CASH FORECAST - WEEKLY

CONSOLIDATED - USD		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
Week #	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		18
Week Start Date	5/13/19	5/20/19	5/27/19	6/3/19	6/10/19	6/17/19	6/24/19	7/1/19	7/8/19	7/15/19	7/22/19	7/29/19	8/5/19	8/12/19	8/19/19	8/26/19	9/2/19	9/9/19	TOTAL	9/16/19
Week End Date	5/17/19	5/24/19	5/31/19	6/7/19	6/14/19	6/21/19	6/28/19	7/5/19	7/12/19	7/19/19	7/26/19	8/2/19	8/9/19	8/16/19	8/23/19	8/30/19	9/6/19	9/13/19	17 WEEKS	9/20/19
CASH BALANCE & AVAILABILITY																				
Operating Cash Balance																				
Beginning Cash Balance		523	472	516	736	643	738	850	890	698	698	698	698	698	698	698	698	698	523	
Net Operating Cash Flow		(691)	31	4,208	(4,846)	(6,557)	(4,333)	(325)	(2,720)	550	(1,863)	(6,889)	(1,397)	2,465	1,379	(643)	386	(9,523)	(30,569)	
Term DIP Cash Disbursement		825	3,000	-	-	300	8,000	2,500	1,050	1,350	-	2,207	744	-	879	1,145	-	6,000	28,000	
ABL Draw/(Repayment) / Timing		(186)	(2,986)	(3,988)	4,753	6,352	(3,554)	(2,135)	1,478	(1,900)	1,863	4,482	653	(2,465)	(2,258)	(501)	(386)	3,523	2,744	
Net Operating Cash On Hand		472	516	736	643	738	850	890	698	698	698	698	698	698	698	698	698	698	698	
Term DIP Cash Balance																				
Beginning Balance		15,000	14,175	11,175	11,175	11,175	10,875	2,875	375	2,525	1,175	4,975	2,768	2,024	2,024	1,145	-	-	-	
Term DIP Draws	15,000	-	-	-	-	-	-	-	3,200	-	3,800	-	-	-	-	-	-	6,000	28,000	
Disbursements		(825)	(3,000)	-	-	(300)	(8,000)	(2,500)	(1,050)	(1,350)	-	(2,207)	(744)	-	(879)	(1,145)	-	(6,000)	(28,000)	
Term DIP Cash Ending Balance	15,000	14,175	11,175	11,175	11,175	10,875	2,875	375	2,525	1,175	4,975	2,768	2,024	2,024	1,145	-	-	-	-	
Total Cash Balance		14,647	11,692	11,912	11,819	11,613	3,726	1,265	3,223	1,873	5,673	3,466	2,722	2,722	1,843	698	698	698	698	
Professional Fees Carve Out Balance																				
Beginning Balance		-	2,608	3,626	3,860	4,342	5,017	5,366	5,257	5,717	6,310	6,728	6,213	6,417	5,885	5,530	5,719	6,012	-	
Funding/Disbursement		2,608	1,019	233	483	675	349	(109)	460	593	418	(515)	204	(532)	(355)	189	293	(6,012)	-	
Professional Fees Carve Out Ending Balance		2,608	3,626	3,860	4,342	5,017	5,366	5,257	5,717	6,310	6,728	6,213	6,417	5,885	5,530	5,719	6,012	-	-	
ABL Availability																				
ABL Total Borrowing Base After Reserves		66,671	70,449	70,682	68,158	64,072	63,182	62,858	64,417	64,856	64,434	64,570	65,427	62,762	60,566	60,346	59,437	58,249	58,249	
ABL Balance		(45,104)	(42,219)	(37,800)	(42,188)	(47,864)	(44,676)	(41,715)	(43,932)	(42,032)	(43,895)	(48,377)	(49,030)	(46,565)	(44,306)	(43,805)	(43,419)	(46,943)	(46,943)	
L/C Balance		(5,136)	(5,136)	(5,136)	(5,136)	(5,136)	(5,136)	(5,136)	(5,136)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	
Professional Fee Carve Out (Week Delay)		(2,608)	(3,626)	(3,860)	(4,342)	(5,017)	(5,366)	(5,257)	(5,717)	(6,310)	(6,728)	(6,213)	(6,417)	(5,885)	(5,530)	(5,719)	(6,012)	-	-	
Total Availability		13,823	19,467	23,886	14,492	6,055	8,003	10,750	9,632	11,534	8,832	5,000	5,000	5,333	5,750	5,842	5,025	6,327	6,327	
Net Cash on Hand + Availability		28,469	31,159	35,798	26,310	17,668	11,728	12,015	12,855	13,407	14,505	8,466	7,722	8,055	7,593	6,539	5,723	7,024	7,024	
Pre-Petition ABL Balance																				
Pre-Petition ABL Beginning Balance	61,648	46,648	39,654	33,291	22,116	13,503	6,125	756	-	-	-	-	-	-	-	-	-	-	$ 61,648	
Draws	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repayments	-	(6,993)	(6,363)	(11,176)	(8,613)	(7,378)	(5,369)	(756)	-	-	-	-	-	-	-	-	-	-	(46,648)	
Balance Transfer	(15,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,000)	
Pre-Petition ABL Ending Balance	46,648	39,654	33,291	22,116	13,503	6,125	756	-	-	-	-	-	-	-	-	-	-	-	-	
ABL DIP Balance																				
ABL DIP Beginning Balance	-	-	5,450	8,928	15,685	28,685	41,738	43,920	41,715	43,932	42,032	43,895	48,377	49,030	46,565	44,306	43,805	43,419	$ -	
Draws	-	5,450	3,478	6,757	13,000	13,053	3,421	3,937	10,151	6,675	11,324	12,450	8,680	9,324	8,741	8,827	9,226	13,121	147,814	
Repayments	-	-	-	-	-	-	(1,239)	(6,143)	(7,934)	(8,575)	(9,462)	(7,968)	(8,026)	(11,789)	(10,999)	(9,328)	(9,611)	(9,598)	(100,672)	
ABL DIP Ending Balance	-	5,450	8,928	15,685	28,685	41,738	43,920	41,715	43,932	42,032	43,895	48,377	49,030	46,565	44,306	43,805	43,419	46,943	46,943	
Total Wells ABL/ABL DIP Balance	46,648	45,104	42,219	37,800	42,188	47,864	44,676	41,715	43,932	42,032	43,895	48,377	49,030	46,565	44,306	43,805	43,419	46,943	46,943	
Term DIP Balance																				
DIP Beginning Balance	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	18,200	18,200	22,000	22,000	22,000	22,000	22,000	22,000	22,000	$ -	
Draws	15,000	-	-	-	-	-	-	-	3,200	-	3,800	-	-	-	-	-	-	6,000	28,000	
Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
DIP Ending Balance	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	18,200	18,200	22,000	22,000	22,000	22,000	22,000	22,000	22,000	28,000	28,000	
Sentinel ABL																				
Sentinel ABL Beginning Balance	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	$ -	
Balance Transfer	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000	
Sentinel ABL Ending Balance	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, C. C-36, AS AMENDED Court File No: CV-19-620484-00CL

AND IN THE MATTER OF HOLLANDER SLEEP PRODUCTS, LLC, HOLLANDER SLEEP PRODUCTS CANADA LIMITED, DREAM II HOLDINGS, LLC, HOLLANDER HOME FASHIONS HOLDINGS, LLC, PACIFIC COAST FEATHER, LLC, HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC AND PACIFIC COAST FEATHER CUSHION, LLC

APPLICATION OF HOLLANDER SLEEP PRODUCTS, LLC UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

RECOGNITION ORDER
(August 6, 2019)

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