

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

APPLICANT

MOTION RECORD

September 6, 2019

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**ONTARIO
SUPERIOR COURT OF JUSTICE
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TAB 1

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

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

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APPLICANT

**NOTICE OF MOTION
(Motion for Recognition of Certain Orders of the U.S. Court)
(Returnable September 11, 2019)**

Hollander Sleep Products, LLC (the “**Foreign Representative**”), in its capacity as a foreign representative of itself as well as Dream II Holdings, LLC, Hollander Sleep Products Canada Limited (“**Hollander Canada**”), 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**”), will make a motion to the Ontario Superior Court of Justice (Commercial List) on September 11, 2019 at 10:00 AM, or as soon thereafter as the motion can be heard at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached hereto as Schedule “A”:
 - (a) recognizing and enforcing pursuant to section 49 of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended (the “**CCAA**”) the terms of the following orders recently entered by the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”):
 - (i) the RSA Order,
 - (ii) the Confirmation Order,
 - (iii) DIP Term Loan Amendment Order (all as defined below);
 - (b) such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:*The Chapter 11 Proceedings and the Canadian Proceedings*

2. On May 19, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Chapter 11 Cases**”) with the U.S. Court.
3. Concurrent with or shortly after the filing of the Petitions, the Chapter 11 Debtors also filed several “first day” motions (the “**First Day Motions**”) with the U.S. Court and, on May 21, 2019 and June 3, 2019, the U.S. Court heard the First Day Motions, with certain “second day” motions (the “**Second Day Motions**”) to be heard at a later date.
4. On May 22 and 23, 2019, the U.S. Court entered interim and/or final orders (the “**First Day Orders**”) in respect of the First Day Motions.

5. On May 23, 2019, this Court granted an initial order (the “**Initial Recognition Order**”) which, among other things, recognized the Chapter 11 Cases as “foreign main proceedings”, recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of the Chapter 11 Debtors, pursuant to Part IV of the CCAA.

6. Also on May 23, 2019, this Court granted a supplemental Order (the “**Supplemental Order**”) which, among other things, recognized the Foreign Representative Order and certain other First Day Orders made by the U.S. Court in the “foreign main proceedings”, appointed KSV Kofman Inc. as Information Officer, granted a charge in favour of the DIP ABL Agent and the DIP ABL Lenders in respect of the DIP ABL Facility, and an administration charge in the amount of \$200,000 in favour of the Information Officer and its counsel.

7. By Order dated July 5, 2019, this Court recognized sixteen (16) Second Day Orders that had been entered by the U.S. Court on June 21, July 2 and July 3, 2019 (the “**Second Recognition Order**”), including the Bar Date Order, the Bid Procedures Order and the Final DIP ABL Order.

8. By Order dated August 6, 2019, this Court recognized five additional Orders, including the Disclosure Statement Order, KERP Order and the Final DIP Term Order (the “**Third Recognition Order**”), all of which had been entered by the U.S. Court on July 10, July 19, July 25, August 1 and August 2, 2019.

9. On August 15, September 5, and September 6, 2019, the U.S. Court entered the following Orders, which the Foreign Representative is seeking to have recognized through this Motion:

- (a) *Order (I) Authorizing the Debtors to Assume the Restructuring Support and Settlement Agreement, (II) Approving the Settlements and Compromises Contained Therein, and (III) Granting Related Relief* (the “**RSA Order**”);

- (b) *Findings of Fact, Conclusions of Law, and Order Confirming Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Confirmation Order**”);
- (c) *Order Authorizing the Debtors to Enter into an Amendment to the DIP Term Loan Credit Facility* (the “**DIP Term Loan Amendment Order**”);

Recognition of the RSA Order is Appropriate

10. The Chapter 11 Debtors commenced the Chapter 11 Cases to facilitate a restructuring of their balance sheet and to stabilize business operations. In this regard, before the Petition Date, the Chapter 11 Debtors’ negotiated a comprehensive restructuring transaction with holders of 100% in principal amount of loans under the Chapter 11 Debtors’ Term Loan Facility and Sentinel, the terms of which were embodied in a restructuring support agreement, dated as of May 19, 2019 (the “**RSA**”).

11. The RSA was designed to provide a degree of certainty to stakeholders (i.e. employees, customers, suppliers and landlords) and to create a framework for moving forward expeditiously through the Chapter 11 Cases.

12. Following the appointment of the Official Committee of Unsecured Creditors (“**UCC**”) in the Chapter 11 Cases, the Chapter 11 Debtors, the Consenting Term Loan Lenders, Sentinel Capital Partners, LLC (“**Sentinel**”) and the UCC engaged in numerous good faith settlement discussions in an effort to reach a global resolution that would facilitate a consensual transaction and provide the Chapter 11 Debtors with an expeditious and orderly exit from the Chapter 11 Cases.

13. Ultimately, the Chapter 11 Debtors, the Consenting Term Loan Lenders, the UCC, and Sentinel entered into an Amended and Restated Restructuring Support and Settlement Agreement dated as of July 21, 2019 (the “**Amended RSA**”).

14. The Amended RSA, which the Chapter 11 Debtors were authorized to assume through the entry of the RSA Order by the U.S. Court, represented a significant step forward in the Chapter 11 Debtors restructuring proceedings. The settlement which is embodied in the Amended RSA guaranteed recovery for general unsecured creditors, including unsecured creditors of Hollander Canada, in all circumstances (i.e. reorganization, sale or liquidation).

15. Recognition of the RSA Order is reasonable and appropriate as it provides for recoveries for unsecured creditors which exceed the projected result in a liquidation and will facilitate a consensual transaction and an expeditious and orderly emergence from the Chapter 11 Cases.

Recognition of the Confirmation Order is Appropriate

16. In parallel with the settlement negotiations which culminated in the Amended RSA, the Chapter 11 Debtors, with the assistance of Houlihan, contacted more than 150 prospective buyers to gauge their interest in acquiring part or all of the Chapter 11 Debtors’ businesses, all pursuant to the Bidding Procedures, which were approved by the U.S. Court on July 3, 2019 through the entry of the Bid Procedures Order (and which was subsequently recognized by the this Court on July 5, 2019).

17. On August 15, 2019, the Chapter 11 Debtors received a qualified bid from Bedding Acquisition, LLC (the “**Purchaser**”) to purchase substantially all of the Chapter 11 Debtors assets for \$102 million in cash and certain other consideration, pursuant to an asset purchase agreement dated as of August 15, 2019 (as may be amended, modified, or supplemented, the “**Asset Purchase**”).

Agreement”). The Chapter 11 Debtors did not receive any other qualified bids at or after the final bid deadline. Accordingly, the Chapter 11 Debtors entered into the Asset Purchase Agreement with the Purchaser and granted certain stalking horse protections as authorized by the Bid Procedures Order.

18. As a result of the events described above, the Chapter 11 Debtors modified the Plan (the “**Confirmed Plan**”) to incorporate the key terms of the Amended RSA, including the provisions outlining creditor recoveries under each potential outcome and to provide for the sale of the purchased assets to the Purchaser (the “**Sale Transaction**”).

19. On September 4, 2019, the Plan Confirmation Hearing occurred and on September 5, 2019 the U.S. Court entered the Confirmation Order.

20. Recognition of the Confirmation Order by this Court is appropriate and necessary to effect the Sale Transaction and promotes the purposes of the CCAA.

21. The Chapter 11 Debtors negotiated and proposed the Confirmed Plan in good faith, the requisite majority of each of the classes of creditors entitled to vote on the Confirmed Plan voted in favour of the Confirmed Plan, and the Confirmed Plan has been confirmed by the U.S. Court. The Confirmed Plan also reflects the results of extensive arm’s length negotiation among the Chapter 11 Debtors and all of their major stakeholder to resolve the issues central to the Chapter 11 Cases and maximize the value of the Chapter 11 Debtors’ estates for the benefit of all stakeholders.

Recognition of the DIP Term Loan Amendment Order is Appropriate

22. One of the modifications made to the Confirmed Plan was that the DIP Term Loan Lenders will consent to a recovery that does not repay the DIP Term Loan Claims in full and allows Claims

senior to the Term Loan Claim (other than the DIP Term Loan Claims) to recover ahead of the DIP Term Loan Lenders. To that end, on September 6, 2019, the U.S. Court entered the DIP Term Loan Amendment Order to reflect the DIP Term Loan Lenders consent to this reduced recovery.

23. Notwithstanding that Hollander Canada is not a borrower under the DIP Term Loan Facility, nor is it a guarantor, the Foreign Representative is seeking to recognize the DIP Term Loan Amendment Order through this Motion as a matter of completeness, given that the first two Interim DIP Term Orders and the Final DIP Term Order granted by the U.S. Court were recognized by this Court.

General

24. The CCAA, including Part IV and section 49 & 50 thereof; and

25. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the application:

1. the Affidavit of Marc Pfefferle sworn September 6, 2019;
2. the Affidavit of Evan Barz sworn September 6, 2019;
3. the prior reports of the Information Officer;
4. the Third Report of the Information Officer, to be filed; and
5. Such further and other evidence as counsel may advise and this Honourable Court may permit.

September 6, 2019

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TAB A

SCHEDULE “A”
(Draft Recognition Order)

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.	)	WEDNESDAY, THE 11 TH
)	
JUSTICE HAINEY)	DAY OF SEPTEMBER, 2019

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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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, APPROVAL AND VESTING 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 (“**Hollander Canada**”), 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, (i) recognizing and giving effect to certain orders granted by the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Bankruptcy Court**”), including the Confirmation Order (as defined below), made in the cases commenced by the Chapter 11 Debtors pursuant to Chapter 11 of the United States Bankruptcy Code (the “**Chapter 11 Cases**”), (ii) vesting in and to Bedding Acquisition, LLC (including its successors and permitted assigns, the “**Purchaser**”) the Chapter

11 Debtors' right, title and interest in and to the Canadian Acquired Assets (as defined in the Asset Purchase Agreement (as defined herein)) and such other Acquired Assets (as defined in the Asset Purchase Agreement) over which this Court has jurisdiction (the "**Canadian Assets**"), and (iii) approving the fees and disbursements of the Information Officer and its counsel, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Marc Pfefferle sworn September 6, 2019, the report of KSV Kofman Inc., in its capacity as Information Officer, dated September 6, 2019 (the "**Third Report**"), the affidavits of the Information Officer and its counsel, Norton Rose Fulbright Canada LLP ("**Norton Rose**"), as to their respective fees and disbursements for the period ended August 31, 2019 (the "**Fee Affidavits**"), each filed.

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the Information Officer, counsel for the DIP ABL Agent, counsel for the DIP Term Loan Agent (each as defined in the Confirmed Plan (as defined below)), and those other parties present, no one else appearing although duly served as appears from the affidavit of service of ● sworn ●, 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.

DEFINITIONS

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined have the meaning given to them in the *Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (as amended, supplemented and otherwise modified, the "**Confirmed Plan**").

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 Chapter 11 Cases are hereby recognized and, subject

to applicable law, given full force and effect in all provinces and territories of Canada pursuant to section 49 of the CCAA:

- (a) *Order (I) Authorizing the Debtors to Assume the Restructuring Support and Settlement Agreement, (II) Approving the Settlements and Compromises Contained Therein, and (III) Granting Related Relief* (the “**Restructuring Support and Settlement Order**”);
- (b) *Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Confirmation Order**”); and
- (c) *Order Authorizing the Debtors to Enter into an Amendment to the DIP Term Loan Credit Facility* (the “**DIP Term Loan Amendment Order**”),

(copies of each such Foreign Orders are attached hereto as Schedules “A” to “C”, 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 (Foreign Main Proceeding) made in these proceedings on May 23, 2019) in Canada.

IMPLEMENTATION OF THE CONFIRMED PLAN

4. **THIS COURT ORDERS** that the Foreign Representative and the Chapter 11 Debtors are authorized and directed to take all steps and actions, and to do all things, necessary or appropriate to implement the Confirmed Plan in accordance with its terms, and enter into, implement and consummate all of the steps, transfers, transactions and agreements contemplated pursuant to the Confirmed Plan.

5. **THIS COURT ORDERS** that, as of the Effective Date, the Confirmed Plan, including (a) the treatment of Claims as provided for in the Confirmed Plan, and (b) all compromises, arrangements, transfers, transactions, releases, discharges and injunctions provided for in the Confirmed Plan and as approved in the Confirmation Order, as applicable, shall inure to the

benefit of and be binding and effective upon the Chapter 11 Debtors, the Canadian creditors of the Chapter 11 Debtors, and all other persons affected thereby, and on their respective heirs, administrators, executors, legal personal representatives, successors and assigns.

6. **THIS COURT ORDERS** that, subject to the terms of the Confirmed Plan and the Confirmation Order, and effective on the Effective Date, no party to any contract that is (i) listed on the Schedule of Assumed Executory Contracts and Unexpired Leases, and (ii) assigned to the Purchaser in accordance with the Asset Purchase Agreement, may accelerate, terminate, rescind, refuse to perform or otherwise repudiate their obligations under, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such Executory Contract or Unexpired Lease, by reason of:

- (a) any event that occurred on or prior to the Effective Date that would have entitled any person thereto to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Chapter 11 Debtors);
- (b) the fact that the Chapter 11 Debtors have: (i) sought or obtained relief under the CCAA or pursuant to the Chapter 11 Cases, or (ii) commenced or completed these proceedings or the Chapter 11 Cases;
- (c) the implementation of the Confirmed Plan, or the completion of any of the steps, transactions or things contemplated by the Confirmed Plan; or
- (d) any compromises, arrangements, transactions, releases or discharges effected pursuant to the Confirmed Plan.

RELEASES AND INJUNCTIONS

7. **THIS COURT ORDERS AND DECLARES** that the compromises, arrangements, releases, discharges and injunctions contained and referenced in the Confirmed Plan and as approved by the Confirmation Order, are valid and that, effective on the Effective Date, all such releases, discharges and injunctions are hereby sanctioned, approved, recognized and given full force and effect in all provinces and territories of Canada in accordance with and subject to the terms of this Order, the Confirmation Order and the Confirmed Plan.

APPROVAL OF SALE OF CANADIAN ASSETS

8. **THIS COURT ORDERS AND DECLARES** that the sale of the Canadian Assets to the Purchaser pursuant to the Asset Purchase Agreement is hereby approved and the Chapter 11 Debtors are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the sale of the Canadian Assets to the Purchaser and for the conveyance of the Canadian Assets to the Purchaser.

VESTING OF CANADIAN ASSETS

9. **THIS COURT ORDERS AND DECLARES** that, upon the delivery to the Purchaser by the Information Officer of a certificate substantially in the form of Schedule “D” hereto (the “**Information Officer’s Certificate**”), all of the right, title, and interest of the Chapter 11 Debtors (including their respective Estates) in and to the Canadian Assets shall vest absolutely, without further transfer or instrument, in and to the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by any Order of this Court in these proceedings, including the Order of the Honourable Justice Hainey dated May 23, 2019;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and
- (c) those Claims listed on Schedule “E” hereto (all of which are collectively referred to herein as the “**Encumbrances**”), and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Canadian Assets are hereby expunged and discharged as against the Canadian Assets.

10. **THIS COURT ORDERS AND DIRECTS** the Information Officer to file with the Court a copy of the Information Officer's Certificate forthwith after delivery thereof to the Purchaser.

11. **THIS COURT ORDERS** that the Information Officer shall rely on written notice from the Foreign Representative (or its counsel) and the Purchaser (or its counsel) for the purpose of providing the certifications included in the Information Officer's Certificate, and shall incur no liability with respect to the delivery of the Information Officer's Certificate.

12. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims and Encumbrances, the net proceeds from the sale of the Canadian Assets shall stand in the place and stead of the Canadian Assets, and that from and after Effective Date all Claims and Encumbrances shall attach to the net proceeds from the sale of the Canadian Assets with the same priority as they had with respect to the Canadian Assets immediately prior to the sale, as if the Canadian Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. The net proceeds of such sale shall be distributed in accordance with the Confirmed Plan.

13. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Chapter 11 Debtors are authorized and directed to disclose and transfer to the Purchaser all human resources and payroll information in the Chapter 11 Debtors' records pertaining to the Transferred Employees (as defined in the Asset Purchase Agreement). The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Chapter 11 Debtors.

14. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings or the Chapter 11 Cases;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of any of the

Chapter 11 Debtors and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment into bankruptcy made in respect of any of the Chapter 11 Debtors;

the vesting of the Canadian Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Chapter 11 Debtors and shall not be void or voidable by creditors of any of the Chapter 11 Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation

INFORMATION OFFICER'S REPORT; FEE APPROVAL

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

16. **THIS COURT ORDERS** that the fees and disbursements for the period ended August 31, 2019 of the Information Officer and Norton Rose, as set out in the Fee Affidavits, be and are hereby approved.

GENERAL

17. **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.

18. **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.

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

SCHEDULE A – RESTRUCTURING SUPPORT AND SETTLEMENT ORDER

SCHEDULE B – CONFIRMATION ORDER

SCHEDULE C – DIP TERM LOAN AMENDMENT ORDER

SCHEDULE D – FORM OF INFORMATION OFFICER’S CERTIFICATE

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**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**

Information Officer’s Certificate

A. Pursuant to an Order of the Honourable Justice Hailey of the Ontario Superior Court of Justice (the “**Court**”) dated May 23, 2019, KSV Kofman Inc. was appointed as information officer of the Court (in such capacity, the “**Information Officer**”) in proceedings under Part IV of the *Companies’ Creditors Arrangement Act* in respect 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 (collectively, the “**Chapter 11 Debtors**”).

B. Pursuant to an Order of the Court dated September 11, 2019 (the “**Recognition, Approval and Vesting Order**”), the Court, among other things, (i) recognized and gave effect in Canada to certain orders of the U.S. Bankruptcy Court in the Chapter 11 Cases, and (ii) provided for the vesting in the Purchaser of the Chapter 11 Debtors’ right, title and interest in and to the Canadian Assets, which vesting is to be effective with respect to such assets upon the delivery by the Information Officer to the Purchaser of a certificate in the form appended to the Recognition, Approval and Vesting Order.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Recognition, Approval, and Vesting Order.

THE INFORMATION OFFICER CERTIFIES that:

1. The Foreign Representative has delivered written notice confirming, on behalf of the Chapter 11 Debtors, that each of the conditions precedent in favour of the Chapter 11 Debtors contained in the Asset Purchase Agreement have been satisfied or waived; and
2. The Purchaser has delivered written notice confirming that each of the conditions precedent in favour of it contained in the Asset Purchase Agreement have been satisfied or waived.

This Certificate was delivered by the Information Officer at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Information Officer, and not in its personal
capacity**

Per: _____
Name:
Title:

SCHEDULE E – CERTAIN CLAIMS

Nil

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, APPROVAL AND VESTING ORDER
(September 11, 2019)

OSLER, HOSKIN & HARCOURT, LLP

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Lawyers for the Applicant

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

Ontario
**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

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Matter No: 1200852

TAB 2

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

APPLICANT

AFFIDAVIT OF MARC PFEFFERLE

(Sworn September 6, 2019)

I, Marc Pfefferle, of the Town of Westport, Connecticut, United States of America, **MAKE OATH AND SAY:**

1. I am the Chief Executive Officer (“**CEO**”) of Hollander Sleep Products, LLC (“**Hollander Sleep Products**”) or the “**Foreign Representative**”) and the six (6)¹ other debtors in possession

¹ In addition to Hollander Sleep Products, the other six (6) Chapter 11 Debtors are: Dream II Holdings, LLC; Hollander Home Fashions Holdings, LLC; Pacific Coast Feather, LLC; Hollander Sleep Products Kentucky, LLC; Pacific Coast Feather Cushion, LLC; and Hollander Sleep Products Canada Limited (“**Hollander Canada**”).

that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Chapter 11 Debtors**”). I am also a Partner at Carl Marks Advisors (“**Carl Marks**”), an investment bank that provides financial and operational services, where I have worked since 1992. I have served as CEO of Hollander Sleep Products since March 28, 2019 when I was retained by the Chapter 11 Debtors and their non-debtor affiliates. Before joining Carl Marks, I was a Partner with Marigold Associates, a strategic management consulting firm serving Fortune 100 companies, and before that I worked for Price Waterhouse LLP. I have over thirty years of experience providing restructuring and reorganization services for companies, creditors, and other stakeholders across a variety of industries, including consumer products, retail, manufacturing, and distribution related businesses.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, save and except where I refer to matters based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe that information to be true. In preparing this Affidavit, I have consulted with the Chapter 11 Debtors’ management team and advisors (including the Carl Marks team working under my supervision) and reviewed relevant documents and information concerning the Chapter 11 Debtors’ operations, financial affairs and restructuring initiatives.

3. I swear this Affidavit in support of a motion by Hollander Sleep Products in its capacity as foreign representative of the Chapter 11 Debtors for an Order recognizing and enforcing three (3) orders recently entered by the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”): (i) the RSA Order; (ii) the Confirmation Order; and (iii) DIP Term Loan Amendment Order (each as defined below).

4. The Confirmed Plan (defined below) contemplates, among other things, the sale of substantially all of the Chapter 11 Debtors' assets to Bedding Acquisition, LLC (including its successors and permitted assigns, the "**Purchaser**"), pursuant to an asset purchase agreement dated as of August 15, 2019 (as may be amended, modified, or supplemented, the "**Asset Purchase Agreement**"). The Confirmed Plan and the Asset Purchase Agreement are the culmination of months of diligent efforts by the Chapter 11 Debtors to effect a going concern outcome to the Chapter 11 Cases and represents the best available result for the parties in interest.

5. Through this motion the Foreign Representative is also seeking the approval from the Ontario Court (as defined below), of the Asset Purchase Agreement, the vesting of the Acquired Assets (as defined in the Asset Purchase Agreement) of the Chapter 11 Debtors over which the Ontario Court has jurisdiction (the "**Canadian Assets**") in and to the Purchaser and authorization to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the sale of the Canadian Assets to the Purchaser and to implement the Confirmed Plan.

6. I am aware that copies of the RSA Order, the Confirmation Order and the DIP Term Loan Amendment Order will be attached to the Affidavit of Evan Barz (the "**Fourth Barz Affidavit**"), an associate lawyer with the law firm Osler, Hoskin & Harcourt LLP, Canadian counsel to the Chapter 11 Debtors, and will be filed with the Ontario Court (as defined below) at or before the hearing of this motion.

7. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the *Debtors Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (as approved, confirmed and modified by the Confirmation Order, the "**Confirmed Plan**"), or the meanings given to them in my affidavits sworn May 23, 2019 (the "**Initial Affidavit**"), July

3, 2019 (the “**Second Pfefferle Affidavit**”), and August 2, 2019 (the “**Third Pfefferle Affidavit**” and, together with the Initial Affidavit and the Second Pfefferle Affidavit, the “**Pfefferle Affidavits**”), copies of which are attached hereto without exhibits as Exhibit “A”, Exhibit “B”, and Exhibit “C”, respectively. All dollar references in this Affidavit are in U.S. dollars unless otherwise specified.

A. Background

8. On May 19, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief (the “**Petitions**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the U.S. Court (the “**Chapter 11 Cases**”).

9. Concurrent with or shortly after the filing of the Petitions, the Chapter 11 Debtors also filed several “first day” motions (the “**First Day Motions**”) with the U.S. Court, as well as the initial version of the *Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*. On May 22 and 23, 2019, the U.S. Court entered nine (9) interim and/or final orders (the “**First Day Orders**”) in respect of the First Day Motions heard on May 21, 2019.

10. By Order dated May 23, 2019, the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”) recognized the Chapter 11 Cases as “foreign main proceedings” (the “**CCAA Recognition Proceedings**”), recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of the Chapter 11 Debtors (the “**Initial Recognition Order**”). Attached as Exhibit “D” hereto is a copy of the Initial Recognition Order (without schedules) and attached as Exhibit “E” hereto is a copy of Justice Hainey’s May 30, 2019 Endorsement.

11. Also by Order dated May 23, 2019, Justice Hailey recognized seven (7) First Day Orders that were entered by the U.S. Court on May 22 and 23, 2019 (the “**Supplemental Order**”).² The Supplemental Order also appointed KSV Kofman Inc. as Information Officer in respect of the CCAA Recognition Proceedings, granted a charge in favour of the DIP ABL Agent and the DIP ABL Lenders in respect of the DIP ABL Facility, and an administration charge in the amount of \$200,000 in favour of the Information Officer and its counsel. Attached as Exhibit “F” hereto is a copy of the Supplemental Order (without schedules).

12. By Order dated July 5, 2019, the Ontario Court recognized sixteen (16) Second Day Orders that had been entered by the U.S. Court on June 21, July 2 and July 3, 2019 (the “**Second Recognition Order**”), including the Bar Date Order, the Bid Procedures Order and the Final DIP ABL Order.³ A copy of the Second Recognition Order is attached hereto as Exhibit “G” (without schedules).

13. By Order dated August 6, 2019, the Ontario Court recognized five additional Orders, including the Disclosure Statement Order, KERP Order and the Final DIP Term Order (the “**Third Recognition Order**”), which Orders had been entered by the U.S. Court on July 10, July 19, July 25, August 1 and August 2, 2019, respectively. A copy of the Third Recognition Order is attached hereto as Exhibit “H” (without schedules).

² The Supplemental Order recognized the following seven (7) First Day Orders: (a) Joint Administration Order; (ii) Foreign Representative Order; (iii) Interim Employee Wages Order; (iv) Interim Cash Management Order; (v) Interim DIP Order; (vi) Interim Critical Vendors and Shippers Order; and (vii) Interim Customer Programs Order. The remaining two First Day Orders entered by the U.S. Court on May 22 and 23, 2019 did not need to be recognized by the Ontario Court.

³ The Second Recognition Order recognized the following sixteen (16) Second Day Orders: (i) the Insurance Order; (ii) the Surety Bond Order; (iii) the Bid Procedures Order; (iv) the Final Critical Vendors Order; (v) the Final Wages Order; (vi) the Carl Marks Order; (vii) the Final Cash Management Order; (viii) the Final Customer Programs Order; (ix) the Final DIP ABL Order; (x) the Final Tax Order; (xi) the Utilities Order; (xii) the Professionals Order; (xiii) the OMNI Order; (xiv) the Case Management Order; (xv) the Second Interim DIP Term Order; and (xvi) the Bar Date Order.

B. RSA Order

14. The Chapter 11 Debtors commenced the Chapter 11 Cases to facilitate a restructuring of their balance sheet and to stabilize business operations. In this regard, before the Petition Date, the Chapter 11 Debtors' negotiated a comprehensive restructuring transaction with holders of 100% in principal amount of loans under the Term Loan Facility and Sentinel, the terms of which were embodied in the RSA.

15. Pursuant to the terms of the RSA, certain of the Term Loan Lenders committed to finance the Chapter 11 Cases and the Chapter 11 Debtors' emergence from Chapter 11 through a \$28 million new-money DIP Term Loan Facility, which would roll into a \$58 million exit term loan facility on emergence that would include \$30 million of fresh capital. The Term Loan Lenders further agreed to equitize approximately \$166.5 million in prepetition term loan claims as part of the restructuring. Additionally, Sentinel agreed to roll up its \$15 million "last out loans" under the prepetition ABL Facility into the Chapter 11 Debtors' DIP ABL Credit Facility and any proposed ABL exit facility. These commitments were all subject to a sale "toggle" feature included in the solicitation version of the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* filed with the U.S. Court on July 25, 2019 (including all exhibits thereto, and as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with its terms, the "**Plan**") allowing for a potential "value maximizing" sale to a third party or parties that may be identified by the sale process being carried out by Houlihan Lokey, Inc. ("**Houlihan**").

16. As described in the Initial Affidavit, the RSA ensured that the Hollander business would continue to operate uninterrupted through, and after, the Chapter 11 Cases, subject to certain plant closures announced and/or implemented over the course of the Chapter 11 Proceedings, including

the production facility in Toronto, which is discussed below. The RSA was negotiated prior to the filing of the Petitions and was designed to provide a degree of certainty to stakeholders (i.e. employees, customers, suppliers and landlords) and to create a framework for moving forward expeditiously through the Chapter 11 Cases.

17. Following the appointment of the Official Committee of Unsecured Creditors (“UCC”) in the Chapter 11 Cases, the Chapter 11 Debtors, the Consenting Term Loan Lenders (as defined in the RSA Motion), Sentinel and the UCC engaged in numerous good faith settlement discussions in an effort to reach a global resolution that would facilitate a consensual transaction and provide the Chapter 11 Debtors with an expeditious and orderly exit from the Chapter 11 Cases. Three of the five members of the UCC, being Roind Hometex Co., Ltd, Hangzhou Chuangyuan Feather Co., Ltd and Nap Industries, Inc., are also creditors and vendors of Hollander Canada and, as a result, the interests of Hollander Canada’s unsecured creditors were taken into account in these discussions.

18. Ultimately, the Chapter 11 Debtors, the Consenting Term Loan Lenders, the UCC, and Sentinel entered into an Amended and Restated Restructuring Support and Settlement Agreement dated as of July 21, 2019 (the “**Amended RSA**”).

19. On August 15, 2019, the U.S. Court entered an Order (i) authorizing the Chapter 11 Debtors to assume the Amended RSA, (ii) approving the settlements and compromises contained therein, and (iii) granting related relief (the “**RSA Order**”). The Chapter 11 Debtors are seeking recognition of the RSA Order by the Ontario Court, a copy of which is attached to the Fourth Barz Affidavit as Exhibit “A”.

20. The global settlement that was reached (and which is embodied in the Amended RSA) contemplates three possible guaranteed recovery scenarios for general unsecured creditors (including unsecured creditors of Hollander Canada):

- (a) In a reorganization, the Chapter 11 Debtors would fund a reorganization recovery pool for the benefit of holders of general unsecured claims with cash in the amount of \$600,000. Further, if the Reorganized Debtors⁴ are sold within 24 months of the effective date of the Plan and the Consenting Term Loan Lenders receive more than a 30% recovery on account of their claims derived from or based upon the Term Loan Facility (the “**Term Loan Claims**”) (based on the full amount of each such holder’s Term Loan Claims), the Future Sale Consideration (as defined in the Plan) would be funded with 5% of each dollar in excess of such 30% recovery.⁵
- (b) In a sale transaction, the Chapter 11 Debtors would fund a sale transaction recovery pool for the benefit of the holders of general unsecured claims with (a) cash in the amount of \$600,000, *plus* (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims, 5% of each dollar in excess thereof, *plus* (c) if the Term Loan Lenders received more than 50% recovery on account of their Term Loan Claims, 7.5% of each dollar in excess thereof.

⁴ The Amended RSA defines the “Reorganized Debtors” to mean the Chapter 11 Debtors, as reorganized pursuant to and under the Confirmed Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the effective date of the Confirmed Plan, including the reorganized Dream II Holdings, LLC.

⁵ In lieu of the right to recover from the reorganization recovery pool, certain vendors may elect to become “Supporting Vendors”, which will allow such vendors to receive either (a) a 1% recovery on their prepetition claim and a premium for providing the reorganized Chapter 11 Debtors with favourable trade credit, or (b) go-forward protection through a letter of credit to be provided by the reorganized Chapter 11 Debtors to ensure payment of obligations.

- (c) In a liquidation, a liquidation recovery pool will with cash in the amount of \$250,000 will be funded and, in the case of a conversion to a chapter 7 proceeding or, solely with respect to Hollander Canada, a proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), the applicable amounts will be distributed to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA, to be distributed in accordance with applicable bankruptcy law. In the event that the Chapter 11 Cases are converted into a liquidation, the Consenting Term Loan Lenders would not object to the funding of this liquidation recovery pool.
- (d) In all scenarios (a reorganization, sale transaction, or liquidation), Sentinel would cause to be funded up to \$650,000 in the aggregate for the benefit of general unsecured claims, which amount will be paid from (i) the first \$200,000 of any proceeds distributed to holders of any DIP Last Out Loan Claims (as defined in the RSA Motion) on account of such claims, *plus* (ii) 50% of each dollar received in excess of the first \$200,000 of any such proceeds distributed to holders of DIP Last Out Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

21. In total, holders of general unsecured claims are estimated to receive a recovery of at least 1% of their unsecured claims before considering any value that may be generated from potential tort claims.

22. In addition, under the Amended RSA, the Chapter 11 Debtors (and any successors thereto) agreed not to initiate, prosecute, transfer or otherwise attempt to collect upon any and all avoidance, recovery or subordination actions or remedies that may be brought by or on behalf of the Chapter 11 Debtors or their estates under the Bankruptcy Code, CCAA, BIA, or applicable

non-bankruptcy law and will cause any commercial tort claims or causes of action owned by the Chapter 11 Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date (“**Commercial Tort Claims**”) and all cash proceeds, if any, of any Commercial Tort Claims belonging to the Chapter 11 Debtors to be assigned and transferred for the benefit of the holders of the general unsecured claims.

23. The UCC agreed to support confirmation of the Plan on these terms, including the releases and exculpation provisions contained therein, and to recommend that holders of general unsecured claims vote in favour of such plan.

24. The Amended RSA represented a significant step forward in the Chapter 11 Debtors restructuring proceedings. The settlement guaranteed a recovery for unsecured creditors in all circumstances that is projected to exceed their recovery in a liquidation. This is significant for the unsecured creditors of Hollander Canada given that the liquidation analysis filed by the Chapter 11 Debtors included as Exhibit E to the Disclosure Statement and the liquidation analysis prepared by the Information Officer and filed with the Ontario Court on a confidential basis both reflect, among other things, no recoveries for Hollander Canada’s unsecured creditors. The compromises and settlements also enable the parties to avoid costly and potentially value-destructive litigation.

C. Sale Process

25. In parallel with the settlement negotiations which culminated in the Amended RSA, the Chapter 11 Debtors, with the assistance of Houlihan, contacted more than 150 prospective buyers to gauge their interest in acquiring part or all of the Chapter 11 Debtors’ businesses, all pursuant to the Bidding Procedures, which were approved by the U.S. Court on July 3, 2019 through the entry of the Bid Procedures Order (and which was subsequently recognized by the Ontario Court on July 5, 2019). The Bidding Procedures were designed to encourage all interested parties to

expeditiously put their best bids forward. The Bidding Procedures did not preclude prospective purchasers from submitting bids for Hollander Canada's business on a stand-alone basis. Houlihan engaged both financial investors and strategic investors/industry participants. As a result of these efforts, more than fifty parties executed nondisclosure agreements with the Chapter 11 Debtors. All parties subject to nondisclosure agreements were given access to a virtual data room containing detailed information regarding the assets in which each party expressed interest.

26. As a result of these efforts, the Chapter 11 Debtors' received 10 preliminary, non-binding indications of interests for part or all of the Chapter 11 Debtors' businesses and assets. Thereafter, the Chapter 11 Debtors, Houlihan and the Chapter 11 Debtors' other advisors worked extensively with the various interested parties to progress diligence, management meetings, site visits, and provide other relevant information with the goal of receiving qualified bids in advance of, or on, the final bid deadline. No preliminary, non-binding indications of interest and/or final bids were submitted for Hollander Canada's business and assets on a standalone basis.

27. On August 7, 2019, the Chapter 11 Debtors, in consultation with the Consultation Parties, modified the Bidding Procedures to extend by one week the final bid deadline through and including August 15, 2019 (and the Auction, if any, to August 19, 2019), to further the goal of attaining the highest or otherwise best offer for their assets and to permit continued negotiations with potential bidders.

28. Following the final bid deadline, on August 15, 2019, after productive negotiations, the Chapter 11 Debtors, in consultation with their advisors and the Consultation Parties, deemed Bedding Acquisition's proposed agreement to be a Qualified Bid and agreed to provide the Purchaser with Bid Protections pursuant to the Bid Procedures. The Debtors did not receive any

other bids at or after the final bid deadline A copy of the Asset Purchase Agreement is attached hereto as Exhibit “I”.

29. Because the Purchaser submitted the only Qualified Bid, the Auction scheduled for August 19, 2019 was cancelled, and the Chapter 11 Debtors declared the Purchaser to be the Winning Bidder. A Notice of Winning Bidder and Cancellation of Auction, a copy of which is attached hereto as Exhibit “J”, was filed with the U.S. Court on August 16, 2019.

D. The Asset Purchase Agreement

30. Pursuant to the Asset Purchase Agreement, the Purchaser has agreed to purchase substantially all of the assets of the Chapter 11 Debtors and operate as a going concern for \$102 million in cash and certain other consideration, including warrants that could be distributed to the Chapter 11 Debtors’ creditors, subject to certain adjustments for net working capital and similar transaction costs.

31. On August 21, 2019, the Chapter 11 Debtors filed the Asset Purchase Agreement as part of the *Plan Supplement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (as modified, supplemented, or otherwise amended from time to time, the “**Plan Supplement**”).

32. Key provisions of the Asset Purchase Agreement, among others, including the following:⁶

- (a) At the Closing, the Chapter 11 Debtors shall sell, transfer, assign, convey, and deliver to the Purchaser, and the Purchaser shall purchase, acquire, and accept from the Chapter 11 Debtors, all of the Chapter 11 Debtors’ right, title and interest in and

⁶ All defined terms in this paragraph 32 shall have the meaning given to them in the Asset Purchase Agreement.

to the Acquired Assets, free and clear of all Encumbrances other than Permitted Encumbrances.

- (b) Notwithstanding anything to the contrary in the Asset Purchase Agreement, the Chapter 11 Debtors shall not, and in no event shall the Chapter 11 Debtors be deemed to, sell, transfer, assign, or convey, and the Chapter 11 Debtors shall retain all right, title and interest to, in and under the Excluded Assets.
- (c) On the terms and subject to the conditions of the Asset Purchase Agreement and subject to the entry of, and the terms of, the Confirmation Order and the consummation of the Confirmed Plan, effective as of the Closing, the Purchaser shall assume from the Chapter 11 Debtors (and from after the Closing pay, perform, discharge or otherwise satisfy) and the Chapter 11 Debtors shall irrevocably convey, transfer, and assign to the Purchaser the Assumed Liabilities.
- (d) Notwithstanding any provision in the Asset Purchase Agreement to the contrary, the Purchaser shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Excluded Liabilities.
- (e) The Purchaser shall extend to all employees of the Chapter 11 Debtors (the “**Employees**”), and may extend to any employee of the Chapter 11 Debtors hired with the consent of the Purchaser to replace any Employee terminated following August 15, 2019, an offer of employment that, if accepted, shall become effective immediately after Closing, *provided, however*, that to the extent any Employees are on leave as of the Closing Date, their employment with the Purchaser shall become

effective, if at all, only upon their presenting themselves to the Purchaser to commence active employment within 60 days of the Closing Date.⁷

33. Additionally, as a condition of closing the Asset Purchase Agreement, the Ontario Court is required to have entered an Order recognizing the Confirmation Order in form and substance satisfactory to the Purchaser.

34. The Asset Purchase Agreement is the product of arm's-length negotiations and was entered into in consultation with the Consultation Parties (which include the UCC). I believe, based on discussions with Houlihan, that the consideration to be provided by the Purchaser under the Asset Purchase Agreement is fair and reasonable for the purchased assets. Additionally, the Chapter 11 Debtors, in consultation with the Consultation Parties, determined that the Sale Transaction provided the most efficient and appropriate means to maximize value. The Purchaser is not affiliated with the Chapter 11 Debtors in any way and has proceeded in good faith during the entirety of the negotiation process. Thus, I believe that proceeding with the Sale Transaction under the Asset Purchase Agreement is in the best interest of the Chapter 11 Debtors and their estates. Accordingly, I submit that the Chapter 11 Debtors' sale of the Assets under the Sale Transaction represents a sound exercise of the Chapter 11 Debtors' business judgment.

E. Confirmed Plan

35. As a result of the events described above, the Chapter 11 Debtors modified the Plan to incorporate the key terms of the Amended RSA, including the provisions outlining creditor

⁷ However, the Purchaser shall not be required by the Asset Purchase Agreement to extend such offers of employment to any person who is employed by the Chapter 11 Debtors at the facility located at 3301 Stagecoach Road NE, Thomson, Georgia 30824.

recoveries under each potential outcome and to provide for the sale of the purchased assets to the Purchaser pursuant to the Asset Purchase Agreement (the “**Sale Transaction**”).

36. The Confirmed Plan provides for the global compromise reached with the Chapter 11 Debtors’ major stakeholders and embodied in the Amended RSA, the principal terms with respect to the treatment of the Chapter 11 Debtors’ unsecured creditors are described above. A copy of the Confirmed Plan is attached hereto as Exhibit “K”.

37. The Sale Transaction is also an essential component of the Confirmed Plan and will provide sufficient liquidity to fund the Chapter 11 Debtors’ performance and distributions under the Confirmed Plan.

38. The following are other key aspect of the Confirmed Plan:

- (a) The Chapter 11 Debtors will distribute the warrants received as additional consideration from the Purchaser to the Holders of DIP Term Loan Claims. The warrants will grant the holders of such warrants the right to purchase 7.5% of the fully diluted common equity in the Purchaser on the terms set forth in the warrant agreement.
- (b) The claims of the DIP ABL Lenders will be fully repaid on the Effective Date.
- (c) The Confirmed Plan provides that, on the Effective Date, the term of the current members of the board of managers or directors (as applicable) and officers of the Chapter 11 Debtors and non-Chapter 11 Debtor affiliates shall expire and Drivetrain, LLC will be appointed plan administrator (the “**Plan Administrator**”). The Plan Administrator has been selected by the UCC, in consultation with the Chapter 11 Debtors and the DIP Term Loan Agent and will act in the same fiduciary

capacity as applicable to a board of managers or directors and officers, subject to the provisions of the Confirmed Plan. As it relates to Hollander Canada, the Plan Administrator has certain obligations to ensure that the Information Officer is able to carry out its mandate as contemplated pursuant to the orders of the Ontario Court made in these proceedings. The *Second Amended Plan Supplement for the Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code*, a copy of which is attached hereto as Exhibit "L", designates the Plan Administrator at Exhibit "F" thereto.

- (d) The Chapter 11 Debtors will fund a \$1 million reserve to fund the Plan Administrator to: (i) wind down the Chapter 11 Debtors' businesses and affairs as expeditiously as reasonably possible and liquidating assets held by the Post-Effective Date Chapter 11 Debtors after the Effective Date and after the consummation of the Sale Transaction; (ii) resolve any Disputed Claims; (iii) pay Allowed Claims; (iv) litigate any causes of action; (v) file tax returns; and (vi) administer the Confirmed Plan, and the Plan Administrator is required to consult with the Information Officer in respect of any matters relating to the foregoing as such matters also relate to Canada. With regard to the Confirmed Plan in particular, on and after the Effective Date, the Plan Administrator shall cause the Chapter 11 Debtors to comply with, and abide by, the terms of the Asset Purchase Agreement and take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Confirmed Plan.
- (e) The Post-Effective Date Chapter 11 Debtors shall be deemed to be substituted as party-in-lieu of the Chapter 11 Debtors in all matters, including (a) motions,

contested matters, and adversary proceedings pending in the U.S. Court, and (b) all matters pending in any courts (including the Ontario Court), tribunals, forums, or administrative proceedings outside of the U.S. Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter. Further, the Plan Administrator shall represent the Post-Effective Date Debtors and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion to assist the Plan Administrator in performing its duties. The Post-Effective Date Chapter 11 Debtors shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator. The payment of the reasonable fees and expenses of the Plan Administrator's retained professionals shall be made in the ordinary course of business and shall not be subject to approval of the U.S. Court.

- (f) Upon a certification to be filed with the U.S. Court by the Plan Administrator (the **"Plan Administrator's Certificate"**) of all distributions having been made and completion of all its duties under the Confirmed Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Post-Effective Date Chapter 11 Debtors shall be deemed to be dissolved without any further action by the Post-Effective Date Chapter 11 Debtors. The Plan Administrator, however, shall have the authority to take all necessary actions to dissolve the Post-Effective Date Chapter 11 Debtors and withdraw the Post-Effective Date Chapter 11 Debtors from applicable jurisdictions.

- (g) Lastly, the Confirmed Plan also provides that, prior to the Information Officer seeking an order from the Ontario Court that would, among other things, terminate these CCAA Recognition Proceedings and discharge the Information Officer, the Plan Administrator shall deliver a certified copy of each of the following to the Information Officer: (i) the Plan Administrator's Certificate, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the filing thereof by the Plan Administrator with the U.S. Court; and (ii) the final decree of the U.S. Court closing the last of the Chapter 11 Cases, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the entry thereof by the U.S. Court.

39. As the DIP Term Loan Lenders will consent to a recovery that does not repay the DIP Term Loan Claims in full and allow Claims senior to the Term Loan Claim (other than the DIP Term Loan Claims) to recover ahead of the DIP Term Loan Lenders, on September 6, 2019, the U.S. Court entered an Order Authorizing the Debtors to Enter into an Amendment to the DIP Term Loan Credit Facility (the "**DIP Term Loan Amendment Order**") to reflect the DIP Term Loan Lenders consent to this reduced recovery, a copy of which is attached to Fourth Barz Affidavit as Exhibit "C". Notwithstanding that Hollander Canada is not a borrower under the DIP Term Loan Facility, nor is it a guarantor, the Foreign Representative is seeking to recognize the DIP Term Loan Amendment Order through this Motion as a matter of completeness. In this regard, all U.S. Court orders approving previous amendments to the DIP Term Loan Facility have been recognized by the Ontario Court.

40. The Confirmed Plan also provides for certain releases, exculpations and injunctions that will take effect on the Effective Date. More specifically:

- (a) Article VIII.C of the Confirmed Plan provides for releases by the Chapter 11 Debtors (the “**Debtor Release**”) of claims and causes of action against the Released Parties, including among others, those claims and causes of action against the Purchaser and the parties to the Amended RSA.⁸ The Debtor Release is the product of arm’s length negotiations, was critical to obtaining support for the Confirmed Plan from various constituencies, and is in the best interest of the Chapter 11 Debtors’ estates. The Debtor Release was heavily negotiated in connection with other terms of the Confirmed Plan and is an indispensable component to achieving a final resolution of potentially extensive litigation that would otherwise negatively affect these cases. In light of the contributions of the Released Parties, the Chapter 11 Debtors believe that granting the Debtor Release is a valid exercise of their business judgment because it was a key aspect of the global settlement and is not a significant concession by the Chapter 11 Debtors. Further, the Debtor Release reflects the Chapter 11 Debtors’ evaluation of the potential claims and causes of action against the Released Parties. The Chapter 11 Debtors do not believe they

⁸ “**Released Party**” means collectively, and in each case in its capacity as such: (a) the Chapter 11 Debtors; (v) the Post-Effective Date Debtors; (v) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Plan Administrator; (i) the Purchaser (the Winning Bidder); (j) Sentinel; (k) the parties to the Amended RSA; (l) the UCC; (m) with respect to each of the foregoing in clauses (a) through (l), 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 UCC), 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”.

have any material causes of action against the Released Parties and that the contributions by the Released Parties more than compensate the Chapter 11 Debtors' estates for the release.

- (b) Article VIII.D of the Confirmed Plan includes a provision that releases certain non-debtor, third-party claims against other non-debtor, third parties (the “**Third-Party Release**”). The Third-Party Release applies only to parties who have played a significant role in the Chapter 11 Cases. As with the Debtor Release, the Third-Party Release was a material inducement for the support of the Confirmed Plan and the concessions it contains. Prior to and throughout the pendency of the Chapter 11 Cases, the Released Parties worked constructively with the Chapter 11 Debtors to negotiate and implement a value-maximizing transaction that would enable the Chapter 11 Debtors to confirm a Chapter 11 Plan. The Released Parties have been instrumental in supporting the Chapter 11 Cases and have made significant concessions in consideration for the releases provided under the Confirmed Plan, without which confirmation would not be possible.
- (c) Article VIII.E of the Confirmed Plan includes a customary exculpation provision (the “**Exculpation**”). I am advised that exculpation provisions do not affect the liability of third parties *per se*, but rather set a standard of care of actual fraud, gross negligence, or willful misconduct in future litigation by a non-releasing party against an “Exculpated Party” for acts arising out of a debtor’s restructuring. Here, the Exculpation provision is appropriately tailored to the facts and circumstances of the Chapter 11 Cases and is the product of good-faith, arm’s length negotiations, is in exchange for substantial consideration, and was critical and indispensable to

obtaining the support of the various constituencies for the Confirmed Plan. The Exculpated Parties have participated in good faith in negotiations around the Confirmed Plan and should be entitled to protection from exposure to lawsuits filed by unsatisfied parties. Moreover, the Exculpation has been tailored only to provide such protections for acts or omissions in connection with the negotiation, execution, and implementation of any transactions approved by the U.S. Court.

- (d) Article VIII.F of the Confirmed Plan, among other things, precludes and permanently enjoins on and after the Effective Date all persons or entities who have held, hold, or may hold Claims or Interests that are fully satisfied pursuant to the Confirmed Plan or any Claim that is subject to the releases and exculpations set forth in Article VIII.D and Article VIII.E of the Confirmed Plan from enforcing, pursuing, or seeking any setoff or relief with respect to such Claims, except for the receipt of the payments or distributions that are contemplated by the Confirmed Plan (the “**Injunction**”). I understand that the Injunction is necessary to enforce the releases contained in the Confirmed Plan and to protect the released and exculpated parties from any potential litigation for issues covered by the Debtor Release, the Third-Party Release, or the Exculpation after the Effective Date. I further understand that, without the Injunction, the Confirmed Plan’s release and exculpation provisions would be substantially weakened. In addition, pursuant to the Disclosure Statement Order, each Claimholder was provided with a notice containing, in bold font, the express language of the Debtor Release, the Third-Party Release, the Exculpation, and the Injunction.

41. In light of the foregoing, the Chapter 11 Debtors are of the view that the Debtor Release, the Third Party Release, the Exculpation and the Injunction are appropriate in the circumstances and are a valid exercise of the Chapter 11 Debtors' business judgment.

F. Voting on the Plan

42. As described in the Third Pfefferle Affidavit, on July 25, 2019, the U.S. Court entered the Disclosure Statement Order (which Order was recognized by the Ontario Court on August 6, 2019). The Disclosure Statement Order approved, among other things, the proposed procedures for solicitation of the Plan and related notices, forms and ballots.

43. More specifically, the Disclosure Statement Order approved the process by which the Chapter 11 Debtors would solicit votes to accept or reject the Plan from Claimholders in Classes 4 and 5 (collectively, the "**Voting Classes**") and further approved the Chapter 11 Debtors not soliciting votes from Claimholders in Classes 1, 2, 3, 6, 7, 8, 9 and 10 (collectively, the "**Non-Voting Classes**"). The Non-Voting Classes (i) are not impaired under the Plan and, therefore are conclusively presumed to have accepted the Plan, (ii) will not receive any distributions under the Plan and, therefore are deemed to reject the Plan, or (iii) are subject to a pending objection by the Chapter 11 Debtors and are, therefore, not entitled to vote the disputed portion of their claim.

44. The Voting Deadline for all Voting Classes to cast their ballots on the Plan was August 28, 2019 at 4:00 p.m., prevailing Eastern Time. The deadline to file objections to the Plan was also August 28, 2019 at 4:00 p.m., prevailing Eastern Time.

45. The Chapter 11 Debtors completed their final tabulation of the ballots after the Voting Deadline, following a complete review and audit of the ballots received. On September 3, 2019, the Chapter 11 Debtors filed a sworn declaration of Paul Deutch, Senior Vice President at Omni

Management Group, regarding analysis of ballots for accepting or rejecting the Plan (the “**Deutch Declaration**”). A copy of the Deutch Declaration is attached hereto as Exhibit “M”.

46. As set out below, and as further described in the Deutch Declaration, the final voting results were overwhelmingly in favour of the Plan:

TOTAL BALLOTS RECEIVED				
ACCEPT		REJECT		
Class	Amount Voted to Accept	Number voted to Accept	Amount Voted to Reject	Number Voted to Reject
Class 4: Term Loan Claims	\$173,920,002.61 (100%)	24 (100%)	0 (0%)	0 (0%)
Class 5: General Unsecured Claims	\$38,496,885.01 (95.74%)	66 (85.71%)	\$1,712,936.54 (4.26%)	11 (14.29%)

47. The Chapter 11 Debtors received eight (8) limited objections to confirmation of the Plan, primarily related to the reconciliation of outstanding cure amounts for executory contracts and unexpired leases. To date, each objection has been resolved or relates to cure amounts that will be addressed independently.

G. Confirmation of Plan by the U.S. Court

48. On September 4, 2019, the Plan Confirmation Hearing occurred and on September 5, 2019 the U.S. Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Confirmation Order**”), a copy of which is attached to the Fourth Barz Affidavit as Exhibit “B”.

As noted above, the Foreign Representative is seeking recognition of the Confirmation Order through this Motion.⁹

49. The key elements of the Confirmation Order are as follows:

- (a) All requirements for the confirmation of the Confirmed Plan had been satisfied, and the Confirmed Plan, including (i) all modifications to the Confirmed Plan filed with the U.S. Court prior to or during the Confirmation Hearing and (ii) all documents incorporated into the Confirmed Plan through the Plan Supplement, was confirmed in its entirety pursuant to section 1129 of the Bankruptcy Code.
- (b) The Chapter 11 Debtors provided due, adequate, and sufficient notice of the Confirmed Plan, the Sale Transaction, the Plan Supplement, and the Confirmation Hearing, to known and unknown Claimholders and other Entities with an interest in the Chapter 11 Debtors' property and otherwise complied with the notice requirements of the Bankruptcy Code, the Bankruptcy Rules, and the procedures set forth in the Disclosure Statement Order.
- (c) The Confirmed Plan and the various documents and agreements set forth in the Plan Supplement provide adequate means for the Confirmed Plan's implementation, including (a) the consummation of the Sale Transaction in accordance with the Asset Purchase Agreement; (b) the distribution of Sale Proceeds and any cash on hand in accordance with the Confirmed Plan; and (c) the appointment of the Plan

⁹ In support of confirmation of the Confirmed Plan, on September 3, 2019, the Chapter 11 Debtors' filed the Declaration of Marc Pfefferle, sworn September 3, 2019 (the "**Second Pfefferle Declaration**"), and the Declaration of David Salemi, a Director in the Financial Restructuring Group at Houlihan, sworn September 3, 2019 (the "**Salemi Declaration**"). Copies of the Second Pfefferle Declaration and Salemi Declaration (without Exhibits) are attached hereto as Exhibits "N" and "O", respectively.

Administrator to take any action necessary to wind down and dissolve the Chapter 11 Debtors estates, among others.

- (d) The Debtor Release, the Third-Party Release, the Exculpation, and the Injunction (a) were given in exchange for good, valuable, and adequate consideration after due notice and opportunity for hearing, (b) are appropriately tailored under the facts and circumstances of the Chapter 11 Cases; (c) were integral to the agreements among the various parties in interest and are essential to the formulation and implementation of the Confirmed Plan; (d) confer substantial benefits on the Chapter 11 Debtors' estates; (e) are fair, equitable, and reasonable; and (f) are in the best interests of the Chapter 11 Debtors, the Chapter 11 Debtors' estates, and parties in interest. Further, the failure to implement the Debtor Release, Third-Party Release, Exculpation and Injunction would impair the Chapter 11 Debtors' ability to confirm and implement the Confirmed Plan.
- (e) The liquidation analysis attached to the Disclosure Statement as Exhibit "E" and the other evidence related thereto in support of the Confirmed Plan that was proffered or adduced at the Confirmation Hearing: (a) is reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered; (b) utilizes reasonable and appropriate methodologies and assumptions; (c) has not been controverted by other evidence; and (d) establishes that each Claimholder in each Class will recover at least as much under the Confirmed Plan, as of the Effective Date, as such Claimholder would receive if the Chapter 11 Debtors were liquidated, on the Effective Date, under Chapter 7 of the Bankruptcy Code.

- (f) All documents necessary to implement the Confirmed Plan and all other relevant and necessary documents have been negotiated in good faith and at arm's length and shall, upon completion of documentation and execution, be valid, binding, and enforceable agreements.
- (g) The Asset Purchase Agreement was negotiated, proposed, and entered into by the Chapter 11 Debtors and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions.
- (h) The Chapter 11 Debtors' marketing process with respect to the Sale Transaction afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer. No other person or entity or group of entities has offered to purchase the assets for greater overall value to the Chapter 11 Debtors' estates than the Purchaser. The Asset Purchase Agreement constitutes the highest and best offer, and will provide a greater recovery for the Chapter 11 Debtors' estates than would be provided by any other available alternative. The Chapter 11 Debtors' determination that the Asset Purchase Agreement constitutes the highest and best offer constitutes a valid and sound exercise of the Chapter 11 Debtors' business judgment.
- (i) The Chapter 11 Debtors, the Released Parties, and the Releasing Parties have acted in good faith in negotiating and proposing the Confirmed Plan. The Chapter 11 Debtors, the Released Parties, and the Releasing Parties will continue to be acting in good faith if they proceed to consummate the Confirmed Plan and the agreements, transaction, and transfers contemplated thereby and take the actions authorized and directed by the Confirmation Order.

- (j) On the Effective Date, the Chapter 11 Debtors are authorized and empowered to take any and all actions necessary or appropriate to (a) consummate the Sale Transaction pursuant to and in accordance with the terms and conditions of the Asset Purchase Agreement and the Confirmed Plan; (b) close the Sale Transaction as contemplated in the Asset Purchase Agreement and the Confirmed Plan; (c) execute and deliver, perform under, consummate, implement and fully close the Asset Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Asset Purchase Agreement and Sale Transaction.
- (k) On the Effective Date, subject to closing of the Sale Transaction, and except as expressly provided for in the Asset Purchase Agreement, all Acquired Assets shall be sold and transferred to and vested in the Purchaser free and clear of any and all liens, claims, encumbrances and other interests to the fullest extent permitted by section 363(f) or section 141(c) of the Bankruptcy Code, and all such liens and encumbrances, or other interests shall attach to the net proceeds of the Sale Transaction ultimately attributable to the property against or in which such liens, claims, encumbrances, or other interests are asserted, subject to the terms thereof, with the same validity, force, and effect, and in the same order of priority, which such liens, claims, encumbrances, or other interests now have, subject to any rights, claims, and defences the Chapter 11 Debtors or their estates, as applicable, may possess with respect thereto, and with such claims, liens, encumbrances, or other interests being treated in accordance with the Confirmed Plan.

- (l) The Chapter 11 Debtors and the Plan Administrator are authorized to take all actions necessary to effectuate the relief granted in the Confirmation Order in accordance with the Confirmed Plan.
- (m) The Chapter 11 Debtors will publish notice of the occurrence of the Effective Date in the *New York Times* (national edition in the United States), *USA Today* (national edition in the United States), and *The Globe and Mail* (national edition in Canada) within seven business days after the Effective Date.

50. The Foreign Representative is seeking an Order from the Ontario Court recognizing and enforcing the terms of the Confirmation Order. The Foreign Representative is of the view that it is appropriate for this Court to recognize the Confirmation Order, and that such recognition is necessary to effect the Sale Transaction and to protect the interests of the Chapter 11 Debtors' creditors. The Chapter 11 Debtors negotiated and proposed the Confirmed Plan in good faith, the requisite majority of each of the Voting Classes voted in favour of the Confirmed Plan, and the Confirmed Plan has been confirmed by the U.S. Court.

51. The Confirmed Plan also reflects the results of extensive arm's length negotiation among the Chapter 11 Debtors and all of their major stakeholders, including the UCC, the ABL Lenders, the DIP ABL Lenders, the Term Loan Lenders, the DIP Term Loan Lenders, and Sentinel, to resolve the issues central to the Chapter 11 Cases and maximize the value of the Chapter 11 Debtors' estates for the benefit of all stakeholders. As noted above, as a result of these negotiations, the Confirmed Plan incorporates a global compromise with the UCC and provides recoveries that were extensively negotiated by sophisticated parties, all of whom were represented by counsel. Importantly, to reach a global deal, many of the Chapter 11 Debtors' senior stakeholders made concessions and forfeited recoveries for the benefit of other junior creditor constituencies.

52. I understand that the Information Officer will be filing a report with the Ontario Court which, among other things, recommends that the Ontario Court recognize the Confirmation Order.

53. Accordingly, the Foreign Representative is requesting that the Ontario Court recognize and enforce the Confirmation Order pursuant to Section 49 and Section 50 of the CCAA.

H. Subsequent Event: Closure of Toronto Facility

54. On September 4, 2019, Hollander Canada announced its intention to close the manufacturing facility located at 724 Caledonia Rd, Toronto, Ontario (the “**Toronto Facility**”) on or about January 31, 2020, in order to assist with the orderly restructuring of the businesses by reducing its go-forward operating costs and consolidating its Canadian manufacturing operations into its facility in Montreal.

55. At present, there are approximately 90 active employees at the Toronto Facility, primarily involved in the manufacturing of Hollander’s bedding products, including fillers, sewers, baggers, box makers, mechanics, machine operators and loaders. In addition, there are a small number of individuals employed in either an administrative or managerial capacity.

56. As part of the closure, all of the employees of the Toronto Facility will be separated from their employment. In order to assist with employee transition to alternative employment, significant working notice was provided to affected active employees. In addition, Hollander Canada has offered separation arrangements that meet or exceed the notice of termination and statutory severance, as prescribed by the *Employment Standards Act, 2000*, with a view to retaining those employees through the wind-down of the Toronto Facility’s operation and to providing both the employees and the business with certainty relating to the separation arrangements in order to

mitigate future disputes. Employees who do not continue employment with the Purchaser will be eligible to participate in the claims process being carried out in the Chapter 11 Cases.

57. Hollander Canada and the Purchaser intend to continue to communicate with the affected employees regarding the closure of the Toronto Facility in a transparent and timely manner, as well as to engage applicable governmental and other resources, in an effort to maximize employee retention throughout the duration of the Toronto Facility's operation and to assist with employee transition to alternative employment.

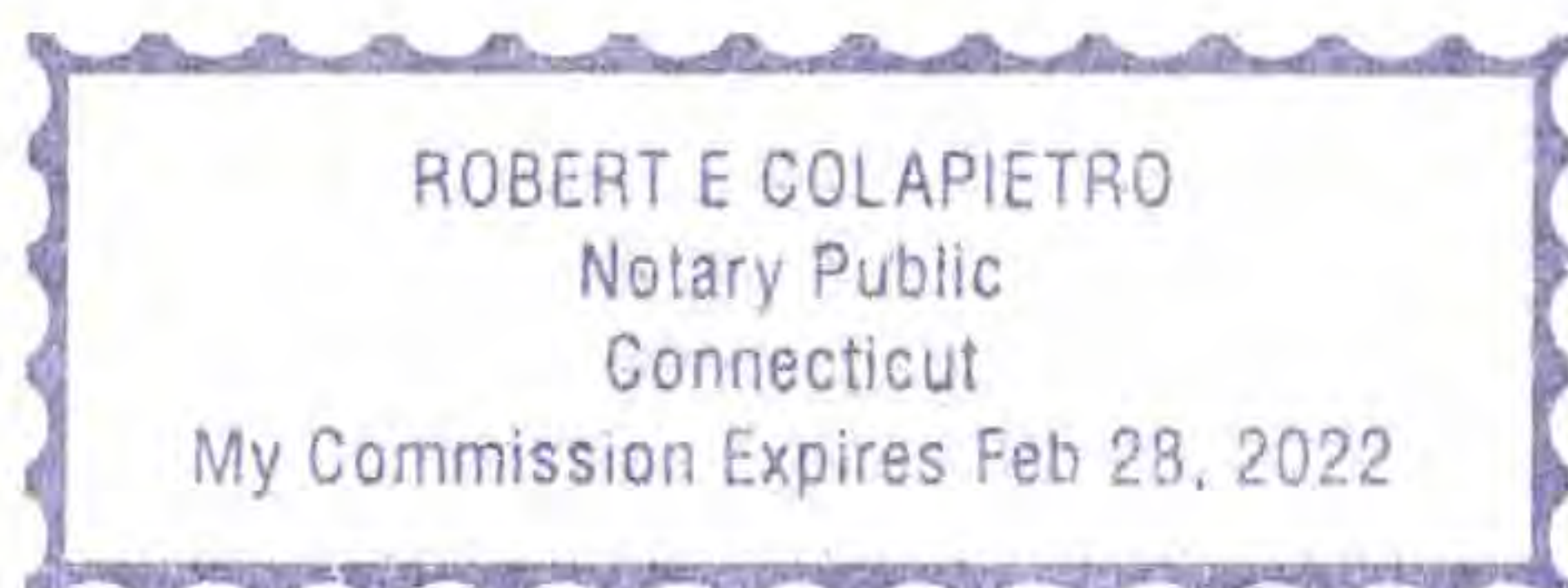
58. I swear this affidavit in support of the motion of the Foreign Representative returnable on September 11, 2019 and for no other or improper purpose.

SWORN BEFORE ME at the Town of
Westport in the State of Connecticut on
September 6, 2019.



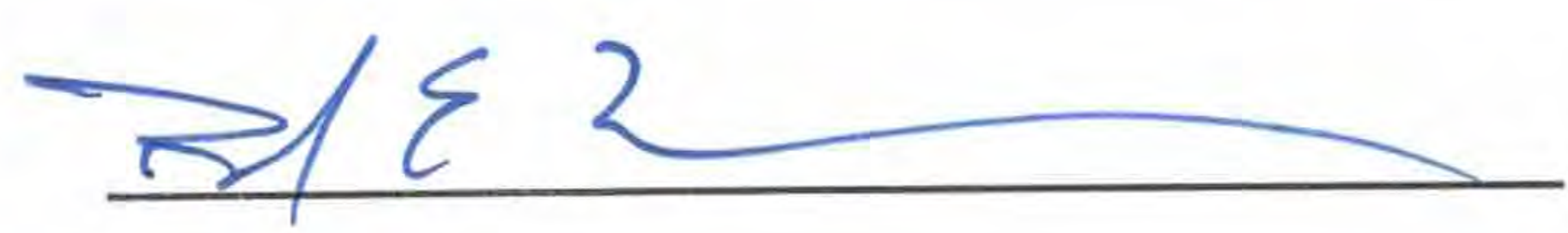


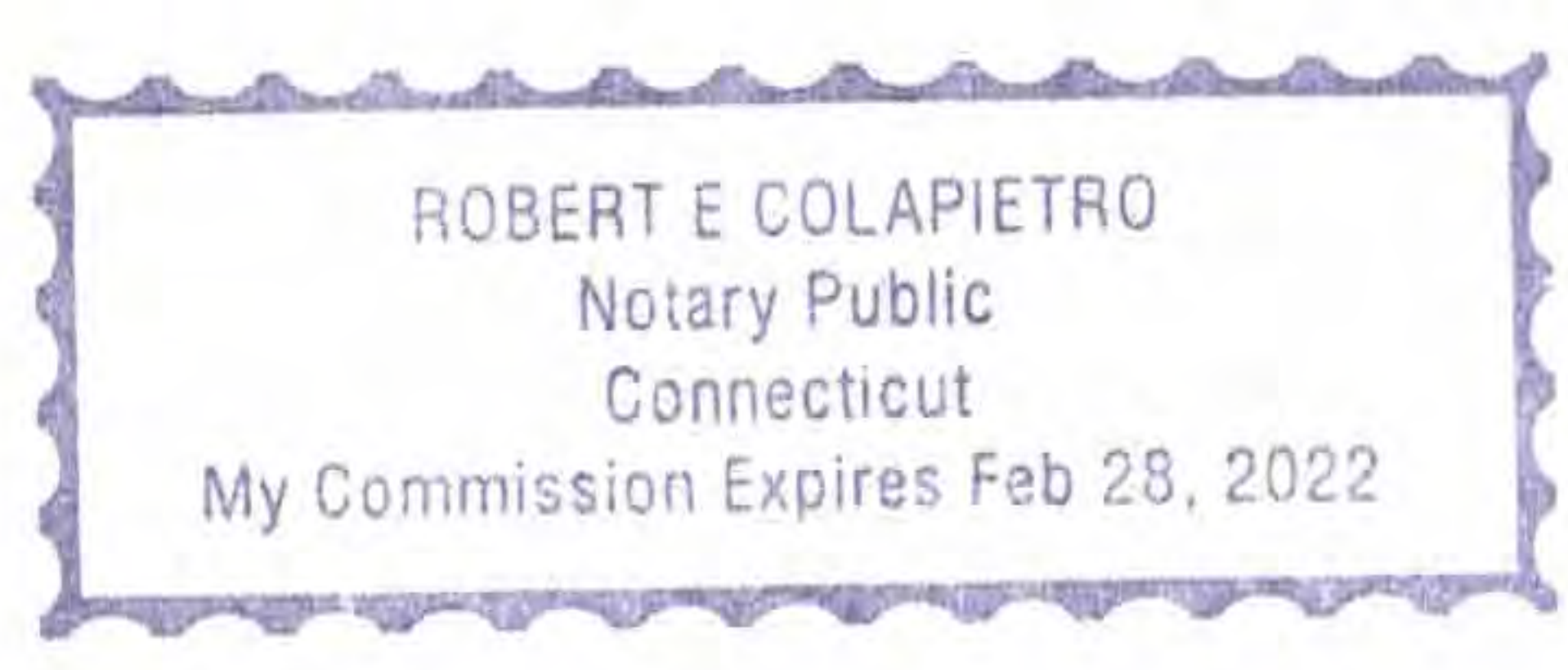
MARC PFEFFERLE



TAB A

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019

A handwritten signature in blue ink, appearing to be 'R/E 2', is written over a horizontal line.



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

APPLICANT

AFFIDAVIT OF MARC PFEFFERLE

(Sworn May 23, 2019)

I, Marc Pfefferle, of the Town of Westport, Connecticut, United States of America, **MAKE OATH AND SAY:**

1. I am the Chief Executive Officer (“**CEO**”) of Hollander Sleep Products, LLC (“**Hollander Sleep Products**”) and the six (6)¹ other debtors in possession that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Chapter 11 Debtors**”). I am

¹ In addition to Hollander Sleep Products, the other six (6) Chapter 11 Debtors are: Dream II Holdings, LLC; Hollander Home Fashions Holdings, LLC; Pacific Coast Feather, LLC; Hollander Sleep Products Kentucky, LLC; Pacific Coast Feather Cushion, LLC; and Hollander Sleep Products Canada Limited.

a Partner at Carl Marks Advisors (“**Carl Marks**”), an investment bank that provides financial and operational services, and have served as CEO of Hollander Sleep Products since March 28, 2019 when I was retained by the Chapter 11 Debtors and the their Non-Debtor Affiliates (defined below). I have been with Carl Marks since 1992. Before joining Carl Marks, I was a Partner with Marigold Associates, a strategic management consulting firm serving Fortune 100 companies, and before that I worked for Price Waterhouse LLP. I have over thirty years of experience providing restructuring and reorganization services for companies, creditors, and other stakeholders across a variety of industries, including consumer products, retail, manufacturing, and distribution related businesses.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, save and except where I refer to matters based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe that information to be true. In preparing this Affidavit, I consulted with the Chapter 11 Debtors’ management team and advisors (including the Carl Marks team working under my supervision) and reviewed relevant documents and information concerning the Chapter 11 Debtors’ operations, financial affairs and restructuring initiatives.

3. I swear this Affidavit in support of an application by Hollander Sleep Products in its capacity as foreign representative of the Chapter 11 Debtors for, *inter alia*:

- (a) recognition of the Chapter 11 Cases (defined below) as foreign main proceedings pursuant to Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”);
- (b) recognition of certain First Day Orders (defined below);

- (c) the appointment of KSV Kofman Inc. (“**KSV**”) as Information Officer;
 - (d) the granting of the DIP ABL Charge (defined below); and
 - (e) the granting of the Administration Charge (defined below).
4. All monetary references in this Affidavit are in U.S. dollars unless otherwise stated.

I. Background

5. On May 19, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief (the “**Petitions**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”).

6. I am aware that certified copies of the Petitions will be attached to the affidavit of Evan Barz (the “**Barz Affidavit**”), an associate lawyer with the law firm Osler, Hoskin & Harcourt LLP (“**Osler**”), Canadian counsel to the Chapter 11 Debtors, and will be provided to the Court at or before the hearing of this Application.

7. The cases commenced by the Chapter 11 Debtors in the U.S. Court are referred to in this Affidavit as the “**Chapter 11 Cases**”.

8. The Chapter 11 Debtors filed several first day motions (the “**First Day Motions**”) with the U.S. Court on May 19, 2019. On May 21, 2019, the U.S. Court heard the following seven (7) First Day Motions (all defined below), with the remaining First Day Motions to be heard on June 3, 2019 and/or June 13, 2019:

- (a) Foreign Representative Motion;
- (b) Joint Administration Motion;

- (c) Employee Wages Motion;
- (d) Cash Management Motion;
- (e) DIP Motion;
- (f) Critical Vendors and Shippers Motion; and
- (g) Customer Programs Motion.

9. The U.S. Court entered interim and/or final First Day Orders (as defined below) in respect of these seven (7) First Day Motions on May 22 and 23, 2019.

10. Capitalized terms in this Affidavit that are not otherwise defined have the meanings given to them in my declaration filed in support of the First Day Motions attached hereto without exhibits as Exhibit “A” (the “**First Day Declaration**”).

11. I am aware that copies of the First Day Orders will be attached to the Barz Affidavit.

12. In support of the First Day Motions, I submitted my First Day Declaration to the U.S. Court. It provides a comprehensive overview of the Chapter 11 Debtors and their Non-Debtor Affiliates² (collectively, “**Hollander**”) and the events leading to the commencement of the Chapter 11 Cases. As such, this Affidavit provides a more general overview and focuses on giving this Court information to support the finding of the centre of main interest (“**COMI**”) of each of the Chapter 11 Debtors and to support the request for recognition of the Chapter 11 Cases as a “foreign main proceeding”, the recognition of the First Day Orders, the granting of the Administration

² As described in more detail below, the Non-Debtor Affiliates are Hollander Sleep Products Trading (Shanghai) Co., Ltd. and PCF (Shanghai) Quality Management Co., Ltd.

Charge, and the granting of the DIP ABL Charge. I am not aware of any other foreign recognition insolvency proceedings involving the Chapter 11 Debtors.

II. The Business

A. Overview

13. Hollander – an industry leader in the bedding products market – manufactures, among other bedding products, pillows, comforters, and mattress pads. Hollander produces these items for well-known licensed brands, including Ralph Lauren®, Simmons®, Beautyrest®, Nautica®, and Calvin Klein®. Hollander also owns and manufactures bedding products under its own proprietary brands, including Great Sleep®, I AM®, LC®, PCF®, and Restful Nights®. Hollander, in turn, partners with major retailers and hotel chains, including long standing relationships with, among others, Costco, Kohl's, Walmart, Target, and Marriott.

14. The corporate headquarters of Hollander are in Boca Raton, Florida. Hollander has 13 manufacturing facilities throughout the United States and Canada and operates a primary show room in New York City. Hollander employs over 2,300 people across North America and had approximately \$526.9 million in net revenue in its most recent fiscal year ended December 31, 2018. As of the Petition Date, Hollander has approximately \$233 million in funded debt.

15. Core to Hollander's business model is its ability to innovate and provide improved products. Recent innovations include asthma-sensitive natural-fill bedding products, memory foam substitutes with increased flexibility and comfort, and cooling and air-flow technology to help with the heat trapping in certain bedding materials. Investments in product development attract new customers and provide for increased profit margins over time. To support innovation and product development, Hollander utilizes a development team with diverse backgrounds in

industries such as home products, apparel and packaging, who in turn work with graphic designers, sales and marketing professionals and senior management to ensure they are capturing customer needs, product specifications and appropriate costs in developing new products.

16. Hollander also has a competitive advantage because of its well-established global production and shipping processes. Hollander works with a network of suppliers and purchases materials including polyester fibers, fabrics, pillow and comforter shells and certain retail-ready products. A significant portion of these products are purchased from China, Pakistan and India, as well as Indonesia, South Korea, Vietnam, Malaysia and the United Arab Emirates. Hollander consistently monitors and works to develop new sourcing opportunities to maximize quality and minimize inventory procurement costs.

17. Hollander has the industry's largest manufacturing and distribution footprint in North America. Filling, final sewing, packaging, and shipping of finished goods is primarily performed at Hollander's thirteen (13) North American manufacturing facilities, which are strategically located across North America, with locations in Pennsylvania, Kentucky (2), North Carolina (2), Iowa, Georgia, Texas, California (3), Ontario and Québec. This manufacturing and distribution network provides Hollander with significant flexibility in processing and shipping orders, such that shipments can reach almost anywhere in the United States and eastern Canada within a 24-hour period, which is critical for high-volume retailers that rely on Hollander's prompt shipping.

18. Approximately 95% of the Chapter 11 Debtors' sales come from wholesale distribution, including to department stores, mass merchant and clubs, off-price retailers, specialty retailers and hospitality customers. The remaining 5% of the Chapter 11 Debtors' sales are from online sales. Recently, the Chapter 11 Debtors have been working to increase direct-to-customer sales through e-commerce connections, with their own websites, established retailers and online marketers.

B. The Chapter 11 Debtors

19. All of the Chapter 11 Debtors operate on an integrated basis and are incorporated or established under the laws of the United States, with the exception of Hollander Sleep Products Canada Limited (“**Hollander Canada**”), which is amalgamated under the laws of British Columbia and which maintains a registered office located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, B.C. Each of the Chapter 11 Debtors, including Hollander Canada, is a direct or indirect wholly-owned subsidiary of Dream II Holdings, LLC. A copy of the Hollander Organization Chart is attached hereto as Exhibit “B”.

20. For the most recent fiscal year ended December 31, 2018, Hollander generated approximately \$526.9 million in net revenue on a consolidated basis. Canadian sales accounted for approximately 10.7% of Hollander’s net revenue; U.S. sales amounted to approximately 89%.

21. For the most recent fiscal year ended December 31, 2018, the book value of Hollander’s assets and liabilities reflected on its balance sheet was approximately \$350.6 million and \$340.8 million, respectively, on a consolidated basis.

C. The Chapter 11 Debtors’ Non-Debtor Affiliates

22. The Chapter 11 Debtors have two affiliates in China that are not part of the Chapter 11 Cases: Hollander Sleep Products Trading (Shanghai) Co., Ltd. and PCF (Shanghai) Quality Management Co., Ltd. (the “**Non-Debtor Affiliates**”). The Non-Debtor Affiliates provide manufacturing product support services and quality control operations for the Chapter 11 Debtors.

The Non-Debtor Affiliates are not liable for any of the Chapter 11 Debtors' outstanding funded debt obligations.

D. The Financial Position of Hollander Canada

23. There are no stand-alone audited financial statements for Hollander Canada. Hollander Canada's unaudited financial statements have historically been consolidated with Hollander's financial statements, and an audit is performed on a consolidated basis only.

24. On a standalone basis, Hollander Canada is not profitable. Hollander Canada's 2018 financial statement reflects a net loss of approximately \$2.6 million and losses have continued for the four month period ended April 30, 2019. A copy of Hollander Canada's unaudited balance sheet as at April 30, 2019 is attached hereto as Exhibit "C".

25. A review of the information contained in the balance sheet is as follows:

i. Assets

26. As of April 30, 2019, the book value of Hollander Canada's current assets totaled \$16,837,829, which consisted of:

- (a) Cash and Cash Equivalents: \$140,744;
- (b) Third Party Accounts Receivable: \$3,641,985;
- (c) Inventory: \$12,955,335; and
- (d) Prepaid Expenses: \$99,765.

27. As of April 30, 2019, the book value of Hollander Canada's non-current assets was \$8,300,236, which consisted of inter-company receivables owed to Hollander Canada by Hollander Sleep Products. These monies were advanced to Hollander Sleep Products by Hollander Canada principally to help fund the Chapter 11 Debtors' U.S. operations.

28. In addition, as of April 30, 2019, the book value of Hollander Canada's property and equipment was \$1,160,896. This largely represents Hollander Canada's machinery and equipment at its two Canadian production facilities.

ii. Liabilities

29. As of April 30, 2019, Hollander Canada's total liabilities were \$15,873,547, which consisted of:

- (a) Loan payable (under the ABL Facility, defined below): \$5,945,429;
- (b) Accounts payable, Trade: \$8,710,152; and
- (c) Other Accrued Expenses: \$1,217,967.

iii. Employees

30. A detailed description of Hollander's employees, including information on wages and benefits of Hollander Canada, is set out in the Employee Wages Motion (defined below). Hollander employs approximately 2,370 employees in the United States and Canada.

31. As of April 2019, Hollander Canada employed approximately 240 employees, all of whom are located in Canada. Approximately 136 employees work at Hollander Canada's manufacturing facility and sales office in Toronto, of which 81 are full-time employees, 1 is a part-time employee,

40 are presently laid off and 14 are on leave. The remainder of Hollander Canada's 104 employees work at or out of its Montreal manufacturing facility, of which 95 are full time employees, 1 is a part time employee, 1 is presently laid off and 14 are on leave.

32. Employees are typically paid wages or salary. Each of Hollander Canada's manufacturing facilities and sales office process their own payroll, with the assistance of a third-party payroll service provider, ADP Canada Co. Hollander Canada's employees are paid on a weekly basis.

33. Hollander Canada also provides benefits coverage to its full-time employees through a group benefits plan provided by Manulife Financial and administered by The Lesly Group Ltd. (the "**Hollander Group Benefits Plan**"). The Hollander Group Benefits Plan is designed to assist and protect eligible employees and their dependents in the event of a serious illness, accident or death and to help cover the cost of some routine items such as prescription drugs, dental care and vision care.

34. Hollander Canada sponsors a Group Registered Retirement Savings Plan ("**Group RRSP**") administered by the Royal Bank of Canada. Through the Group RRSP, Hollander Canada (i) matches 50 percent for contributions representing up to six (6) percent of the employee's weekly compensation, and (ii) matches three (3) percent for contributions representing more than six (6) percent of the employee's weekly compensation.

35. There is no union representation for any of the Canadian employees. There is no registered defined benefit or defined contribution pension in place for the Canadian employees.

36. As described in more detail in the Employee Wages Motion, the Chapter 11 Debtors are, for the time being, seeking relief to continue to pay and/or perform, as applicable, employee related obligations, including those of Hollander Canada. Hollander Canada pays its priority payables in

the ordinary course, including employee wages, vacation pay, employee source deductions and federal and provincial sales tax. Hollander Canada currently has an accrued vacation pay liability of approximately \$570,000. Hollander Canada currently has approximately \$12,050 in accrued but unpaid Canadian payroll taxes and related amounts. The Chapter 11 Debtors intend to honour vacation entitlements and remit payroll taxes and related deductions to the appropriate authorities in the ordinary course.

iv. Operations in Canada

37. Hollander currently operates two (2) manufacturing facilities in Canada:

- (a) 5415/5435/5445/5455 Cote de Liesse, Montreal, Québec (the “**Montreal Facility**”) which is leased from 2298174 Ontario Inc. The Montreal Facility’s lease is scheduled to expire on May 31, 2023; and
- (b) 724 Caledonia Rd, Toronto, Ontario (the “**Toronto Facility**”), which is leased from Crestpoint Acq. The Toronto Facility’s lease is scheduled to expire on July 21, 2019, however a notice of lease extension has been provided.

38. In addition, Hollander Canada maintains a sales office at 420 Britannia Road, Toronto, Ontario, which is leased from 420-450 Britannia Road East Ltd. (the “**Britannia Lease**”). The Britannia Lease is set to expire on March 31, 2021. The sales office facilitates sales of Hollander’s products to Canadian customers.

39. The primary stakeholders of Hollander Canada include employees, customers, landlords and trade-suppliers. Hollander Canada’s vendor base is largely comprised of offshore inventory suppliers, substantially all of whom supply to all of the Chapter 11 Debtors. Key customers of Hollander Canada include Walmart Canada, Costco Canada and Hudson’s Bay Company.

Together, these three (3) customers account for approximately 87% of Hollander Canada's annual sales.

v. Merchandise and Supplies in Canada Primarily Sourced Through U.S.

40. Hollander Canada's assets principally consist of inventory (merchandise and supplies) used for the manufacturing of its bedding products, the overwhelming majority of which is manufactured in the U.S. and Canada.

41. All inventory procurement and logistics functions for Hollander Canada are run out of the U.S. headquarters in Boca Raton, Florida. Hollander Canada does not independently design its own merchandise or source its own supplies, nor does it generally enter into licensing partnerships that allow the Chapter 11 Debtors to offer their products under their partners' names.³ This integrated approach allows Hollander to generate significant benefits for all of its operating subsidiaries by maximizing efficiencies through an integrated supply chain managed out of Hollander's head office.

42. Hollander's business model depends heavily on the Chapter 11 Debtors' well-established global supply chain, which in turn depends on the Chapter 11 Debtors' longstanding relationships with key suppliers. The suppliers provide fabrics and other materials made to Hollander's specifications (the "**Supply Arrangements**"). Hollander's ability to deliver products in a timely manner is critically important to its financial performance and depends on a seamless interaction with various third-party service and logistics providers who ship products to Hollander.

³ It should be noted that Hollander Canada is a party to a licensing agreement with each of Ralph Lauren® and Simmons®. However, these licensing agreements were negotiated in the U.S. and were approved by head of U.S. sales, for the benefit of Hollander Canada.

vi. Hollander Canada's Integrated Operations with U.S.

43. Hollander Canada's operations are fully integrated with Hollander's U.S. operations. In particular:

- (a) Canadian sales make up approximately 10.7% of Hollander's net revenue.
- (b) All of Hollander Canada's directors reside in the U.S.
- (c) Hollander Canada's books and records are maintained at Hollander's head office in Boca Raton, Florida.
- (d) Hollander Canada is almost wholly reliant on U.S. managerial functions at Hollander's U.S. head office for overhead services, including accounting, finance, buying, logistics, marketing, strategic decisions, IT and other functions. These services are provided for Hollander Canada's benefit by Hollander Sleep Products in the U.S. To compensate Hollander Sleep Products for these services, the Chapter 11 Debtors allocate approximately the total cost of shared services at year end to Hollander Canada. For the most recent fiscal year ended December 31, 2018, pursuant to this arrangement, Hollander Canada paid approximately \$7.36 million to Hollander Sleep Products for shared services.
- (e) Hollander Canada, on its own, does not have sufficient purchasing power or operational infrastructure to replicate the Supply Arrangements; it primarily relies on the purchasing power and supplier relationships of the U.S. Chapter 11 Debtors.
- (f) Hollander Canada is entirely dependent on the U.S. Chapter 11 Debtors for the overwhelming majority of licensing agreements, design partnerships and company-

owned brands. All or substantially all of the trademarks and IP are owned by the U.S. Chapter 11 Debtors.

- (g) Most of the data for the Canadian operations is housed within the same IT systems (located and operated out of the U.S.) that support both the Canadian and U.S. operations.
- (h) The Chapter 11 Debtors and their non-debtor affiliates operate an integrated, centralized cash management system (the “**Cash Management System**”) to collect, transfer and disburse funds generated by their operations, all of which is described in more detail in the Cash Management Motion (defined below). The Cash Management System facilitates cash monitoring, forecasting and reporting and enables the Chapter 11 Debtors to maintain control over the administration of approximately 18 bank accounts, including eight (8) Canadian and U.S. bank accounts (together, the “**Canadian Operations Accounts**”) maintained with Wells Fargo Bank, National Association and the Royal Bank of Canada. The Canadian Operations Accounts were primarily established to facilitate the Chapter 11 Debtors sales and manufacturing operations in Canada. The Cash Management System reflects Hollander’s integrated business, is vital to the Chapter 11 Debtors’ ability to conduct business around the globe and is tailored to meet their operating needs.
- (i) The Chapter 11 Debtors, including Hollander Canada, offer and engage in certain customer promotional programs, including with Hollander Canada’s key customers. Hollander Canada is dependent on the U.S. Chapter 11 Debtors for the establishment, maintenance and administration of these customer promotional programs.

III. The Chapter 11 Debtors' Prepetition Capital Structure and Indebtedness

44. The Chapter 11 Debtors' prepetition capital structure consists of outstanding funded-debt obligations in the aggregate principal amount of approximately \$233 million, including:

- (a) a \$125 million senior secured revolving credit facility (the "**ABL Facility**") by and between Dream II Holdings, LLC, as parent, and Hollander Home Fashions Holdings, LLC, Hollander Sleep Products, Hollander Sleep Products Kentucky, LLC, Hollander Canada, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, the lender parties thereto (the "**ABL Lenders**"), and Wells Fargo Bank, National Association, as agent (in such capacity, the "**ABL Agent**"); and
- (b) a \$190 million secured term loan facility (the "**Term Loan Facility**") by and between Dream II Holdings, LLC and Hollander Home Fashions Holdings, LLC, as parent guarantors, Hollander Sleep Products, as borrower, the lenders from time to time party thereto (the "**Term Loan Lenders**") and Barings Finance LLC, as administrative agent (in such capacity, the "**Term Loan Agent**").

45. Each Chapter 11 Debtor is an obligor (either as a borrower or guarantor) under the ABL Facility. Hollander Canada is limited in the amount it can borrow under the ABL Facility to \$40 million and is not jointly or severally liable for the obligations of the U.S. Chapter 11 Debtors under the ABL Facility (however, the U.S. Chapter 11 Debtors are liable for Hollander Canada's obligations under the ABL Facility). With regard to the Term Loan Facility, each Chapter 11 Debtor, except for Hollander Canada, is an obligor (either as a borrower or a guarantor).

A. Prepetition ABL Facility

46. The ABL Facility provides for cash dominion when the excess availability under the ABL Facility is less than either (a) 12.5% of the maximum credit available under the ABL Facility or (b) \$12.5 million for three consecutive business days, at which point the ABL Agent can exercise certain controls over the Chapter 11 Debtors' bank accounts. The Chapter 11 Debtors have triggered cash dominion and the ABL Agent currently sweeps the Chapter 11 Debtors' accounts that are subject to control agreements daily. Substantially all of the Chapter 11 Debtors' cash is subject to control agreements in favour of the ABL Agent. The amount outstanding under the ABL Facility is subject to fluctuations based on daily cash sweeps. The Chapter 11 Debtors estimate that approximately \$61 million in principal was outstanding as of the Petition Date, not including approximately \$5 million in letters of credit (the "**Prepetition ABL Obligations**"). There are presently no issued Canadian letters of credit. The Prepetition ABL Obligations include approximately \$6 million of borrowings by Hollander Canada

47. The Prepetition ABL Obligations are secured by a first lien on certain ABL-priority collateral of the Chapter 11 Debtors, including certain accounts and inventory, Canadian assets, and a second lien in certain collateral on which the prepetition term loan lenders (the "**Term Loan Lenders**") have a first lien. The relative rights and priorities among the ABL Lenders and Term Loan Lenders are governed by an intercreditor agreement.

48. Finally, with regard to the Last Out Loans, the Purchasers (both as defined below) share priority with the ABL Lenders with regard to the Chapter 11 Debtors' collateral but have agreed to subordinate their right to payment to the ABL Lenders until the Prepetition ABL Obligations are paid in full.

B. Prepetition Put Agreement

49. In November 2018, the Chapter 11 Debtors entered into forbearances and an amendment to each of their ABL Credit Agreement and Term Loan Credit Agreement. In connection with these amendments, Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P. (collectively, together with their permitted successors and assigns, the “**Purchasers**”) entered into a Put Agreement, dated as of November 27, 2018 (the “**Put Agreement**”), in favor of the ABL Agent and SunTrust Bank, an ABL Lender.

50. Subject to the terms and conditions set forth in the Put Agreement, upon the occurrence of certain events of default under the ABL Facility, the ABL Agent may cause the Purchasers to execute an agreement to purchase a participation interest in a subordinated last-out loan (the “**Last-Out Loans**”). If the Purchasers fail to purchase their participation interest in the Last-Out Loan in accordance with the Put Agreement, the ABL Agent is permitted to draw from certain standby letters of credit that were posted by the Purchasers.

C. Prepetition Term Loan Facility

51. As of the date hereof, approximately \$166.5 million in aggregate principal amount remains outstanding under the Term Loan Facility. The Term Loan Facility is secured by a first lien on certain collateral of the Chapter 11 Debtors, except for Hollander Canada, and a second lien on certain collateral on which the ABL Lenders have a first lien. Hollander Canada’s assets are not encumbered by the Term Loan Facility; however, the Term Loan Facility is secured by a pledge of 65% of Dream II Holdings, LLC’s equity interest in Hollander Canada.

D. Equity Interests

52. Dream II Holdings, LLC owns directly or indirectly 100% of the residual interests in each of the Chapter 11 Debtors (other than Dream II Holdings, LLC). Investment funds managed by Sentinel Capital Partners, LLC (the “**Sponsor**” or “**Sentinel**”) directly or indirectly hold the majority of the outstanding membership interests in Dream II Holdings, LLC.

E. Hollander Canada Trade Debt

53. Hollander Canada estimates that, as of May 10, 2019, arm’s-length trade creditors are owed approximately \$8.95 million in unsecured trade debt. Of that amount, approximately \$7.2 million is past due.

F. Hollander Canada Intercompany Debt

54. As of April 30, 2019, Hollander Canada is owed approximately \$8.3 million, inclusive of accrued interest, from Hollander Sleep Products, a Chapter 11 Debtor.

IV. Hollander Canada PPSA Searches

55. I am advised by Mr. Martino Calvaruso, a lawyer at Osler, and believe that lien searches were conducted on or about May 16, 2019 against each of the Chapter 11 Debtors under the *Personal Property Security Act* (or equivalent legislation) in Ontario, Québec and British Columbia (the “**PPSA Searches**”). I have been further advised by Mr. Calvaruso and believe that the PPSA Searches indicate, among other things, that Wells Fargo Bank, National Association, has registered a security interest against assets of Hollander Canada in B.C., Ontario and Québec. Barings Finance LLC has registered a security interest against the Chapter 11 Debtors (other than

Hollander Canada) in Ontario. The searches indicate no other registrations against the Chapter 11 Debtors except for a registration in Québec in respect of a photocopier lease.

V. Recent Events

56. In June of 2017, Hollander acquired one of its major competitors, Pacific Coast Feather Company (“PCF”). While this acquisition has been a net positive for operations, the impact of continued integration overhang following the acquisition, and the need to expend additional capital to facilitate the integration, strained Hollander’s cash flows.

57. Shortly after the acquisition of PCF, Hollander was faced with dramatic increases in the price of materials, including fiber, down and feathers. The financial impact of these unanticipated price increases was in excess of \$20 million over the course of approximately one year. At the same time, employee wages increased (as a result of natural wage inflation and the tight job market), as did the cost of freight, duty, and tariff charges. Recently, material prices, particularly fiber, have showed some downward trends, and Hollander is focused on right-sizing production and operational costs and reducing material costs moving forward to re-establish cost parity with its key competitors.

58. Fortunately, the sleep industry as a whole is both healthy and growing. Market trends favor healthy lifestyle sectors, and the basic bedding segment is generally recession resilient. Moreover, management has evaluated Hollander’s position and identified steps that Hollander can take to get back on track, including selective price increases and material efficiencies, continued diligence in cost-effective sourcing, investing in capital and technological advancements, streamlining Hollander’s manufacturing footprint and building Hollander’s e-commerce business.

59. The Chapter 11 Cases provide Hollander with the opportunity to right-size operations and invest in equipment, infrastructure and processes that will allow it to utilize raw material more efficiently, lower its production costs in the long term and re-establish parity with its competitors. Additionally, the infusion of capital proposed as part of the Chapter 11 Cases will facilitate the completion of the PCF integration process and best position Hollander to realize returns on the PCF acquisition.

60. In order to assist with the restructuring process, in April and May 2019, respectively, Matthew R. Kahn was appointed as a disinterested director to the Board of Directors of Dream II Holdings, LLC, as well as the Board of Directors of Hollander Canada, and subsequently granted exclusive authority over conflicts matters. Mr. Kahn has extensive experience serving on boards of managers and boards of directors in distressed situations. Mr. Kahn subsequently directed Hollander to retain Proskauer Rose LLP as independent counsel acting at his direction to assist in the discharge of his duties.

VI. Restructuring Negotiations and Path Forward

61. Beginning in November 2018, the Chapter 11 Debtors engaged with the ABL Lenders and the Term Loan Lenders, resulting in forbearances, amendments to the Chapter 11 Debtors' credit agreements and the Put Agreement. Over the following months, the Chapter 11 Debtors recognized that a more comprehensive solution was required.

62. In February 2019, the Chapter 11 Debtors initiated discussions with the ABL Lenders and the Term Loan Lenders regarding potential balance sheet solutions to their liquidity problems. These discussions preceded the deadline for a March 2019 interest payment under the Term Loan Facility. After exploring out-of-court possibilities, it became apparent that a significant deleveraging would be necessary. In February 2019, the Chapter 11 Debtors retained Kirkland &

Ellis LLP to advise on their restructuring alternatives; in late March the Chapter 11 Debtors retained Carl Marks to provide management services; and in May 2019, the Chapter 11 Debtors retained Houlihan Lokey Capital, Inc. (“**Houlihan**”) as their investment banker.

63. Following further discussions, the Chapter 11 Debtors entered into a restructuring support agreement, dated as of May 19, 2019 (the “**RSA**”), with holders of 100% in principal amount of loans under the Term Loan Facility and Sentinel. The RSA contemplates, and the Chapter 11 Debtors have filed, a comprehensive Chapter 11 plan (the “**Plan**”). The RSA ensures that the Plan will be confirmed in all circumstances and, most importantly, a viable business will continue to operate uninterrupted. A copy of the RSA is attached hereto as Exhibit “D” and a copy of the Plan is attached hereto as Exhibit “E”.

64. The RSA provides a commitment from the Chapter 11 Debtors’ largest creditor constituency to support a substantial deleveraging of the Chapter 11 Debtors’ approximately \$233 million funded debt capital structure. More specifically, and as described in greater detail below under the heading “DIP Motion”, the ABL Lenders and certain Term Loan Lenders have agreed to provide a \$90 million debtor-in-possession (“**DIP**”) asset-based loan facility (the “**DIP ABL Facility**”), and certain term loan lenders have agreed to provide an additional \$28 million term loan facility (the “**DIP Term Loan Facility**”, and together with the DIP ABL Facility, the “**DIP Facilities**”) to fund the administration of the Chapter 11 Cases.

65. Hollander has also secured an agreement to have the DIP Term Loan Facility converted into a \$58 million exit term loan facility upon emergence from the Chapter 11 proceedings, which provides an additional \$30 million in incremental liquidity to fund go-forward operations. With respect to the DIP ABL Facility, it includes a creeping (or gradual) roll-up wherein the Chapter 11 Debtors will use receipts from the Chapter 11 Debtors’ operations to pay down pre-filing

obligations under the ABL Facility pending the final DIP Order, whereupon (and if granted) there will be a deemed draw on the DIP ABL Facility to satisfy the then remaining outstanding prepetition debt under the ABL Facility, if any. Furthermore, Sentinel has agreed to convert its loans, in a last-out position, in any proposed exit asset-based financing facility. The new money term loan exit financing is committed, thus ensuring that Hollander is able to finance its emergence from the Chapter 11 proceedings without the need to raise additional financing.

66. The Plan also includes a sale “toggle” feature, allowing for a potential sale to a third party supported by the secured lenders and accomplished through the Plan. In this regard, Houlihan commenced a marketing process relating to the Chapter 11 Debtors’ assets, including the assets of Hollander Canada, and will continue to actively solicit the market for potential financial and strategic buyers now that the Chapter 11 Cases have formally commenced. Houlihan’s process will not preclude a prospective buyer from submitting bids for the business and assets of Hollander Canada on its own. The Chapter 11 Debtors will be willing to enter into a sale or a combination of sales if the Chapter 11 Debtors believe, in their business judgment, that such transactions will result in higher or otherwise better value to stakeholders than the proposed transaction embodied in the RSA and the Plan. Importantly, the parties to the RSA are active supporters of this market test process.

67. To ensure the least disruption to operations and to minimize the cost of the Chapter 11 Cases, Hollander and its stakeholders have agreed upon an expedited timeline to effectuate its comprehensive restructuring. The proposed timeline is as follows, subject to U.S. Court availability and approval at the final DIP Motion:

Deadline	Proposed Date
Deadline to file Disclosure Statement	June 12, 2019
Preliminary Bid Deadline	July 1, 2019
Disclosure Statement Hearing	July 17, 2019, or as soon thereafter as the Debtors may be heard.
Bid Deadline	July 26, 2019
Auction	August 1, 2019
Plan and Sale Objection and Plan Voting Deadlines	August 19, 2019
Confirmation Hearing	August 26, 2019, or as soon thereafter as the Debtors may be heard.

68. Given that Hollander Canada is not a borrower or guarantor under the Term Loan Facility, the Chapter 11 Debtors have negotiated and incorporated certain protections into the Plan to mitigate against any material prejudice to current creditors of Hollander Canada. More specifically, the Plan provides that, except to the extent that a holder of an allowed unsecured claim in respect of Hollander Canada agrees to less favourable treatment, on the effective date of the Plan, each holder of such a claim will receive its pro rata share of the “Hollander Canada Cash Allocation” up to the full amount of such holder’s claim, in full and final satisfaction, compromise, settlement, release and discharge of and in exchange for such claim. The “Hollander Canada Cash Allocation” is defined to mean (i) in the event that the winning bidder is an entity other than the Term Loan Lenders, any cash proceeds of a winning bidder’s sale transaction, after payment in full of the DIP ABL Claims (as defined therein) and other priority secured claims, allocated to the assets, undertakings and property of Hollander Canada by such winning bidder, in consultation with the Information Officer, or (ii) in the event that the winning bidder is the Term Loan Lenders, the cash proceeds, if any, of any Canadian Acquisition Transaction, if so elected by the Term Loan Lenders, made available to apply against Hollander Canada’s general unsecured claims. A

Canadian Acquisition Transaction is defined to mean one or more transactions to be implemented on or before the Effective Date pursuant to which the Term Loan Lenders may acquire the assets, undertakings and properties of Hollander Canada, which transaction shall be acceptable to the Chapter 11 Debtors, the required Term Loan Lenders and the Information Officer and subject to the approval of the Canadian Court.

69. The provision of consultation rights to the Information Officer in (i) above is designed to ensure that creditors of Hollander Canada are afforded necessary protection with regard to any asset allocation following a sale to a third party. The requirement to obtain Court approval for any Canadian Acquisition Transaction in (ii) above is designed to ensure that interested parties have an opportunity to voice concerns, if any, with respect to such transaction and to provide an opportunity for the Information Officer to make a recommendation to the Canadian Court in respect of any proposed Canadian Acquisition Transaction.

VI. Urgent Need for Relief in Canada

70. Hollander Canada and the other Chapter 11 Debtors are in urgent need of a stay of proceedings and the recognition of the First Day Orders.

71. The Chapter 11 Debtors' cash balance as of the Petition Date was insufficient to operate their enterprise and continue paying their debts as they come due. While the Chapter 11 Debtors have thus far largely been able to maintain the shipment and distribution of products (and thus the continued trust of their customers) notwithstanding their liquidity challenges, the Chapter 11 Debtors, including Hollander Canada on a standalone basis, cannot sustain normal course operations without an immediate infusion of post-petition financing and access to cash collateral. Presently, approximately \$7.2 million of Hollander Canada's \$9 million of accounts payable is past due. Without immediate post-petition financing and access to cash collateral, the Chapter 11

Debtors, including Hollander Canada on a standalone basis, will be unable to pay wages for their employees or the invoices of vendors critical to business operations, preserve and maximize the value of their estates, and administer the Chapter 11 cases, causing irreparable harm to the value of the Chapter 11 Debtors' estates to the detriment of all stakeholders.

72. Furthermore, the DIP ABL Credit Agreement (defined below) requires the Chapter 11 Debtors to obtain an order from this Court recognizing and giving effect to the DIP Order (among other First Day Orders) within three (3) business days of the day that the DIP Order is issued by the U.S. Court. Further, the DIP ABL Facility provides that the DIP Order must be recognized by this Court before any borrowing by Hollander Canada will be permitted. As the Chapter 11 Debtors, including Hollander Canada on a standalone basis, need access to all of the funds available under the DIP Facilities forthwith, it is critical that the Applicant obtain recognition of the First Day Orders as soon as possible to permit the Chapter 11 Debtors to access the liquidity necessary for them to continue as a going concern and to implement the restructuring contemplated by the RSA and the Plan.

73. If the restructuring is implemented, it is anticipated that Hollander Canada will continue as a going concern, resulting in, among other things, the continuing employment of approximately 240 Canadian employees. In addition, it is anticipated that trade creditors, customers, landlords and other third party stakeholders will benefit from the continued operation of Hollander Canada's business.

74. If, however, the restructuring is not implemented, a liquidation of the business and assets of the Chapter 11 Debtors, including Hollander Canada, will be the likely result. In a liquidation scenario, Hollander Canada's unsecured creditors are likely to suffer a substantial or complete shortfall in the recoveries on their claims. The book value of Hollander Canada's current assets is

not reflective of the realizable value of its assets in a liquidation scenario. In addition, Hollander Canada currently has liabilities of approximately \$15.8 million and a large number of additional “off balance sheet” liabilities would arise if Hollander Canada were to cease operations and liquidate, including claims in respect of lease terminations, breach of contract and termination and severance pay for Hollander Canada’s approximately 240 employees.

75. The proposed Information Officer has prepared a liquidation analysis evaluating the impact of a liquidation scenario on creditors of Hollander Canada (the “**Liquidation Analysis**”) and has determined that such a liquidation would result in Hollander Canada’s unsecured creditors receiving nominal recoveries, if any. I understand from the proposed Information Officer that the Liquidation Analysis will be included in a Confidential Appendix to the proposed Information Officer’s Pre-filing Report (the “**Confidential Appendix**”). The Applicant is requesting that a sealing order be granted with respect to the Confidential Appendix, as it contains confidential and commercially sensitive information which would result in material prejudice to the Chapter 11 Debtors, including to the Houlihan sale process, should it be disclosed.

76. In light of the foregoing, a going concern outcome is in the best interests of Hollander Canada and all of its stakeholders. A going concern outcome is only available if the relief sought is granted. The proposed DIP Facilities and Plan are supported by all creditors and key stakeholders with an economic interest in Hollander Canada.

VII. Relief Sought

A. Recognition of Foreign Proceedings

77. The Applicant seeks recognition of the Chapter 11 Cases as “foreign main proceedings” pursuant to Part IV of the CCAA. Other than Hollander Canada, all of the remaining Chapter 11

Debtors are incorporated under U.S. law, have their registered head office and corporate headquarters in the U.S., carry out their business in the U.S. and have all or substantially all of their assets located in the U.S. While Hollander Canada maintains a sales office in Ontario and one manufacturing facility in each of Ontario and Québec, only minimal administrative functions are carried out in Canada – Hollander Canada is, for all intents and purposes, administered and managed out of the United States.

78. As described above, Hollander is managed on a consolidated basis and its Canadian operations are dependent on and integrated with the U.S. operations. Hollander Canada would not be able to function as an independent entity without the corporate functions performed by the Chapter 11 Debtors in the U.S.

B. Recognition of the First Day Orders

79. By operation of the U.S. Bankruptcy Code, the Chapter 11 Debtors obtained the benefit of a stay upon filing the voluntary petitions with the U.S. Court. A stay of proceedings in Canada is essential to protect the efforts of Hollander to proceed with the Chapter 11 Cases and to pursue the Plan.

80. On May 19, 2019, the Chapter 11 Debtors filed certain First Day Motions. On May 21, 2019, the U.S. Court heard several (but not all) of the First Day Motions and entered seven (7) interim or final orders on May 22 and 23, 2019 (the “**First Day Orders**”). Two further court dates have been scheduled with the U.S. Court to hear the remaining First Day Motions and certain anticipated “day two” motions.

81. At this time, the Applicant is seeking recognition of the seven (7) First Day Orders issued by the U.S. Court on May 22 and 23, 2019.

82. The First Day Motions heard by the U.S. Court on May 21, 2019 can be summarized as follows:

- (a) *Debtors' Motion for Entry of an Order (I) Authorizing Hollander Sleep Products to Act as Foreign Representative and (II) Granting Related Relief* (the “**Foreign Representative Motion**”): Pursuant to this motion, Hollander Sleep Products sought an order authorizing Hollander Sleep Products to act as the “foreign representative” in order to seek the relief sought in this Application.
- (b) *Debtors' Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases; and (II) Granting Related Relief* (the “**Joint Administration Motion**”): This motion sought an order authorizing the joint administration of the various Chapter 11 Cases filed by the Chapter 11 Debtors and related procedural relief.
- (c) *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief* (the “**Employee Wages Motion**”): This motion described and sought an order approving the continuation of the Chapter 11 Debtors' prepetition employee obligations in the ordinary course of business, and authority to pay and honour certain prepetition claims relating to, among other things, wages, salaries and other compensation. With respect to Canada in particular, the Chapter 11 Debtors sought authorization, among other things, to: (i) pay all outstanding prepetition amounts on account of unpaid wage and salary obligations for Hollander Canada employees consistent with past practice, and to continue paying such wages

and salary obligations in the ordinary course of business; (ii) pay in a manner consistent with historical practice any unpaid withholding obligations and to continue to honour withholding obligations in the ordinary course of business during the administration of the Chapter 11 Cases; and (iii) to pay all outstanding prepetition amounts incurred by Hollander Canada employees on account of reimbursable expenses, and continue to pay such reimbursable expenses on a post-petition basis.

- (d) *Debtors Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate their Cash Management System and (B) Honour 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 Motion**”): The Cash Management Motion contained a detailed description of the Chapter 11 Debtors’ cash management system, including the Canadian Operations Accounts, and sought an order authorizing the ongoing use of that system, including access to the Canadian Operations Accounts. It also sought relief to permit intercompany advances.
- (e) *Debtors’ Motion for Entry of Interim and Final Orders (I) Authorizing the Chapter 11 Debtors to Obtain Postpetition Financing, (II) Authorizing the Chapter 11 Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Lenders, (V) Modifying the Automatic Stay, (VI) Scheduling a Final*

Hearing, and (VII) Granting Related Relief (the “**DIP Motion**”). The DIP Motion is described below.

- (f) *Debtors’ Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Claims of (A) Lien Claimants, (B) Import Claimant (C) Section 503(B)(9) Claimants (D) Foreign Vendors, (E) Critical Vendors, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the “**Critical Vendors and Shippers Motion**”): This motion described lien claimants, critical vendors, customs brokers and warehousemen, among others, that provide specific services to the Chapter 11 Debtors. Through this motion, the Chapter 11 Debtors sought, among other things, an order authorizing them to pay certain pre-petition amounts to such critical third parties, including third parties who provide services to Hollander Canada, to maintain stability during the opening days of the Chapter 11 Cases and to avoid jeopardizing the Chapter 11 Debtors’ ability to serve their customers going forward.
- (g) *Debtors’ Motion for Entry of Interim and Final Order (A) Authorizing the Debtors to Maintain and Administer Their Existing Customer Programs and Honour Certain Prepetition Obligations Related Thereto and (B) Granting Related Relief* (the “**Customer Programs Motion**”): This motion described and sought the continuation, in the discretion of the Chapter 11 Debtors, of various customer programs that Hollander offers, including markdown allowances, discounts, returns, and cooperative marketing programs. It is essential that Hollander maintain customer loyalty and goodwill by maintaining and honouring the programs.

C. DIP Motion

83. As described in more detail in the DIP Motion, the Chapter 11 Debtors (including Hollander Canada) sought the authority from the U.S. Court to enter into:

- (a) a debtor-in-possession senior secured ABL credit agreement (the “**DIP ABL Credit Agreement**”) with Wells Fargo Bank, National Association as agent (in such capacity, the “**DIP ABL Agent**”) and the lenders who from time to time are a party thereto (the “**DIP ABL Lenders**”) with respect to a senior secured credit facility in an aggregate amount not to exceed \$90 million (as above, the DIP ABL Facility); and
- (b) a DIP senior secured term loan agreement (the “**DIP Term Loan Credit Agreement**” and together with the DIP ABL Credit Agreement, the “**DIP Agreements**”) with Barings Finance LLC, as administrative agent (in such capacity, the “**DIP Term Loan Agent**”), and the financial institutions who from time to time are a party thereto (collectively, the “**DIP Term Loan Lenders**” and together with the DIP ABL Lenders, the “**DIP Lenders**”) in the aggregate amount not to exceed \$28 million (as above, the DIP Term Loan Facility).

84. Full details regarding the Chapter 11 Debtors request for the DIP Facilities are set out in the DIP Motion and are not repeated herein. In addition, matters related to the granting of adequate protection in respect of the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement are addressed therein.

85. Briefly, some of the significant features of the DIP ABL Facility—the critical facility from the perspective of Hollander Canada—include:

- (a) *Borrowers:* Hollander Home Fashions Holdings, LLC; Hollander Sleep Products; Hollander Sleep Products Kentucky, LLC; Hollander Canada; Pacific Coast Feather, LLC; and Pacific Coast Feather Cushion, LLC.
 - (b) *Guarantors:* Dream II Holdings, LLC.
 - (c) *Amount:* Up to \$90 million. However, Hollander Canada is only entitled to borrow \$20 million under the DIP ABL Facility, less the amount of Hollander Canada's prepetition obligations under the ABL Credit Agreement that are rolled-up into the DIP ABL Facility.
 - (d) *Rate:* Loans will bear interest, at the option of the Borrowers, at one of the following rates: (i) if a US Revolving Loan or Canadian obligation is a Base Rate Loan, the Base Rate + 2.00% and (ii) if a US Revolving Loan or Canadian obligation is a Non-Base Rate Loan, LIBOR + 4.00%.
 - (e) *Security:* all present and after acquired real and personal property of the Chapter 11 Debtors.
 - (f) *Events of Default:* Various events of default as set out therein.
 - (g) *Remedies upon Default:* Upon default, the DIP ABL Lenders, among other things, may terminate their obligations under the DIP ABL Facility and demand immediate repayment of all or part of the borrowers' obligations without further notice.
86. Some of the significant features of the DIP Term Loan Facility include:
- (a) *Borrower:* Hollander Sleep Products.

- (b) *Guarantors*: All Chapter 11 Debtors, excluding Hollander Sleep Products and Hollander Canada.
- (c) *Amount*: Up to \$28 million.
- (d) *Rate*: Loans will bear interest, at the option of the Borrower, at one of the following rates: (i) LIBOR Rate Loans: LIBOR + 7.00% and (ii) Base Rate Loans: Base Rate + 6.00%.
- (e) *Security*: all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible of the Chapter 11 Debtors, except for Hollander Canada.
- (f) *Events of Default*: Various events of default as set out therein.
- (g) *Remedies upon Default*: Upon default, the DIP Term Loan Lenders, among other things, may terminate their obligations under the DIP Term Loan Facility and demand immediate repayment of all or part of the borrowers' obligations without further notice.

87. Immediate access to incremental liquidity pursuant to the DIP Facilities is critical to preserving the value of the Chapter 11 Debtors' estates (including Hollander Canada's estate) and maximizing the likelihood of a going-concern reorganization. Ample post-petition financing is necessary to send a strong market signal that the Chapter 11 Cases are well-funded.

88. The ability of the Chapter 11 Debtors, including Hollander Canada, to maintain business relationships with their vendors, suppliers and customers, to pay their employees and otherwise finance their operations requires the availability of working capital from the DIP Facilities. This

is particularly critical at this stage given the upcoming “back to school” season, being the peak selling season for Hollander Canada. The Chapter 11 Debtors, including Hollander Canada on a standalone basis, do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without immediate access to the DIP Facilities.

89. In addition, the DIP ABL Lenders have indicated that they are unwilling to make the DIP ABL Facility available to the Chapter 11 Debtors unless Hollander Canada is jointly and severally liable for all of the outstanding obligations under the DIP ABL Facility (including those incurred by the U.S. borrowers). In recognition of, and in response to, the demands for security from Hollander Canada, the Chapter 11 Debtors negotiated several forms of protections in the DIP ABL Facility which are designed to mitigate against any material prejudice to creditors of Hollander Canada. I understand that all of these efforts (and the results therefrom) were supported by the proposed Information Officer and its independent counsel.

90. First, the DIP ABL Lenders have agreed to a provision in the DIP Order pursuant to which the DIP ABL Agent is obligated to first look to proceeds of the Chapter 11 Debtors’ U.S. collateral to satisfy any outstanding obligations of the U.S. Chapter 11 Debtors under the DIP ABL Facility and to the proceeds of the Chapter 11 Debtors’ Canadian collateral to satisfy any outstanding obligations of Hollander Canada under the DIP ABL Facility. Only once the collateral in the U.S. has been exhausted can the DIP ABL Lenders look to the proceeds of Canadian assets to satisfy any outstanding U.S. obligations.

91. Second, the DIP ABL Facility, the Term DIP Facility and the DIP Order have been structured such that if the Chapter 11 Debtors (other than Hollander Canada) require access to the Canadian collateral for additional borrowings, Hollander Canada will borrow such amounts under

the DIP ABL Facility (up to the Canadian Maximum Revolver Amount) and then lend such borrowed amounts to the applicable Chapter 11 Debtor on a superpriority administrative expense basis. The superpriority “intercompany” charge would rank junior to the DIP ABL Lenders and ABL Lenders but senior to the Term DIP Loan Lenders and Term Loan Lenders on the ABL Priority Collateral and junior to the Term DIP Loan Lenders, the Term Loan Lenders, the DIP ABL Lenders and the ABL Lenders on the Term Priority Collateral. Amounts for shared services provided to Hollander Canada by the U.S. Chapter 11 Debtors will be offset against any such intercompany loans.

92. As described further in the DIP Motion, the Chapter 11 Debtors have determined, in the exercise of their business judgment, that the terms of the DIP ABL Facility are reasonable and appropriate in the circumstances. Without immediate access to the DIP Facilities, the Chapter 11 Debtors, including Hollander Canada on a standalone basis, would be unable to operate their business and maintain business relationships with their vendors, suppliers and customers, pay their employees or otherwise finance their operations, and their ability to preserve and maximize the value of their assets would be irreparably harmed.

93. Should the above occur, it would have a disastrous effect on Hollander Canada and Hollander more generally. To survive as a going concern, Hollander Canada requires the Chapter 11 Debtors in the U.S. to remain as a going concern. Hollander Canada depends on its U.S. counterparts to source and obtain high quality, low cost supplies from Hollander’s partners, and to access Hollander’s licensing agreements, design partnerships and company-owned brands, and other trademarks and IP (substantially all of which are owned or controlled by the U.S. Chapter 11 Debtors).

94. The amount actually borrowed by the Chapter 11 Debtors under the DIP ABL Credit Facility is proposed to be secured by, among other things, a Court-ordered charge on Hollander Canada's property and the property of the other Chapter 11 Debtors in Canada, if any, that ranks in priority to all unsecured claims, but is subordinate to the proposed Administration Charge (defined below) and to secured creditors with existing perfected security interests (the "**DIP ABL Charge**").

VIII. U.S. Court Hearing

95. On May 23, 2019, the U.S Court entered the interim DIP Order, in addition to other interim and final First Day Orders entered on May 22nd and 23rd. A copy of each of the First Day Orders are attached to the Barz Affidavit as Exhibit "O".

IX. Appointment of Information Officer

96. As part of its application, the Applicant is seeking to appoint KSV as the information officer (the "**Information Officer**") in this proceeding. KSV is a licensed trustee in bankruptcy in Canada and its principals have acted as an information officer in several previous ancillary proceedings (both under Part IV of the CCAA as well as the former section 18.6 of the CCAA).

97. KSV has consented to acting as Information Officer in this proceeding. A copy of KSV's consent to act as Information Officer is attached hereto as Exhibit "F".

98. The Chapter 11 Debtors propose to grant the proposed Information Officer and its legal counsel an administration charge with respect to their fees and disbursements in the maximum amount of US\$200,000 (the "**Administration Charge**") on Hollander Canada's property in Canada. The U.S. Chapter 11 Debtors do not have any assets in Canada. I believe the amount of the charge to be reasonable in the circumstances, having regard to the size and complexity of these

proceedings and the roles that will be required of the proposed Information Officer and its legal counsel.

X. Proposed Next Hearing

99. As set out above, Hollander Sleep Products, as the Foreign Representative, is seeking recognition of the above-noted “interim orders” including the DIP Order.

100. Hollander Sleep Products intends to seek a further hearing for recognition of any corresponding “final orders” if and when issued by the U.S. Court and would expect to address any other matters at that time. As noted above, Hollander Sleep Products also intends to seek a further hearing for recognition of the Final DIP Order (as defined in the First Day Declaration) if and when issued by the U.S. Court.

XI. Notice

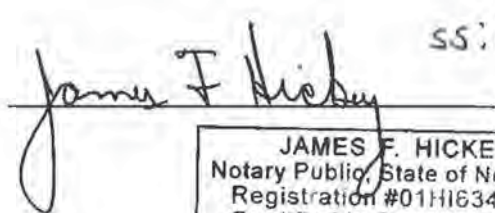

101. This application has been brought on notice to the DIP Lenders and the proposed Information Officer. The major stakeholders of the Chapter 11 Debtors are located in the U.S. and notice will be given to them within the Chapter 11 Cases.

102. The information regarding these proceedings will be provided to Hollander Canada’s stakeholders by and through the Information Officer. If the Orders sought are granted, Hollander Canada proposes that a notice of the recognition orders be published for two consecutive weeks in

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The Globe and Mail (National Edition) pursuant to the CCAA and all Canadian Court materials in these proceedings will be available on the Information Officer's website.

SWORN BEFORE ME at the City of New York in the State of New York on May 23, 2019.

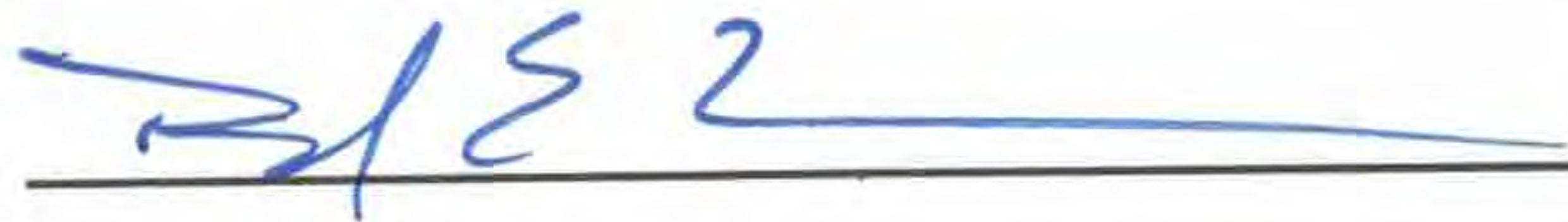

ss: N.Y.




MARC PFEFFERLE

TAB B

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

APPLICANT

AFFIDAVIT OF MARC PFEFFERLE

(Sworn July 3, 2019)

I, Marc Pfefferle, of the Town of Westport, Connecticut, United States of America, **MAKE OATH AND SAY:**

1. I am the Chief Executive Officer (“**CEO**”) of Hollander Sleep Products, LLC (“**Hollander Sleep Products**”) or the “**Foreign Representative**”) and the six (6)¹ other debtors in possession that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy

¹ In addition to Hollander Sleep Products, the other six (6) Chapter 11 Debtors are: Dream II Holdings, LLC; Hollander Home Fashions Holdings, LLC; Pacific Coast Feather, LLC; Hollander Sleep Products Kentucky, LLC; Pacific Coast Feather Cushion, LLC; and Hollander Sleep Products Canada Limited.

Code (the “**Chapter 11 Debtors**”). I am also a Partner at Carl Marks Advisors (“**Carl Marks**”), an investment bank that provides financial and operational services, where I have worked since 1992. I have served as CEO of Hollander Sleep Products since March 28, 2019 when I was retained by the Chapter 11 Debtors and their non-debtor affiliates. Before joining Carl Marks, I was a Partner with Marigold Associates, a strategic management consulting firm serving Fortune 100 companies, and before that I worked for Price Waterhouse LLP. I have over thirty years of experience providing restructuring and reorganization services for companies, creditors, and other stakeholders across a variety of industries, including consumer products, retail, manufacturing, and distribution related businesses.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, save and except where I refer to matters based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe that information to be true. In preparing this Affidavit, I consulted with the Chapter 11 Debtors’ management team and advisors (including the Carl Marks team working under my supervision) and reviewed relevant documents and information concerning the Chapter 11 Debtors’ operations, financial affairs and restructuring initiatives.

3. I swear this Affidavit in support of a motion by Hollander Sleep Products in its capacity as foreign representative of the Chapter 11 Debtors for:

- (a) an Order recognizing and enforcing certain Second Day Orders (defined below) entered by the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”), including the Final DIP ABL Order, the Claims Bar Date Order and the Bid Procedures Order (all as defined below); and

- (b) an Order amending the Supplemental Order (defined below) to reflect the Final DIP ABL Order.

4. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in my initial affidavit sworn May 23, 2019 in these proceedings (the “**Initial Affidavit**”), a copy of which is attached hereto without exhibits as Exhibit “A”. All dollar references in this Affidavit are in U.S. dollars unless otherwise specified.

A. Background

5. On May 19, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief (the “**Petitions**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the U.S. Court (the “**Chapter 11 Proceedings**”).

6. Concurrent with or shortly after the filing of the Petitions, the Chapter 11 Debtors also filed several “first day” motions (the “**First Day Motions**”) with the U.S. Court and, on May 21, 2019 and June 3, 2019, the U.S. Court heard nine (9) and two (2) First Day Motions, respectively, with certain “second day” motions (the “**Second Day Motions**”) to be heard at a later date. On May 22 and 23, 2019, the U.S. Court entered the following nine (9) interim and/or final orders (the “**First Day Orders**”) in respect of the First Day Motions heard on May 21, 2019:

- (a) Joint Administration Order;
- (b) Foreign Representative Order;
- (c) Interim Employee Wages Order;
- (d) Interim Cash Management Order;
- (e) Interim DIP Order;

- (f) Interim Critical Vendors and Shippers Order;
- (g) Interim Customer Programs Order;
- (h) Schedules and Statements Extension Order; and
- (i) Claims Agent Order.

7. By Order dated May 23, 2019, the Honourable Justice Hailey of the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”) recognized the Chapter 11 Proceedings as “foreign main proceedings” (the “**CCAA Recognition Proceedings**”), recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of the Chapter 11 Debtors (the “**Initial Recognition Order**”). Attached as Exhibit “B” hereto is a copy of the Initial Recognition Order (without exhibits) and attached as Exhibit “C” hereto is a copy of Justice Hailey’s May 30, 2019 Endorsement.

8. Also by Order dated May 23, 2019, Justice Hailey recognized seven (7) out of the nine (9) First Day Orders that were entered by the U.S. Court on May 22 and 23, 2019 (the “**Supplemental Order**”).² The Supplemental Order also appointed KSV Kofman Inc. as Information Officer in respect of the CCAA Recognition Proceedings, granted a charge in favour of the DIP ABL Agent and the DIP ABL Lenders in respect of the DIP ABL Facility, and an administration charge in the amount of \$200,000 in favour of the Information Officer and its counsel. Attached as Exhibit “D” hereto is a copy of the Supplemental Order (without exhibits).

² The Supplemental Order recognized the following seven (7) First Day Orders: (a) Joint Administration Order; (ii) Foreign Representative Order; (iii) Interim Employee Wages Order; (iv) Interim Cash Management Order; (v) Interim DIP Order; (vi) Interim Critical Vendors and Shippers Order; and (vii) Interim Customer Programs Order. The remaining two First Day Orders entered by the U.S. Court on May 22 and 23, 2019 did not need to be recognized by the Ontario Court.

B. Update on the Chapter 11 Proceedings

9. Since the Initial Affidavit was sworn, the Chapter 11 Debtors continue to advance their restructuring objectives and continue to operate in the ordinary course as contemplated in the Chapter 11 Proceedings. Among other things:

- (a) On May 30, 2019, the U.S. Trustee filed a Notice of Appointment of Official Committee of Unsecured Creditors, notifying parties in interest that the U.S. Trustee had appointed an Official Committee of Unsecured Creditors (the “UCC”). The UCC is currently composed of the following members: (a) Roind Hometex Co. Ltd (“**Roind**”), (b) Hangzhou Chuangyuan Feather Co Ltd. (“**HC Feather**”), (c) Hollander NC IA LLC; (d) Nap Industries, Inc. (“**NAP**”), and (e) Packaging Corporation of America. The UCC has retained Pachulski Stang Ziehl & Jones as its legal counsel and Alvarez & Marsal as its financial advisor. Roind, HC Feather and NAP are also unsecured creditors of Hollander Canada.
- (b) As described in my Initial Affidavit, prior to the Petition Date, the Chapter 11 Debtors and their advisors commenced a marketing process to market test the restructuring transaction contemplated by the Restructuring Support Agreement (“**RSA**”) and the Plan. Since the Petition Date, the Chapter 11 Debtors have continued to pursue the marketing process and have been keeping the Information Officer and advisors to their major stakeholders (including the UCC, the ABL Lenders, the Term Loan Lenders, and Sentinel) apprised of material developments in the process, including any indications of interest received. As described in more detail below, on May 19, 2019, the Chapter 11 Debtors filed a motion seeking approval of Bidding Procedures (as defined below) and a proposed confirmation

schedule (the “**Bid Procedures Motion**”). The Bid Procedures Motion was heard on July 1, 2019.

- (c) On June 3, 2019, the U.S. Court heard two additional First Day Motions which were not heard on May 21, 2019, and, on June 4, 2019, entered the following two Orders in connection therewith: (a) an order authorizing the Chapter 11 Debtors to prepare and file a consolidated list of creditors and mailing initial notices through their claims and noticing agent, among other related relief (the “**Creditor Matrix Order**”); and (b) an interim order authorizing the payment of certain prepetition taxes and fees to taxing authorities (the “**Interim Tax Order**”). As described below, on July 2, 2019, the Final Tax Order (as defined below) was entered by the U.S. Court as part of the hearing of the Second Day Motions. The Foreign Representative is only seeking recognition of the Final Tax Order.
- (d) On June 19, 2019, the Chapter 11 Debtors filed a Disclosure Statement (the “**Disclosure Statement**”) with the U.S. Court. The Disclosure Statement provides information regarding the affairs of the Chapter 11 Debtors to enable holders of claims against or interests in the Chapter 11 Debtors to make an informed judgment about the proposed Plan. A motion seeking approval of the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code is currently scheduled to be heard by the U.S. Court on July 24, 2019.
- (e) On June 21, 2019, the U.S. Court entered a further Order (a) setting bar dates for submitting proofs of claim, (b) approving procedures for submitting proofs of claim, (c) approving notice thereof, and (d) granting related relief (the “**Bar Date**”).

Order”). The Bar Date Order is described in greater detail below. The Foreign Representative is seeking to recognize the Bar Date Order through this Motion.

- (f) Other than as described in further detail below, the U.S. Court has granted certain other relief which is not germane to these proceedings.

C. The Second Day Motions

10. On July 1, 2019, the U.S. Court heard certain Second Day Motions that had been filed by the Chapter 11 Debtors and, on July 2 and 3, 2019, the U.S. Court entered orders in respect of these Second Day Motions, including the following orders which the Foreign Representative is seeking to have recognized by the Ontario Court (together, such orders and the Bar Date Order, the “**Second Day Orders**”):

- (a) *Order (I) Authorizing the Debtors to (A) Continue Insurance Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related Thereto (B) Renew, Supplement, Modify, or Purchase Insurance Coverage, and (C) Continue to Pay Brokerage Fees, and (II) Granting Related Relief* (the “**Insurance Order**”): The Insurance Order authorizes the Chapter 11 Debtors to continue insurance coverage that had been entered into prepetition, including a number of insurance policies which cover Hollander Canada, and to satisfy prepetition obligations related thereto in the ordinary course of business. The Insurance Order further authorizes the Chapter 11 Debtors to renew, amend, supplement, extend, or purchase insurance coverage, if necessary.
- (b) *Order (I) Authorizing the Debtors to Continue and Renew their Surety Bond Program, and (II) Granting Related Relief* (the “**Surety Bond Order**”): In the

ordinary course of business, certain third parties require the Chapter 11 Debtors to post surety bonds to secure their payment or performance of obligations, including customs and tax obligations. The Surety Bond Order authorizes the Chapter 11 Debtors to maintain their existing surety bond program consistent with historical practices, including paying premiums and brokerage fees (including any such obligations that arose prior to the Petition Date), maintain existing collateral, post new or additional collateral or issue letters of credit, renew or enter into new surety bonds, and execute other agreements in connection with the Chapter 11 Debtors' existing surety bond program.

- (c) *Order (I) Approving the Bidding Procedures, (II) Scheduling the Bid Deadlines and the Auction, (III) Approving the Form and Manner of Notice Thereof, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, and (V) Granting Related Relief* (the “**Bid Procedures Order**”): The Bid Procedures Order is described in greater detail below.
- (d) *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of (A) Lien Claimants, (b) Import Claimant, (C) 503(B)(9) Claimants, (D) Foreign Vendors, and (E) Critical Vendors, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the “**Final Critical Vendors Order**”): The Final Critical Vendors Order authorizes the Chapter 11 Debtors to pay certain prepetition amounts owed to, among others, (i) lien claimants; (ii) import claimant; (iii) 503(b)(9) claimants; (iv) foreign vendors; and (v) critical vendors, in an amount not to exceed \$6 million on a final basis, to help preserve the Chapter 11 Debtors' relationships with their key vendors and their

ability to serve their customers going forward. There are no material amendments to the Final Critical Vendors Order from the Interim Critical Vendors Order.

- (e) *Final Order (I) Authorizing the Debtors to (A) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs and (II) Granting Related Relief* (the “**Final Wages Order**”): The Final Wages Order authorizes the continuation of the Chapter 11 Debtors’ prepetition employee obligations in the ordinary course of business, and permits them to pay and honour certain prepetition claims relating to, among other things, wages, salaries and other compensation. With respect to Hollander Canada, the Chapter 11 Debtors are authorized, among other things, to (i) pay all outstanding prepetition amounts on account of unpaid wage and salary obligations for the employees of Hollander Canada, and to continue paying such wage and salary obligations in the ordinary course of business, (ii) pay all outstanding prepetition amounts incurred by Hollander Canada employees on account of reimbursable expenses, and (iii) continue employee benefits programs in the ordinary course, including payment of certain prepetition obligations related thereto. There are no material amendments to the Final Wages Order from the Interim Wages Order.
- (f) *Order Authorizing the Debtors to (A) Retain Carl Marks Advisory Group LLC to Provide the Debtors a Chief Executive Officer, a Chief Financial Officer, and Additional Personnel and (B) Appoint the Chief Executive Officer and Chief Financial Officer Nunc Pro Tunc to the Petition Date* (the “**Carl Marks Order**”): The Carl Marks Order authorizes, among other things, the Chapter 11 Debtors to

employ and retain myself as CEO of the Chapter 11 Debtors (including Hollander Canada), and Scott Pasquith as the Chief Financial Officer of the Chapter 11 Debtors (including Hollander Canada) along with such other personnel of Carl Marks as are necessary to assist myself and Mr. Pasquith in the performance of our duties.

- (g) *Final Order (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 “**Final Cash Management Order**”): The Final Cash Management Order, among other things, authorizes the Chapter 11 Debtors to (i) continue using the Cash Management System and honour any prepetition obligations related to the use thereof, including any bank fees; (ii) designate, maintain, close, and continue to use on a final basis their existing bank accounts; (iii) deposit funds in, and withdraw funds from, the bank accounts by all usual means, including checks, wire transfers, ACH transfers, and other debits; (iv) treat their prepetition bank accounts for all purposes as debtor-in-possession accounts; and (v) open new debtor-in-possession bank accounts. With respect to the Chapter 11 Debtors bank accounts held at the Royal Bank of Canada, the Final Cash Management Order provides that the Chapter 11 Debtors shall not maintain funds in excess of \$100,000 in the aggregate with respect to all such bank accounts, and amounts in excess of \$100,000 at the end of the business day shall be deposited or transferred to any of the Chapter 11 Debtors’ bank accounts that are held at Wells Fargo. With respect to intercompany transactions, the Final Cash Management Order provides, *inter alia*, that the Chapter 11 Debtors shall provide the UCC and

the Information Officer with reports, on a weekly basis (no later than the second business day of the week following the previous week's end) of transfers of cash or other funds made that week from Hollander Canada to the Chapter 11 Debtors other than Hollander Canada.

- (h) *Final Order (A) Authorizing the Debtors to Maintain and Administer their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto and (B) Granting Related Relief* (the “**Final Customer Programs Order**”): The Final Customer Programs Order authorizes the Chapter 11 Debtors to continue to maintain and administer various customer programs that Hollander offers which are essential to maintain customer loyalty and goodwill. There are no material amendments to the Final Customer Programs Order from the Interim Customer Programs Order.
- (i) *Final Order With Respect to Prepetition ABL Secured Parties and DIP ABL 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 ABL Secured Parties, (E) Modifying the Automatic Stay, and (F) Granting Related Relief* (the “**Final DIP ABL Order**”): The Final DIP ABL Order is described below.
- (j) *Final Order (A) Authorizing the Payment of Certain Prepetition Taxes and Fees and (B) Granting Related Relief* (the “**Final Tax Order**”): The Final Tax Order, among other things, authorizes the Chapter 11 Debtors to (i) pay or remit taxes and fees in the ordinary course of business accrued prior to the Petition Date that will

become payable during the pendency of the Chapter 11 Cases, including taxes paid to taxing authorities in Canada, and (ii) pay taxes and fees that arise in the ordinary course on a postpetition basis.

- (k) *Order (A) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Utility Services, (B) Determining Adequate Assurance of Payment for Future Utility Services, (C) Establishing Procedures for Determining Adequate Assurance of Payment, and (D) Granting Related Relief* (the “**Utilities Order**”): Preserving utility services, including electricity, telecommunications, internet, water and waste management, is essential to the Chapter 11 Debtors’ operations. Should any utility provider refuse or discontinue service, even for a brief period, the Chapter 11 Debtors business operations (including Hollander Canada’s business operations) would be disrupted, and such disruption could jeopardize the Chapter 11 Debtors’ ability to continue to operate. Accordingly, the Utilities Order, among other things, (i) prohibits utility providers (including certain specified providers to Hollander Canada) from altering, refusing, or discontinuing services to the Chapter 11 Debtors; and (ii) establishes procedures for determining adequate assurances of payment for future utility services.
- (l) *Order (A) Authorizing the Retention and Compensation of Professionals Utilized in the Ordinary Course of Business and (B) Granting Related Relief* (the “**Professionals Order**”): The Professionals Order authorizes the Chapter 11 Debtors to retain and compensate certain named professionals utilized by the Chapter 11 Debtors in the ordinary course of business.

- (m) *Order Authorizing and Approving the Employment and Retention of OMNI Management Group as Administrative Advisor for the Debtors and Debtors in Possession Nunc Pro Tunc to the Petition Date* (the “**OMNI Order**”): The OMNI Order authorizes the Chapter 11 Debtors to retain OMNI Management Group (“**OMNI**”) as administrative advisor effective *nunc pro tunc* to the Petition Date and authorizes OMNI to perform certain bankruptcy administration services. OMNI is also the Chapter 11 Debtors’ noticing agent with respect to the proof of claim process contemplated by the Bar Date Order.
- (n) *Order (A) Establishing Certain Notice, Case Management, and Administrative Procedures and (B) Granting Related Relief* (the “**Case Management Order**”): The Case Management Order approves and implements certain notice, case management, and administrative procedures, which are attached as Exhibit 1 to the Case Management Order.
- (o) *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 Term Loan Lenders, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* (the “**Second Interim DIP Term Order**”): The Second Interim DIP Term Order is described below.

11. I am aware that copies of the above-noted Second Day Orders will be attached to the Affidavit of Evan Barz (the “**Second Barz Affidavit**”), an associate lawyer with the law firm

Osler, Hoskin & Harcourt LLP, Canadian counsel to the Chapter 11 Debtors, and will be filed with the Ontario Court at or before the hearing of this motion.

C. The Bar Date Order

12. On May 30, 2019, the Chapter 11 Debtors filed a motion seeking the Bar Date Order (the “**Bar Date Motion**”). The Bar Date Motion sought to establish deadlines for filing proofs of claim (the “**Bar Dates**”) and certain related relief, including procedures for notice of Bar Dates (the “**Bar Date Notice**”). A copy of Bar Date Motion is attached to Second Barz Affidavit as Exhibit “A”.

13. As noted above, the U.S. Court granted the Bar Date Order on June 21, 2019, a copy of which is attached to the Second Barz Affidavit as Exhibit “B”.

14. Key elements of the Bar Date Order are as follows:

- (a) Claims of creditors of Hollander Canada are to be addressed on the same basis as those of the U.S. Chapter 11 Debtors;
- (b) The general Bar Date to file proofs of claim for prepetition claims is July 29, 2019 at 5:00 p.m., prevailing Eastern Time;
- (c) The Bar Date for governmental units, including Canadian governmental agencies, to file proofs of claim for prepetition claims is November 15, 2019, at 5:00 p.m. prevailing Eastern Time;
- (d) Those with claims arising from the rejection of an executory contract or unexpired lease must file proof of claim by the later of (a) the general Bar Date, and (ii) any date the U.S. Court may fix in the applicable order authorizing such rejection and, if no such date is provided, the date that is 35 days after the entry of the order;

- (e) If, subsequent to the mailing of the Bar Date Notice, the Chapter 11 Debtors amend or supplement the June 21, 2019 schedules and statements of financial affairs (the “**Schedules**”) any affected claimant that disputes such changes must file a proof of claim on or by the later of (i) the applicable general Bar Date or the Bar Date for governmental units, and (ii) 35 days after the date that notice of applicable amendment to the Schedules is served on the claimant;
- (f) If a holder of a claim is required to file a proof of claim under the Bar Date Order and fails to do so, such holder is forever barred, estopped and enjoined from asserting such claim against the Chapter 11 Debtors; and
- (g) The Bar Date Notice, substantially in the form attached as Exhibit 3 to the Bar Date Order, was published on June 27, 2019 in *The Globe and Mail* (national edition), *The New York Times* (national edition), and *USA TODAY* (national edition).

15. The Chapter 11 Debtors are requesting that the Ontario Court recognize the Bar Date Order and give it full effect in Canada pursuant to Section 49 of the CCAA. The Chapter 11 Debtors are of the view that recognition of the Bar Date Order by the Ontario Court is necessary for the protection of the Chapter 11 Debtors property and is in the interest of their creditors for the following reasons:

- (a) the Chapter 11 Cases apply to all creditors of the Chapter 11 Debtors, wherever they may be located, and accordingly one comprehensive claims process is streamlined, efficient and appropriate;
- (b) known Canadian creditors of the Chapter 11 Debtors have or will receive a claims package from the Chapter 11 Debtors’ noticing agent, OMNI;

- (c) the Bar Dates and procedures are consistent with typical claims process orders issued by the Ontario Court in the context of formal insolvency proceedings and, accordingly, are reasonable and appropriate in the circumstances. They provide claimants with notice and opportunity to prepare and file proofs of claim, as well as allowing the Chapter 11 Cases to move forward on a cost-efficient basis;
- (d) recognition of the Bar Date Order by the Ontario Court will ensure that the deadline for filing proofs of claim is enforceable against all creditors in Canada and/or creditors of Hollander Canada so that the Chapter 11 Debtors can have an accurate understanding of the claims against their estates; and
- (e) As above, notice of the Bar Date was provided to Canadian creditors of the Chapter 11 Debtors on June 27, 2019 in *The Globe and Mail* (national edition).

D. Bidding Procedures

16. As explained in the Initial Affidavit, the Chapter 11 Debtors included a sales toggle feature in the RSA and the Plan to ensure the Chapter 11 Debtors obtain the highest or otherwise best offer, or combination of offers, for the Chapter 11 Debtors' assets. In this regard, the RSA and the Plan authorize the Chapter 11 Debtors to emerge from the Chapter 11 Proceedings through either a debt-for-equity transaction with certain of the Term Loan Lenders or through a sale, or combination of sales, for some or all of the Chapter 11 Debtors' assets (the "**Assets**"). The process does not preclude a bidder from submitting a bid for the Canadian assets on a stand-alone basis. The goal of this dual-pronged approach is to test the market to evaluate whether there is a more

optimal third-party sale transaction or transactions than the proposed restructuring transaction with the Term Loan Lenders which is embodied in the RSA and the Plan.

17. To implement the market test sale transaction, the Chapter 11 Debtors have developed a bidding process designed to encourage all interested parties to expeditiously put their best bids forward and to maximize value of the Chapter 11 Debtors' estates through a competitive auction process of the Assets (the "**Bidding Procedures**"). As described in further detail below, to maximize the competitiveness of the bidding process, the Bidding Procedures provide the Chapter 11 Debtors with the authority to select one or more bidders to act as a stalking horse bidder (each, a "**Stalking Horse Bidder**") and, in connection with each Stalking Horse Bidder, provide customary bid protections (the "**Bid Protections**").

18. On May 19, 2019, the Chapter 11 Debtors filed the Bid Procedures Motion seeking approval of the Bid Procedures Order, a copy of which is attached to the Second Barz Affidavit as Exhibit "G".

19. On July 3, 2019 the U.S. Court entered the Bid Procedures Order, a copy of which is attached to the Second Barz Affidavit as Exhibit "H".

20. The Bid Procedures Order (i) authorizes and approves the Bidding Procedures (a copy of which is attached as Exhibit 1 to the Bid Procedures Order); (ii) approves the Bid Protections; (iii) establishes certain dates and deadlines in connection with the Bidding Procedures; (iv) approves the manner of notice of the Auction; (v) schedules dates and deadlines in connection with approval of the sale; and (vi) grants related relief.

21. Key elements of the Bidding Procedures are as follows:

- (a) The deadline by which any party interested in participating in the bidding process (each, a “**Potential Bidder**”) must deliver the Preliminary Bid Documents (as defined in the Bidding Procedures) is July 15, 2019, at 4:00 p.m., prevailing Eastern Time;
- (b) The Chapter 11 Debtors will determine, in their reasonable discretion and in consultation with the counsel to the DIP ABL Agent and the ABL Agent, counsel to DIP Term Loan Agent and the Term Loan Agent, counsel to the Sponsor, and counsel to any statutory committees appointed in the Chapter 11 Cases (the “**Consultation Parties**”), whether a Potential Bidder has submitted acceptable Preliminary Bid Documents such that the Potential Bidder may conduct due diligence with respect to the Assets (each, an “**Acceptable Bidder**”). Each of the following will also be deemed to be Acceptable Bidders: (i) the DIP ABL Agent (on behalf of the DIP ABL Lenders), (ii) the DIP Term Loan Agent (on behalf of the DIP Term Loan Lenders), (iii) the ABL Agent (on behalf of the ABL Lenders), and (iv) the Term Loan Agent (on behalf of the Term Loan Lenders) (collectively, the “**Agents**”);
- (c) The Chapter 11 Debtors will provide each Acceptable Bidder with reasonable due diligence information concerning those Assets that are the subject of each such Acceptable Bidder’s Bid (as defined in the Bidding Procedures), as requested by each Acceptable Bidder in writing;
- (d) The Chapter 11 Debtors are authorized, but not obligated, in the exercise of their business judgment and with the unanimous consent of the Consultation Parties, not to be unreasonably withheld, conditioned, or delayed, to: (a) select one or more

Acceptable Bidders to act as Stalking Horse Bidders in connection with the Auction; and (b) in connection with any stalking horse agreement with a Stalking Horse Bidder (i) provide a breakup fee (the “**Breakup Fee**”), (ii) agree to reimburse reasonable and documented out-of-pocket fees and expenses (the “**Expense Reimbursement**”), and/or (iii) agree to pay a “work fee” or other similar cash fee (the “**Work Fee**” and together with the Breakup Fee and the Expense Reimbursement, the “**Bid Protections**”), *provided* that the aggregate amount that may be paid to any or all Stalking Horse Bidders on account of the Bid Protections shall not exceed three percent (3%) of the proposed Purchase Price (as defined in the Bidding Procedures); *provided, further*, that in the event the Consultation Parties shall not unanimously agree as to the Chapter 11 Debtors’ proposed selection of a Stalking Horse Bidder and/or the provision of Bid Protections, the Chapter 11 Debtors may file an emergency motion with the U.S. Court seeking approval of such Stalking Horse Bidder and/or such Bid Protections, as applicable. I understand that the Information Officer will be filing a Report in connection with the present Motion which comments on the reasonableness of the three percent (3%) Bid Protection;

- (e) To be eligible to participate in the Auction, an Acceptable Bidder must deliver to the Chapter 11 Debtors a Qualified Bid (as defined in the Bidding Procedures). A Qualified Bid must meet certain Bid Requirements (as defined in the Bidding Procedures), including that it must be:
 - (i) in writing;

- (ii) received by no later than August 8, 2019 at 4:00 p.m., prevailing Eastern Time (the “**Bid Deadline**”);
 - (iii) a firm, unconditional bid (not subject to due diligence, shareholder/director/other approval, or financing contingencies);
 - (iv) accompanied by clean and duly executed transaction documents, including, at a minimum, a draft asset purchase agreement, the form of which will be provided to any Acceptable Bidder prior to the Bid Deadline; and
 - (v) accompanied by sufficient and adequate financial and other information to demonstrate, to the satisfaction of the Chapter 11 Debtors, in consultation with the Consultation Parties, that such Acceptable Bidder (a) has the financial wherewithal and ability to consummate the acquisition of the Assets and (b) can provide adequate assurance of future performance in connection with the proposed transaction.
- (f) Within two (2) business days after the Bid Deadline, the Chapter 11 Debtors and their advisors, in consultation with the Consultation Parties, will determine which Acceptable Bidders (if any) are deemed to be “Qualified Bidders”, so as to enable such Qualified Bidders to bid at the Auction;
- (g) If no Qualified Bids are received by the Bid Deadline, then the Auction will not occur, the Term Loan Lenders will be deemed the Winning Bidder (as defined below), and the Chapter 11 Debtors will pursue entry of an order by the U.S. Court confirming the Plan at the Sale Hearing (as defined below);

- (h) Prior to the Auction, the Chapter 11 Debtors and their advisors will evaluate Qualified Bids and identify the Qualified Bid that is, in the Chapter 11 Debtors reasonable business judgment, in consultation with the Consultation Parties, the highest or otherwise best bid (the “**Initial Minimum Overbid**”). The Chapter 11 Debtors may select more than one Qualified Bid to collectively serve as the Initial Minimum Overbid if each such Qualified Bid contemplates the purchase of different Assets;
- (i) If one or more Qualified Bids is received by the Bid Deadline, the Chapter 11 Debtors will conduct the Auction with respect to the Chapter 11 Debtors Assets. The Auction will commence on August 12, 2019 at 10:00 a.m., prevailing Eastern Time, at the offices of Kirkland & Ellis LLP, Lexington Avenue, New York, New York 10022, or such later time or other place as the Chapter 11 Debtors will notify the Stalking Horse Bidders and all other Qualified Bidders, in consultation with the Consultation Parties. The Auction will be conducted in accordance with, among others, the following procedures:
 - (i) The Auction will be conducted openly;
 - (ii) Only the Qualified Bidders, including any Stalking Horse Bidders and the Agents will be entitled to bid at the Auction;
 - (iii) Bidding at the Auction will begin at the Initial Minimum Overbid;
 - (iv) Subsequent bids at the Auction, including any Bids by any Stalking Horse Bidder, must be made in minimum increments of \$1 million (or such other amount as the Chapter 11 Debtors may determine in consultation with the

Consultation Parties) of additional value after payment of the Bid Protections to any Stalking Horse Bidders, if applicable; and

- (v) The Auction will not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an overbid at the Auction to the then prevailing highest Bid, subject to the Chapter 11 Debtors' right to require, and in consultation with the Consultation Parties, last and final Bids to be submitted on a "blind" basis;
 - (j) Upon the conclusion of the Auction (if such Auction is conducted), the Chapter 11 Debtors, in the exercise of their reasonable, good-faith business judgment, and in consultation with the Consultation Parties, will identify the highest or otherwise best Qualified Bid or Qualified Bids for the Assets (each, a "**Successful Bid**") and the Qualified Bidder or Qualified Bidders will be deemed the "**Winning Bidder**" or "**Winning Bidders**", as applicable; and
 - (k) On September 4, 2019, at 11:00 a.m., prevailing Eastern Time, a hearing before the U.S. Court will be held to consider approval of the Successful Bid or Successful Bids (the "**Sale Hearing**").
22. In granting the Bid Procedures Order, the U.S. Court found, among other things, that
- (a) the Chapter 11 Debtors articulated good and sufficient reasons for authorizing and approving the Bid Procedures, which are fair, reasonable, and appropriate under the circumstances and are designed to maximize the recovery on, and realizable value of, the Assets, including with respect to the proposed procedures for providing Bid

Protections as determined by the Chapter 11 Debtors in the exercise of their business judgment; and

- (b) the best interests of the Chapter 11 Debtors' estates, their creditors, and other parties in interest would be served by granting the Bid Procedures Order.

23. The DIP ABL Credit Agreement requires that the Chapter 11 Debtors apply to the Ontario Court to obtain approval of the Bid Procedures Order within three (3) business days of the entering of the Bid Procedures Order by the U.S. Court. The Foreign Representative intends to return to the Ontario Court at a later date to recognize any Order confirming the Plan.

ii.. Recognition of the Bid Procedures Order is in the Best Interest of All Stakeholders

24. The Chapter 11 Debtors require a path forward if they are going to successfully emerge from their restructuring proceedings. The Plan that has been proposed, including the Bidding Procedures described above, is in the best interests of the Chapter 11 Debtors particularly in light of the fact that if no Qualified Bids are received and the Auction does not occur, the Term Loan Lenders will be deemed the Winning Bidder, and the Chapter 11 Debtors will pursue entry of an Order by the U.S. Court confirming the Plan.³ As such, in all circumstances a going concern outcome will likely result.

25. The Chapter 11 Debtors are hopeful that the Bid Procedures Order will assist to canvass the market to determine whether there is a transaction that will generate a greater recovery for the Chapter 11 Debtors' estates than the restructuring transaction with the Term Loan Lenders.

³ As above, the Foreign Representative intends to return to the Ontario Court at a later date to recognize any Order confirming the Plan.

Recognition of the Bid Procedures Order will allow the Chapter 11 Debtors to move expeditiously through the Chapter 11 Proceedings to an efficient and value-maximizing conclusion.

E. Final DIP ABL Order

26. As described above, on May 23, 2019, the U.S. Court entered the Interim DIP Order pursuant to which the Chapter 11 Debtors obtained authority, on an interim basis, to enter into (i) a \$90 million debtor-in-possession (“**DIP**”) asset-based loan facility (the “**DIP ABL Facility**”) with Wells Fargo Bank, National Association as agent (in such capacity, the “**DIP ABL Agent**”) and the lenders who from time to time are a party thereto (the “**DIP ABL Lenders**”); and (ii) an additional \$28 million term loan facility (the “**DIP Term Loan Facility**”, and together with the DIP ABL Facility, the “**DIP Facilities**”) with Barings Finance LLC, as administrative agent (in such capacity, the “**DIP Term Loan Agent**”), and the financial institutions who from time to time are a party thereto (collectively, the “**DIP Term Loan Lenders**” and together with the DIP ABL Lenders, the “**DIP Lenders**”) to fund the administration of the Chapter 11 Proceedings.

27. To protect the interests of Hollander Canada and its creditors, the DIP ABL Facility and the Interim DIP Order included certain protections to mitigate any prejudice to creditors of Hollander Canada. Specifically, as described in the Initial Affidavit, the Interim DIP Order included a quasi-marshalling construct whereby the DIP ABL agent is obligated to first look to proceeds of the Chapter 11 Debtors’ U.S. collateral to satisfy any outstanding obligations of the U.S. Chapter 11 Debtors under the DIP ABL Facility, and to the proceeds of the Chapter 11 Debtors’ Canadian collateral to satisfy any outstanding obligations of Hollander Canada under the DIP ABL Facility. Only once collateral in the U.S. has been exhausted can the DIP ABL Lenders look to the Canadian assets to satisfy any outstanding U.S. obligation (the “**Quasi-Marshalling Construct**”).

28. In addition, the DIP ABL Facility and the Interim DIP Order were structured such that if the Chapter 11 Debtors (other than Hollander Canada) require access to the Canadian collateral for additional borrowings, Hollander Canada is permitted to borrow such amounts under the DIP ABL Facility (up to the Canadian Maximum Revolver Amount) and then lend such borrowed amounts to the applicable Chapter 11 Debtor on a superpriority basis (the “**Superpriority Intercompany Loans Charge**”).

29. In the weeks following the issuance of the Interim DIP Order, the Chapter 11 Debtors engaged in discussions and negotiations with the UCC and other stakeholders with regards to the terms of a proposed final DIP Order.

30. One of the issues discussed with the UCC and the DIP Term Loan Lenders, among others, was the terms of an exit fee commitment that the Chapter 11 Debtors have agreed to pay to cover the reasonable and documented out-of-pocket expenses incurred by the participating Term Loan Lenders in connection with their commitment to provide an additional \$30 million in liquidity to fund go forward operations outside the Chapter 11 Proceedings (the “**Exit Fee Commitment**”). The Chapter 11 Debtors have recently made disclosure of the Exit Fee Commitment and are providing their stakeholders with an opportunity to review the proposed fee structure. However, the time provided to stakeholders to review the Exit Fee Commitment extended beyond the July 1, 2019 “second day” hearing date scheduled with the U.S. Court.

31. Accordingly, in an effort to move the Chapter 11 Proceedings forward in an efficient manner and ensure that the Chapter 11 Debtors have access to the DIP financing provided for under the DIP ABL Facility, while at the same time providing stakeholders with sufficient time to review and consider the Exit Fee Commitment, the Chapter 11 Debtors agreed to bifurcate the final approval of the DIP Facilities: (i) the DIP ABL Facility would be brought before the U.S.

Court for approval on a final basis at the July 1, 2019 hearing; and (ii) the DIP Term Facility would be brought before the U.S. Court for approved on a final basis at a later date. In the interim, the Chapter 11 Debtors requested that the U.S. Court approve the Second Interim DIP Term Order at the July 1 hearing. The Second Interim DIP Term Order provides the Chapter 11 Debtors with access up to \$5 million of incremental financing under the DIP Term Loan Facility, to be funded at the discretion of the DIP Term Loan Agent at the direction of the required DIP Term Loan Lenders, during the interim period until a final order approving the DIP Term Loan Facility is entered by the U.S. Court, which is required to occur on or before July 19, 2019 (or such later date as the DIP ABL Agent may agree in its sole discretion) pursuant to the terms of the Final DIP ABL Order.

32. The Second Interim DIP Term Order and the Final DIP ABL Order were entered by the U.S. Court on July 3, 2019, copies of which are attached to the Second Barz Affidavit as Exhibit “O” and Exhibit “Z”, respectively.

33. The Final DIP ABL Order contains several amendments from the Interim DIP Order to address comments received from the UCC and other stakeholders, including with respect to reporting obligations, which were resolved consensually. Other notable amendments of relevance to these proceedings include:

- (a) Approval of the DIP ABL Facility on a final basis and authorization to borrow up to \$90 million under the facility;
- (b) A provision providing no Chapter 11 Debtor may object to a credit bid made by the DIP ABL Lenders or ABL Lenders of the amount outstanding under the DIP ABL Facility and ABL Facility (as applicable), including any sale of assets of the Canadian Loan Parties (as defined in the DIP ABL Credit Agreement) with

approval of the Ontario Court, subject to, in the case of the conveyance of any assets of the Canadian Loan Parties, such conveyance being acceptable to the Information Officer;

- (c) Notwithstanding the inclusion of a provision providing that the equitable doctrine of marshalling shall not apply, such provision provides for the distribution of proceeds of any realizations in accordance with the Quasi-Marshalling Construct; and
- (d) A provision expressly providing that the Superpriority Intercompany Loans Charge is (i) subject to the Carve Out (as defined in the Final DIP ABL Order), which principally includes professional fees, (ii) junior to the DIP ABL Lenders and the ABL Lenders but senior to the Term DIP Loan Lenders and the Term Loan Lenders on the ABL Priority Collateral (as defined in the Final DIP ABL Order), and (iii) junior to the Term DIP Loan Lenders, the Term Loan Lenders, the DIP ABL Lenders and the ABL Lenders on the Term Priority Collateral (as defined in the Final DIP ABL Order).

34. Notably, no substantive changes were made to the the Quasi-Marshalling Construct and Superpriority Intercompany Loans Charge contained in the Interim DIP Order and these provisions remain substantially unchanged in the Final DIP ABL Order.

35. As of July 2, 2019, the U.S. Chapter 11 Debtors and Hollander Canada owe approximately \$39.5 million and \$3.5 million, respectively, under the DIP ABL Facility. The Chapter 11 Debtors' post-filing cash receipts were used to pay down, in full, the pre-filing obligations under the ABL Facility as of July 1, 2019.

36. The Foreign Representative is now seeking recognition of the Final DIP ABL Order in Canada. The Foreign Representative is also seeking amendments to the Supplemental Order to reflect the terms of the Final DIP ABL Order. Recognition of the Final DIP ABL Order will permit continued operations and consistency in the Chapter 11 Proceedings and is necessary for the protection of the Chapter 11 Debtors' property and the interests of their creditors. I understand that the Information Officer will be filing a Report in connection with the present Motion which comments on the reasonableness of the Final DIP ABL Order.

37. As explained in my Initial Affidavit, the DIP ABL Credit Agreement requires the Chapter 11 Debtors to obtain an order from the Ontario Court recognizing and giving effect to the Final DIP ABL Order within three (3) business days of the day that the Final DIP ABL Order is entered by the U.S. Court. Therefore, it is critical that the Foreign Representative obtain recognition of the above-noted Second Day Orders, including the Final DIP ABL Order and the Bid Procedures Order, as soon as possible to permit the Chapter 11 Debtors to continue as a going concern and to implement the restructuring contemplated by the RSA and the Plan.

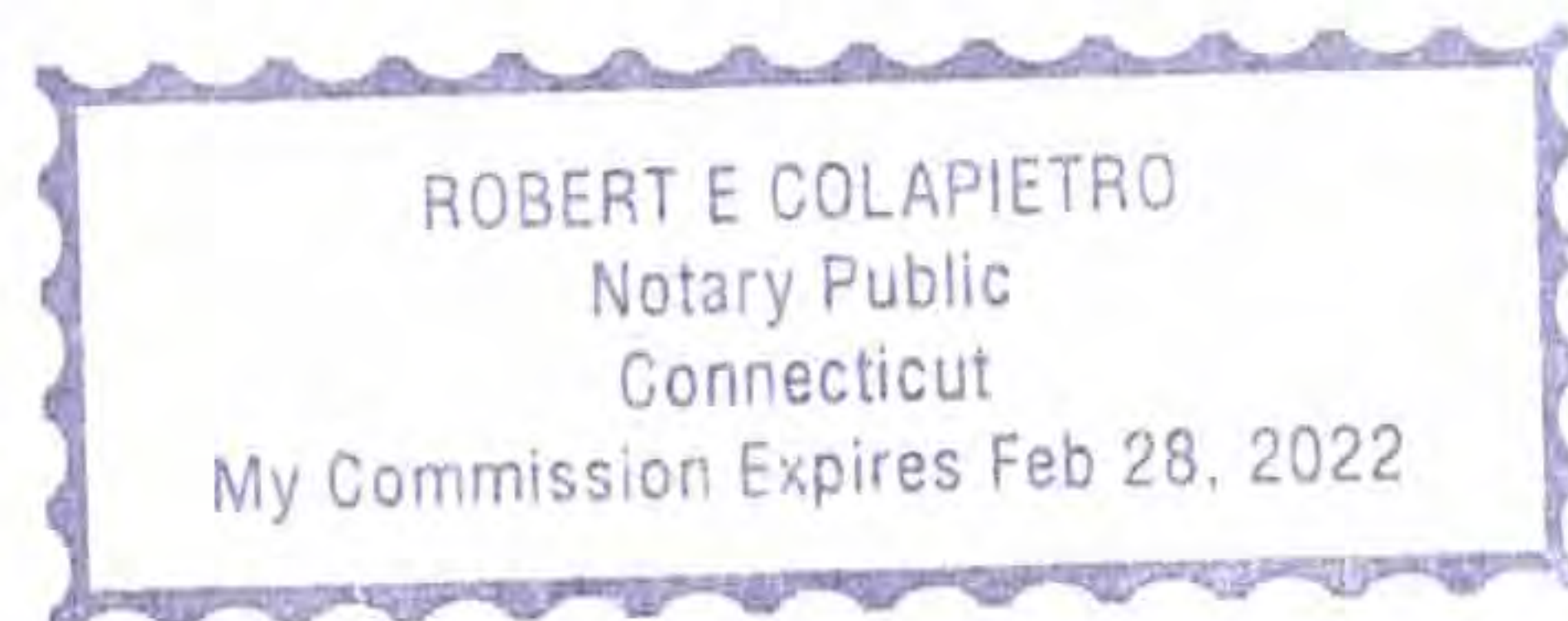
SWORN BEFORE ME at the Town of
Westport in the State of Connecticut on July
3, 2019.



MARC PFEFFERLE

TAB C

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019

A handwritten signature in blue ink, appearing to be "M. Pfefferle", is written over a horizontal line.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

APPLICANT

AFFIDAVIT OF MARC PFEFFERLE

(Sworn August 2, 2019)

I, Marc Pfefferle, of the Town of Westport, Connecticut, United States of America, **MAKE OATH AND SAY:**

1. I am the Chief Executive Officer (“**CEO**”) of Hollander Sleep Products, LLC (“**Hollander Sleep Products**”) or the “**Foreign Representative**”) and the six (6)¹ other debtors in possession

¹ In addition to Hollander Sleep Products, the other six (6) Chapter 11 Debtors are: Dream II Holdings, LLC; Hollander Home Fashions Holdings, LLC; Pacific Coast Feather, LLC; Hollander Sleep Products Kentucky, LLC; Pacific Coast Feather Cushion, LLC; and Hollander Sleep Products Canada Limited (“**Hollander Canada**”).

that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Chapter 11 Debtors**”). I am also a Partner at Carl Marks Advisors (“**Carl Marks**”), an investment bank that provides financial and operational services, where I have worked since 1992. I have served as CEO of Hollander Sleep Products since March 28, 2019 when I was retained by the Chapter 11 Debtors and their non-debtor affiliates. Before joining Carl Marks, I was a Partner with Marigold Associates, a strategic management consulting firm serving Fortune 100 companies, and before that I worked for Price Waterhouse LLP. I have over thirty years of experience providing restructuring and reorganization services for companies, creditors, and other stakeholders across a variety of industries, including consumer products, retail, manufacturing, and distribution related businesses.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, save and except where I refer to matters based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe that information to be true. In preparing this Affidavit, I consulted with the Chapter 11 Debtors’ management team and advisors (including the Carl Marks team working under my supervision) and reviewed relevant documents and information concerning the Chapter 11 Debtors’ operations, financial affairs and restructuring initiatives.

3. I swear this Affidavit in support of a motion by Hollander Sleep Products in its capacity as foreign representative of the Chapter 11 Debtors for an Order recognizing and enforcing the following Orders recently entered (or, in the case of the KERP Order, approved and expected to be entered prior to the hearing of this motion) by the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”): (i) the Disclosure Statement Order, (ii) the KERP Order, (iii) the Houlihan Lokey Retention Order, (iv) the Houlihan Lokey Additional

Services Order, and (v) the Final DIP Term Order (all as defined below). I am aware that copies of such Orders will be attached to the Affidavit of Evan Barz (the “**Third Barz Affidavit**”), an associate lawyer with the law firm Osler, Hoskin & Harcourt LLP, Canadian counsel to the Chapter 11 Debtors, and will be filed with the Ontario Court (as defined below) at or before the hearing of this motion.

4. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in my affidavits sworn May 23, 2019 (the “**Initial Affidavit**”) and July 3, 2019 (the “**Second Pfefferle Affidavit**” and, together with the Initial Affidavit, the “**Pfefferle Affidavits**”), copies of which are attached hereto without exhibits as Exhibit “A” and Exhibit “B”, respectively. All dollar references in this Affidavit are in U.S. dollars unless otherwise specified.

A. Background

5. On May 19, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief (the “**Petitions**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the U.S. Court (the “**Chapter 11 Cases**”).

6. Concurrent with or shortly after the filing of the Petitions, the Chapter 11 Debtors also filed several “first day” motions (the “**First Day Motions**”) with the U.S. Court. On May 22 and 23, 2019, the U.S. Court entered nine (9) interim and/or final orders (the “**First Day Orders**”) in respect of the First Day Motions heard on May 21, 2019.

7. By Order dated May 23, 2019, the Honourable Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”) recognized the Chapter 11 Cases as “foreign main proceedings” (the “**CCAA Recognition Proceedings**”), recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of

the Chapter 11 Debtors (the “**Initial Recognition Order**”). Attached as Exhibit “C” hereto is a copy of the Initial Recognition Order (without exhibits) and attached as Exhibit “D” hereto is a copy of Justice Hailey’s May 30, 2019 Endorsement.

8. Also by Order dated May 23, 2019, Justice Hailey recognized seven (7) of the nine (9) First Day Orders that were entered by the U.S. Court on May 22 and 23, 2019 (the “**Supplemental Order**”).² The Supplemental Order also appointed KSV Kofman Inc. as Information Officer in respect of the CCAA Recognition Proceedings, granted a charge in favour of the DIP ABL Agent and the DIP ABL Lenders in respect of the DIP ABL Facility, and an administration charge in the amount of \$200,000 in favour of the Information Officer and its counsel. Attached as Exhibit “E” hereto is a copy of the Supplemental Order (without exhibits).

9. On May 30, 2019, the U.S. Trustee filed a Notice of Appointment of Official Committee of Unsecured Creditors, notifying parties in interest that the U.S. Trustee had appointed an Official Committee of Unsecured Creditors (the “**UCC**”).

10. By Order dated July 5, 2019, Justice Hailey recognized sixteen (16) Second Day Orders that had been entered by the U.S. Court on June 21, July 2 and July 3, 2019 (the “**Second Recognition Order**”), including the Bar Date Order, the Bid Procedures Order and the Final DIP ABL Order.³ A copy of the Second Recognition Order is attached hereto as Exhibit “F” (without exhibits).

² The Supplemental Order recognized the following seven (7) First Day Orders: (a) Joint Administration Order; (ii) Foreign Representative Order; (iii) Interim Employee Wages Order; (iv) Interim Cash Management Order; (v) Interim DIP Order; (vi) Interim Critical Vendors and Shippers Order; and (vii) Interim Customer Programs Order. The remaining two First Day Orders entered by the U.S. Court on May 22 and 23, 2019 did not need to be recognized by the Ontario Court.

³ The Second Recognition Order recognized the following sixteen (16) Second Day Orders: (i) the Insurance Order; (ii) the Surety Bond Order; (iii) the Bid Procedures Order; (iv) the Final Critical Vendors Order; (v) the Final Wages Order; (vi) the Carl Marks Order; (vii) the Final Cash Management Order; (viii) the Final Customer

B. Update on the Chapter 11 Cases

11. Since the Second Pfefferle Affidavit was sworn, the Chapter 11 Debtors continue to advance their restructuring objectives and continue to operate in the ordinary course as contemplated in the Chapter 11 Cases. Among other things:

- (a) On July 10, 2019, the U.S. Court entered an Order: (a) authorizing the retention of Houlihan Lokey Capital, Inc. (“**Houlihan Lokey**”) as financial advisor and Investment Banker to the Debtors *nunc pro tunc*; (b) approving the terms of the engagement agreement; (c) waiving certain time-keeping requirements, and (d) granting related relief (the “**Houlihan Lokey Retention Order**”). The Houlihan Lokey Retention Order authorizes the retention and employment of Houlihan Lokey as the Chapter 11 Debtors’ financial advisor and investment banker *nunc pro tunc* on the terms and conditions set forth in the Engagement Agreement, as modified by the Houlihan Lokey Retention Order (as both are defined in the Houlihan Lokey Retention Order). The Foreign Representative is seeking to recognize the Houlihan Lokey Retention Order through this Motion. A copy of the Houlihan Lokey Retention Order is attached to the Third Barz Affidavit as Exhibit “F”.
- (b) In accordance with the Bidding Procedures, on or before July 15, 2019, the Chapter 11 Debtors received Preliminary Bid Documents from six (6) Potential Bidders in respect of the Assets. As of yet, none of the bids have contemplated an acquisition

Programs Order; (ix) the Final DIP ABL Order; (x) the Final Tax Order; (xi) the Utilities Order; (xii) the Professionals Order; (xiii) the OMNI Order; (xiv) the Case Management Order; (xv) the Second Interim DIP Term Order; and (xvi) the Bar Date Order.

of Hollander Canada's business and assets on a standalone basis. The Chapter 11 Debtors are presently working with certain of these bidders to facilitate their due diligence. The deadline for bidders to submit Qualified Bids is August 8, 2019, although that date may be modified by agreement with the Consultation Parties.

- (c) On July 19, 2019, the U.S. Court entered a final order with respect to the DIP term loan secured parties and prepetition term loan secured parties (a) authorizing the Chapter 11 Debtors to obtain post-petition financing, (b) authorizing the Chapter 11 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**”). Among other things, the Final DIP Term Order authorizes, on a final basis, the Chapter 11 Debtors (other than Hollander Canada) to obtain senior secured post-petition financing on a superpriority basis in aggregate principal amount of up to \$28 million pursuant to that certain superpriority secured debtor-in-possession term loan credit agreement with Barings Finance LLC, as administrative agent, and the financial institutions who from time to time are a party thereto. Notwithstanding that Hollander Canada is not a borrower under the DIP Term Loan, nor is it a guarantor, the Foreign Representative is seeking to recognize the Final DIP Term Order as a matter of completeness, given that the first two Interim DIP Term Orders granted by the U.S. Court were recognized by the Ontario Court. A copy of the Final DIP Term Order is attached to the Third Barz Affidavit as Exhibit “H”.

- (d) On July 21, 2019, the Chapter 11 Debtors filed a motion with the U.S. Court for entry of an Order (i) authorizing the Chapter 11 Debtors to assume the Amended and Restated Restructuring Support and Settlement Agreement dated as of July 21, 2019 (the “**Amended RSA**”), (ii) approving the settlements and compromises contained therein, and (iii) granting related relief (the “**RSA Motion**”). A copy of the RSA Motion is attached hereto as Exhibit “G”. The Amended RSA is the outcome of numerous good faith settlement negotiations among the UCC, the Chapter 11 Debtors, the Consenting Term Loan Lenders (as defined in the RSA Motion) and Sentinel. The Amended RSA and the Plan reflect a global compromise with the UCC (the “**Plan Settlement**”) and, as a result, the Plan is now supported by all major creditor constituencies. The Plan Settlement, which is embodied in the Amended RSA and the Plan, contemplates specified recoveries to the unsecured creditors of the Chapter 11 Debtors in either a reorganization, third party sale or liquidation scenario. On August 1, 2019, the RSA Motion was heard by the U.S. Court. The U.S. Court raised certain issues that require resolution prior to approving the Amended RSA. Accordingly, the Chapter 11 Debtors engaged in negotiations with the parties to the Amended RSA in an effort to agree on further amendments to the Amended RSA to address the issues raised by the U.S. Court. Once these amendments have been executed and the Chapter 11 Debtors have provided notice of such amendments to interested parties, the Chapter 11 Debtors intend to return to the U.S. Court for approval of the Amended RSA. Following approval by the U.S. Court, the Foreign Representative will seek recognition of the U.S. Court’s order in these proceedings.

- (e) On July 25, 2019, the U.S. Court entered an Order approving the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code (the “**Disclosure Statement Order**”), all as described in greater detail below. The Foreign Representative is seeking to recognize the Disclosure Statement Order through this Motion.
- (f) On August 1, 2019, the U.S. Court entered an Order authorizing additional services of Houlihan pursuant to the Houlihan Retention Order (the “**Houlihan Lokey Additional Services Order**”). The Houlihan Lokey Additional Services Order approves Houlihan Lokey to provide certain analytical services to the Chapter 11 Debtors’ disinterested director in his investigation of certain potential conflict matters between the Chapter 11 Debtors and their shareholders, officers and directors. The Foreign Representative is seeking to recognize the Houlihan Lokey Additional Services Order through this Motion. A copy of the Houlihan Lokey Additional Services Order is attached to the Third Barz Affidavit as Exhibit “G”.
- (g) On August 1, 2019, the U.S. Court heard a motion (the “**KERP Motion**”) seeking an Order (the “**KERP Order**”) approving the Chapter 11 Debtors’ key employee retention plan (“**Hollander Retention Plan**”) and retention payments to certain employees involved in the closure of the Chapter 11 Debtors’ Thomson, Georgia plant (“**Georgia Retention Plan**” and together with the Hollander Retention Plan, the “**Retention Plans**”) and certain related relief.⁴ The Retention Plans are necessary for the Chapter 11 Debtors to maintain stability in their operations and

⁴ Although not applicable to the Canadian operations of the Chapter 11 Debtors, the Georgia Retention Plan was approved by the U.S. Court pursuant to the same Order as the Hollander Retention Plan and is therefore referred to herein for completeness.

maintain enterprise value and is consistent with retention plans in similarly sized Chapter 11 cases. The Retention Plans provide for payment of awards to 74 of the Chapter 11 Debtors' non-insider employees (each a "**Participant**", and, collectively, the "**Participants**"), including 47 Participants under the Hollander Retention Plan (of which three (3) are employees of Hollander Canada) and 27 Participants under the Georgia Retention Plan. No participant is an officer or director (as such terms are normally understood), but instead play vital rank-and-file functions for the Chapter 11 Debtors' business. The total amount of the awards to be paid out under the Retention Plans is \$554,000 and not one individual payment award exceeds \$20,000. The departure of any of the Participants during the Chapter 11 Cases would likely result in disruption to the ongoing operations thereby interfering with the Chapter 11 Debtors' restructuring process. As a result, the Chapter 11 Debtors brought the KERP Motion on the basis that implementation of the Retention Plans is necessary and appropriate and in the best interests of the Chapter 11 Debtors and their stakeholders. At the August 1, 2019 hearing, the U.S. Court approved the KERP Order in substance, subject to certain minor modifications requested to be made to the proposed KERP Order. As of the time of the swearing of this Affidavit, the KERP Order has not been entered by the U.S. Court, however this is expected to occur prior to the hearing of the present motion. Accordingly, a copy of the draft KERP Order submitted to the U.S. Court for entry is attached to the Third Barz Affidavit as Exhibit "D". I understand that Canadian counsel to the Chapter 11 Debtors will bring a copy of the entered KERP Order to the Ontario Court at the hearing of this Motion, provided that it is entered by the U.S. Court before August 6, 2019. If the KERP Order has not been entered by

August 6, 2019, the Foreign Representative will return to this Court at a later date to seek recognition of the entered KERP Order.

C. Disclosure Statement Order

12. As described in the Pfefferle Affidavits, the Plan provides for two potential outcomes. The first is a reorganization, which will equitize \$166.5 million of the Chapter 11 Debtors prepetition funded debt obligations through a debt-for-equity transaction with certain of the Term Loan Lenders. The second is a sale (or combination of sales), effected through a “toggle” feature built into the Plan, of the Chapter 11 Debtors’ assets to a third party (or third parties) identified in the sale process presently being carried out by Houlihan Lokey, which sale would be accomplished through the Plan. The Chapter 11 Debtors’ believe that concurrently pursuing both options will allow the Chapter 11 Debtors to maximize the value of their assets, provide certainty for stakeholders that their business operations will continue as a going concern, and expeditiously distribute value to their stakeholders.

13. The Chapter 11 Debtors filed an initial version of the Plan with the U.S. Court on May 19, 2019.

14. On June 19, 2019, the Chapter 11 Debtors filed an initial version of the Disclosure Statement for the Plan with the U.S. Court. The purpose of the Disclosure Statement is to provide holders of claims and interests in the Chapter 11 Debtors to be impaired by the Plan (“**Claimholders**”) with adequate information in order to make an informed judgment when voting to accept or reject the Plan.

15. On June 19, 2019, the Chapter 11 Debtors also filed a motion seeking approval of the Disclosure Statement Order, a copy of which is attached to the Third Barz Affidavit as Exhibit “A”.

16. On July 25, 2019, the U.S. Court entered the Disclosure Statement Order, a copy of which is attached to the Third Barz Affidavit as Exhibit “B”. Revised solicitation versions of the Plan and the Disclosure Statement, which reflect the terms of the Plan Settlement, were filed with the U.S. Court on July 25, 2019, copies of which are attached to this affidavit as Exhibit “H” and “I” respectively.

17. Key elements of the Disclosure Statement Order are as follows:

- (a) The Plan contemplates classifying Claimholders into certain Classes of Claims and Interests (both as defined in the Plan) for all purposes, including with respect to voting on the Plan. The following chart represents the Classes of Claims and Interests under the Plan:

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Reject)
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

The Disclosure Statement Order approves the process whereby the Chapter 11 Debtors will solicit votes to accept or reject the Plan from Claimholders in Classes 4 and 5 (collectively, the “**Voting Classes**”) and further approves the Chapter 11 Debtors not soliciting votes from Claimholders in Classes 1, 2, 3, 6, 7, 8, 9 and 10 (collectively, the “**Non-Voting Classes**”).

- (b) The Disclosure Statement Order approves the information contained within the Disclosure Statement as providing “adequate information” to allow Claimholders in the Voting Classes to make an informed decision about whether to vote to accept or reject the Plan. Specifically, the Disclosure Statement contains a number of categories of information, including:
- (i) ***The Chapter 11 Debtors’ Corporate History, Structure, and Business Overview.*** A detailed overview of the Chapter 11 Debtors’ corporate history, business operations and capital structure, including with respect to Hollander Canada.
 - (ii) ***Events Leading to the Chapter 11 Filings.*** A detailed overview of the Chapter 11 Debtors’ restructuring efforts and the negotiations with respect to the Plan and the Amended RSA.
 - (iii) ***Projected Financial Information and Liquidation Analysis.*** Certain projected financial information and a liquidation analysis.
 - (iv) ***Risk Factors.*** Certain risks associated with the Chapter 11 Debtors’ businesses, as well as certain risks associated with forward-looking statements and an overall disclaimer as to the information provided by and set forth in the Disclosure Statement.

- (v) ***Solicitation and Voting Procedures.*** A description of the Solicitation and Voting Procedures to accept or reject the Plan and voting on the Plan. The Solicitation and Voting Procedures set forth specific criteria with respect to the general tabulation of customized ballots for each Voting Class (collectively, the “**Ballots**”), voting procedures applicable to Claimholders, and tabulation of such votes.
 - (vi) ***Confirmation of the Plan.*** Confirmation and statutory requirements for confirmation and consummation of the Plan.
 - (vii) ***Certain United States and Canadian Federal Income Tax Consequences of the Plan.*** A description of certain U.S. and Canadian federal income tax law consequences of the Plan.
 - (viii) ***Recommendation.*** A recommendation by the Chapter 11 Debtors that Claimholders in the Voting Classes vote to accept the Plan. The Disclosure Statement also includes a support letter from the UCC, which recommends that Claimholders in the Voting Classes vote to accept the Plan.
- (c) The Disclosure Statement Order approves the detailed description contained in the Disclosure Statement of the entities subject to an injunction under the Plan and the acts that they are enjoined from pursuing, including language related to the Debtor Release, the Third-Party Release (both as defined in the Plan), exculpation and injunction under the Plan.
- (d) In addition to those dates previously approved by the U.S. Court through the Bid Procedures Order, the Disclosure Statement Order establishes the following

milestones and deadlines to govern the process for soliciting, receiving and tabulating votes on the Plan (the “**Solicitation Timeline**”):

Item	Date
“ Voting Record Date ” – date for determining (a) Claimholders that are entitled to vote on the Plan and (b) whether Claims have been properly transferred, such that the assignee may vote on the Plan.	July 29, 2019
“ Solicitation Deadline ” – deadline for distributing Solicitation Packages (as defined below), including Ballots, to Claimholders entitled to vote to accept or reject the Plan.	July 31, 2019
“ Voting Deadline ” – deadline by which all Ballots must be properly executed, completed and delivered so that they are actually received by the Chapter 11 Debtors solicitation agent (the “ Solicitation Agent ”).	August 28, 2019 at 4:00 p.m., prevailing Eastern Time
“ Confirmation Brief and Reply Deadline ” – deadline to file a brief in support of confirmation of the Plan and/or a reply to any objections to confirmation of the Plan.	September 3, 2019, at 9:00 a.m., prevailing Eastern Time
“ Deadline to File Voting Report ” – the date by which the “ Voting Report ” must be filed. The Voting Report is a certification of votes, which, among other things, certifies in writing the amount and number of Allowed Claims or Allowed Interests (as defined in the Plan) of each Class accepting or rejecting the Plan, and delineates every Ballot that does not conform to the voting instructions or that contains any form of irregularity.	September 3, 2019, at 9:00 a.m., prevailing Eastern Time
“ Confirmation Hearing ” – the date for the U.S. Court to consider confirmation of the Plan.	September 4, 2019, at 11:00 a.m., prevailing Eastern Time

The Solicitation Timeline will afford the Chapter 11 Debtors and all parties in interest reasonable time to review and consider the Plan and the Disclosure Statement prior to the Confirmation Hearing.

- (e) The Disclosure Statement Order approves the form of the Ballots (copies of which are attached as Exhibit 2A-2B to the Disclosure Statement Order).
- (f) The Disclosure Statement Order approves the form and manner of notice of the hearing to consider confirmation of the Plan (the “**Confirmation Hearing Notice**”) (a copy of which is attached as Exhibit 7 to the Disclosure Statement Order). The Confirmation Hearing Notice was published in *The Globe and Mail* (national edition) on August 1, 2019, and a copy of such published notice is attached to this affidavit as Exhibit “J”.
- (g) The Disclosure Statement Order approves the materials to be distributed to holders of allowed claims and/or equity interests (the “**Solicitation Package**”). The Solicitation Package includes:
 - (i) a copy of the Solicitation and Voting Procedures;
 - (ii) a Ballot, together with detailed voting instructions and a pre-addressed, postage pre-paid return envelope;
 - (iii) a cover letter from the Chapter 11 Debtors, (a) describing the contents of the Solicitation package and (b) recommending that Claimholders in each of the Voting Classes vote to accept the Plan;
 - (iv) the Disclosure Statement (and exhibits thereto, including the Plan);
 - (v) the Disclosure Statement Order (without exhibits);
 - (vi) the Confirmation Hearing Notice; and

- (vii) The Committee Support Letter, which provides the basis for the UCC's recommendation to vote to accept the Plan.
- (h) Non-Voting Classes are not entitled to vote on the Plan. As a result, they will not receive Solicitation Packages. Instead, the Disclosure Statement Order approves the Chapter 11 Debtors providing Non-Voting Status Notices (as defined below) to certain Non-Voting Classes. Specifically, the Chapter 11 Debtors will provide the following notices to Claimholders in Non-Voting Classes (each, a “**Non-Voting Status Notice**” and, collectively, the “**Non-Voting Status Notices**”):
 - (i) ***Unimpaired Claims—Conclusively Presumed to Accept.*** Claimholders in Classes 1, 2 and 3 are not impaired under the Plan and, therefore, are conclusively presumed to have accepted the Plan. As such, such Claimholders will receive a notice, substantially in the form attached as Exhibit 3 to the Disclosure Statement Order, in lieu of a Solicitation Package.
 - (ii) ***Other Interests and Claims—Deemed to Reject.*** Claimholders in Classes 8 and 9 will not receive any distributions under the Plan and, therefore, are deemed to reject the Plan and will receive a notice, substantially in the form attached as Exhibit 4 to the Disclosure Statement Order, in lieu of a Solicitation Package.
 - (iii) ***Disputed Claims.*** Claimholders that are subject to a pending objection by the Chapter 11 Debtors are not entitled to vote the disputed portion of their claim. As such, such Claimholders will receive a notice, substantially in the form attached as Exhibit 5 to the Disclosure Statement Order.

Each of the Non-Voting Status Notices will include, among other things: (a) instructions as to how to view or obtain copies of the Disclosure Statement (including the Plan and the other exhibits thereto), the Disclosure Statement Order, and all other materials in the Solicitation Package (excluding Ballots); (b) notice of the Plan Objection Deadline; and (c) notice of the Confirmation Hearing and information related thereto. Pursuant to the Disclosure Statement Order, the Chapter 11 Debtors are not required to send Solicitation Packages or other solicitation materials to Claimholders in Class 6 (Intercompany Claims) and Class 7 (Intercompany Interests).

18. In granting the Disclosure Statement Order, the U.S. Court found, among other things, that:

- (a) The Disclosure Statement provides Claimholders 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; and
- (b) The Chapter 11 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.

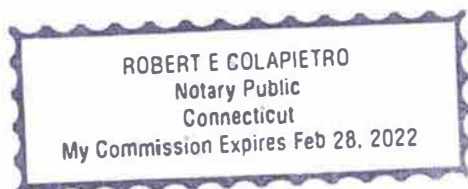
19. The DIP ABL Credit Agreement requires that the Chapter 11 Debtors obtain approval from the Ontario Court of the Disclosure Statement Order within three (3) business days of the entry of the Disclosure Statement Order by the U.S. Court. However, in light of the fact that the RSA Motion and KERP Motion were scheduled to be heard by the U.S. Court on August 1, 2019 and the corresponding order approving the Amended RSA and the KERP Order would also need to be recognized by the Ontario Court, the DIP ABL Lenders agreed on July 25, 2019 to extend the

timeline for recognition of the Disclosure Statement Order by the Ontario Court until August 6, 2019. Therefore, it is critical that the Foreign Representative obtain recognition of the Disclosure Statement Order by August 6, 2019 in order to satisfy this milestone and avoid a default under the DIP ABL Credit Agreement. As indicated in the Second Pfefferle Affidavit, the Foreign Representative intends to return to the Ontario Court at a later date to recognize any Order of the U.S. Court confirming the Plan. As referenced above, the Foreign Representative also intends to return to the Ontario Court following approval by the U.S. Court of the Amended RSA.

SWORN BEFORE ME at the Town of
Westport in the State of Connecticut on
August 2, 2019.



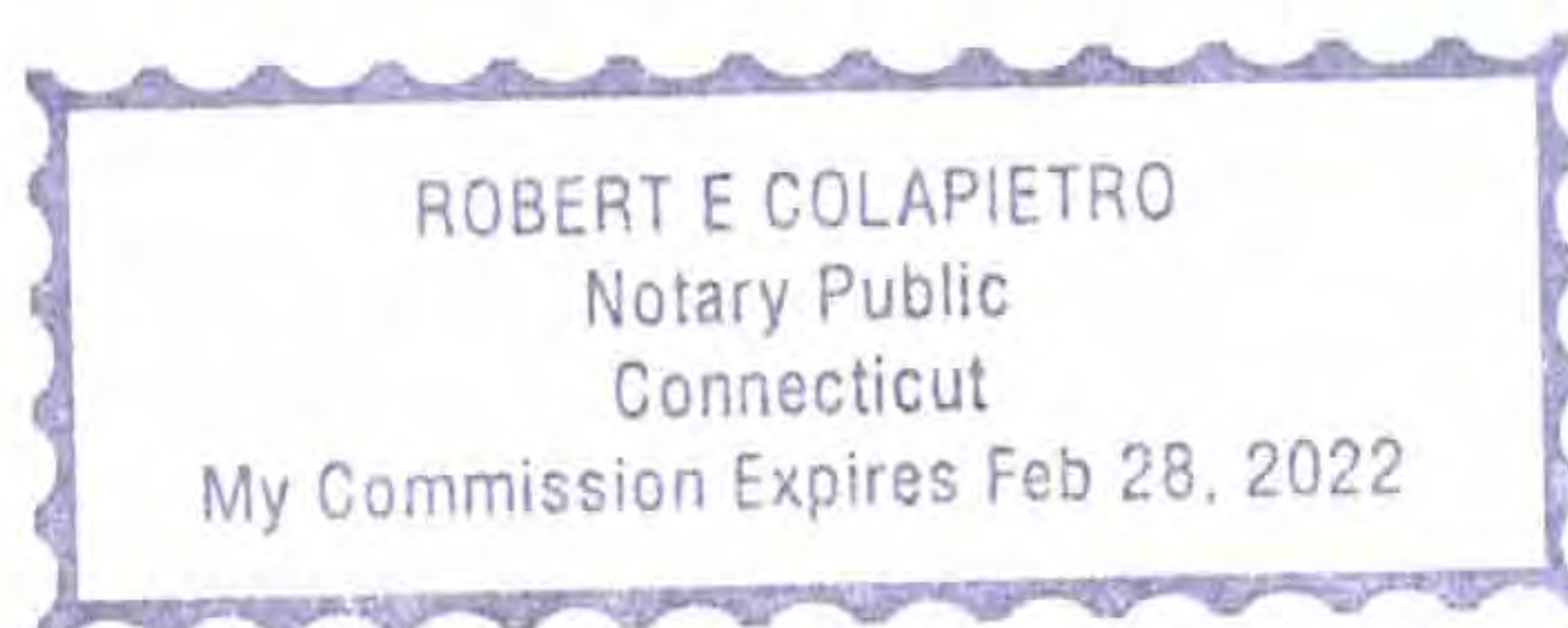
MARC PFEFFERLE



TAB D

THIS IS EXHIBIT "D" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6 , 2019

B/S 2



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.

)

THURSDAY, THE 23RD

JUSTICE HAINES

)

DAY OF MAY, 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**

**INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, 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**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an Order substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Marc Pfefferle sworn May 23, 2019 (the “**Pfefferle Affidavit**”), filed, the pre-filing report of KSV Kofman Inc., in its capacity

as proposed information officer (the “**Information Officer**”) dated May 23, 2019, and upon being provided with copies of the documents required by section 46 of the CCAA,

AND UPON BEING ADVISED by counsel for the Foreign Representative that in addition to this Initial Recognition Order, a Supplemental Order (Foreign Main Proceeding) (the “**Supplemental Order**”) is being sought,

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the proposed Information Officer, counsel for the ABL Agent and the DIP ABL Agent (each as defined in the Pfefferle Affidavit) and counsel for the Term Loan Agent and the DIP Term Loan Agent (each as defined in the Pfefferle Affidavit), and those other parties present, no one else appearing although duly served as appears from the affidavit of service of Evan Barz sworn May 23, 2019:

SERVICE

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

FOREIGN REPRESENTATIVE

2. **THIS COURT ORDERS AND DECLARES** that the Foreign Representative is the “foreign representative” as defined in section 45 of the CCAA of the Chapter 11 Debtors in respect of the cases commenced in the United States Bankruptcy Court for the Southern District of New York by the Chapter 11 Debtors pursuant to Chapter 11 of the United States Bankruptcy Code (collectively, the “**Foreign Proceeding**”).

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING

3. **THIS COURT DECLARES** that the centre of its main interests for each of the Chapter 11 Debtors is the United States of America and that the Foreign Proceeding is hereby recognized as a “foreign main proceeding” as defined in section 45 of the CCAA.

STAY OF PROCEEDINGS

4. **THIS COURT ORDERS** that until otherwise ordered by this Court:

- (a) all proceedings taken or that might be taken against the Chapter 11 Debtors under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;
- (b) further proceedings in any action, suit or proceeding against the Chapter 11 Debtors are restrained; and
- (c) the commencement of any action, suit or proceeding against the Chapter 11 Debtors is prohibited.

NO SALE OF PROPERTY

5. **THIS COURT ORDERS** that, except with leave of this Court, each of the Chapter 11 Debtors is prohibited from selling or otherwise disposing of:

- (a) outside the ordinary course of its business, any of its property in Canada that relates to the business; and
- (b) any of its other property in Canada.

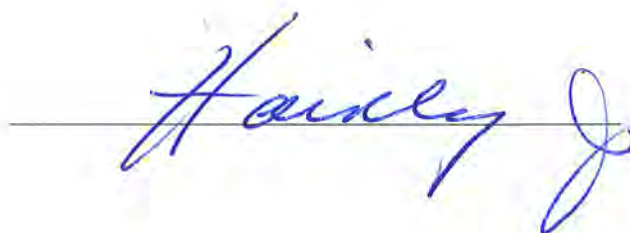
GENERAL

6. **THIS COURT ORDERS** that within five (5) business days from the date of this Order, or as soon as practicable thereafter, the Information Officer shall cause to be published a notice once a week for two consecutive weeks, in the *Globe and Mail* (National Edition) regarding the issuance of this Order and the Supplemental Order.

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

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

9. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days notice to the Chapter 11 Debtors and the Foreign Representative and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 23 2019

PER / PAR:



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

**INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)**

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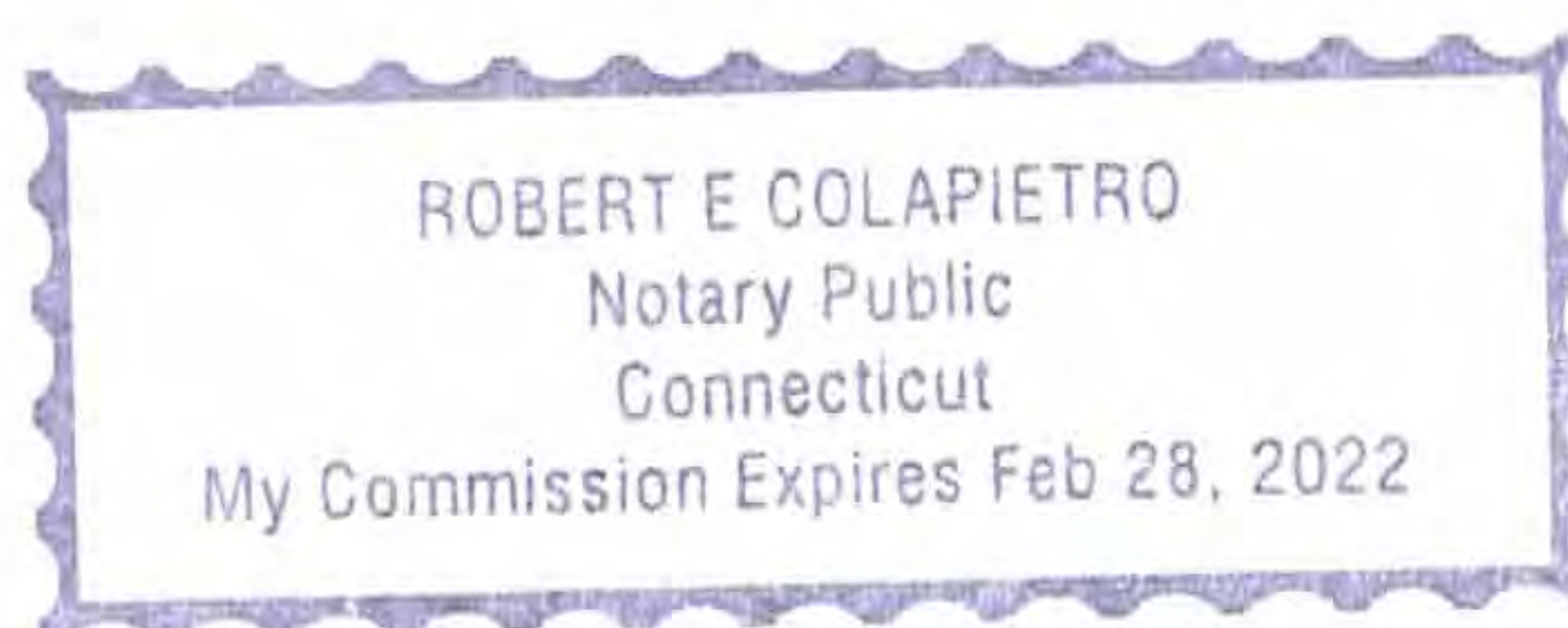
Martino Calvaruso LSO# 57359Q
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Fax: 416.862.6666

Lawyers for the Applicant

TAB E

THIS IS EXHIBIT "E" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





CITATION: Hollander Sleep Products, LLC et al., Re, 2019 ONSC 3238
COURT FILE NO.: CV-19-620484-00CL
DATE: 2019/05/30

SUPERIOR COURT OF JUSTICE – ONTARIO

- COMMERCIAL LIST

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

AND:

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

BEFORE: HAINEY J.

COUNSEL: *Shawn Irving and Marc Wasserman*, for the Applicant

Virginie Gauthier, for KSV Kofman Inc.

L. Joseph Latham, for Wells Fargo

Milly Chow and Kelly Bourassa, for Barings Finance LLC

HEARD: May 23, 2019

ENDORSEMENT

BACKGROUND

[1] On May 23, 2019 I granted the application brought by Hollander Sleep Products, LLC ("Hollander Sleep Products"), for orders pursuant to Section 46 through 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended ("CCAA"). I made the following orders:

- a) Recognition of the Chapter 11 Cases as foreign main proceedings pursuant to *Part IV of the CCAA*;

- c) Appointment of KSV Kofman Inc. (“KSV”) as Information Officer;
- d) Granting of the DIP ABL Charge; and
- e) Granting of the Administration Charge.

[2] I indicated in my endorsement that written reasons would follow. These are my written reasons.

[3] Hollander Sleep Products brings this application in its capacity as the foreign representative (the “Foreign Representative”) of itself and Hollander Sleep Products Canada Limited (“Hollander Canada”), 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 with their other non-debtor affiliates, “Hollander”).

FACTS

[4] Hollander is an industry leader in the bedding products market. Hollander manufactures bedding products including pillows, comforters and mattress pads for well-known licensed brands. Hollander also owns and manufactures bedding products under several of its own proprietary brands and also partners with major retailers and hotel chains.

[5] Hollander’s corporate headquarters is in Boca Raton, Florida. Hollander has 13 manufacturing facilities located across North America – 11 in the United States and 2 in Canada - and a primary show room in New York City. Most of Hollander’s sales come from wholesale distribution.

Chapter 11 Cases

[6] On May 19, 2019 (the “Petition Date”) each of the Chapter 11 Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the *U.S. Bankruptcy Code* (the “Chapter 11 Cases”) with the United States Bankruptcy Court for the Southern District of New York (the “U.S. Court”). Certain first day motions (the “First Day Motions”) were also filed on May 19, 2019. On May 21, 2019, the U.S. Court heard several of the First Day Motions, and on May 22 and 23, 2019 the court entered various interim or final orders in respect of these motions (the “First Day Orders”).

Chapter 11 Debtors

[7] The Chapter 11 Debtors operate on an integrated basis and are incorporated or established under the laws of the United States except for Hollander Canada, which is incorporated under the laws of British Columbia. Each of the Chapter 11 Debtors, including Hollander Canada, is a direct or indirect wholly-owned subsidiary of Dream II Holdings, LLC.

Hollander Canada

[8] Hollander Canada is a fully integrated subsidiary of Hollander. Hollander Canada operates one manufacturing facility in Toronto, one manufacturing facility in Montreal, and maintains a sales office in Toronto.

[9] Hollander Canada employs approximately 240 employees, all of whom are located in Canada. Hollander Canada's workforce is not unionized and it does not maintain any registered pension plans. Its primary stakeholders include employees, lenders, customers, landlords, creditors, and trade-suppliers.

[10] On a standalone basis, Hollander Canada is not profitable. Its 2018 financial statement reflects a net loss of approximately \$2.6 million after allocation of selling, general and administrative expenses, including royalties and procurement fees, incurred by the U.S. Chapter 11 Debtors and allocated across the manufacturing facilities for which it provides these and other shared services (the "U.S. Shared Services"). Losses have continued for the four-month period ended April 30, 2019. Currently, approximately \$7.2 million of Hollander Canada's \$9 million of accounts payable is past due. If the amount owing to Hollander Canada from the U.S. Chapter 11 Debtors was written down to its realizable value and Hollander Canada's allocation of U.S. Shared Services was recorded for the four months ended April 30, 2019, Hollander Canada's shareholder equity would be entirely eroded.

[11] Hollander Canada is entirely dependent on Hollander's U.S. head office for managerial, administrative, IT, strategic services and decisions, and it uses intellectual property almost wholly owned by U.S. Hollander entities. Hollander Canada is also entirely reliant on supply arrangements and relationships of the Hollander enterprise.

Principal Indebtedness

[12] The Chapter 11 Debtors' principal pre-petition indebtedness consists of the following:

- a) **Prepetition ABL Facility** – a \$125 million senior revolving asset-based credit facility (the "ABL Facility") under which all the Chapter 11 Debtors, including Hollander Canada, are obligors. Hollander Canada may borrow a maximum of \$40 million from this facility. Hollander Canada is not jointly or severally liable for the obligations of the U.S. Chapter 11 Debtors under the ABL Facility; however, the U.S. Chapter 11 Debtors are liable for Hollander Canada's borrowings under the ABL Facility. As of the Petition Date, approximately \$61 million remains outstanding against the ABL Facility, not including approximately \$5 million in letters of credit (the "Prepetition ABL Obligations"). The Prepetition ABL Obligations include approximately \$6 million of borrowings by Hollander Canada.
- b) **Prepetition Term Loan** – a \$190 million senior secured term loan facility (the "Term Loan Facility"). Each Chapter 11 Debtor except Hollander Canada is an obligor under this facility. Hollander Canada is not a borrower or a guarantor of the Term Loan Facility. As of the Petition Date, approximately \$166.5 million remains outstanding against the Term Loan Facility.

Recent Events and Proposed Restructuring

[13] Recent substantial price increases on materials have significantly reduced Hollander's already low profit margins for many products. In addition, Hollander acquired one of its major competitors in June 2017. This necessitated the expenditure of additional capital. With

approximately \$233 million of outstanding indebtedness and limited access to credit, Hollander is facing severe liquidity constraints.

[14] These circumstances necessitated comprehensive restructuring negotiations with the Chapter 11 Debtors' primary constituency groups. The Chapter 11 Debtors recently agreed with their secured lenders and their majority equity-holder, Sentinel, on a comprehensive restructuring process to ensure the viability of the business. The Chapter 11 Debtors, 100% of the Term Loan Lenders, and Sentinel entered into a restructuring support agreement dated May 19, 2019 (the "RSA"). The RSA contemplates, and the Chapter 11 Debtors have filed, a comprehensive Chapter 11 restructuring plan (the "Plan").

[15] In connection with the RSA, Hollander's asset-based secured lenders have agreed to provide a \$90 million debtor-in-possession asset-based loan facility (the "DIP ABL Facility") and certain Term Loan Lenders have agreed to provide an additional \$28 million term loan facility (the "DIP Term Loan Facility" and together with the DIP ABL Facility, the "DIP Facilities") to fund the administration of the Chapter 11 Cases.

[16] I am not, at this time, being asked to approve or grant any relief in connection with the Plan. However, the Chapter 11 Debtors have negotiated and incorporated certain protections into the Plan to mitigate against any prejudice to current creditors of Hollander Canada that might result incidentally from a global restructuring. I am satisfied that the Plan represents the Chapter 11 Debtors' best prospect of reorganizing their business operations and emerging as a healthy going-concern enterprise, maximizing recoveries for all stakeholders.

[17] If the Chapter 11 Debtors do not obtain the relief requested on this application, including post-petition financing, they will be unable to restructure pursuant to the Plan. In such a case, a liquidation of the business and assets of the Chapter 11 Debtors, including Hollander Canada, will be the likely result. In a liquidation scenario, there will be a nominal recovery, if any, available for Hollander Canada's unsecured creditors.

Proposed Postpetition Financing

[18] On May 21, 2019, the U.S. Court heard certain of the First Day Motions, including the DIP Motion. At the hearing, the U.S. Court requested certain changes to the DIP Order, which were subsequently made by the Chapter 11 Debtors in consultation with the DIP Lenders. Access to the DIP Facilities is vital to the preservation and maintenance of the going-concern value of Hollander and the Chapter 11 Debtors' successful reorganization.

[19] The \$90 million DIP ABL Facility is the critical facility from the perspective of Hollander Canada. Hollander Canada is neither a borrower nor a guarantor of the DIP Term Loan Facility. The DIP ABL Facility is a senior secured credit facility for which all the Chapter 11 Debtors, including Hollander Canada, are borrowers. The DIP ABL Facility provides for an initial "creeping (or gradual) roll-up" whereby the Chapter 11 Debtors will use receipts from the Chapter 11 Debtors' operations to pay down pre-filing obligations pending the issuance of the Final DIP Order, whereupon there will be a deemed draw on the DIP ABL Facility to satisfy the then outstanding prepetition debt, if any, under the ABL Facility. Hollander Canada is entitled to

borrow up to \$20 million under the DIP ABL Facility, less the amount of Hollander Canada's prepetition obligations under the ABL Facility that are to be rolled-up into the DIP ABL Facility.

[20] With respect to prepetition debt under the ABL Facility, Hollander Canada is not jointly or severally liable for amounts drawn down by the U.S. Chapter 11 Debtors. However, Hollander Canada will be jointly and severally liable with the other Chapter 11 Debtors in respect of borrowings under the DIP ABL Facility, including borrowings to repay amounts drawn down under the prepetition ABL Facility by the U.S. Chapter 11 Debtors. The DIP ABL Lenders have indicated they are unwilling to enter into the DIP ABL Facility unless Hollander Canada is jointly and severally liable for all obligations under the DIP ABL Facility, including those incurred by the U.S. borrowers.

[21] It is a condition of the DIP Facilities that the Chapter 11 Debtors obtain an order from this Court recognizing the DIP Order within three business days of when the DIP Order was issued by the U.S. Court. The DIP ABL Facility requires that the DIP Order be recognized by this Court before any borrowing by Hollander Canada will be permitted under the DIP ABL Facility.

[22] I have concluded that the ability of the Chapter 11 Debtors, including Hollander Canada, to maintain business relationships with their vendors, suppliers and customers, to pay their employees and otherwise finance their operations requires the availability of working capital from the DIP Facilities. The Chapter 11 Debtors, including Hollander Canada on a standalone basis, do not have sufficient available sources of working capital and financing to operate their businesses without immediate access to the DIP Facilities.

ISSUES

[23] I must decide the following issues:

- a) Are the Chapter 11 Cases "foreign main proceedings" pursuant to Part IV of the CCAA?
- b) If so, are the Chapter 11 Debtors entitled to the relief sought in the Initial Recognition Order and Supplemental Order, including,
 - (i) Granting the Stay of Proceedings;
 - (ii) Recognition of the First Day Orders;
 - (iii) Granting the DIP ABL Charge;
 - (iv) Appointing KSV as Information Officer; and
 - (v) Granting the Administration Charge?

ANALYSIS

Are the Chapter 11 Cases Foreign Main Proceedings?

Are the Chapter 11 Cases Foreign Proceedings?

[24] I must first determine if the Chapter 11 Cases are foreign proceedings. It is important to note that the purpose of Part IV of the CCAA is to facilitate the administration of cross-border insolvencies and create a system under which foreign insolvency proceedings can be recognized in Canada. Section 44 of the CCAA provides as follows:

44. The purpose of this Part is to provide mechanisms for dealing with cases of cross- border insolvencies and to promote

- (a) cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies;
- (b) greater legal certainty for trade and investment;
- (c) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies;
- (d) the protection and the maximization of the value of debtor company's property; and
- (e) the rescue of financially troubled businesses to protect investment and preserve employment.

[25] Pursuant to S. 46(1) of the CCAA, a person who is a foreign representative may apply to the court for recognition of a foreign proceeding in respect of which that person is a foreign representative. Pursuant to S. 47 of the CCAA, the two following requirements must be met for an order recognizing a foreign proceeding:

- a) the proceeding is a "foreign proceeding"; and
- b) the applicant is a "foreign representative" in respect of that foreign proceeding.

[26] In the Chapter 11 Cases, an order was made appointing Hollander Sleep Products as foreign representative by the U.S. Court on May 23, 2019. (the "Foreign Representative Order").

[27] Section 45(1) of the CCAA defines a "foreign proceeding" as any judicial proceeding in a jurisdiction outside of Canada dealing with creditors' collective interests generally under any law relating to bankruptcy or insolvency in which a debtor company's business and financial affairs are subject to control or supervision by a foreign court for the purpose of reorganization. Courts have consistently recognized proceedings under Chapter 11 of the United States Bankruptcy Code to be foreign proceedings for the purposes of the CCAA.

[28] Because Hollander Sleep Products has been appointed a "foreign representative" by the U.S. Court in the Chapter 11 Cases, I am satisfied that the Chapter 11 cases should be recognized as a "foreign proceeding" pursuant to S. 47(1) of the CCAA.

Are the Chapter 11 Cases Foreign Main Proceedings?

[29] Once I have determined that a proceeding is a “foreign proceeding”, I am required, pursuant to Section 47(2) of the CCAA, to specify in my order whether the foreign proceeding is a “foreign main proceeding” or a “foreign non-main proceeding.” A “foreign main proceeding” is defined as a “foreign proceeding in a jurisdiction where the debtor company has the centre of its main interests” (“COMI”).

[30] The CCAA does not provide a definition of COMI. Section 45(2) of the CCAA establishes a rebuttable presumption that, in the absence of proof to the contrary, the location of a debtor company’s registered office is deemed to be its COMI. Evidence regarding the debtor company’s operations can rebut this presumption. Part IV of the CCAA does not specifically consider the circumstances facing corporate groups. It is therefore necessary to conduct the COMI analysis on an entity-by-entity basis.

[31] In this case the registered offices of all of the Chapter 11 Debtors except for Hollander Canada, are situated in the United States. Therefore, the presumption in s. 45(2) of the CCAA deems the COMI of each of those entities to be in the United States.

[32] Hollander Canada’s registered head office is in Vancouver. Where a Canadian entity is operating as part of a larger corporate group, several Canadian authorities have considered how COMI should be determined. In *Angiotech*¹, the Court considered the following factors:

- a) the location where corporate decisions are made;
- b) the location of employee administrations, including human resource functions;
- c) the location of the company's marketing and communication functions;
- d) whether the enterprise is managed on a consolidated basis;
- e) the extent of integration of an enterprise's international operations;
- f) the centre of an enterprise's corporate, banking, strategic and management functions;
- g) the existence of shared management within entities and in an organization;
- h) the location where cash management and accounting functions are overseen;
- i) the location where pricing decisions and new business development initiatives are created; and
- j) the seat of an enterprise's treasury management functions, including management of accounts receivable and accounts payable.

¹ *Angiotech Pharmaceuticals Inc. (Re)*, 2011 BCSC 115 at para 7.

[33] In *Elephant & Castle*², Morawetz J. (as he then was) recognized the *Angiotech* factors listed above and identified what he considered to be the most significant factors as follows:

However, it seems to me, in interpreting COMI, the following factors are usually significant:

- (a) the location of the debtor's headquarters or head office functions or nerve centre;
- (b) the location of the debtor's management; and
- (c) the location which significant creditors recognize as being the centre of the company's operations.

[34] The jurisprudence is clear that where a Canadian debtor company is the only Canadian entity among a number of other Chapter 11 debtors that are all incorporated in the United States, the COMI for the Canadian debtor company is the United States.

[35] I have concluded for the following reasons that Hollander Canada's COMI is in the United States:

- a) Hollander Canada's business is closely integrated into Hollander's business in the U.S. and its registered office is listed in Canada only for corporate purposes;
- b) Managerial functions for Hollander Canada, including finance, buying, logistics, marketing, and strategic decisions, are provided from Hollander's U.S. head office by Hollander Sleep Products;
- c) Hollander Canada is almost wholly dependent on Hollander's U.S. office for administrative functions such as overhead services, accounting, and IT, which are provided by Hollander Sleep Products in the U.S.;
- d) Data for Hollander Canada's operations is housed within IT systems, located and operated out of the U.S.;
- e) Hollander Canada is reliant on the purchasing power and supplier relationships of the Hollander enterprise, and on its own could not replicate the supply arrangements necessary for its continued functioning;
- f) Hollander Canada's books and records are maintained at Hollander's head office in Boca Raton, Florida;
- g) All of Hollander Canada's directors reside in the United States;
- h) Canadian revenues make up only 10.7% of Hollander's revenues;

² *Massachusetts Elephant & Castle Group Inc., (Re)*, 2011 ONSC 4201 (S.C.J. [Commercial List]).

- i) Hollander Canada is entirely dependent on the U.S. Chapter 11 Debtors for the majority of licensing agreements, design partnerships, and company-owned brands;
- j) Substantially all of the trademarks and intellectual property relied on by Hollander Canada are owned by the U.S. Chapter 11 Debtors;
- k) The Chapter 11 Debtors, including Hollander Canada, operate an integrated, centralized cash management system; and
- l) Hollander Canada is dependent on the U.S. Chapter 11 Debtors for the establishment, maintenance, and administration of certain customer promotional programs involving Hollander Canada's key customers.

[36] Since all the Chapter 11 Debtors except Hollander Canada have registered offices in the United States, and since a review of Hollander Canada's business indicates that its COMI is in the United States, The COMI of all the Chapter 11 Debtors is in the United States and therefore the Chapter 11 Cases should be recognized as "foreign main proceedings".

SHOULD THE INITIAL RECOGNITION ORDER AND SUPPLEMENTAL ORDER BE GRANTED?

Is a Stay of Proceedings Required and Appropriate?

[37] Section 48(1) of the CCAA provides that once the Court has found that a foreign proceeding is a "foreign main proceeding", it is required to grant certain mandatory relief, including a stay of proceedings:

[38] In addition to the automatic relief provided for in s. 48, s.49 of the CCAA grants me the broad discretion to make any appropriate order if I am satisfied that it is necessary for the protection of the debtor company's property or the interests of creditors.

[39] Section 52(1) of the CCAA requires that if an order recognizing a foreign proceeding is made, the Court "shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding."

[40] Because of the circumstances facing Hollander, Hollander Canada and the other Chapter 11 Debtors, I am satisfied that a stay of proceedings is necessary in order to implement the proposed restructuring.

Should the First Day Orders be Recognized?

[41] The central principle governing Part IV of the CCAA is comity, which mandates that Canadian courts should recognize and enforce the judicial acts of other jurisdictions, provided that those other jurisdictions have assumed jurisdiction on a basis consistent with principles of order, predictability and fairness.

[42] Canadian courts have emphasized the importance of comity and cooperation in cross-border insolvency proceedings to avoid multiple proceedings, inconsistent judgments and general

uncertainty. Coordination of international insolvency proceedings is particularly critical in ensuring the equal and fair treatment of creditors regardless of their location.

[43] I am satisfied that the First Day Orders should be recognized for the following reasons:

- a) The U.S. Court has appropriately taken jurisdiction over the Chapter 11 Cases, so comity will be furthered by this Court's recognition of and support for the Chapter 11 Cases already under way in the United States;
- b) Coordination of proceedings in the two jurisdictions will ensure equal and fair treatment of all stakeholders, whether they are in the United States or Canada;
- c) Given the close connection between Hollander and the United States, it is reasonable and sensible for the U.S. Court to have principal control over the insolvency process. This will produce the most efficient restructuring for the benefit of all stakeholders;
- d) The Chapter 11 Debtors must act quickly because of the expeditious timetable established under the Plan for their restructuring. It is imperative that there be a centralized and co-ordinated process for these insolvency proceedings to maximize the prospect of a successful restructuring and preserve value for stakeholders; and
- e) The Canadian and U.S. operations of Hollander are highly integrated.

Should the DIP ABL Charge be Granted?

[44] The Chapter 11 Debtors are facing a liquidity crisis and require DIP financing to fund their operations while they pursue a restructuring pursuant to the Plan or a sale in accordance with the marketing process to be conducted as part of the Chapter 11 proceeding. The ability of the Chapter 11 Debtors, including Hollander Canada, to maintain and finance their operations requires working capital from the DIP Facilities. If interim financing through the DIP Facilities is not obtained, neither the Chapter 11 Debtors as a whole, nor Hollander Canada on a standalone basis, have the funds to finance going-concern operations.

[45] The DIP ABL Facility includes an initial creeping roll-up provision pursuant to which the Chapter 11 Debtors will use receipts from their operations to pay down pre-filing obligations pending the issuance of the Final DIP Order. The amount borrowed under the DIP ABL Facility is proposed to be secured by, among other things, a court-ordered charge on Hollander Canada's property and the property of the other Chapter 11 Debtors in Canada (the "DIP ABL Charge").

[46] This court has concluded in previous proceedings that there is no impediment to granting approval of interim DIP financing including a full roll-up provision in foreign recognition proceedings under Part IV of the CCAA³.

³ *Hartford Computer Hardware Inc., (Re)*, 2012 ONSC 964 at paras. 18-19.

[47] In *Hartford*, an application under Part IV of the CCAA, this court recognized a DIP facility authorized by the U.S. Court that included a full roll-up, and emphasized the importance of comity in foreign recognition proceeding as follows:

The Information Officer and Chapter 11 Debtors recognize that in CCAA proceedings, a partial "roll up" provision would not be permissible as a result of s.11.2 of the CCAA, which expressly provides that a DIP charge may not secure an obligation that exists before the Initial Order is made.

Section 49 of the CCAA provides that, in recognizing an order of a foreign court, the court may make any order that it considers appropriate, provided the court is satisfied that it is necessary for the protection of the debtor company's property or the interests of the creditor or creditors.

It is necessary, in my view, to emphasize that this is a motion to recognize an order made in the "foreign main proceeding"....

A significant factor to take into account is that the Final DIP Facility Order was granted by the U.S. Court. In these circumstances, I see no basis for this court to second guess the decision of the U.S. Court.

[48] For the same reasons I am satisfied that the DIP Order should be approved. The U.S. Court granted the DIP Order because it is necessary for the protection of Hollander's property and for the interests of creditors in Canada and the U.S.

[49] The DIP ABL Facility provides that Hollander Canada is jointly and severally liable for the borrowings of other Chapter 11 Debtors under the DIP ABL Facility.

[50] I have concluded that the following factors support recognizing Hollander Canada's joint and several liability under the DIP Order and the DIP ABL Charge:

- a) The DIP ABL Charge furthers the objectives of the CCAA and is commercially reasonable as it allows the Chapter 11 Debtors to continue operations and pursue a restructuring or going-concern sale as outlined in the proposed Plan;
- b) An estimated cash flow forecast extracted from the DIP budget reveals that Hollander Canada is projected to generate negative cash flow until at least July 1, 2019;
- c) The Chapter 11 Debtors, including Hollander Canada, need immediate access to the DIP ABL Facility to ensure their continued operations during these proceedings;
- d) The DIP ABL Lenders are unwilling to provide funding to the Chapter 11 Debtors without Hollander Canada's joint and several liability under the DIP ABL Facility;
- e) The proposed DIP Facilities and Plan are supported by all secured creditors with an economic interest in Hollander Canada; and

- f) If the DIP ABL Charge is not granted, the restructuring contemplated by the Plan will not be implemented, likely resulting in liquidation. In a liquidation scenario, Hollander Canada's creditors will likely obtain only nominal recoveries, if any.

[51] To protect the interests of Hollander Canada and its creditors, the Chapter 11 Debtors negotiated certain protections to mitigate any prejudice to Hollander Canada's creditors. Specifically, the DIP Order includes a quasi-marshalling construct whereby the DIP ABL Agent is obligated to first look to proceeds of the Chapter 11 Debtors' U.S. collateral to satisfy any outstanding obligations of the U.S. Chapter 11 Debtors under the DIP ABL Facility, and to the proceeds of the Chapter 11 Debtors' Canadian collateral to satisfy any outstanding obligations of Hollander Canada under the DIP ABL Facility. Only once collateral in the U.S. has been exhausted can the DIP ABL Lenders look to the Canadian assets to satisfy any outstanding U.S. obligation.

[52] The absence of prejudice to creditors of Hollander Canada, and the DIP ABL Lenders' consent to the quasi-marshalling construct, are key factors distinguishing this case from *Payless Holdings Inc. LLC, (Re)*. In *Payless*, also a proceeding under Part IV of the CCAA, this court declined to approve a DIP order and lenders' charge that would have required the solvent Canadian applicants to guarantee borrowings from the DIP facility even though they would not receive advances from it. The DIP facility was opposed by the Canadian landlords who were uniquely prejudiced by its terms. The DIP facility in that case specifically precluded marshalling.

[53] I have concluded that the Court's decision in *Payless* is distinguishable from this case for the following reasons as set out in the applicant's factum:

- a) In *Payless*, the Canadian Applicants were not insolvent, were not prepetition borrowers, had never granted security and were not borrowers under the DIP facility. In this case, Hollander Canada is insolvent, its assets are encumbered, and it is incapable of maintaining going concern operations without urgent funding support from the DIP ABL Facility. For instance, \$7.2 million of Hollander Canada's accounts payable are currently past due; without support from the DIP ABL Facility, Hollander does not have sufficient liquidity to satisfy these obligations.
- b) In *Payless*, there was evidence of material prejudice to Canadian creditors and certain Canadian creditor groups opposed the DIP order because they were disadvantaged. In this case, no such material prejudice or unequal treatment exists with respect to the creditors of Hollander Canada or the other Chapter 11 Debtors.
- c) In *Payless*, the Court intimated that if marshalling had been permitted, the inequitable treatment of Canadian creditors would have been resolved. In this case, the DIP ABL Lenders have specifically agreed to a quasi marshalling concept to ensure that Canadian assets are used first to satisfy Canadian DIP ABL indebtedness, and not applied to satisfy U.S. DIP ABL indebtedness until all U.S. assets are first exhausted.

[54] I have concluded that the DIP ABL Charge should be granted for these reasons.

SHOULD KSV BE APPOINTED INFORMATION OFFICER?

[55] I am satisfied that an information officer should be appointed to assist with the cooperation between the Canadian foreign recognition proceeding and the foreign representative and the U.S. Court. Further, KSV, a licensed insolvency trustee, is appropriate to act in this capacity.

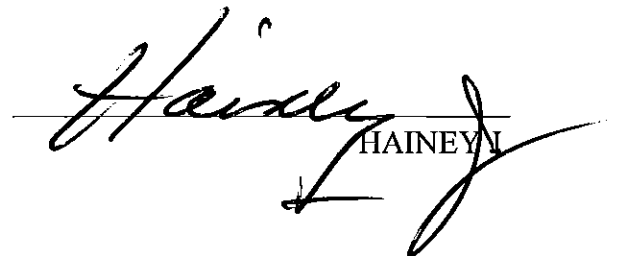
SHOULD AN ADMINISTRATIVE CHARGE BE APPROVED?

[56] Finally, I am satisfied that an administration charge in the maximum amount of \$200,000 is reasonable and appropriate.

CONCLUSION

[57] For these reasons I have granted the Initial Recognition Order and the Supplemental Order.

[58] I am grateful to the applicant's counsel for their helpful submission.



HAILEY J.

Date: May 30, 2019

TAB F

THIS IS EXHIBIT "F" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.

)

THURSDAY, THE 23RD

JUSTICE HAINEY

)

DAY OF MAY, 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**

**SUPPLEMENTAL ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made by Hollander Sleep Products, LLC ("**HSP**") in its capacity as the foreign representative (the "**Foreign Representative**") of HSP, Hollander Sleep Products Canada Limited ("**Hollander Canada**"), 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 substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Marc Pfefferle sworn May 23, 2019 (the "**Pfefferle Affidavit**"), filed, the pre-filing report of KSV Kofman Inc., in its capacity as proposed Information Officer (as defined herein) dated May 23, 2019 (the "**Pre-Filing**

Report”), and upon being provided with copies of the documents required by section 46 of the CCAA,

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the proposed Information Officer, counsel for the ABL Agent and the DIP ABL Agent (each as defined in the Pfefferle Affidavit) and counsel for the Term Loan Agent and the DIP Term Loan Agent (each as defined in the Pfefferle Affidavit), and those other parties present, no one else appearing although duly served as appears from the affidavit of service of Evan Barz sworn May 23, 2019:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application 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 Pfefferle Affidavit.

INITIAL RECOGNITION ORDER

3. **THIS COURT ORDERS** that the provisions of this Order shall be interpreted in a manner complementary and supplementary to the provisions of the Initial Recognition Order (Foreign Main Proceeding) dated as of May 23, 2019 (the “**Recognition Order**”), provided that in the event of a conflict between the provisions of this Order and the provisions of the Recognition Order, the provisions of the Recognition Order shall govern.

RECOGNITION OF FOREIGN ORDERS

4. **THIS COURT ORDERS** that the following orders (collectively, the “**Foreign Orders**”) of the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Bankruptcy Court**”) made in the Foreign Proceeding (as defined in the Recognition Order) 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 (A) Authorizing Hollander Sleep Products, LLC to Act as Foreign Representative and (B) Granting Related Relief* (the “**Foreign Representative Order**”);
- (b) *Order (A) Directing Joint Administration of Chapter 11 Cases and (B) Granting Related Relief* (the “**Joint Administration Order**”);
- (c) *Interim Order (I) Authorizing the Debtors to (A) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs and (II) Granting Related Relief* (the “**Interim Employee Wages Order**”);
- (d) *Interim Order (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 “**Interim Cash Management Order**”);
- (e) *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* (the “**Interim DIP Order**”);
- (f) *Interim Order (I) Authorizing the Debtors to Pay Prepetition Claims of (A) Lien Claimants, (B) Import Claimant, (C) 503(B)(9) Claimants, (D) Foreign Vendors, and (E) Critical Vendors, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the “**Interim Critical Vendors and Shippers Order**”); and

- (g) *Interim Order (A) Authorizing the Debtors to Maintain and Administer Their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto and (B) Granting Related Relief* (the “**Interim Customer Programs Order**”)

(copies of each such Foreign Orders are attached as Schedules “A” to “G” hereto);

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 Property (as defined below) in Canada.

APPOINTMENT OF INFORMATION OFFICER

5. **THIS COURT ORDERS** that KSV Kofman Inc. (the “**Information Officer**”) is hereby appointed as an officer of this Court, with the powers and duties set out herein.

NO PROCEEDINGS AGAINST THE CHAPTER 11 DEBTORS OR THE PROPERTY

6. **THIS COURT ORDERS** that from the date of the Recognition Order until such date as this Court may order (the “**Stay Period**”) no proceeding or enforcement process in any court or tribunal in Canada (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Chapter 11 Debtors or affecting their business (the “**Business**”) or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), except with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Chapter 11 Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

7. **THIS COURT ORDERS** that, without limiting the stay of proceedings provided for in the Recognition Order, during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Chapter 11 Debtors, or

affecting the Business or the Property, are hereby stayed and suspended except with leave of this Court, provided that nothing in this Order shall (a) prevent the assertion of or the exercise of rights and remedies outside of Canada, (b) empower any of the Chapter 11 Debtors to carry on any business in Canada which that Chapter 11 Debtor is not lawfully entitled to carry on, (c) affect such investigations or Proceedings by a regulatory body as are permitted by section 11.1 of the CCAA, (d) prevent the filing of any registration to preserve or perfect a security interest, or (e) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

8. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Chapter 11 Debtors and affecting the Business in Canada, except with leave of this Court.

ADDITIONAL PROTECTIONS

9. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services in Canada, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Chapter 11 Debtors, and that the Chapter 11 Debtors shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names.

10. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Chapter 11 Debtors with respect to any claim against the directors or officers that arose before the date of the Recognition Order and that relates to any obligations of the Chapter 11 Debtors whereby the directors or officers are alleged

under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

11. **THIS COURT ORDERS** that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the CCAA, and shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

OTHER PROVISIONS RELATING TO INFORMATION OFFICER

12. **THIS COURT ORDERS** that the Information Officer:

- (a) is hereby authorized to provide such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
- (b) shall report to this Court periodically with respect to the status of these proceedings and the status of the Foreign Proceeding, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
- (c) in addition to the periodic reports referred to in paragraph 12(b) above, the Information Officer may report to this Court at such other times and intervals as the Information Officer may deem appropriate with respect to any of the matters referred to in paragraph 12(b) above;
- (d) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Chapter 11 Debtors, to the extent that is necessary to perform its duties arising under this Order; and

- (e) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.

13. **THIS COURT ORDERS** that the Chapter 11 Debtors and the Foreign Representative shall (a) advise the Information Officer of all material steps taken by the Chapter 11 Debtors or the Foreign Representative in these proceedings or in the Foreign Proceeding, (b) co-operate fully with the Information Officer in the exercise of its powers and discharge of its obligations, and (c) provide the Information Officer with the assistance that is necessary to enable the Information Officer to adequately carry out its functions.

14. **THIS COURT ORDERS** that the Information Officer shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

15. **THIS COURT ORDERS** that the Information Officer (a) shall post on its website all Orders of this Court made in these proceedings, all reports of the Information Officer filed herein, and such other materials as this Court may order from time to time, and (b) may post on its website any other materials that the Information Officer deems appropriate.

16. **THIS COURT ORDERS** that the Information Officer may provide any creditor of a Chapter 11 Debtor with information provided by the Chapter 11 Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Information Officer. The Information Officer shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Information Officer has been advised by the Chapter 11 Debtors is privileged or confidential, the Information Officer shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Information Officer, the Foreign Representative and the relevant Chapter 11 Debtors may agree.

17. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer shall be paid by the Chapter 11 Debtors their reasonable fees and disbursements incurred

in respect of these proceedings, both before and after the making of this Order, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Chapter 11 Debtors are hereby authorized and directed to pay the accounts of the Information Officer and counsel for the Information Officer.

18. **THIS COURT ORDERS** that the Information Officer and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Information Officer and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice, and the accounts of the Information Officer and its counsel shall not be subject to approval in the Foreign Proceeding.

19. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property in Canada, which charge shall not exceed an aggregate amount of US\$200,000 as security for their professional fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 21 through 26 hereof.

INTERIM FINANCING

20. **THIS COURT ORDERS** that the DIP ABL Agent, for and on behalf of itself and the DIP ABL Lenders, shall be entitled to the benefit of and is hereby granted a charge (the “**DIP ABL Charge**”) on the Property in Canada, which DIP ABL Charge shall be consistent with the liens and charges created by the Interim DIP Order with respect to the Property in Canada, shall have the priority set out in paragraphs 21 through 26 hereof, and further provided that the DIP ABL Charge shall not be enforced except with leave of this Court on notice to the Information Officer and those parties on the service list established for these proceedings.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

21. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP ABL Charge, as among them, shall be as follows:

- (a) First – Administration Charge (to the maximum amount of US\$200,000); and
- (b) Second – DIP ABL Charge.

22. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge or the DIP ABL Charge (collectively, the “**Charges**”) shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect the Charges.

23. **THIS COURT ORDERS** that the Charges (as constituted and defined herein) shall constitute a charge on the Property in Canada and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person.

24. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Chapter 11 Debtors shall not grant any Encumbrances over any Property in Canada that rank in priority to, or *pari passu* with, the Charges, unless the Chapter 11 Debtors also obtain the prior written consent of the Information Officer, the DIP ABL Agent and the DIP Term Loan Agent.

25. **THIS COURT ORDERS** that the Administration Charge and the DIP ABL Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative

covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds any Chapter 11 Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (i) the creation of the Charges shall not create or be deemed to constitute a breach by a Chapter 11 Debtor of any Agreement to which it is a party;
- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (iii) the payments made by the Chapter 11 Debtors to the Chargees pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

26. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Chapter 11 Debtors’ interest in such real property leases.

ASSET SALES

27. **THIS COURT ORDERS** that, notwithstanding paragraph 5 of the Recognition Order, Hollander Canada shall be permitted, with the prior consent of the Information Officer, to sell or otherwise dispose of its fixed assets located in Toronto, Ontario, solely to the extent permitted by the DIP ABL Credit Agreement in an amount not to exceed US\$250,000 in the aggregate, without seeking leave of this Court.

SERVICE AND NOTICE

28. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute

an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/hollander-sleep-products-canada-limited>.

29. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Chapter 11 Debtors, the Foreign Representative and the Information Officer are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Chapter 11 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the applicable Chapter 11 Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

SEALING

30. **THIS COURT ORDERS** that Confidential Appendix "1" to the Pre-Filing Report shall be and is hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

GENERAL

31. **THIS COURT ORDERS** that the Information Officer may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

32. **THIS COURT ORDERS** that nothing in this Order shall prevent the Information Officer from acting as an interim receiver, a receiver, a receiver and manager, a monitor, a proposal trustee, or a trustee in bankruptcy of any Chapter 11 Debtor, the Business or the Property.

33. **THIS COURT ORDERS** that within five (5) business days from the date of this Order, or as soon as practicable thereafter, the Information Officer shall cause to be published a notice once a week for two consecutive weeks, in the Globe and Mail (National Edition) regarding the issuance of this Order and the Recognition Order.

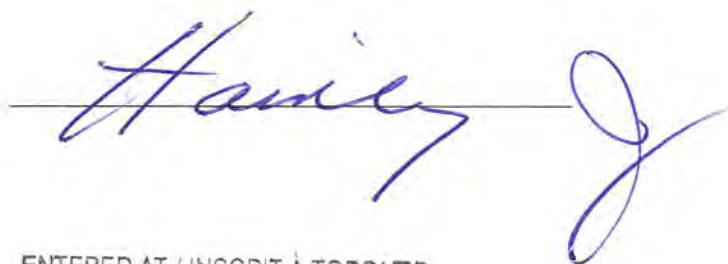
34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, 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.

35. **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.

36. **THIS COURT ORDERS** that the Guidelines for Communication and Cooperation between Courts in Cross-Border Insolvency Matters issued by the Judicial Insolvency Network and adopted by this Court and the U.S. Bankruptcy Court and attached as Schedule “H” hereto (the “**JIN Guidelines**”), are hereby adopted by this Court for the purposes of these recognition proceedings.

37. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days’ notice to the Chapter 11 Debtors, the Foreign Representative, the Information Officer, the DIP ABL Agent, the DIP Term Loan Agent and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

38. **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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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 24 2019

PER / PAR: 

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

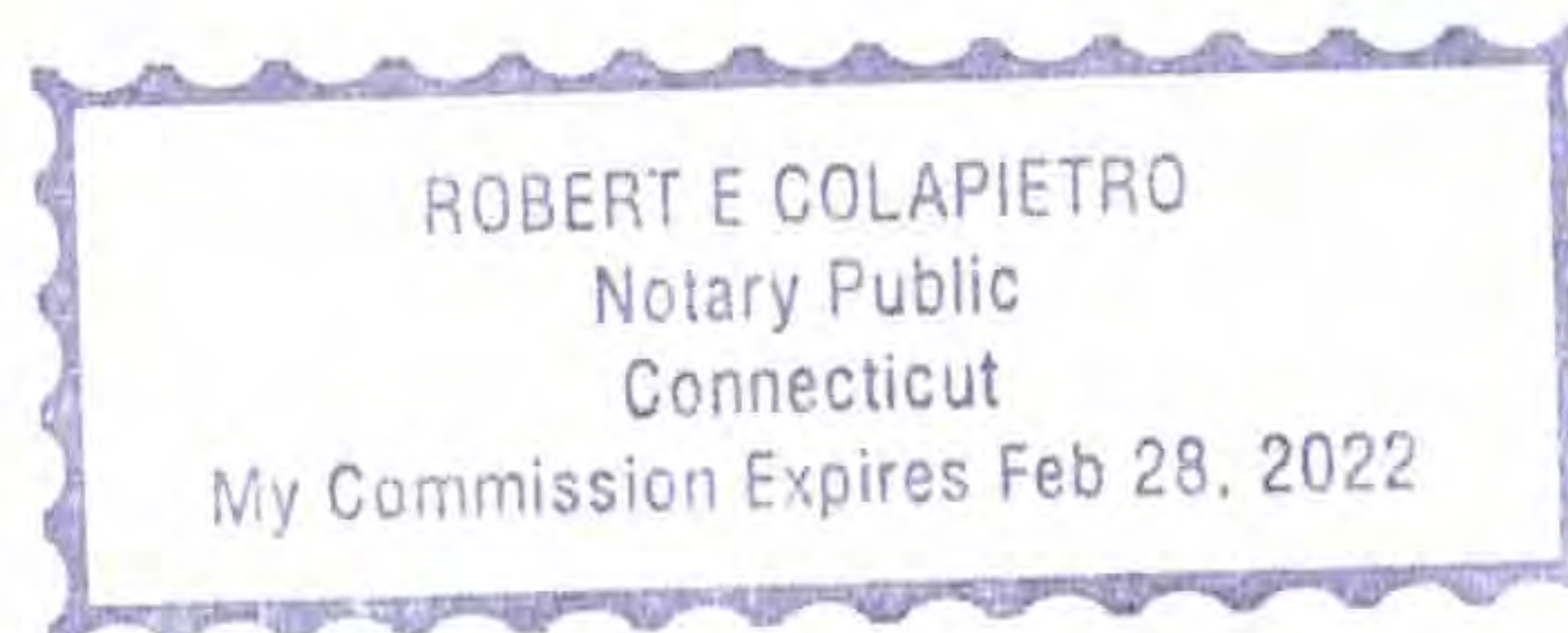
AND IN THE MATTER OF HOLLANDER SLEEP PRODUCTS, LLC, HOLLANDER SLEEP PRODUCTS CANADA LIMITED, DREAM II HOLDINGS, LLC,
HOLLANDER HOME FASHIONS HOLDINGS, LLC, PACIFIC COAST FEATHER, LLC, HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC AND PACIFIC
COAST FEATHER CUSHION, LLC

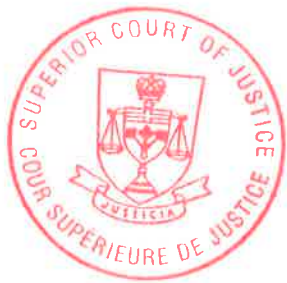
APPLICATION OF HOLLANDER SLEEP PRODUCTS, LLC UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-
36, AS AMENDED

Applicant	
	<p><i>Ontario</i></p> <p>SUPERIOR COURT OF JUSTICE COMMERCIAL LIST</p> <p>Proceeding commenced at Toronto</p>
	<p>SUPPLEMENTAL ORDER (FOREIGN MAIN PROCEEDING)</p>
	<p>OSLER, HOSKIN & HARCOURT, LLP P.O. Box 50, 1 First Canadian Place Toronto, ON M5X 1B8</p> <p>Marc Wasserman LSO# 44066M Tel: 416.862.4908 mwasserman@osler.com</p> <p>Shawn T. Irving LSO# 50035U Tel: 416.862.4733 sirving@osler.com</p> <p>Martino Calvaruso LSO# 57359Q Tel: 416.862.6665 mcalvaruso@osler.com Fax: 416.862.6666</p> <p>Lawyers for the Applicant</p>

TAB G

THIS IS EXHIBIT "G" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.	)	FRIDAY, THE 5 TH
)	
JUSTICE HAINEY	)	DAY OF JULY, 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 ("**Hollander Canada**"), 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 July 3, 2019 (the "**Second Pfefferle Affidavit**"), the report of KSV Kofman Inc., in its capacity as Information Officer, dated July 3, 2019 (the "**First 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 July 3 and 4, 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 Second 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) Authorizing the Debtors to (A) Continue Insurance Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related Thereto and (B) Renew, Supplement, Modify, or Purchase Insurance Coverage, (C) Continue to Pay Brokerage Fees, and (II) Granting Related Relief (the “**Insurance Order**”);*
- (b) *Order (I) Authorizing the Debtors to Continue and Renew the Surety Bond Program, and (II) Granting Related Relief (the “**Surety Bond Order**”);*
- (c) *Order (I) Approving the Bidding Procedures, (II) Scheduling the Bid Deadlines and the Auction, (III) Approving the Form and Manner of Notice Thereof, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, and (V) Granting Related Relief (the “**Bid Procedures Order**”);*

- (d) *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of (A) Lien Claimants, (b) Import Claims, (C) 503(B)(9) Claimants, (D) Foreign Vendors, and (E) Critical Vendors, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief (the “**Final Critical Vendors Order**”);*
- (e) *Final Order (I) Authorizing the Debtors to (A) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs and (II) Granting Related Relief (the “**Final Wages Order**”);*
- (f) *Order Authorizing the Debtors to (A) Retain Carl Marks Advisory Group LLC to Provide the Debtors a Chief Executive Officer, a Chief Financial Officer, and Additional Personnel and (B) Appoint the Chief Executive Officer and Chief Financial Officer Nunc Pro Tunc to the Petition Date (the “**Carl Marks Order**”);*
- (g) *Final Order (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 “**Final Cash Management Order**”);*
- (h) *Final Order (A) Authorizing the Debtors to Maintain and Administer their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto and (B) Granting Related Relief (the “**Final Customer Programs Order**”);*
- (i) *Final Order With Respect to Prepetition ABL Secured Parties and DIP ABL 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 ABL Secured Parties, (E) Modifying the Automatic Stay, and (F) Granting Related Relief (the “**Final DIP ABL Order**”);*

- (j) *Final Order (A) Authorizing the Payment of Certain Prepetition Taxes and Fees and (B) Granting Related Relief (the “**Final Tax Order**”);*
- (k) *Order (A) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Utility Services, (B) Determining Adequate Assurance of Payment for Future Utility Services, (C) Establishing Procedures for Determining Adequate Assurance of Payment, and (D) Granting Related Relief (the “**Utilities Order**”);*
- (l) *Order (A) Authorizing the Retention and Compensation of Professionals Utilized in the Ordinary Course of Business and (B) Granting Related Relief (the “**Professionals Order**”);*
- (m) *Order Authorizing and Approving the Employment and Retention of OMNI Management Group as Administrative Advisor for the Debtors and Debtors in Possession Nunc Pro Tunc to the Petition Date (the “**OMNI Order**”);*
- (n) *Order (A) Establishing Certain Notice, Case Management, and Administrative Procedures and (B) Granting Related Relief (the “**Case Management Order**”);*
- (o) *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 Term Loan Lenders, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief (the “**Second Interim DIP Term Order**”); and*
- (p) *Order (A) Setting Bar Dates for Submitting Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief (the “**Bar Date Order**”).*

(copies of each such Foreign Orders are attached hereto as Schedules “A” to “P”, 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).

AMENDMENT TO SUPPLEMENTAL ORDER

4. **THIS COURT ORDERS** that paragraph 20 of the Supplemental Order is hereby amended as follows:

20. **THIS COURT ORDERS** that the DIP ABL Agent, for and on behalf of itself and the DIP ABL Lenders, shall be entitled to the benefit of and is hereby granted a charge (the “**DIP ABL Charge**”) on the Property in Canada, which DIP ABL Charge shall be consistent with the liens and charges created by the Interim DIP Order and the Final ABL DIP Order (as defined in the Recognition Order made on July 5, 2019 in these proceedings) with respect to the Property in Canada, shall have the priority set out in paragraphs 21 through 26 hereof, and further provided that the DIP ABL Charge shall not be enforced except with leave of this Court on notice to the Information Officer and those parties on the service list established for these proceedings.

INFORMATION OFFICER’S REPORTS

5. **THIS COURT ORDERS** that the pre-filing report of KSV Kofman Inc. (“**KSV**”), in its capacity as proposed Information Officer, dated May 23, 2019 (the “**Pre-Filing Report**”) and the First Report of the Information Officer and the actions, conduct, and activities of KSV as described in the Pre-Filing Report and the Information Officer as described in the First Report be and are hereby approved.

GENERAL

6. **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.

7. **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.

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



A handwritten signature in blue ink, appearing to read "Hainey J.", written over a horizontal line.

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

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P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

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mwasserman@osler.com

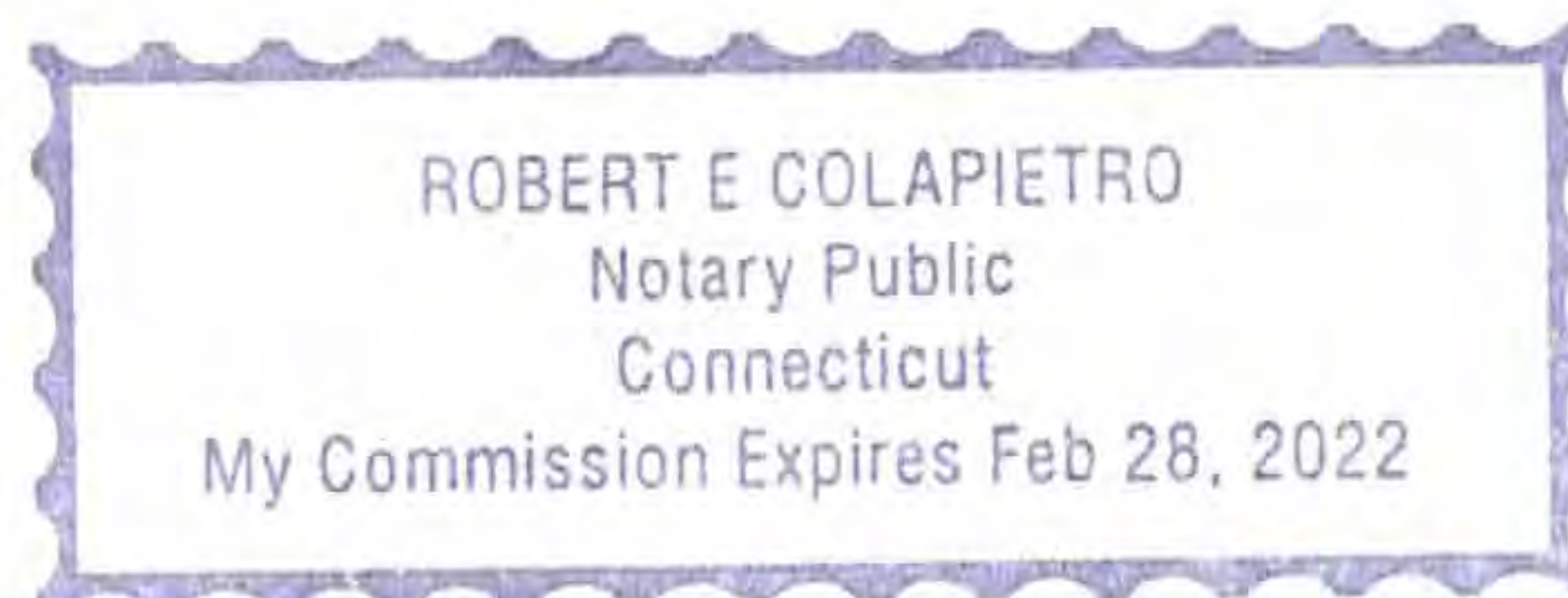
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Martino Calvaruso LSO# 57359Q
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mcalvaruso@osler.com
Fax: 416.862.6666

Lawyers for the Applicant

TAB H

THIS IS EXHIBIT "H" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 4, 2019

A handwritten signature in blue ink, appearing to be 'M E L', is written over a horizontal line.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.

)

TUESDAY DAY, THE 6TH

JUSTICE HANEY

)

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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ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 06 2019

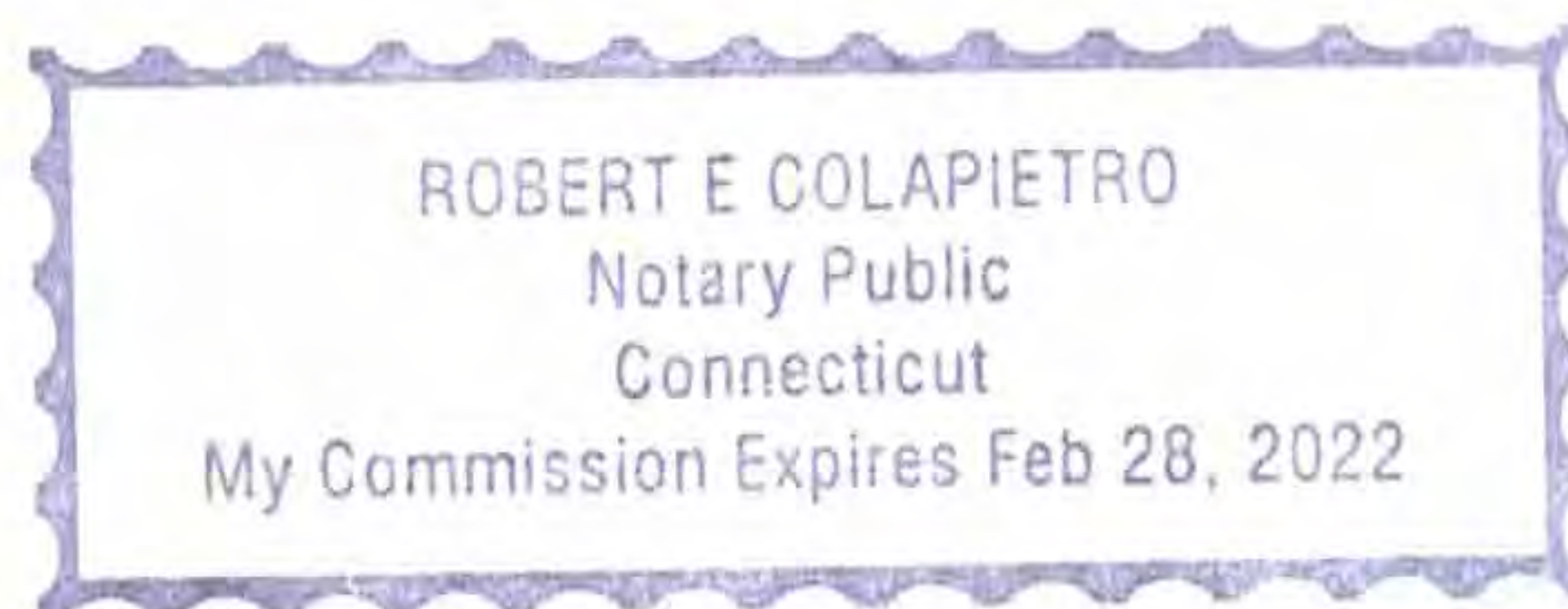
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A small, stylized handwritten signature or mark.

TAB I

THIS IS EXHIBIT "I" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





ASSET PURCHASE AGREEMENT

DATED AS OF AUGUST 15, 2019

BY AND BETWEEN

BEDDING ACQUISITION, LLC, AS PURCHASER,

AND

DREAM II HOLDINGS, LLC, AS THE COMPANY,

AND

THE OTHER SELLERS NAMED HEREIN

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of August 15, 2019, by and among Bedding Acquisition, LLC, a Delaware limited liability company (“Purchaser”), Dream II Holdings, LLC, a Delaware limited liability company (the “Company”), and the Subsidiaries of the Company that are indicated on the signature pages attached hereto (together with the Company, each a “Seller” and collectively “Sellers”). Purchaser and Sellers are referred to herein individually as a “Party” and collectively as the “Parties.” Capitalized terms used in herein shall have the meanings set forth herein or in Article XI.

RECITALS

WHEREAS, on May 20, 2019 (the “Petition Date”), the Sellers filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), which cases are jointly administered for procedural purposes as *In re Hollander Sleep Products, LLC, et al.*, case number 19-11608 (collectively, the “Bankruptcy Case”), and the Sellers operate their business as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS, on May 30, 2019, on application by Hollander Sleep Products, LLC in its capacity as foreign representative (the “Foreign Representative”) of the Sellers, the Ontario Superior Court of Justice (Commercial List) (the “Canadian Court”) issued an Order recognizing the Bankruptcy Case as foreign main proceedings under the Companies’ Creditors Arrangement Act (Canada) (the “CCAA”) (such recognition proceedings, the “Canadian Proceedings”) and granting related relief;

WHEREAS, Purchaser desires to purchase the Acquired Assets and assume the Assumed Liabilities from Sellers, and Sellers desire to sell, convey, assign, and transfer to Purchaser the Acquired Assets together with the Assumed Liabilities, in a sale authorized by the Bankruptcy Court pursuant to, *inter alia*, sections 105, 363, 365, 1129, and 1141 of the Bankruptcy Code, all on the terms and subject to the conditions set forth in this Agreement and subject to entry of the Confirmation Order and consummation of the Plan; and

WHEREAS, the Acquired Assets and Assumed Liabilities shall be purchased and assumed by Purchaser pursuant to the Confirmation Order, free and clear of all Encumbrances (other than Permitted Encumbrances), all in the manner and subject to the terms and conditions set forth in this Agreement and subject to entry of the Confirmation Order and Confirmation Recognition Order and consummation of the Plan, and in accordance with other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure and the local rules for the Bankruptcy Court (together, the “Bankruptcy Rules”).

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants, and agreements set forth herein, and intending to be legally bound hereby, Purchaser and Sellers hereby agree as follows.

ARTICLE I

PURCHASE AND SALE OF THE ACQUIRED ASSETS; ASSUMPTION OF ASSUMED LIABILITIES

1.1 Purchase and Sale of the Acquired Assets. Pursuant to sections 105, 363, 365, 1129, and 1141 of the Bankruptcy Code, on the terms and subject to the conditions set forth herein, and subject to the entry of, and the terms of, the Confirmation Order, the Confirmation Recognition Order and consummation of the Plan, at the Closing, Sellers shall sell, transfer, assign, convey, and deliver to Purchaser, and Purchaser shall purchase, acquire, and accept from Sellers, all of Sellers' right, title and interest in and to the Acquired Assets, free and clear of all Encumbrances other than Permitted Encumbrances. "Acquired Assets" means all of the properties, rights, interests and other assets of the Sellers, whether tangible or intangible, real, personal, or mixed, wherever located and whether or not required to be reflected on a balance sheet prepared in accordance with GAAP, including any such properties, rights, interests, and other assets acquired by the Sellers after the date hereof and prior to the Closing, and including the following assets of the Sellers, but excluding in all cases the Excluded Assets:

(a) subject to Section 1.5, all Contracts on Schedule 1.1(a) and all open purchase orders arising in the Ordinary Course after the Petition Date (collectively, the "Assigned Contracts");

(b) all accounts receivable, negotiable instruments and chattel paper owing from Persons that are not Sellers;

(c) all Documents;

(d) the Owned Real Property listed on Schedule 1.1(d) (the "Acquired Owned Real Property");

(e) the Leased Real Property listed on Schedule 1.1(e) (the "Acquired Leased Real Property"), including any Leasehold Improvements and all permanent fixtures, improvements, and appurtenances thereto;

(f) all tangible assets (including Equipment and machinery) of the Sellers, including the tangible assets of the Sellers located at any Acquired Leased Real Property or Acquired Owned Real Property, machinery and Equipment located at the Thomson Plant or any other Excluded Plant, and any tangible assets on order to be delivered to any Seller;

(g) all demands, allowances, refunds (other than Tax refunds), rebates (including any vendor or supplier rebates), express or implied guarantees, warranties, representations, covenants, indemnities, rights, claims, counterclaims, defenses, credits, causes of action, rights of set off, rights of recovery or rights of recoupment (in each case, other than against any Seller), including rights under vendors' and manufacturers' warranties, indemnities and guaranties, relating to or arising against suppliers, vendors, merchants, manufacturers, counterparties to leases, counterparties to licenses and counterparties to any Assigned Contract arising out of or relating to events occurring on or prior to the Closing Date or any of the Acquired Assets or Assumed Liabilities;

(h) to the extent transferable under applicable Law, all of the rights, interests and benefits accruing under all Permits, and all pending applications therefor;

(i) to the extent transferable, all current and prior insurance policies of any of the Sellers, and all rights and benefits of any nature of the Sellers (except for any rights to insurance recoveries thereunder required to be paid to other Persons under any Order of the Bankruptcy Court or Canadian Court relating to any debtor-in-possession financing obtained by the Sellers) with respect thereto, including all insurance recoveries thereunder and rights to assert claims with respect to any such insurance recoveries, but excluding all interests in any bonds maintained under Section 412 of ERISA and in any insurance policies relating to Seller Plans, in each case, to the extent related to any assets or liabilities of any of the Seller Plans that are Excluded Assets or to any Excluded Liabilities and excluding any director and officer insurance policies and any and all rights, claims or interests thereunder or related thereto;

(j) all shares of capital stock or other equity interests of Hollander Sleep Products Trading (Shanghai) Co., Ltd. ("Hollander Shanghai") or securities convertible into, exchangeable or exercisable for any such shares of capital stock or other equity interests;

(k) each Assumed Benefit Plan and all right, title and interest in any assets thereof or relating thereto;

(l) all Intellectual Property, all rights to collect royalties and proceeds in connection therewith, all rights to sue and recover for past, present and future infringements, dilutions, misappropriations of, or other conflicts with, such Intellectual Property and any and all corresponding rights that, now or hereafter, may be secured throughout the world, including any Intellectual Property licensed to any Seller (collectively, the "Transferred Company Intellectual Property");

(m) all goodwill, payment intangibles and general intangible assets and rights of the Sellers;

(n) all Asset Claims;

(o) all Inventory of the Sellers, including, for the avoidance of doubt, Inventory located at the Munfordville Plant, the Thomson Plant or any other Excluded Plant; and

(p) all deposits (including maintenance deposits, customer deposits, and security deposits for rent, electricity, telephone or otherwise) or prepaid or deferred charges and expenses, including all lease and rental payments, that have been prepaid by any Seller, excluding any retainers or similar amounts paid to Advisors or other professional service providers not relating to the ongoing operation of the Sellers' business outside of the Bankruptcy Case or the Canadian Proceedings.

1.2 Excluded Assets. Notwithstanding anything to the contrary in this Agreement, the Sellers shall not, and in no event shall the Sellers be deemed to, sell, transfer, assign, or convey, and the Sellers shall retain all right, title and interest to, in and under the following assets, properties, interests and rights of such Seller (collectively, the "Excluded Assets");

(a) all Cash and Cash Equivalents and all bank accounts, except as set forth in Section 6.14(b);

(b) any retainers or similar amounts paid to Advisors or other professional service providers;

(c) all Contracts of the Sellers listed on Schedule 1.2(c) and all Contracts other than Assigned Contracts (the “Excluded Contracts”);

(d) all Documents (i) to the extent they relate to any of the Excluded Assets or Excluded Liabilities; provided that Purchaser shall have the right to make copies of any portions of such documents, or (ii) that any Seller is required by Law to retain and is prohibited by Law from providing a copy thereof to Purchaser;

(e) all records and reports prepared or received by any Seller or any of its Affiliates in connection with the sale of the Acquired Assets, this Agreement, or the transactions contemplated hereby, including (i) all analyses relating to the Acquired Assets or Purchaser so prepared or received, (ii) all bids and expressions of interest received from third parties with respect to the acquisition of the businesses operated by Sellers, and (iii) all privileged materials, documents and records of a Seller or any of its Affiliates, including any privileged materials, documents and records that are in the possession of Hollander Shanghai;

(f) all director and officer insurance policies, including any tail insurance policies, and all rights of any nature with respect to any such insurance policies, including any recoveries thereunder and any rights to assess claims seeking any such recoveries;

(g) all membership interests or other equity interests of any Seller or any of its Subsidiaries or securities convertible into, exchangeable, or exercisable for any such membership interests or other equity interests, except for the equity of Hollander Shanghai;

(h) all Seller Plans, other than the Assumed Benefit Plans, and any right, title or interest in any of the assets thereof or relating thereto;

(i) solely to the extent not acquired as Asset Claims: (i) all preference or avoidance claims or actions arising under the Bankruptcy Code and applicable Law, (ii) all other rights, claims, causes of action, rights of recovery, rights of set-off, and rights of recoupment as of the Closing of any Seller, in each case, to the extent arising out of or relating to events occurring on or prior to the Closing Date, and (iii) all claims that any of the Sellers may have against any Person with respect to any other Excluded Assets or any Excluded Liabilities;

(j) the Sellers’ financial accounting books and records, corporate charter, minute and stock record books, Tax Returns (and any related work papers), corporate seal, checkbooks, and canceled checks; provided that Purchaser shall have the right to make copies of any portions of such documents relating to the Acquired Assets to the extent reasonably requested;

(k) the Sellers’ rights under this Agreement, including the Purchase Price hereunder, or any agreement, certificate, instrument, or other document executed and delivered

between any Seller and Purchaser in connection with the transactions contemplated hereby, or any other agreement between any Seller and Purchaser entered into on or after the date hereof;

- (l) the properties and assets set forth on Schedule 1.2(l);
- (m) all Tax refunds;
- (n) all real estate and all interests in real estate, other than the Acquired Owned Real Property and the Acquired Leased Real Property, including any Leasehold Improvements and all permanent fixtures, improvements, and appurtenances thereto; and
- (o) the Excluded Plant Assets.

1.3 Assumption of Certain Liabilities. On the terms and subject to the conditions set forth herein and subject to entry of, and the terms of, the Confirmation Order and the consummation of the Plan, effective as of the Closing, Purchaser shall assume from the Sellers (and from and after the Closing pay, perform, discharge, or otherwise satisfy), and the Sellers shall irrevocably convey, transfer, and assign to Purchaser, only the following Liabilities, without duplication and only to the extent not paid prior to the Closing (collectively, the “Assumed Liabilities”):

(a) all Liabilities of the Sellers under the Assigned Contracts that (i) arise after the Petition Date, (ii) do not result from any breach or default by any Seller and (iii) become due from and after the Closing;

(b) subject to Section 1.5 and Section 5.2, all cure costs required to be paid pursuant to section 365 of the Bankruptcy Code in connection with the assumption and assignment of the Assigned Contracts as finally determined by the Bankruptcy Court (the “Cure Costs”);

(c) all Liabilities arising out of the conduct of the business or the ownership of the Acquired Assets, in each case, by Purchaser from and after the Closing;

(d) all accounts payable, trade payables, and current accrued Liabilities arising after the Petition Date and existing on the Closing Date (including, for the avoidance of doubt, (i) invoiced accounts payable and (ii) accrued but uninvoiced accounts payable, and excluding all costs and expenses of the administration of the Bankruptcy Case or Canadian Proceedings (including Bankruptcy Costs) and those costs and expenses described in Section 10.2 (the “Accounts Payable”)), in each case only to the extent included in the calculation of Final Working Capital set forth on the Final Closing Date Statement;

(e) monetary Liabilities, up to but not in excess of the Severance Adjustment, under all severance or termination benefits, or any comparable plan, program, policy, agreement or arrangement of the Sellers solely with respect to Transferred Employees from the Munfordville Plant (other than the Hollander Retention Plan (as defined in the *Order (A) Approving the Debtors’ Key Employee Retention Plans and (B) Granting Related Relief* (Docket No. 281)), the Georgia Retention Plan (as defined in the *Order (A) Approving the Debtors’ Key*

Employee Retention Plans and (B) Grating Related Relief (Docket No. 281)) or any similar key employee retention plan or arrangement);

(f) Liabilities for Taxes to the extent allocable to Purchaser pursuant to Sections 2.8, 9.1 and 9.4, excluding, for the avoidance of doubt, any Taxes attributable to the Company, any of its Subsidiaries (other than Hollander Shanghai) or the Acquired Assets to the extent such Taxes are related to any Pre-Closing Tax Period (or portion thereof); and

(g) Liabilities under, and sponsorship of, the Seller Plans set forth on Schedule 3.15 that (i) are qualified “defined contribution plans” (as defined under Section 3(34) of ERISA) or (ii) “welfare benefit plans” (as defined under Section 3(1) of ERISA) or any Canadian group registered retirement savings plan, under which benefits are being provided or offered to one or more Transferred Employees as of the Closing Date, excluding, for the avoidance of doubt, any such plans for which participation, benefits and contributions have been frozen, and such other Seller Plans, if any, as the Parties may reasonably agree (the “Assumed Benefit Plans”), and all Liabilities arising in connection with, including the responsibility for satisfying, the continuation coverage requirements of Section 4980B of the Code for all individuals who are “M&A qualified beneficiaries” as such term is defined in Treasury Regulation Section 54.4980B-9.

1.4 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, the Purchaser shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liability of, or Action against, the Sellers or relating to the Acquired Assets, of any kind or nature whatsoever, whether absolute, accrued, contingent or otherwise, liquidated or unliquidated, due or to become due, known or unknown, currently existing or hereafter arising, matured or unmatured, direct or indirect, and however arising, whether existing on the Closing Date or arising thereafter as a result of any act, omission, or circumstances taking place prior to the Closing, other than the Assumed Liabilities (all such Liabilities that are not Assumed Liabilities being referred to collectively herein as the “Excluded Liabilities”). Without limiting the foregoing, the following Liabilities are Excluded Liabilities: (i) all Cure Costs in excess, in the aggregate, of \$2,500,000; and (ii) all Liabilities for Taxes attributable to the Company, any of its Subsidiaries (other than Hollander Shanghai), or the Acquired Assets to the extent such Taxes are related to any Pre-Closing Tax Period (or portion thereof), other than any Liabilities for Taxes to the extent allocable to Purchaser pursuant to Sections 2.8, 9.1 and 9.4 and (iii) the sponsorship of all severance or termination benefits, or any comparable plan, program, policy, agreement or arrangement of the Sellers, other than as assumed by Purchaser pursuant to Section 1.3(e). For the avoidance of doubt, Sellers shall retain and be responsible for all Excluded Liabilities.

1.5 Assumption/Rejection of Certain Contracts.

(a) Assumption and Assignment of Executory Contracts. The Assigned Contracts shall be assumed and assigned to Purchaser pursuant to the Confirmation Order, the Confirmation Recognition Order and the Plan. Schedule 1.1(a) (the “Assumption Schedule”) shall be filed as a Plan supplement document to be considered by the Bankruptcy Court at the Plan confirmation hearing, and may be amended by the Sellers only at the direction of the Purchaser (i) to remove any Contract (other than any Contract set forth on Schedule 1.5(a) (each,

a “Specified Contract”) from the Assumption Schedule no later than three (3) days before the Effective Date (in which case it shall be removed from the Assumption Schedule, and such Contract shall be added to Schedule 1.2(c)), and (ii) to add any Contract to the Assumption Schedule no later than three (3) days before the Plan confirmation hearing or, with the consent of the counterparty to such Contract, no later than the Effective Date (in which case it shall be added to Schedule 1.1(a) and removed from Schedule 1.2(c)). In consultation with the Purchaser, the Sellers shall provide reasonable written notice of the Assumption Schedule to all counterparties to any listed Contracts and take all other actions necessary to cause such Contracts to be assumed by the Sellers and assigned to Purchaser pursuant to sections 365 and 1123 of the Bankruptcy Code as Assigned Contracts at Closing. Entry of the Confirmation Order shall constitute approval by the Bankruptcy Court of the assumption by the Sellers, and the assignment to Purchaser, of such Contracts, and of the Cure Costs solely to the extent not in excess, in the aggregate, of \$2,500,000, effective as of the Closing under sections 365 and 1123 of the Bankruptcy Code. At the Closing, the Sellers shall, pursuant to the Plan, the Confirmation Order, the Confirmation Recognition Order and the Bill of Sale and Assignment and Assumption Agreement, assume and assign to Purchaser (the consideration for which is included in the Purchase Price), all Assigned Contracts, subject to adjustment pursuant to Section 1.5(b).

(b) Pending Motions; Revocation of Assigned Contracts After Closing.

(i) In addition to and without limiting Section 1.5(a), the Sellers, as reasonably requested by the Purchaser, may seek to effect the assumption and assignment, or, except with respect to any Specified Contract, rejection, of any Contract by other motion in form and substance acceptable to Purchaser. To the extent that any such motion is pending on the Effective Date, such Contract shall not be assumed and assigned, or rejected, without a subsequent determination on such motion by the Bankruptcy Court, which motion may be prosecuted by the post-confirmation debtors or their estates, as reasonably requested by the Purchaser, or may be withdrawn or settled (with the consent of the counterparty to such Contract) by the post-confirmation debtors or their estates, as reasonably requested by the Purchaser, without further Order of the Bankruptcy Court at any time prior to a Final Order on such motion, and with any such disposition to be deemed effective as of the Effective Date.

(ii) If an objection concerning a Contract listed on the Assumption Schedule has not been resolved by the Bankruptcy Court by the Effective Date, or a motion to assume and assign, or, except with respect to any Specified Contract, reject, any such Contract is pending on the Effective Date, such Contract may, in the Purchaser’s discretion, be deemed assumed and assigned in accordance with Section 1.5(a) hereof as of the Effective Date; provided, however, the Purchaser may revoke an assumption and assignment of any such Contract prior to 10 days after entry of an Order by the Bankruptcy Court adjudicating the objection with respect to such Contract by filing a notice of such revocation with the Bankruptcy Court and serving a copy on the counterparty(ies) to such Contract. Any Contract identified in a revocation notice shall not constitute an Assigned Contract and shall be deemed rejected retroactively (and added to Schedule 1.2(c) and removed from Schedule 1.1(a), to the extent applicable) as of the Effective Date.

(c) Non-Assignment. Notwithstanding the foregoing, a Contract shall not be an Assigned Contract hereunder and shall not be assigned to, or assumed by, Purchaser to the extent that such Contract (i) is rejected by a Seller or terminated by a Seller, in either case not in violation of this Agreement, or any other party thereto, or terminates or expires by its terms, on or prior to such time as it is to be assumed by Purchaser as an Assigned Contract hereunder or (ii) requires a Consent or Governmental Authorization (other than, and in addition to, that of the Bankruptcy Court) in order to permit the sale or transfer to Purchaser of the applicable Seller's rights under such Contract, and such Consent or Governmental Authorization has not been obtained prior to such time as it is to be assumed by Purchaser as an Assigned Contract hereunder. In addition, a Permit shall not be assigned to, or assumed by, Purchaser to the extent that such Permit requires a Consent or Governmental Authorization (other than, and in addition to, that of the Bankruptcy Court) in order to permit the sale or transfer to Purchaser of the applicable Seller's rights under such Permit, and no such Consent or Governmental Authorization has been obtained prior to the Closing. In the event that any Assigned Contract is deemed not to be assigned pursuant to clause (ii) of the first sentence of this Section 1.5(c), the Closing shall nonetheless take place subject to the terms and conditions set forth herein and, thereafter, through the earlier of such time as such Consent or Governmental Authorization is obtained and six (6) months following the Closing (or the remaining term of such Contract or the closing of the Bankruptcy Case, if shorter), Sellers and Purchaser shall (A) use reasonable best efforts to secure such Consent or Governmental Authorization as promptly as practicable after the Closing and (B) cooperate in good faith in any lawful and commercially reasonable arrangement reasonably proposed by Purchaser, including subcontracting, licensing, or sublicensing to Purchaser any or all of any Seller's rights, interests and obligations with respect to any such Assigned Contract, under which (1) Purchaser shall obtain (without infringing upon the legal rights of such third party or violating any Law) the economic rights and benefits (net of the amount of any related Tax costs imposed on Sellers or their respective affiliates) under such Assigned Contract with respect to which the Consent and/or Governmental Authorization has not been obtained and (2) Purchaser shall assume any related burden (including the amount of any related Tax benefit obtained by Sellers or their respective Affiliates) and obligation (including performance) with respect to such Assigned Contract. Upon satisfying any requisite Consent or Governmental Authorization requirement applicable to such Assigned Contract after the Closing, such Assigned Contract shall promptly be transferred and assigned to Purchaser in accordance with the terms of this Agreement.

1.6 Rejection of Acquired Assets. At any time prior to the Closing, Purchaser may by notice to Sellers expand the items of Excluded Assets to include as Excluded Assets any items that are located at the Thomson Plant and are identified as Acquired Assets in Section 1.1 (other than Assigned Contracts), which notice shall be deemed to effect the related additions to and removals from the applicable Schedules; provided, however, that any such notice or exclusion shall not result in any reduction to the Purchase Price.

1.7 Assumption of Unexpired Lease. Notwithstanding anything to the contrary herein, in the event the unexpired lease for real property set forth on Schedule 1.2(c) as an Excluded Contract is amended prior to the Effective Date in accordance with that certain email correspondence dated Wednesday, August 14, 2019 from Keen-Summit Capital Partners LLC, such lease shall automatically be added to the Assumption Schedule and deemed an Assigned Contract.

ARTICLE II

CONSIDERATION; PAYMENT; CLOSING

2.1 Consideration; Payment.

(a) The aggregate consideration (collectively, the “Purchase Price”) for the purchase of the Acquired Assets shall be: (i) the assumption of Assumed Liabilities by Purchaser, (ii) a cash payment to the Company by Purchaser of \$102,000,000 (the “Cash Payment”), (iii) the issuance of warrants to the Company by Purchaser (the “Warrants”) granting the Company the right to purchase from Purchaser shares of common equity issued by Purchaser and representing 7.5% of the fully diluted equity ownership of Purchaser immediately following the Closing at a purchase price per share equal to 2.5 multiplied by the sum of (x) Parent’s total equity commitments made and called upon immediately prior to Closing and (y) the amount of any letter of credit or other credit enhancement provided by Purchaser to induce Wells Fargo Bank, National Association to provide the Debt Financing in units of Purchaser equity of the same security owned by Parent, freely assignable by Purchaser to an Affiliate thereof, and having a feature to increase the strike price based on additional equity investments by Purchaser and other terms reasonably acceptable to the Parties and customary for similar transactions, and (iv) the Keen Payment. The Cash Payment shall be subject to adjustment pursuant to Section 2.3.

(b) At the Closing, Purchaser shall deliver, or cause to be delivered, to the Company (i) the Cash Payment, less the Deposit, less the aggregate amount of all applicable severance, termination or similar payments as set forth on Schedule 2.1(b) payable to each individual set forth on Schedule 2.1(b) who remains employed by any Seller as of the Closing (such amount, the “Severance Adjustment”) (such result, the “Closing Date Payment”) and (ii) the Warrants. The Closing Date Payment and any payment required to be made pursuant to any other provision hereof shall be made in cash by wire transfer of immediately available funds to such bank account as shall be designated in writing by the applicable Party at least two (2) Business Days prior to the date such payment is to be made.

(c) At the Closing, Purchaser shall deliver, or cause to be delivered, to the Escrow Agent from the Closing Date Payment a cash amount of \$2,000,000 (the “Escrow Fund”), which shall be held by the Escrow Agent pursuant to the terms of the Escrow Agreement.

(d) At the Closing, Purchaser shall pay, or cause to be paid, to Keen-Summit Capital Partners LLC, on behalf of the Company, all documented amounts owing to Keen-Summit Capital Partners, LLC for services performed in conjunction with the transactions contemplated hereby (collectively, the “Keen Payment”).

2.2 Deposit.

(a) Purchaser has made an earnest money deposit (the “Deposit”) into escrow with a designee of the Company reasonably acceptable to Purchaser in accordance with the Bidding Procedures Order in the amount of ten percent (10%) of the Cash Payment by wire transfer of immediately available funds on or prior to August 19, 2019. The Deposit shall not be

subject to any lien, attachment, trustee process, or any other judicial process of any creditor of any of the Sellers or Purchaser. If not retained or returned as provided for by Sections 2.2(b) or 2.2(b), the Deposit shall be applied against payment of the Cash Payment pursuant to Section 2.1(a).

(b) If this Agreement has been terminated by the Company pursuant to Section 8.1(f) or 8.1(h) (or by Purchaser pursuant to Section 8.1(b), 8.1(c), 8.1(d) or 8.1(e), in each case, in circumstances where the Company would be entitled to terminate this Agreement pursuant to Section 8.1(f) or 8.1(h)), then the Company shall retain the Deposit.

(c) If this Agreement has been terminated by any Party, other than as contemplated by Section 2.2(b), then the Deposit shall be returned to Purchaser within two (2) Business Days after such termination.

(d) The Parties agree that the Company shall have no right to retain the Deposit except as explicitly authorized under Section 2.2(b), and that such right as set forth herein is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the Sellers for their respective efforts and resources expended and the opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision.

2.3 Purchase Price Adjustment.

(a) Closing Adjustment.

(i) Estimated Working Capital. At least three (3) Business Days prior to the Closing, the Company shall prepare and deliver, or cause to be delivered, to Purchaser a good faith estimate of the Working Capital as of the Closing (the “Estimated Working Capital”). The Estimated Working Capital shall be calculated and otherwise prepared in accordance with and in a manner consistent with (x) the Form Working Capital Statement, (y) the procedures, practices, methodologies and standards used to prepare the Form Working Capital Statement and (z) to the extent not inconsistent with or contrary to those used to prepare the Form Working Capital Statement, the procedures, practices, methodologies and standards used in preparing the Company’s audited consolidated balance sheet as of, and the related statements of income and cash flows for the fiscal year ended, December 31, 2017 (other than changes resulting from the absence of normal year-end adjustments (including the “hard” closing of the books, which would have taken place with respect to December 31, 2017 audited financials as opposed to a “soft” closing of the books which was done in calculating the Form Working Capital Statement and will be done in connection with calculating Final Working Capital) in accordance with GAAP as consistently applied by the Company).

(ii) The Closing Date Payment shall be increased or decreased, as applicable, at the Closing on a dollar-for-dollar basis by an amount equal to the Estimated Working Capital Excess (if any) or the Estimated Working Capital Deficit (if any), as applicable.

(b) Post-Closing Adjustment.

(i) Closing Date Statement. Within sixty (60) days after the Closing Date, Purchaser shall prepare and deliver to the Company a statement setting forth its good faith calculation of Working Capital as of the Closing (the "Closing Date Statement"). The calculation of Working Capital as of the Closing set forth in the Closing Date Statement shall be prepared by Purchaser in accordance with and in a manner consistent with (x) the Form Working Capital Statement, (y) the procedures, practices, methodologies and standards used to prepare the Form Working Capital Statement and (z) to the extent not inconsistent with or contrary to those used to prepare the Form Working Capital Statement, the procedures, practices, methodologies and standards used in preparing the Company's audited consolidated balance sheet as of, and the related statements of income and cash flows for the fiscal year ended, December 31, 2017 (other than changes resulting from the absence of normal year-end adjustments (including the "hard" closing of the books, which would have taken place with respect to December 31, 2017 audited financials as opposed to a "soft" closing of the books which was done in calculating the Form Working Capital Statement and will be done in connection with calculating Final Working Capital) in accordance with GAAP as consistently applied by the Company). From the date hereof until the Final Closing Date Statement becomes final and binding in accordance with this Section 2.3(b), Purchaser and the Company shall provide to each other such data and information as the other may reasonably request and reasonably cooperate with one another, in each case, in connection with the preparation and review of the Closing Date Statement and the resolution of any disputes in connection therewith.

(ii) Notice of Disagreement. The Closing Date Statement shall become final and binding (the Closing Date Statement determined to be final and binding in accordance with this Section 2.3(b), the "Final Closing Date Statement") upon the Parties on the date (the "Final Settlement Date") that is thirty (30) days following receipt thereof by the Company unless the Company gives written notice of its disagreement with the calculation contained on the Closing Date Statement ("Notice of Disagreement") to Purchaser prior to such date. Any Notice of Disagreement shall specify in reasonable detail the dollar amount, nature and basis of any disagreement so asserted therein. If a Notice of Disagreement is received by Purchaser in a timely manner, then the Closing Date Statement (as revised in accordance with subclause (iii) below, if applicable) shall become final and binding on the Parties on, and the Final Settlement Date shall be, the earlier of (A) the date upon which the Company and Purchaser agree in writing with respect to all matters specified in the Notice of Disagreement and (B) the date upon which the Closing Date Statement is issued by the Independent Accountant.

(iii) Final Closing Date Statement.

(A) If the Company delivers a Notice of Disagreement to Purchaser pursuant to Section 2.3(b)(ii), then during the ten (10) Business Days immediately following the date upon which Purchaser receives such Notice of Disagreement, the Company and Purchaser shall attempt in good faith to resolve any differences that

they may have with respect to all matters specified in the Notice of Disagreement. If at the end of such ten (10) Business Days period (or such other time period mutually agreed by the Parties) the Company and Purchaser have not reached agreement on such matters, the matters that remain in dispute (the “Disputed Matters”) will be submitted for resolution to Grant Thornton LLP (the “Independent Accountant”), who shall be engaged by Purchaser and Company pursuant to an engagement letter customary for such firm and shall act as an expert and not an arbitrator and resolve only the Disputed Matters as provided below.

(B) Each Party will promptly submit to the Independent Accountant a written statement with its position on each Disputed Matter (which, in the case of Purchaser, will be consistent with the position taken in, and not reflect amounts different from, the Closing Date Statement and, in the case of the Sellers, will be consistent with the position taken by the Company in, and not reflect amounts different from, the Notice of Disagreement), together with such supporting documentation as may be reasonably requested by the Independent Accountant, within ten (10) Business Days after the date on which any unresolved Disputed Matters were submitted to the Independent Accountant for resolution. The Company and Purchaser will each use their respective commercially reasonable efforts to cause the Independent Accountant to resolve such dispute as soon as practicable. No later than thirty (30) days after the date on which the Independent Accountant receives such respective written statements prepared by the Company and Purchaser with respect to the Disputed Matters, the Independent Accountant shall render a written decision resolving the Disputed Matters, which shall be based solely on the written materials submitted by the Parties (i.e., not on independent review), on the definitions included herein, and on the provisions of Sections 2.3(a) and 2.3(b), including with respect to the Form Working Capital Statement (which decision shall include a written statement of findings and conclusions); provided that any decision with respect to a figure in dispute shall be within the range set by each Party’s calculation of the figure in dispute. The Independent Accountant shall issue a revised Closing Date Statement reflecting such decisions. The decision of the Independent Accountant as set forth on the Final Closing Date Statement shall be final and binding on the Parties. The fees and expenses of the Independent Accountant pursuant to this Section 2.3(b)(iii)(B) shall be paid jointly by the Sellers and Purchaser in proportion to the relative difference between (x) the final amount of Working Capital determined by the Independent Accountant, as reflected on the Final Closing Date Statement, and (y) the amount of Working Capital proposed by Purchaser in the

Closing Date Statement and the Company in the Notice of Disagreement.

(iv) Final Settlement and Adjustment to Closing Date Payment. The Closing Date Payment shall be adjusted after the Closing based on the Final Closing Date Statement as follows.

(A) If the difference of (I) the Final Working Capital Excess minus (II) the Final Working Capital Deficit exceeds the difference of (I) the Estimated Working Capital Excess minus (II) the Estimated Working Capital Deficit, then the final Closing Date Payment shall be increased by the amount of such excess (such amount, an “Excess Payment”); and

(B) If the difference of (I) the Estimated Working Capital Excess minus (II) the Estimated Working Capital Deficit exceeds the difference of (I) the Final Working Capital Excess minus (II) the Final Working Capital Deficit, then the final Closing Date Payment shall be reduced by the amount of such excess (such amount, a “Shortfall Reduction”).

(c) Any Shortfall Reduction or Excess Payment described in the foregoing clause (A) or (B) shall be paid not later than three (3) Business Days after the Final Settlement Date (i) in the case of an Excess Payment, by Purchaser in cash by wire transfer of immediately available funds to an account or accounts specified by the Company at least two (2) Business Days prior to the date such payment is to be made or (ii) in the case of a Shortfall Reduction, by the Escrow Agent by wire transfer of immediately available funds in the amount of the Shortfall Reduction from the Escrow Fund to an account or accounts specified by Purchaser in the joint written disbursement instructions delivered to the Escrow Agent pursuant to Section 2.3(d); provided that the adjustment pursuant to this Section 2.3(c) shall not exceed the amount of the Escrow Fund. For the avoidance of doubt, the process provided for in this Section 2.3(c) shall be Purchaser’s sole and exclusive recourse with respect to any disputes arising out of or related to the subject matter of this Section 2.3(c). If the Final Working Capital is equal to the Estimated Working Capital, no adjustment to the final Closing Date Payment shall be made, and Purchaser and the Company shall promptly deliver joint written instructions to the Escrow Agent to disburse the Escrow Fund to the Company.

(d) Immediately after the final determination and payment of a Shortfall Reduction or Excess Payment, as applicable, Purchaser and the Company shall give joint written disbursement instructions to the Escrow Agent with respect to the disbursement of the Escrow Fund and any remaining funds remaining in the Escrow Fund (and any interest or earnings accrued thereon) shall be immediately disbursed by the Escrow Agent to an account or accounts specified by the Company.

(e) Any payments made pursuant to this Section 2.3 shall be treated as an adjustment to the Closing Date Payment by the Parties for Tax purposes, unless otherwise required by any applicable Law.

2.4 Closing. The closing of the purchase and sale of the Acquired Assets, the delivery of the Purchase Price, the assumption of the Assumed Liabilities and the consummation of the other transactions contemplated by this Agreement (the “Closing”) shall occur contemporaneously with consummation of the Plan and will take place by telephone conference and electronic exchange of documents (or, if the Parties agree to hold a physical closing, at the offices of Kirkland & Ellis LLP, located at 300 North LaSalle Street, Chicago, Illinois 60654) at 10:00 a.m. Central Time on the second (2nd) Business Day following full satisfaction or due waiver (by the Party entitled to the benefit of such condition) of the closing conditions set forth in Article VII (other than conditions that by their terms or nature are to be satisfied at the Closing), or at such other place and time as the Parties may agree. The date the Closing actually occurs is referred to herein as the “Closing Date.”

2.5 Closing Deliveries by the Sellers. At or prior to the Closing, the Sellers shall deliver to Purchaser:

(a) a bill of sale and assignment and assumption agreement substantially in the form of Exhibit A (the “Bill of Sale and Assignment and Assumption Agreement”) duly executed by the Sellers;

(b) all documents necessary to properly record the sale, transfer, conveyance and assignment to Purchaser of the Transferred Company Intellectual Property, duly executed by the applicable Sellers;

(c) a quitclaim deed conveying the Owned Real Property to Purchaser subject only to the Permitted Encumbrances;

(d) a copy of the Confirmation Order, as entered by the Bankruptcy Court;

(e) a copy of the Confirmation Recognition Order, as entered by the Canadian Court, together with an original executed copy of the certificate of the information officer referenced therein;

(f) the Escrow Agreement, duly executed by the Company;

(g) to the extent a Seller (as determined for U.S. federal income tax purposes) is a “United States person” within the meaning of Section 7701(a)(30) of the Code, such Seller shall deliver a certificate to Purchaser satisfying the requirements of Treasury Regulations Section 1.1445-2(b); and

(h) an officer’s certificate, dated as of the Closing Date, executed by a duly authorized officer of the Company certifying that the conditions set forth in Sections 7.2(b) and 7.2(c) have been satisfied.

2.6 Closing Deliveries by Purchaser. At the Closing, Purchaser shall deliver to (or at the direction of) the Company or as otherwise provided pursuant to Section 2.1:

(a) the Closing Date Payment;

- (b) the Warrants;
- (c) the Escrow Fund;
- (d) the Keen Payment;
- (e) the Bill of Sale and Assignment and Assumption Agreement, duly executed by Purchaser;
- (f) the Escrow Agreement, duly executed by Purchaser and the Escrow Agent; and
- (g) an officer's certificate, dated as of the Closing Date, executed by a duly authorized officer of Purchaser certifying that the conditions set forth in Sections 7.3(a) and 7.3(b) have been satisfied.

2.7 Withholding. Purchaser shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement to the extent required by applicable Tax Law. Any amount as deducted and withheld shall be remitted by Purchaser to the appropriate Governmental Body on a timely basis pursuant to applicable Law. Purchaser and each of the Sellers shall cooperate in good faith to reduce or otherwise eliminate any such withholding obligation to the extent permitted by applicable Law. Notwithstanding the foregoing, this Section 2.7 shall not apply with respect any withholding obligation to the extent attributable to any PRC Transfer Tax.

2.8 PRC Transfer Taxes.

(a) Purchaser, on the one hand, and the Sellers, on the other hand, shall each bear 50% of any PRC Transfer Tax.

(b) The Sellers, in consultation and cooperation with Purchaser, shall obtain a valuation of the fair market value of the equity of Hollander Shanghai from an independent PRC licensed appraiser (the "PRC Valuation"). Purchaser shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement any amounts required to be deducted and withheld under applicable Tax Law with respect to any PRC Transfer Tax shall timely pay over to the appropriate PRC Taxing Authority; provided that only 50% of any such deducted and withheld amount shall be treated as being paid to the Sellers under this Agreement and Purchaser shall bear the remaining 50% of any such amount; provided further that the amount of such withholding shall be calculated in accordance with the PRC Valuation, subject to Section 2.8(c). Purchaser shall provide Sellers with copies of any applicable tax receipts(s) issued by the applicable PRC Taxing Authority in respect of any amounts remitted to such PRC Taxing Authority.

(c) In the event that the Sellers determine, in their reasonable discretion, that they will be unable to obtain the PRC Valuation prior to the Closing, then for purposes of Purchaser withholding at the Closing in accordance with Section 2.8(b), the Sellers shall reasonably and in good faith estimate the amount of PRC Transfer Tax. In connection with the Closing, Purchaser shall withhold in accordance with Section 2.8(b) based on such estimate.

Following the Closing, the PRC Transfer Tax will be finalized and processed in accordance with the PRC Valuation and this Section 2.8, and the Parties will determine the final allocation of such final PRC Transfer Tax in accordance with Section 2.8(b) and true each other up based on the applicable provisions of Section 2.3(b), which shall apply *mutatis mutandis* to such true-up (including that the payment of any Shortfall Reduction and true up in favor of Purchaser pursuant to this Section 2.8(c) shall made only from the Escrow Fund).

(d) The Sellers shall prepare and file all Tax Returns required to be filed with respect to any PRC Transfer Tax as promptly as practicable after obtaining the PRC Valuation, and such Tax Returns shall reflect the PRC Valuation where applicable. The applicable Seller(s) shall promptly after the filing of any such Tax Return, deliver to Purchaser complete copies of such Tax Return.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Subject to Sections 6.8(a) and 10.10, the Sellers represent and warrant to Purchaser as follows as of the date hereof and as of the Closing Date.

3.1 Organization and Qualification. Each of the Company and its Subsidiaries (a) is an entity duly incorporated or organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, as applicable, (b) has all requisite power and authority to own and operate its properties and to carry on its businesses as now conducted, subject to the provisions of the Bankruptcy Code and the CCAA, and (c) is qualified to do business and is in good standing (or its equivalent) in every jurisdiction in which its ownership of property or the conduct of its business as now conducted requires it to qualify, except where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect.

3.2 Authorization of Agreement. The execution, delivery, and performance of this Agreement by each Seller, and the consummation by such Seller of the transactions contemplated hereby, subject to requisite Bankruptcy Court and Canadian Court approvals, have been duly and validly authorized by all requisite corporate or similar organizational action, and no other corporate or similar organizational proceedings on its part are necessary to authorize the execution, delivery or performance of this Agreement by such Seller. Subject to requisite Bankruptcy Court and Canadian Court approvals, this Agreement has been duly and validly executed and delivered by such Seller, and, assuming this Agreement is a valid and binding obligation of Purchaser, this Agreement constitutes a valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or other Laws relating to or affecting creditors' rights or general principles of equity (whether considered in a proceeding in equity or at law) (the "Enforceability Exceptions").

3.3 Conflicts; Consents.

(a) Except as set forth on Schedule 3.3(a) and assuming that (w) requisite Bankruptcy Court and Canadian Court approvals are obtained, (x) the notices, authorizations,

approvals, Orders, permits or consents set forth on Schedule 3.3(b) are made, given or obtained (as applicable), (y) the requirements of the HSR Act and any other applicable antitrust, competition, foreign investment review or merger control Laws promulgated by any Governmental Body (“Foreign Competition Laws”) are complied with, and (z) any filings required by any applicable federal or state securities or “blue sky” Laws are made, the execution, delivery and performance by the Sellers of this Agreement and the consummation by the Sellers of the transactions contemplated hereby, do not: (i) violate the certificate of formation, limited liability company agreement or equivalent organizational or constating documents of the Company or any of its Subsidiaries; (ii) violate any Law applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound; or (iii) result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, create in any party thereto the right to terminate or cancel, or require any consent under, or result in the creation or imposition of any Encumbrance (other than a Permitted Encumbrance) on any property or asset of the Company or any of its Subsidiaries under, any Lease or Contract listed on Schedule 3.9(a); except, in the case of the foregoing clause (iii), for any such violations, breaches, defaults or other occurrences that are not material to the Company or any of its Subsidiaries taken as a whole.

(b) Except as set forth on Schedule 3.3(b), the Sellers are not required to file, seek or obtain any notice, authorization, approval, Order, permit, or consent of or with any Governmental Body in connection with the execution, delivery and performance by the Sellers of this Agreement or the consummation by the Sellers of the transactions contemplated hereby, except (i) requisite Bankruptcy Court and Canadian Court approvals, (ii) any filings required to be made under the HSR Act and any Foreign Competition Laws, (iii) such filings as may be required by any applicable federal or state securities or “blue sky” Laws, (iv) where failure to obtain such consent, approval, authorization, or action, or to make such filing or notification, is not material, or (v) as may be necessary as a result of any facts or circumstances relating to Purchaser or any of its Affiliates.

3.4 Equity Interests of Hollander Shanghai. The authorized and outstanding capital stock or other equity interests of Hollander Shanghai are as set forth on Schedule 3.4. All of the outstanding capital stock or other equity interests of Hollander Shanghai have been validly issued. Except as set forth on Schedule 3.4, there are no outstanding options, warrants, convertible or exchangeable securities, “phantom” stock rights, stock appreciation rights, stock-based performance units, rights to subscribe to, purchase rights, calls or commitments made by Hollander Shanghai relating to the issuance, purchase, sale or repurchase of any capital stock or other equity interests issued by Hollander Shanghai containing any equity features, or contracts, commitments, understandings or arrangements by which Hollander Shanghai is bound to issue, deliver or sell, or cause to be issued, delivered or sold, additional capital stock or other equity interests, or options, warrants, rights to subscribe to, purchase rights, calls or commitments made by Hollander Shanghai relating to any capital stock or other equity interests of Hollander Shanghai. Except as set forth on Schedule 3.4, the Company or one or more of the other Sellers own all of the outstanding capital stock or other equity interests of Hollander Shanghai free and clear of all Encumbrances other than Permitted Encumbrances.

3.5 Financial Statements. Attached to Schedule 3.5 are: (a) the Company’s unaudited consolidated balance sheet as of June 30, 2019 (the “Latest Balance Sheet”) and December 31,

2018, and the related statements of income and cash flows for the six (6)- and twelve (12)-month periods then ended, respectively, and (b) the Company's audited consolidated balance sheet as of, and the related statements of income and cash flows for the fiscal year ended December 31, 2017 (collectively, the "Financial Statements"). Except as set forth on Schedule 3.5, the Financial Statements have been prepared, in each case, in conformity with GAAP consistently applied and present fairly in all material respects, in accordance with GAAP consistently applied, the consolidated financial condition and results of operations of the Company and its Subsidiaries as of the dates and for the periods referred to therein, except as may be indicated in the notes thereto and subject, in the case of the unaudited financial statements, to (y) the absence of footnote disclosures and other presentation items and (z) changes resulting from normal year-end adjustments (which are expected to be consistent with past practice).

3.6 Absence of Certain Developments. From the date of the Latest Balance Sheet until the date hereof, there has not occurred any event, occurrence or development that has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Without limiting the generality of the foregoing, except (x) for the solicitation of, discussions and negotiations with, presentations and provision of other diligence to and similar engagement with other potential bidders for the Acquired Assets, the negotiation and execution of this Agreement, (y) for the preparation and commencement of the Bankruptcy Case and Sellers' debtor-in-possession financing in the Bankruptcy Case or (z) as set forth on Schedule 3.6 or as expressly contemplated by this Agreement, from the date of the Latest Balance Sheet until the date hereof, neither the Company nor any of its Subsidiaries has:

(a) amended or modified the certificate of incorporation, bylaws (or other organizational, constating or governance documents) of the Company or any of its Subsidiaries;

(b) issued or sold any capital stock or other equity interests of Hollander Shanghai or any options, warrants, convertible or exchangeable securities, subscriptions, rights, stock appreciation rights, calls or commitments with respect to the capital stock or other equity interests of Hollander Shanghai or granted phantom stock or other similar rights with respect to the capital stock or other equity interests of Hollander Shanghai;

(c) announced, implemented or effected any reduction-in-force, lay off, plant closing or other program resulting in the termination of employment of employees (other than related employee terminations approved by the Bankruptcy Court), in each case, that is material to the Company or any of its Subsidiaries taken as a whole or individually;

(d) (i) made or granted any material cash compensation increase to any former or current employee receiving (before or after such increase) base compensation in excess of \$250,000 per annum, except in the Ordinary Course or pursuant to agreements listed on Schedule 3.9(a) or any Seller Plan, or (ii) increased the benefit under any Seller Plan, adopted any new Seller Plan or terminated any existing Seller Plan, except for increases in benefits under existing Seller Plans in the Ordinary Course and except as approved by the Bankruptcy Court with respect to the Sellers generally;

(e) entered into any Contract or series of related Contracts outside the Ordinary Course which obligates the applicable Seller for more than \$100,000 thereunder;

(f) adopted a plan of liquidation, dissolution, merger, consolidation or other reorganization, other than in the Bankruptcy Case;

(g) made any change in its accounting methods, principles or practices that would be material to the Company and its Subsidiaries, except as may be required by GAAP, the Code or applicable Law;

(h) made any acquisition of all or substantially all of the assets, properties, capital stock or business of any other Person, whether by merger, stock or asset purchase; or

(i) agreed or committed in writing to do any of the foregoing.

3.7 Title to Properties.

(a) Schedule 3.7(a) contains a list of all real or immovable property leased by the Company and its Subsidiaries (the "Leased Real Property") and the agreements pursuant to which such Leased Real Property is leased (the "Leases"). Except as set forth on Schedule 3.7(a), subject to requisite Bankruptcy Court approvals, and assumption by the applicable Seller of the applicable Lease in accordance with applicable Law (including satisfaction of any applicable Cure Costs) and except as required by applicable Law, the Company or its Subsidiaries have a valid leasehold estate (or in Quebec, a valid lease as defined in article 1851 of the Civil Code of Quebec) in all Leased Real Property, free and clear of all Encumbrances, other than Permitted Encumbrances. The Company has made available to Purchaser a correct and complete copy of each of the Leases (including all amendments thereto). Except as set forth in Schedule 3.7(a), neither the Company nor its Subsidiaries has leased or otherwise granted to any Person rights to use or occupy any of the Leased Real Property.

(b) Except for the real or immovable property set forth on Schedule 3.7(b), (the "Owned Real Property"), neither the Company nor any of its Subsidiaries owns any real or immovable property. Except as set forth on Schedule 3.7(b), (i) the Company or its Subsidiaries have insurable fee title (or in Quebec, a right of ownership as defined in article 947 of the Civil Code of Quebec) to all Owned Real Property, free and clear of all Encumbrances, other than Permitted Encumbrances, (ii) neither the Company nor any of its Subsidiaries has leased or otherwise granted to any Person rights to use or occupy the Owned Real Property that would reasonably be expected to impair the use or occupancy of the Owned Real Property in the operation of the business of the Company and its Subsidiaries, and (iii) there are no outstanding options, rights of first offer or rights of first refusal to purchase the Owned Real Property. Neither the Company nor its Subsidiaries is a party to any agreement or option to purchase any real or immovable property or interest therein.

(c) Neither the Company nor any Seller has received written notice of: (i) violations of building codes, zoning ordinances or other governmental or regulatory Laws affecting the Leased Real Property or the Owned Real Property, (ii) existing, pending or, to the Company's knowledge, threatened condemnation proceedings affecting the Leased Real Property, or the Owned Real Property, (iii) existing, pending or, to the Company's knowledge, threatened, zoning, building code or other moratorium proceedings, or (iv) existing, pending or, to the Company's knowledge, threatened tax assessment proceedings. No portion of the Leased

Real Property or Owned Real Property has been damaged or destroyed by fire or other casualty in any material respect.

(d) Subject to requisite Bankruptcy Court approvals, and assumption by the applicable Seller of the applicable Contract in accordance with applicable Law (including satisfaction of any applicable Cure Costs), and except as a result of the commencement of the Bankruptcy Case, the Company and its Subsidiaries own good title to, or hold a valid leasehold interest (or in Quebec, a valid lease as defined in article 1851 of the Civil Code of Quebec) in, all of the material tangible or corporeal movable property necessary in the conduct of their business as now conducted, free and clear of all Encumbrances, except for Permitted Encumbrances.

3.8 Insurance. Schedule 3.8 lists, as of the date hereof, each material insurance policy maintained by the Company and its Subsidiaries on their properties, assets, products, business or personnel. With respect to each such insurance policy the policy is legal, valid, binding, enforceable on the Company or its Subsidiaries, as applicable, and in full force and effect, and all premiums with respect thereto covering all periods up to and including the date hereof have been paid, and no notice of cancellation, termination or denial of coverage for any material claim has been received with respect to any such insurance policy.

3.9 Contracts.

(a) Except as set forth on Schedule 3.9(a), neither the Company nor any of its Subsidiaries is a party to any of the following:

- (i) collective bargaining agreement with any labor union;
- (ii) agreement for the employment or engagement of any officer, individual employee or other person on a full-time or consulting basis providing for base compensation in excess of \$250,000 per annum that is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less for a cost of \$250,000 or less;
- (iii) agreement under which the Company or one of its Subsidiaries has borrowed any money or issued any note, indenture or other evidence of similar indebtedness or guaranteed such indebtedness of others (other than intercompany indebtedness among the Company and its Subsidiaries, guarantees of indebtedness of the Company or any of its Subsidiaries, endorsements for the purpose of collection or purchases of equipment or materials made under conditional sales agreements, in each case in the Ordinary Course);
- (iv) material license of any material Intellectual Property that involves payments (by or to the Company or any of its Subsidiaries) in excess of \$500,000 per annum and is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less for a cost of \$500,000 or less (other than licenses of commercially available, off-the-shelf software and other than licenses entered into in the Ordinary Course);
- (v) lease or other agreement under which the Company or any of its Subsidiaries is lessee of, or holds or operates any personal property owned by any third

party, for which the annual rental exceeds \$200,000 that is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less for a cost of \$200,000 or less;

(vi) lease or other agreement under which the Company or any of its Subsidiaries is lessor of or permits any third party to hold or operate any property, real or personal, for which the annual rental exceeds \$200,000 that is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less for a cost of \$200,000 or less;

(vii) agreement or group of related agreements with the same party for the purchase of products or services, in either case, under which the aggregate undelivered balance of such products and services has a selling price in excess of \$1,000,000 and which is not terminable by the Company or such Subsidiary upon notice of sixty (60) days or less for a cost of \$1,000,000 or less (other than purchase orders entered into in the Ordinary Course);

(viii) agreement that materially prohibits the Company or any of its Subsidiaries from freely engaging in business anywhere in the world;

(ix) agreement relating to any acquisition or disposition by the Company of any business (whether by asset or stock purchase or otherwise) or any merger, consolidation or similar business combination transaction, in each case, pursuant to which the Company has an outstanding obligation to pay any purchase price thereunder or other material obligation;

(x) agreement that involves any take-or-pay or requirements arrangement other than in the Ordinary Course;

(xi) agreement relating to any joint venture, partnership or strategic alliance; or

(xii) agreement in writing to enter into any of the foregoing.

(b) Subject to requisite Bankruptcy Court approvals, and assumption by the applicable Seller of the applicable Contract in accordance with applicable Law (including satisfaction of any applicable Cure Costs) and except as a result of the commencement of the Bankruptcy Case or the Canadian Proceeding, as applicable, each of the agreements listed on Schedule 3.9(a) and each of the Leases is in full force and effect and is a valid, binding and enforceable obligation of the Company and its Subsidiaries and, to the knowledge of the Company, each of the other parties thereto, except as may be limited by the Enforceability Exceptions. Except as set forth on Schedule 3.9(b), as a result of the commencement of the Bankruptcy Case or the Canadian Proceeding, as applicable, neither the Company nor any of its Subsidiaries, as applicable, is in material default, or is alleged in writing by the counterparty thereto to have materially breached or to be in material default, under any Lease or agreement listed on Schedule 3.9(a), and, to the knowledge of the Company, the other party to each Lease or each of the agreements listed on Schedule 3.9(a) is not in material default thereunder. The Company has made available to Purchaser complete and correct copies of all agreements

required to be listed on Schedule 3.9(a) and all Leases, each as amended to the date hereof. None of the agreements listed on Schedule 3.9(a) or any of the Leases has been canceled or otherwise terminated, and neither the Company, nor its Subsidiaries, has received any written notice from any Person regarding any such cancellation or termination.

3.10 Litigation. Except as set forth on Schedule 3.10 and other than the Bankruptcy Case and Canadian Proceedings, there are, and during the prior three (3) years there have been, no Actions, suits or proceedings pending against or by the Company or any of its Subsidiaries, at law or in equity, or before or by any Governmental Body, other than any Action, suit, proceeding or Order where no injunctive or equitable relief is sought and where, if adversely determined, the monetary damages are covered by insurance or would not reasonably be expected to be material. Except as set forth on Schedule 3.10 and other than in connection with the Bankruptcy Case and Canadian Proceedings, neither the Company nor any of its Subsidiaries is, or during the prior three (3) years has been, subject to any outstanding Order, other than any such Order where no injunctive or equitable relief was granted and where the monetary damages were covered by insurance or were not be material.

3.11 Permits; Compliance with Laws. Except as set forth on Schedule 3.11:

(a) Each of the Company and its Subsidiaries holds and is in compliance, in all material respects, with all permits, certificates, licenses, approvals, registrations and authorizations that are required in connection with the conduct of its business under Laws (the "Permits"). All of the Permits are valid and in full force and effect.

(b) The Company and its Subsidiaries are, and have been during the prior three (3) years, in compliance, in all material respects, with all applicable Laws, and during the prior three (3) years neither the Company nor any of its Subsidiaries has received any written notice of any Action or proceeding against it alleging any failure to comply in any material respect with any such Laws. No investigation by any Governmental Body with respect to the Company or any of its Subsidiaries is pending or, to the Company's knowledge, threatened, and during the prior three (3) years neither the Company nor any of its Subsidiaries has received any written notice of any such investigation.

(c) The Acquired Assets in Canada do not have a book value in excess of C\$96 million, nor do such assets generate gross revenues in or from Canada in excess of C\$96 million, as determined in accordance with the Competition Act (Canada) and the regulations thereunder.

3.12 Environmental Matters. Except as set forth on Schedule 3.12:

(a) The Company and each of its Subsidiaries are, and have been during the prior three (3) years, in compliance in all material respects with all applicable Environmental Laws, which compliance has included obtaining and maintaining all material permits, licenses and authorizations required under applicable Environmental Laws that are required in connection with the operations of the Company and its Subsidiaries as currently conducted;

(b) Neither the Company nor any of its Subsidiaries has during the prior three (3) years received any written notice or request for information from any Governmental Body or

third party regarding any actual or alleged material violation of or liability under Environmental Laws, including with respect to any release of any Hazardous Substance;

(c) No Hazardous Substance has been released at any Leased Real Property or Owned Real Property in material violation of any Environmental Law that requires any material remediation or investigation under Environmental Laws by the Company or its Subsidiaries; and

(d) The Company has made available to Purchaser copies of all material environmental reports, studies, compliance reviews or audits, assessments or other similar documents in its possession or reasonable control relating to the Company or its Subsidiaries, the Leased Real Property and the Owned Real Property.

3.13 Intellectual Property.

(a) Schedule 3.13(a) sets forth a correct and complete list of all Intellectual Property that is registered, filed or issued under the authority of any Governmental Body, and all applications for such Intellectual Property, in each case that is owned by the Company or one or more of its Subsidiaries (collectively, "Company Intellectual Property"). Except as set forth on Schedule 3.13(a), the Company or one or more of its Subsidiaries owns the Company Intellectual Property, free and clear of all Encumbrances, other than Permitted Encumbrances.

(b) To the knowledge of the Company, neither the Company's nor any of its Subsidiaries' respective businesses infringes, misappropriates or otherwise violates any Intellectual Property of any other Person.

(c) To the knowledge of the Company no third party infringes, misappropriates or otherwise violates any Intellectual Property owned by the Company or any of its Subsidiaries. The Company and its Subsidiaries have used efforts that are reasonable under the circumstances to maintain the secrecy of their trade secrets, except where the failure to maintain such trade secrets would not be material.

(d) To the knowledge of the Company, all of the issued patents and registered trademarks that constitute Company Intellectual Property are valid, subsisting and enforceable. Except for office Actions issued in the ordinary course of prosecution by the United States Patent and Trademark Office or analogous foreign Governmental Body, during the prior three (3) years, no claim by any third party contesting the validity or enforceability of any of the Company Intellectual Property has been made or has been threatened, in each case in writing.

(e) To the knowledge of the Company, the Company and its Subsidiaries have, during the past three (3) years, implemented and maintained, and requires all third-parties acting on its behalf to implement and maintain, commercially reasonable technical, physical, and administrative security measures to protect and safeguard the confidentiality, integrity, and availability of Personal Data, confidential information, or other sensitive data in its possession, custody, or control ("Security Program"), and, to the knowledge of the Company, no person has materially violated the Security Program, or gained unauthorized access to, or made any unauthorized use of, any such Personal Data, confidential information, or other sensitive data that may reasonably require, or may have been reasonably required, under any Data Privacy Requirement, the disclosure or notification to any individual, a Governmental Body, or any other

third-party, regardless of whether the Company formally or informally issued or made any such disclosure or notification.

3.14 Tax Matters. Except as set forth on Schedule 3.14:

(a) (a) All material Tax Returns required to be filed under applicable Law by the Company and each of its Subsidiaries for the Pre-Closing Tax Period with respect to the Acquired Assets have been timely filed and such Tax Returns are complete and correct in all material respects; (b) all material Taxes payable by the Sellers for the Pre-Closing Tax Period with respect to the Acquired Assets (whether or not shown to be due on such Tax Returns) have been paid, (c) no material claims have been asserted in writing with respect to any such Taxes and (d) there are no Encumbrances for Taxes (other than any Encumbrance for Taxes that is a Permitted Encumbrance) on any of the Acquired Assets (including assets held by Hollander Shanghai);

(b) Each Seller and Hollander Shanghai has withheld and paid any material Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, former employee, independent contractor, creditor, customer, shareholder or other party, to the extent related to the Acquired Assets;

(c) There are no Tax administrative proceedings, Tax litigation or Tax Actions against any Seller (or Hollander Shanghai) with respect to the Acquired Assets;

(d) No claim that the Sellers, with respect to the Acquired Assets, or Hollander Shanghai, are or may be subject to, Tax has been made by any Governmental Body in a jurisdiction where such parties do not file Tax Returns, which claim has not been settled or resolved;

(e) Hollander Shanghai will not be required to include any material amount of taxable income in a Post-Closing Tax Period attributable to income of the Sellers or any Subsidiary that accrued in a Pre-Closing Tax Period but was not recognized in any such period as a result of (i) change in method of accounting for a taxable period ending on or prior to the Closing Date; (ii) the improper use of any method of accounting for a taxable period ending on or prior to the Closing Date; (iii) a “closing agreement” as described in Code Section 7121 (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law) executed on or prior to the Closing Date;; (iv) any installment sale or open transaction disposition made on or prior to the Closing; and (v) any prepaid amount received on or prior to the Closing outside of the Ordinary Course;

(f) Neither the Company, the Subsidiaries, nor any Sellers are liable, with respect to the Acquired Assets, for Taxes of any other Person (other than other members of an affiliated group of which the Company or any such Subsidiary is a member) as a result of successor liability, transferee liability, joint or several liability (including pursuant to Treasury Regulation Section 1.1502-6 or any similar provision of state, local, or non-U.S. Laws);

(g) Neither the Company, the Subsidiaries, nor any Sellers have, with respect to the Acquired Assets, constituted a “distributing corporation” or a “controlled corporation” (within the meaning of Code Section 355(a)(1)(A)) in a distribution of shares that was reported

or otherwise constitute a distribution of shares under Code Section 355(e) in the two (2) years prior to the date of this Agreement;

(h) Each Acquired Asset that is “taxable Canadian property” within the meaning of the Income Tax Act (Canada) is being sold by a Seller that is not a non-resident of Canada for the purposes of section 116 of the Income Tax Act (Canada); and

(i) Hollander Sleep Products Canada Limited is registered for HST under the ETA, and for QST under the QST Legislation, and its registration numbers are set forth on Schedule 3.14.

3.15 Seller Plans.

(a) Except as set forth on Schedule 3.15(a), and other than the “multiemployer plans” as defined in Section 3(37) of ERISA set forth and identified as such on Schedule 3.15(a), neither the Company nor any of its Subsidiaries maintains or contributes to any (i) nonqualified deferred compensation or retirement plans, (ii) qualified “defined contribution plans” (as such term is defined under Section 3(34) of ERISA), (iii) qualified “defined benefit plans” (as such term is defined under Section 3(35) of ERISA) or other pension plans that are required to be registered under Law, (iv) “multiemployer plans” (as such term is defined under Section 3(37) of ERISA) (the plans set forth in (ii) (iii), (iv) are collectively referred to herein as the “Pension Plans”), and (v) “welfare benefit plans” (as such term is defined under Section 3(1) of ERISA) (the “Welfare Plans”) or (vi) severance, incentive or bonus, stock purchase, stock option or equity incentive or any other material employee benefit plans, programs or arrangements (collectively, the “Seller Plans”). Except as would not result in any Liability to Purchaser, there is no entity, trade or business that is or was at the relevant time, a member of a group described in Code Section 414 or ERISA Section 4001(b)(1) that includes any of the Sellers, other than the Sellers.

(b) Each Pension Plan that is intended to meet the requirements of a “qualified plan” under Section 401(a) of the Code or is eligible to be registered under the Income Tax Act (Canada), (i) has received a favorable determination letter from the Internal Revenue Service that such Pension Plan is so qualified or has requested such a favorable determination letter within the remedial amendment period of Section 401(b) of the Code, (ii) may rely on a favorable opinion letter issued by the Internal Revenue Service, or (iii) is duly registered under the Income Tax Act (Canada).

(c) The Seller Plans comply in form and in operation in all material respects with their terms and applicable Laws, including the requirements of the Code and ERISA.

(d) With respect to the Seller Plans, (i) all material contributions required to be made by the Company or any of its Subsidiaries have been made or properly accrued, (ii) there are no material Actions, suits, or claims pending or, to the Company’s knowledge, overtly threatened other than routine claims for benefits, (iii) to the Company’s knowledge, there have been no “prohibited transactions” (as that term is defined in Section 406 of ERISA or Section 4975 of the Code) and (iv) all material reports, returns and similar documents required to be filed with any Governmental Body or distributed to any Seller Plan participant have been

timely filed or distributed in all material respects. The Company and its Subsidiaries have timely made in all material respects the contributions required to be made by them with respect to employees located outside the United States to any plan that is sponsored by, or to which contributions are mandated by, a Governmental Body.

(e) None of the Welfare Plans or the Seller Plans obligates the Company or its Subsidiaries to provide a current or former employee (or any dependent thereof) any material life insurance or medical or health benefits after his or her termination of employment with the Company or any of its Subsidiaries, other than as required under Part 6 of Subtitle B of Title I of ERISA, Section 4980B of the Code or any similar state, provincial or local Law.

(f) Except as set forth in Schedule 3.15(f), neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will: (i) result in any payment becoming due to any current employee or former employee of the Sellers, (ii) increase any benefits otherwise payable under any of the Seller Plans, (iii) result in any payment that will not be deductible under Section 280G of the Code or (iv) result in the acceleration of the time of payment or vesting of any benefits provided under any of the Seller Plans.

3.16 Employees.

(a) Schedule 3.16(a) sets forth an accurate and complete list or description of the following information for each Employee, including each Employee on leave of absence, layoff or inactive status: (i) name or employee identification number; (ii) job title; (iii) current annual salary or hourly wage, as applicable; (iv) bonus or incentive compensation, and average commissions; (v) exempt or non-exempt status; (vi) hire date; (vii) accrued vacation or paid time off days and (viii) whether he or she is covered by an employment Contract or any Contract containing restrictive covenants. Employees on leave of absence, layoff or inactive status are identified as such in Schedule 3.16(a), along with their last date of work and expected return to work date, if known.

(b) Schedule 3.16(b) contains an accurate and complete list or description of all individuals who are independent consultants or contractors of the Company and its Subsidiaries.

(c) Except as set forth on Schedule 3.16(c):

(i) The Company and its Subsidiaries are in compliance in all material respects with all applicable Laws relating to employment and employment practices, including provisions thereof relating to wages and hours of work, equal opportunity, discrimination, collective bargaining, the National Labor Relations Act, layoffs, immigration compliance, occupational safety and health and the payment and withholding of social security and other Taxes. There are no material administrative charges or court complaints pending or, to the Company's knowledge, threatened against the Company or any of its Subsidiaries before the U.S. Equal Employment Opportunity Commission or any other Governmental Body concerning alleged employment discrimination, harassment or any other matters relating to employment. The Company is not materially delinquent in payments to any employees for any wages, salaries,

commissions, bonus or other compensation for services rendered. The Company and its Subsidiaries have received no notice of the intent of any Governmental Body responsible for the enforcement of labor or employment Laws to conduct an investigation with respect to or relating to their respective employees or employment practices, and, to the knowledge of the Company, no such investigation is in process;

(ii) There is no material unfair labor practice charge or complaint pending or, to the Company's knowledge, threatened against the Company before the National Labor Relations Board or any similar foreign, state, provincial or local body. To the knowledge of the Company, during the prior three (3) years, the Company has not experienced any union organizing or decertification activities, work stoppage, strikes, slowdowns, lockouts or other material labor disputes, and, to the knowledge of the Company, no such activities or disputes are underway or threatened. There is no material grievance or arbitration proceeding pending;

(iii) During the prior three (3) years, the Company has not implemented any employee layoffs or plant closings that implicated the Worker Adjustment and Retraining Notification Act or any similar Law in jurisdictions any Seller carries on business (collectively, the "WARN Act"); and

(d) Except as set forth on Schedule 3.16(d), the Company is not a party to any Contract involving any labor organization, union, or labor association, including any collective bargaining Contract relating thereto.

3.17 Inventory. Except as set forth on Schedule 3.17:

(a) All of the items of Inventory are in all material respects (i) of good and merchantable quality, fit for the purpose for which it is intended, and saleable and useable in the Ordinary Course and (ii) free of defects and damage. None of the Inventory is held on consignment, or otherwise, by third parties.

(b) The Inventory is stated in the Financial Statements at the lower of cost or market and the values therein have been determined in accordance with the customary valuation policies of Sellers and in accordance with GAAP.

3.18 Accounts Receivable. All accounts receivable constituting Acquired Assets (the "Accounts Receivable") represent, as of the respective dates thereof, valid obligations of the account debtors arising from bona fide sales actually made or services actually performed by the applicable Seller in the Ordinary Course. To the knowledge of the Company, no Account Receivable is subject to claims of set-off or other defenses or counterclaims other than normal cash discounts and other adjustments accrued in the Ordinary Course.

3.19 Bid Protections. The Purchaser is a Stalking Horse Bidder (as defined in the Bidding Procedures). The Break Up Fee and Expense Reimbursement are Bid Protections (as defined in the Bidding Procedures) consistent with and authorized by the Bankruptcy Court under the Bidding Procedures Order. Each Seller is jointly and severally obligated for the Break Up Fee and Expense Reimbursement. The Consultation Parties (as defined in the Bidding Procedures Order) have been fully informed of this Agreement and have unanimously (i)

consented to payment of the Break Up Fee and Expense Reimbursement in accordance with this Agreement and (ii) agreed not to contest the prompt payment of the Break Up Fee and Expense Reimbursement in accordance with this Agreement (including in the event that the Sellers do not have or have not closed on an Alternative Transaction).

3.20 Accounts Payable. All Accounts Payable represent, as of the respective dates thereof, valid obligations of Sellers arising in the Ordinary Course.

3.21 Sufficiency of the Acquired Assets. The Acquired Assets include all the assets necessary to operate the business of Sellers immediately after the Closing in substantially the same manner in which Sellers' conducted their business from the facilities located at or upon the Acquired Leased Real Property and the Acquired Owned Real Property prior to the date hereof; provided that no representation or warranty is made with regard to cash, liquidity or capital (working capital or otherwise) resources.

3.22 Suppliers and Customers. Schedule 3.22 sets forth an accurate and complete list of the 20 largest suppliers to, and 20 largest customers of, Sellers, determined on the basis of costs of items purchased or sold to, as the case may be, for each of the fiscal years ended December 31, 2017 and 2018, and the amounts paid to each such supplier or from each such customer during each such period.

3.23 Affiliate Transactions. Except as set forth on Schedule 3.23, to the knowledge of the Company, no Affiliate of the Company (other than any Seller or any of their Subsidiaries), or any officer or director of the Company or any of its Subsidiaries (a) is a party to any agreement or transaction with the Company or its Subsidiaries, other than (i) loans and other extensions of credit to directors and officers of the Company and its Subsidiaries for travel, business or relocation expenses or other employment-related purposes in the Ordinary Course, (ii) employment arrangements in the Ordinary Course and (iii) the Seller Plans, (b) has any material interest in any material property used by the Company or its Subsidiaries or (c) owns any material interest in, or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as a material supplier or customer of the Company or any of its Subsidiaries.

3.24 Brokers. Except as set forth on Schedule 3.24, there is no investment banker, broker, finder or other such intermediary that has been retained by, or has been authorized to act on behalf of, the Company or any of its Subsidiaries and is entitled to a fee or commission in connection with the transactions contemplated by this Agreement from the Company or any of its Subsidiaries.

3.25 No Other Representations or Warranties. Except for the Express Representations (it being understood that Purchaser and the Purchaser Group have relied only on such Express Representations), Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that neither the Company nor any other Person on behalf of the Company makes, and neither Purchaser nor any member of the Purchaser Group has relied on, the accuracy or completeness of any express or implied representation or warranty with respect to the Company or any of its Subsidiaries, the Acquired Assets or the Assumed Liabilities or with respect to any statement or information of any nature made or provided by any Person (including

the any information, statements, disclosures, documents, projections, forecasts or other material made available to Purchaser or any of its Affiliates or Advisors in that certain datasite administered by Intralinks, Inc. (the “Dataroom”) or elsewhere, or Projections) on behalf of the Company or any of its Affiliates or Advisors to Purchaser or any of its Affiliates or Advisors. Without limiting the foregoing, neither the Company nor any other Person will have or be subject to any liability whatsoever to Purchaser, or any other Person, resulting from the distribution to Purchaser or any of its Affiliates or Advisors, or Purchaser’s or any of its Affiliates’ or Advisors’ use of or reliance on, any such information not expressly set forth in any Express Representation, including any information, statements, disclosures, documents, projections, forecasts or other material made available to Purchaser or any of its Affiliates or Advisors in the Dataroom or elsewhere, Projections or otherwise in expectation of the transactions contemplated by this Agreement or any discussions with respect to any of the foregoing information; provided, however, this disclaimer shall not bar Purchaser from bringing a claim against any Seller based on such Seller’s Fraud.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to the Company as follows as of the date hereof and as of the Closing Date.

4.1 Organization and Qualification. Purchaser (a) is an entity duly incorporated or organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, as applicable, (b) has all requisite power and authority to own and operate its properties and to carry on its businesses as now conducted, and (c) is qualified to do business and is in good standing (or its equivalent) in every jurisdiction in which its ownership of property or the conduct of its business as now conducted requires it to qualify, except where the failure to be so qualified would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Purchaser’s ability to consummate the transactions contemplated hereby.

4.2 Authorization of Agreement. The execution, delivery and performance of this Agreement by Purchaser, and the consummation by Purchaser of the transactions contemplated hereby, have been duly and validly authorized by all requisite corporate or similar organizational action, and no other corporate or similar organizational proceedings on its part are necessary to authorize the execution, delivery or performance of this Agreement by Purchaser. This Agreement has been duly and validly executed and delivered by Purchaser, and, assuming this Agreement is a valid and binding obligation of Sellers, this Agreement constitutes a valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as limited by the Enforceability Exceptions.

4.3 Conflicts; Consents.

(a) Except as set forth on Schedule 4.3(a) and assuming that (x) the notices, authorizations, approvals, Orders, permits or consents set forth on Schedule 4.3(b) are made, given or obtained (as applicable), (y) the requirements of the HSR Act are complied with and (z)

any filings required by any applicable federal or state securities or “blue sky” Laws are made, the execution, delivery and performance by Purchaser of this Agreement and the consummation by Purchaser of the transactions contemplated hereby, do not: (i) violate the certificate of formation, limited liability company agreement or equivalent organizational documents of Purchaser; (ii) violate any Law applicable to Purchaser or by which any property or asset of Purchaser is bound; or (iii) result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, create in any party thereto the right to terminate or cancel, or require any consent under, or result in the creation or imposition of any Encumbrance on any property or asset of Purchaser under, any Lease or Contract; except, in each case, for any such violations, breaches, defaults or other occurrences that would not, individually or in the aggregate, reasonably be expected to prevent or materially delay the ability of Purchaser to consummate the transactions contemplated hereby.

(b) Except as set forth on Schedule 4.3(b), Purchaser is not required to file, seek or obtain any notice, authorization, approval, Order, permit or consent of or with any Governmental Body in connection with the execution, delivery and performance by Purchaser of this Agreement or the consummation by Purchaser of the transactions contemplated hereby, except (i) any filings required to be made under the HSR Act, (ii) such filings as may be required by any applicable federal or state securities or “blue sky” Laws, or (iii) where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not, individually or in the aggregate, reasonably be expected to prevent or materially delay the ability of Purchaser to consummate the transactions contemplated hereby.

4.4 Financing.

(a) Purchaser has, or will have at the Closing, sufficient funds in an aggregate amount necessary to pay the Purchase Price, to perform the Assumed Liabilities as they become due in accordance with their terms and to consummate all of the other transactions contemplated by this Agreement, including the payment of the Purchase Price and all fees, expenses of, and other amounts required to be paid by, Purchaser in connection with the transactions contemplated by this Agreement. From and after the Closing, Purchaser shall be capable of satisfying the conditions contained in sections 365(b)(1)(C) and 365(f) of the Bankruptcy Code with respect to the Assigned Contracts and the related Assumed Liabilities.

(b) Purchaser has delivered to the Company true, complete and correct copies of a fully executed commitment letter (including all exhibits, annexes, schedules, term sheets and a fully executed fee letter (which fee letter may be redacted to omit fee amounts and economic terms, but in any event, may not be redacted with respect to any condition precedent or contingency to the funding of the Debt Financing (the “Fee Letter”)) attached thereto or contemplated thereby), each dated as of the date hereof, from Wells Fargo Bank, National Association, (collectively, the “Debt Commitment Letters”), pursuant to which such Persons have committed to provide debt financing to Purchaser (or its Affiliate(s) (if applicable)) in the amounts set forth therein (collectively, the “Debt Financing”), and a true, complete and correct copy of the fully executed equity commitment letter, each dated as of the date hereof, from Centre Lane Partners IV, LP and Centre Lane Partners V, LP, (the “Equity Commitment Letter” and, together with the Debt Commitment Letters, the “Financing Commitment Letters”), pursuant to which such Persons have committed to provide equity financing to Purchaser (or its

Affiliate(s) (if applicable)) in the amounts set forth therein (collectively, the “Equity Financing”), in each case, subject to the respective terms and conditions set forth therein. Each of the Financing Commitment Letters (including each of the Fee Letters) is a legal, valid and binding obligation of Purchaser and its Affiliates (if any) party thereto and, to the knowledge of Purchaser, each other party thereto, and enforceable against Purchaser and its Affiliates (if any) party thereto and, to the knowledge of Purchaser, each other party thereto in accordance with their respective terms, except to the extent enforceability may be limited by the Enforceability Exceptions. No event or circumstance has occurred which, with or without notice, lapse of time or both, would constitute a default under, or breach of, any of the Financing Commitment Letters on the part of Purchaser or its Affiliates (if applicable) or, to the knowledge of Purchaser, any of the other parties to any of the Financing Commitment Letters. Each of the Financing Commitment Letters (including each of the Fee Letters) are in full force and effect as of the date hereof and none of the Financing Commitment Letters (or any of the Fee Letters) have been amended or modified in any respect prior to, or as of, the date of this Agreement and, as of the date of this Agreement, (i) no such amendment or modification is contemplated and (ii) none of the respective commitments contained in the Financing Commitment Letters have been withdrawn, rescinded or terminated. Purchaser has no reason to believe that the Financing contemplated by any of the Financing Commitment Letters will not be available as of the Closing. There are (x) no conditions precedent, “flex” provisions or other contingencies related to the funding of the full amounts of the Financing, other than as set forth in the Financing Commitment Letters (including the Fee Letters), and (y) no other contingencies or rights that would permit the parties thereto to reduce the total amount of the Financing contemplated by the Financing Commitment Letters, other than as set forth in the Financing Commitment Letters (including the Fee Letters). Except for the Financing Commitment Letters (including the Fee Letters), as of the date of this Agreement, there are no other Contracts (including “side letters”) or other arrangements to which Purchaser or any of its Affiliates is a party relating to the Financing Commitment Letters or the Financing. Purchaser has fully paid or caused to be paid any and all commitment fees and any other amounts required by any of the Financing Commitment Letters to be paid on or before the date of this Agreement. The Equity Commitment Letter expressly provides, and will continue to expressly provide, that the Company is an intended third-party beneficiary thereof.

4.5 Brokers. There is no investment banker, broker, finder, or other intermediary which has been retained by or is authorized to act on behalf of Purchaser that might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

4.6 No Litigation. There are no Actions pending or, to Purchaser’s knowledge, threatened against or affecting Purchaser that will adversely affect Purchaser’s performance under this Agreement or the consummation of the transactions contemplated by this Agreement.

4.7 Investment Representation; Investigation. Purchaser is acquiring the capital stock or other equity interests of Hollander Shanghai for its own account with the present intention of holding such securities for investment purposes and not with a view to, or for sale in connection with, any distribution of such securities in violation of any federal or state securities Laws. Purchaser is an “accredited investor” within the meaning of Regulation D promulgated pursuant to the Securities Act of 1933. Purchaser is knowledgeable about the industries in which the Company and its Subsidiaries operate and is capable of evaluating the merits and risks of the

transactions contemplated by this Agreement and is able to bear the substantial economic risk of such investment for an indefinite period of time. Purchaser has been afforded full access to the books and records, facilities and personnel of the Company and its Subsidiaries for purposes of conducting a due diligence investigation and has conducted a full due diligence investigation of the Company and its Subsidiaries.

4.8 No Additional Representations or Warranties. Except for the representations and warranties contained in this Article IV, each of the Sellers acknowledges that neither Purchaser nor any other Person on behalf of Purchaser makes any other express or implied representation or warranty with respect to Purchaser or with respect to any other information provided to the any Seller by Purchaser.

4.9 HST and QST Registration. Purchaser or other member of the Purchaser Group that purchases the Canadian Acquired Assets (“Canadian Purchaser”) will be registered for HST under the ETA, and for QST under the QST Legislation, and its registration numbers shall be provided to Hollander Sleep Products Canada Limited following such registration and on or before the Closing.

4.10 No Outside Reliance. Notwithstanding anything contained in this Article IV or any other provision of this Agreement to the contrary, Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that the representations and warranties made by the Sellers to Purchaser in Article III (as qualified by the Schedules and in accordance with the express terms and conditions (including limitations and exclusions) of this Agreement) (the “Express Representations”) are the sole and exclusive representations, warranties and statements of any kind made to Purchaser or any member of the Purchaser Group and on which Purchaser and the Purchaser Group may rely in connection with the transactions contemplated by this Agreement. Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that all other representations, warranties and statements of any kind or nature expressed or implied, whether in written, electronic or oral form, including (a) the completeness or accuracy of, or any omission to state or to disclose, any information (other than solely to the extent expressly set forth in the Express Representations) including in the Dataroom, any Projections, meetings, calls or correspondence with management of the Company and its Subsidiaries, or any other Person on behalf of the Company, its Subsidiaries or any of their respective Affiliates or Advisors and (b) any other statement relating to the historical, current or future business, financial condition, results of operations, assets, liabilities, properties, contracts, and prospects of the Company or any of its Subsidiaries, or the quality, quantity or condition of the Company’s or its Subsidiaries’ assets, are, in each case specifically disclaimed by the Sellers and that neither Purchaser nor any member of the Purchaser Group has relied on any such representations, warranties or statements; provided, however, this disclaimer shall not bar Purchaser from bringing a claim against any Seller based on such Seller’s Fraud.

ARTICLE V

BANKRUPTCY COURT MATTERS

5.1 Bankruptcy Actions.

(a) From the date hereof until the earlier of (i) the termination of this Agreement in accordance with Article VIII and (ii) the Closing Date, the Company shall use reasonable best efforts to obtain entry by the Bankruptcy Court of the Confirmation Order.

(b) The Company shall use reasonable best efforts to (i) facilitate the solicitation, confirmation, and consummation of the Plan and the transactions contemplated hereby, (ii) obtain entry of the Confirmation Order, and (iii) consummate the Plan. The Sellers shall have provided the requisite notices under Orders of the Bankruptcy Court approving the bidding procedures, disclosure statement and solicitation procedures, and otherwise as required under the Bankruptcy Code or Bankruptcy Rules in connection with the Plan and the transactions contemplated herein.

(c) Purchaser shall promptly take all actions as are reasonably requested by the Company to assist in obtaining the Bankruptcy Court's entry of the Confirmation Order and any other Order reasonably necessary in connection with the transactions contemplated by this Agreement as promptly as practicable, including furnishing affidavits, reasonable financial information, or other documents or information for filing with the Bankruptcy Court or Canadian Court and making such employees and representatives of Purchaser and its Affiliates available to testify before the Bankruptcy Court for the purposes of, among other things providing necessary assurances of performance by Purchaser under this Agreement and demonstrating that Purchaser is a "good faith" purchaser under section 363(m) of the Bankruptcy Code, as well as demonstrating Purchaser's ability to pay and perform or otherwise satisfy any assumed liabilities following the Closing.

(d) Each of the Company and Purchaser shall (i) appear formally or informally in the Bankruptcy Court or Canadian Court if reasonably requested by the other Party or required by the Bankruptcy Court or Canadian Court in connection with the transactions contemplated by this Agreement or the Plan and (ii) keep the other reasonably apprised of the status of material matters related to the Plan (solely as the Plan relates to the transactions contemplated by this Agreement), including, upon reasonable request promptly furnishing the other with copies of notices or other communications received by any Seller from the Bankruptcy Court or any third party and/or any Governmental Body with respect to the transactions contemplated by this Agreement or the Plan.

(e) The Company's obligation to consummate the transactions contemplated under this Agreement are subject to entry and terms of the Confirmation Order. For the avoidance of doubt, and without limitation, the Company's obligations under this Agreement relating to the Deposit, Break Up Fee and Expense Reimbursement, and the Company's obligations under this Agreement to use reasonable best efforts to pursue consummation of the transactions contemplated herein, are effective immediately and without the need for any further Order of the Bankruptcy Court. Nothing in this Agreement shall require the Company to give

testimony to or submit a motion to the Bankruptcy Court that is untruthful or to violate any duty of candor or other fiduciary duty to the Bankruptcy Court or its stakeholders.

(f) If an Auction is conducted and concludes such that Purchaser is not the Winning Bidder (as defined in the Bidding Procedures and the Plan) but is the Back-Up Bidder (as defined in the Bidding Procedures), Purchaser shall be required to keep Purchaser's bid to consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may have been improved in the Auction) open and irrevocable until this Agreement is otherwise terminated. If the Purchaser is the Back-Up Bidder and the applicable Alternative Transaction is terminated in accordance with its terms, the Company shall consummate the transactions with the Purchaser contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may have been improved upon in the Auction).

(g) Without limiting any other provision herein, all definitive documents and agreements governing the transactions contemplated herein (collectively, "Definitive Documentation"), including every such Order entered by the Bankruptcy Court and every related pleading, motion, proposed Order, or document filed by the Sellers with the Bankruptcy Court with regard to the transactions contemplated by this Agreement at any point prior to termination of this Agreement, including the Plan and Plan Supplement (as such term is defined in the Plan), and including any amendments, supplements, or modifications to such documents, shall be consistent with the terms of this Agreement and shall be in form and substance reasonably satisfactory to the Purchaser to the extent relating to or concerning the transactions contemplated by this Agreement. The Sellers acknowledge and agree that they will provide advance draft copies of all Definitive Documentation at least three (3) days prior to the date when the Company intends to file any such pleading or other document (and, if not reasonably practicable, as soon as reasonably practicable prior to filing) to the Purchaser and its counsel, and shall consult in good faith with the Purchaser regarding the form and substance of any such proposed filing.

5.2 Cure Costs. In Purchaser's sole discretion, the Purchaser (or Sellers as provided in Section 1.5(a)) shall pay all Cure Costs up to an aggregate amount of \$2,500,000 as of either (a) the Effective Date, or (b) as promptly as practicable, but in any event within 30 days, after the Effective Date; provided, however, that (i) with respect to any Contracts on the Assumption Schedule that are subject to a pending objection as of the Effective Date, subject to the provisions of Section 1.5(a), the related Cure Cost shall be paid within 10 days after entry of an Order by the Bankruptcy Court resolving the objection or approving an agreement between the Parties concerning the Cure Cost, and (ii) in the case of any Contract that is assigned following the Closing pursuant to Section 1.5, on or prior to the date of such assignment, Purchaser shall pay the Cure Costs for such Contract, only to the extent such Cure Costs do not cause the aggregate amount of Cure Costs paid or payable by Purchaser under the Assigned Contracts to exceed \$2,500,000, so that such Contract may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of Section 365 of the Bankruptcy Code and this Agreement. To the extent the aggregate amount of Cure Costs are in excess of \$2,500,000, the applicable Seller shall promptly pay such excess amount as of the Effective Date or as promptly as practicable, but in any event within 30 days, after the Effective Date, in Purchaser's sole discretion, to enable assumption by the applicable Seller and assignment to Purchaser of the

applicable Assumed Contract in accordance with the provisions of section 365 of the Bankruptcy Code and this Agreement.

5.3 Confirmation Order. The Confirmation Order shall be in form and substance satisfactory to the Purchaser to the extent relating to or concerning the transactions contemplated herein. Without limiting the foregoing, the Confirmation Order shall, among other things, (a) approve, pursuant to sections 105, 363, 365, 1123, 1129 and 1141 of the Bankruptcy Code, (i) the execution, delivery and performance by the Sellers of this Agreement, (ii) the sale of the Acquired Assets to Purchaser on the terms set forth herein and free and clear of all Encumbrances (other than Encumbrances included in the Assumed Liabilities and Permitted Encumbrances), and (iii) the performance by the Sellers of their respective obligations under this Agreement; (b) authorize and empower the Sellers to assume and assign to Purchaser the Assigned Contracts; (c) find that Purchaser is a “good faith” buyer within the meaning of section 363(m) of the Bankruptcy Code, is not a successor to any Seller, and grant Purchaser the protections of section 363(m) of the Bankruptcy Code; (d) find that Purchaser shall have no Liability or responsibility for any Liability or other obligation of any Seller arising under or related to the Acquired Assets other than as expressly set forth in this Agreement, including successor or vicarious Liabilities of any kind or character, including any theory of antitrust, environmental, successor, or transferee Liability, labor Law, de facto merger, or substantial continuity; and (e) find that Purchaser shall have no Liability for any Excluded Liability.

5.4 Confirmation Recognition Order. Following the entry of the Confirmation Order, the Foreign Representative shall use reasonable best efforts to obtain the prompt entry of the Confirmation Recognition Order by the Canadian Court in accordance with the terms of the DIP Facility. The Foreign Representative agrees to serve notice of the motion seeking the Confirmation Recognition Order, including supporting affidavits and other materials to be filed with the Canadian Court, on such Persons and in such manner and timing as the Purchaser may reasonably require.

ARTICLE VI

COVENANTS AND AGREEMENTS

6.1 Conduct of Business of the Sellers. Until the earlier of the termination of this Agreement and the Closing, except (w) for any limitations on operations imposed by the Bankruptcy Court, the Bankruptcy Code, the CCAA, the Canadian Court or the DIP Facility, (x) as required by applicable Law, (y) as set forth on Schedule 6.1 or (z) with the prior written consent of Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), the Sellers shall conduct their business only in the Ordinary Course and shall not:

(a) take any action to the extent that such action would, if such action had taken place after the date of the Latest Balance Sheet and prior to the date hereof, have resulted in disclosure being made pursuant to the terms of Section 3.6;

(b) terminate (other than by expiration), or amend or modify (other than by automatic extension or renewal) in any material respect the terms of any Contracts (other than

any open purchase orders entered into in the Ordinary Course after the Petition Date) that are subject to designation as Assigned Contracts pursuant to Section 1.5;

(c) issue any notes, bonds or other debt securities, or otherwise incur any indebtedness for borrowed money or otherwise become liable for any such indebtedness of any other Person, in each case, other than Excluded Liabilities;

(d) settle or compromise any pending or threatened Action that could give rise to Liabilities that are not Excluded Liabilities;

(e) sell, assign, license, transfer, convey, lease, surrender, relinquish or otherwise dispose of any portion of the Acquired Assets, other than sales of Inventory in the Ordinary Course or pursuant to existing Contracts;

(f) subject any portion of the Acquired Assets to any Encumbrance, except for Permitted Encumbrances;

(g) change or modify any material accounting practice, policy or procedure, except as required by GAAP or applicable Law;

(h) enter into any commitment for capital expenditures or otherwise make any capital expenditures in excess of \$100,000, except to the extent permitted under the terms of the DIP Facility; or

(i) agree or commit to do any of the foregoing.

Nothing contained in this Agreement is intended to give Purchaser or its Affiliates, directly or indirectly, the right to control or direct the business of the Sellers prior to the Closing.

6.2 Access to Information.

(a) From the date hereof until the Closing (or the earlier termination of this Agreement pursuant to Article VIII), the Company will provide Purchaser and its authorized Advisors with reasonable access and upon reasonable advance notice and during regular business hours to the books and records of the Company and its Subsidiaries, in order for Purchaser and its authorized Advisors to access such information regarding the Company and its Subsidiaries as Purchaser reasonably deems necessary in connection with effectuating the transactions contemplated by this Agreement, including the financing thereof; provided that (i) such access does not unreasonably interfere with the normal operations of the Company and its Subsidiaries, (ii) such access will occur in such a manner as the Company reasonably determines to be appropriate to protect the confidentiality of the transactions contemplated by this Agreement, (iii) all requests for access will be directed to Houlihan Lokey Capital, Inc. or such other Person(s) as the Company may designate in writing from time to time and (iv) nothing herein will require the Company to provide access to, or to disclose any information to, Purchaser if such access or disclosure (A) would cause significant competitive harm to the Company or any of its Subsidiaries if the transactions contemplated by this Agreement are not consummated, (B) would require the Company or any of its Subsidiaries to disclose any financial or proprietary information of or regarding the Affiliates of the Company (other than the Subsidiaries of the

Company) or otherwise disclose information regarding the Affiliates of the Company (other than the Subsidiaries of the Company) that the Company deems to be commercially sensitive, (C) would waive any legal privilege or (D) would be in violation of applicable Laws (including the HSR Act and Foreign Competition Laws) or the provisions of any agreement to which the Company or any of its Subsidiaries; provided that, in the event that the Company withholds access or information in reliance on the foregoing clause (C) or (D), the Company shall provide (to the extent possible without waiving or violating the applicable legal privilege or Law) notice to Purchaser that such access or information is being so withheld and shall use commercially reasonable efforts to provide such access or information in a way that would not risk waiver of such legal privilege or applicable Law.

(b) The information provided pursuant to this Section 6.2 will be used solely for the purpose of effecting the transactions contemplated hereby, including the financing thereof, and will be governed by all the terms and conditions of the Confidentiality Agreement. Purchaser will, and will cause its Advisors to, abide by the terms of the Confidentiality Agreement with respect to such access and any information furnished to Purchaser or any of its Advisors. Neither the Company nor any of the Sellers makes any representation or warranty as to the accuracy of any information, if any, provided pursuant to this Section 6.2, and Purchaser may not rely on the accuracy of any such information, in each case, other than the Express Representations.

(c) From and after the Closing for a period of three (3) years following the Closing Date (or, if later, the closing of the Bankruptcy Case), Purchaser will provide the Sellers and their Advisors with reasonable access, during normal business hours, and upon reasonable advance notice, to the books and records, including work papers, schedules, memoranda, Tax Returns, Tax schedules, Tax rulings, and other documents (for the purpose of examining and copying) relating to the Acquired Assets or the Assumed Liabilities with respect to periods or occurrences prior to the Closing Date and reasonable access, during normal business hours, and upon reasonable advance notice, to employees, officers, advisors, accountants, offices and properties (including for the purpose of better understanding the books and records) of Purchaser. Unless otherwise consented to in writing by the Company, Purchaser will not, for a period of three (3) years following the Closing Date, destroy, alter or otherwise dispose of any of the books and records without first offering to surrender to the Company such books and records or any portion thereof that Purchaser may intend to destroy, alter or dispose of.

(d) From and after the Closing, Purchaser will, and will cause its employees to, provide Sellers with reasonable assistance, support and cooperation with Sellers' winddown and related activities (*e.g.*, preparation of Tax Returns, prosecution or processing of insurance/benefit claims and transition to Purchaser of benefit plans and related matters); provided that (i) Sellers provide Purchaser with reasonable advance written notice, (ii) such assistance and cooperation does not unreasonably interfere with the normal operations of Purchaser, and (iii) Sellers shall promptly reimburse Purchaser for its reasonable documented out-of-pocket third party costs and expenses incurred in connection with such cooperation and assistance.

(e) Purchaser will not, and will not permit any member of the Purchaser Group to, contact any officer, manager, director, employee, customer, supplier, lessee, lessor,

lender, noteholder or other material business relation of the Company or its Subsidiaries prior to the Closing with respect to the Company, its Subsidiaries, their business or the transactions contemplated by this Agreement without the prior consent of the Company for each such contact.

6.3 Employee Matters.

(a) Purchaser shall extend to all employees of the Sellers (the “Employees”), and may extend to any employee of the Sellers hired with the consent of Purchaser to replace any Employee terminated following the date hereof, an offer of employment (or a notice of continued employment where required by applicable Law) (“Transfer Offer”) that, if accepted, shall become effective immediately after the Closing; provided, however, that to the extent any Employees are on leave as of the Closing Date, their employment with Purchaser shall become effective, if at all, only upon their presenting themselves to Purchaser to commence active employment within 60 days of the Closing Date (or such other date with respect to which they have reemployment rights or continued employment rights under applicable Law); provided further, however, that Purchaser shall not be required by this Agreement to extend such offers of employment to any person who is employed by Sellers at the Thomson Plant. In the event that Employees at the Thomson Plant are hired by Purchaser, Purchaser or its Affiliates shall make offers of employment to such employees on a non-discriminatory basis and in compliance with all applicable Laws. Employees who accept such Transfer Offers and begin active employment with Purchaser in accordance with this Section 6.3(a) shall be referred to herein as “Transferred Employees.” Effective as of the Closing (or, with respect to employees who are on leave or otherwise not actively employed as of the Closing Date, as of such later date that such employees begin their active employment with Purchaser as described above), each Transferred Employee shall cease to be an employee of the Sellers or their Affiliates and shall cease to participate in any Seller Plan. The Sellers intend that for purposes of any Seller Plan providing severance or termination benefits, or any comparable plan, program, policy, agreement or arrangement of the Sellers, the transactions contemplated by this Agreement shall not constitute a termination of employment of any Transferred Employee prior to or upon the consummation of such transactions.

(b) For a period of one year from and after the Closing Date, Purchaser shall provide each Transferred Employee with (i) base compensation/wage rate that is no lower than that provided to such Transferred Employees as of the date hereof; (ii) short-term cash bonus opportunity that is no less favorable than that provided to such Transferred Employee as of the date hereof; and (iii) other employee benefits (other than equity incentive, retention or change in control arrangements) that are substantially comparable in the aggregate to those provided by the Sellers to such Transferred Employees under the Seller Plans as of the date hereof. For purposes of eligibility and vesting (other than vesting of future equity awards) under the benefit plans and programs maintained by Purchaser to provide employee benefits to Transferred Employees after the Closing Date (the “Purchaser Plans”), each Transferred Employee shall be credited with his or her years of service with the Sellers before the Closing Date to the same extent as such Transferred Employee was entitled, before the Closing Date, to credit for such service under substantially similar Seller Plans in which such Transferred Employees participated before the Closing Date, except to the extent such credit would result in a duplication of benefits.

(c) Without limiting the generality of any other provision of this Agreement, to the extent permitted under each applicable Purchaser Plan: (i) each Transferred Employee shall be immediately eligible to participate, without any waiting time, in any and all Purchaser Plans; (ii) for purposes of each Purchaser Plan providing medical, dental, hospital, pharmaceutical or vision benefits to any employee, Purchaser shall use commercially reasonable efforts to cause all pre-existing condition exclusions and actively-at-work requirements of such Purchaser Plan to be waived for such Transferred Employee and his or her covered dependents (unless such exclusions or requirements were applicable under comparable Seller Plans); and (iii) Purchaser shall use commercially reasonable efforts to cause any co-payments, deductible and other eligible expenses incurred by such Transferred Employee or his or her covered dependents during the plan year in which the Closing Date occurs to be credited for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Transferred Employee and his or her covered dependents for the applicable plan year of each comparable Purchaser Plan.

(d) Without limiting the generality of any other provision of this Agreement, as soon as reasonably practicable on or after the Closing Date, Purchaser shall have in effect one or more defined contribution plans that include a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code (and a related trust exempt from tax under Section 501(a) of the Code) (as applicable, the “Purchaser 401(k) Plan”). Each Transferred Employee who is eligible to participate in a 401(k) plan maintained by any Seller immediately prior to the date in which the Transferred Employee becomes employed by Purchaser (a “Seller 401(k) Plan”) shall be eligible to participate in Purchaser 401(k) Plan as soon as reasonably practicable following the Closing Date. Purchaser shall cause Purchaser 401(k) Plan to accept a “direct rollover” to such Purchaser 401(k) Plan of the account balances of each Transferred Employee (including promissory notes evidencing outstanding loans) under any Seller 401(k) Plan, if such direct rollover is elected in accordance with applicable Law by such Transferred Employee.

(e) Purchaser shall assume and honor all vacation days and other paid-time-off accrued or earned, but not yet taken, by each Transferred Employee as of the Closing Date.

(f) The provisions of this Section 6.3 are for the sole benefit of the Parties to this Agreement and nothing herein, express or implied, is intended or shall be construed to confer upon or give any Person (including for the avoidance of doubt any Employees or Transferred Employees), other than the Parties and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (with respect to the matters provided for in this Section 6.3 or under or by reason of any provision of this Agreement). Nothing contained herein, express or implied: (i) shall be construed to establish, amend, or modify any benefit plan, program, agreement or arrangement, (ii) shall alter or limit Purchaser’s or Sellers’ ability to amend, modify or terminate any particular benefit plan, program, agreement or arrangement or (iii) is intended to confer upon any current or former employee any right to employment or continued employment for any period of time by reason of this Agreement, or any right to a particular term or condition of employment.

(g) Purchaser will, or will cause its Affiliates to, provide any required notice under the WARN Act and to otherwise comply with the WARN Act with respect to any “plant

closing” or “mass layoff” (as defined in the WARN Act) or group termination or similar event affecting Employees (including as a result of the consummation of transactions contemplated by this Agreement) and occurring after the Closing. Purchaser will not, and will cause its Affiliates not to, take any action after the Closing Date that would cause any termination of employment of any Employees by Sellers or their respective Affiliates occurring prior to the Closing to constitute a “plant closing,” “mass layoff” or group termination or similar event under the WARN Act or any similar federal, state, local or foreign Law, or to create any liability or penalty to Sellers or any of their respective Affiliates for any employment terminations under Law.

6.4 Regulatory Approvals.

(a) Subject to Section 6.5, the Company will (i) make or cause to be made all filings and submissions required to be made by the Company or its Subsidiaries under any applicable Laws for the consummation of the transactions contemplated by this Agreement set forth on Schedule 6.4, (ii) cooperate with Purchaser in exchanging such information and providing such assistance as Purchaser may reasonably request in connection with the foregoing and (iii) (A) supply promptly any additional information and documentary material that may be requested in connection with such filings and (B) use reasonable best efforts to take all actions necessary to obtain all required clearances in connection with such filings.

(b) Subject to Section 6.5, Purchaser will, and will cause its Affiliates and Advisors to, (i) make or cause to be made all filings and submissions required to be made by any member of the Purchaser Group under any applicable Laws for the consummation of the transactions contemplated by this Agreement, (ii) cooperate with the Company in exchanging such information and providing such assistance as the Company may reasonably request in connection with all of the foregoing, and (iii) (A) supply promptly any additional information and documentary material that may be requested in connection with such filings and (B) use reasonable best efforts to take all actions necessary to obtain all required clearances.

6.5 Antitrust Notification.

(a) The Company and Purchaser will, as promptly as practicable and no later than eight (8) Business Days following the date hereof, file with the United States Federal Trade Commission and the United States Department of Justice, the notification form required pursuant to the HSR Act for the transactions contemplated by this Agreement, which form will specifically request early termination of the waiting period prescribed by the HSR Act. Each of the Company and Purchaser will (and shall cause their respective Affiliates to) furnish to each other’s counsel such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission that is necessary under the HSR Act and will provide any supplemental information requested by any Governmental Body as promptly as practicable. Purchaser will use all reasonable best efforts to comply as promptly as practicable with any requests made for any additional information in connection with such filings. Purchaser will be responsible for all filing fees payable in connection with such filings.

(b) Subject to the immediately following sentence, the Company and Purchaser will use their reasonable best efforts to promptly obtain any clearance required under the HSR Act for the consummation of this Agreement and the transactions contemplated hereby

and will keep each other apprised of the status of any communications with, and any inquiries or requests for additional information from, any Governmental Body and will comply promptly with any such inquiry or request. Purchaser will take, and will cause its Affiliates to take, any reasonable steps to avoid or eliminate any impediment under any Law that may be asserted by any Governmental Body or any other Person so as to enable the Parties to expeditiously close the transactions contemplated by this Agreement, including opposing any motion or action for a temporary, preliminary or permanent injunction or Order against or preventing or delaying the consummation of the transactions contemplated by this Agreement; provided that Purchaser shall not be obligated to (i) enter into a consent decree, consent agreement or other agreement or arrangement containing Purchaser's agreement to hold separate, license, sell or divest (pursuant to such terms as may be required by any Governmental Body) such assets or businesses of Purchaser and its Affiliates after the Closing (including entering into customary ancillary agreements relating to any such sale, divestiture, licensing or disposition of such assets or businesses), or (ii) agree to limitations on conduct or actions of members of Purchaser and its Affiliates after the Closing.

(c) The Parties commit to instruct their respective counsel to cooperate with each other and use reasonable best efforts to facilitate and expedite the identification and resolution of any issues arising under the HSR Act at the earliest practicable dates. Such reasonable best efforts and cooperation include counsel's undertaking (i) to keep each other appropriately informed of communications from and to personnel of the reviewing Governmental Bodies and (ii) to confer with each other regarding appropriate contacts with and response to personnel of such Governmental Bodies and the content of any such contacts or presentations. Neither the Company nor Purchaser will participate in any meeting or discussion with any Governmental Body with respect of any such filings, applications, investigation or other inquiry without giving the other Party prior notice of the meeting or discussion and, to the extent permitted by the relevant Governmental Body, the opportunity to attend and participate in such meeting or discussion (which, at the request of either Purchaser or the Company, will be limited to outside antitrust counsel only). The Company will have the right to review (subject to appropriate redactions for confidentiality and attorney-client privilege concerns) and approve the content of any presentations, white papers or other written materials to be submitted to any Governmental Body in advance of any such submission.

(d) Purchaser will not, and will not permit any member of the Purchaser Group or their respective Affiliates to, acquire or agree to acquire (by merging or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner), any Person or portion thereof, or otherwise acquire or agree to acquire any assets, if the entering into a definitive agreement relating to, or the consummation of, such acquisition, merger or consolidation could reasonably be expected to (i) impose any delay in the obtaining of, or increase the risk of not obtaining, any permits, Orders or other approvals of any Governmental Body necessary to consummate the transactions contemplated by this Agreement or the expiration or termination of any applicable waiting period, (ii) increase the risk of any Governmental Body entering an Order prohibiting the consummation of the transactions contemplated by this Agreement or (iii) delay the consummation of the transactions contemplated by this Agreement.

6.6 Reasonable Efforts; Cooperation.

(a) Subject to the other terms of this Agreement, each Party shall, and shall cause its Advisors to, use its reasonable best efforts to perform its obligations hereunder and to take, or cause to be taken, and do, or cause to be done, all things necessary, proper or advisable under applicable Law to cause the transactions contemplated herein to be effected as soon as practicable, but in any event on or prior to the Outside Date, in accordance with the terms hereof and to reasonably cooperate with each other Party and its Advisors in connection with any step required to be taken as a part of its obligations hereunder. Subject to the other terms of this Agreement, the “reasonable best efforts” of any Party will not require such Party or any of its Subsidiaries, Affiliates or Advisors to expend any money to remedy any breach of any representation or warranty, to commence any Action, to waive or surrender any right, to modify any Contract or to waive or forego any right, remedy or condition hereunder.

(b) The obligations of the Company pursuant to this Agreement, including this Section 6.6, shall be subject to any Orders entered, or approvals or authorizations granted or required, by or under the Bankruptcy Court or the Bankruptcy Code (including in connection with the Bankruptcy Case), the Canadian Court or the CCAA (including in connection with the Canadian Proceedings), the DIP Facility and each of the Sellers’ obligations as a debtor-in-possession to comply with any Order of the Bankruptcy Court (including the Bidding Procedures Order and the Confirmation Order) or the Canadian Court and the Sellers’ duty to seek and obtain the highest or otherwise best price for the Acquired Assets as required by the Bankruptcy Code.

6.7 Financing.

(a) Purchaser shall use, and cause each of its Affiliates to use, its reasonable best efforts to arrange, consummate and obtain the Financing contemplated by the Financing Commitment Letters on the respective terms set forth therein, including by using reasonable best efforts to (i) maintain in full force and effect the Financing Commitment Letters (and any definitive agreements entered into in connection therewith) in accordance with the respective terms thereof, (ii) negotiate and enter into definitive agreements with respect to the Debt Financing on terms and conditions not less favorable to Purchaser, taken as a whole, than the respective terms and conditions contained in the Financing Commitment Letters (including the Fee Letters) on the date of this Agreement, (iii) satisfy (or obtain a waiver of) on a timely basis at or prior to Closing all conditions to obtaining the Financing set forth in the Financing Commitment Letters (and any definitive agreements entered into in connection therewith) and to comply in all respects with Purchaser’s (and its Affiliates’ (if applicable)) obligations thereunder, (iv) upon satisfaction of the conditions set forth in Article VII (other than those to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at Closing), consummate the Financing at or prior to the Closing, and (v) seek to cause the counterparties to the Financing Commitment Letters to fulfill their obligations under the Financing Commitment Letters in the event of a breach thereof by the equity providers under the Equity Commitment Letter or the financing sources under the Financing so long as all of the conditions set forth in Article VII (other than those to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at Closing) have been satisfied or waived. Purchaser shall give the Company prompt written notice upon (x) becoming aware of any breach or default by any party to the Financing

Commitment Letters or any definitive agreements relating to the Financing or (y) receipt by it or any of its Affiliates of any notice or other communication from any Person with respect to (1) any failure to comply with the terms of the Financing Commitment Letters or any definitive agreements relating to the Financing by any party thereto, (2) any actual or threatened termination or repudiation (whether in whole or in part) of any of the Financing Commitment Letters or any definitive agreements relating to the Financing by any party thereto or (3) any material dispute or disagreement between or among any of the parties to any of the Financing Commitment Letters or any definitive agreements relating to the Financing solely to the extent such disagreement or dispute relates to the obligation of the parties thereto to fund their commitments thereunder or the availability of the Financing. Purchaser shall inform the Company on a current basis and in reasonable detail of the status of Purchaser's efforts to arrange the Financing and to satisfy the conditions thereof and of material developments concerning the timing of the closing of the Financing contemplated by the Financing Commitment Letters; provided, however, that nothing in this sentence or the immediately preceding sentence shall require Purchaser to disclose any information that is subject to the attorney client privilege or the disclosure of which would result in the breach of any of Purchaser's confidentiality obligations set forth in any of the Financing Commitment Letters (as in effect on the date of this Agreement). Without the prior written consent of the Company, Purchaser shall not permit any amendment or modification (other than amendments or modifications necessary to implement the "flex" provisions included in the Fee Letters (if any) as in effect on the date of this Agreement) to be made to, or any waiver of any provision or remedy under, any of the Financing Commitment Letters (including the Fee Letters), or release or consent to the termination of the obligations of the sources of the Financing under any of the Financing Commitment Letters, if such amendment, modification, waiver, consent or termination or release (I) reduces the aggregate amount of the Debt Financing available at the Closing, (II) reduces the aggregate amount of the Equity Financing, or (III) imposes additional conditions precedent or contingencies to the availability of the Financing, amends or modifies any of the existing conditions to the funding of the Financing, or otherwise amends or modifies any Financing Commitment Letter in a manner that is reasonably likely to, in any material respect (x) prevent, impede or delay the ability of Purchaser to consummate the Closing, (y) make any portion of the Financing (or satisfaction of the conditions to obtaining the Financing) less likely to be obtained or prevent, impede or delay the funding of the Financing or (z) adversely impact the ability of Purchaser or any of its Affiliates (if applicable) to enforce its rights against the other parties to the Financing Commitment Letters.

(b) If the Debt Financing contemplated by any of the Debt Commitment Letters becomes unavailable on the respective terms and conditions contemplated therein, in whole or in part, for any or no reason, Purchaser shall (i) promptly notify the Company thereof and (ii) use, and cause each of its Affiliates to use, reasonable best efforts to, as promptly as practicable following the occurrence of such event, arrange for, consummate and obtain alternative financing from other sources (any such alternative financing, an "Alternative Debt Financing") and to obtain new financing commitment letters with respect to such Alternative Debt Financing (including all exhibits, annexes, schedules, term sheets and executed fee letters attached thereto or contemplated thereby, collectively, the "Alternative Debt Commitment Letters"). Purchaser shall promptly provide to the Company copies of the Alternative Debt Commitment Letters (it being agreed and understood that any fee letters included in the Alternative Debt Commitment Letters may be redacted to omit fee amounts and economic terms,

but in any event, may not be redacted with respect to any condition precedent or contingency to the funding of the Alternative Debt Financing). For the avoidance of doubt, the failure to arrange for any such Alternative Debt Financing does not relieve Purchaser of any of its obligations under this Agreement. In the event any Alternative Debt Commitment Letters are obtained, (x) any reference in this Agreement to the “Financing” or the “Debt Financing” shall include the debt financing contemplated by such Alternative Debt Commitment Letters and (y) any reference in this Agreement to the “Financing Commitment Letters” or the “Debt Commitment Letters” shall be deemed to include the Debt Commitment Letters to the extent not superseded by an Alternative Debt Commitment Letter at the time in question and any Alternative Debt Commitment Letters to the extent then in effect.

(c) Notwithstanding anything herein to the contrary, none of the arrangement, consummation and obtaining of the Financing or any alternative financing (including any Alternative Debt Financing) by Purchaser is a condition to Closing and the obligations of the Purchaser to consummate the transactions contemplated by this Agreement are not subject to the availability of the Financing or any Alternative Debt Financing.

6.8 Notification of Certain Matters.

(a) The Company will promptly notify Purchaser of: (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any notice or other communication from any Governmental Body related to or in connection with the transactions contemplated by this Agreement; and (iii) promptly upon discovery thereof, any variances from, or the existence or occurrence of any event, fact or circumstance arising after the execution of this Agreement that would reasonably be expected to cause, any of the Express Representations to be untrue or inaccurate such that the condition set forth in Section 7.2(b) not to be satisfied. If the subject matter of any such notification required by the previous sentence requires any change in the Schedules, the Company shall deliver to Purchaser prior to the Closing a supplement to such Schedule (the “Updated Schedules”) with such change; provided that in no event will any Updated Schedule serve to amend, supplement or modify the Schedules for purposes of Section 7.2(b); provided further that if the Closing occurs, the Updated Schedules will be considered and deemed to be part of the Schedules for all purposes under this Agreement, and each reference in this Agreement to a particular Schedule will mean such Schedule in, or as updated by, the Updated Schedules.

(b) Purchaser will promptly notify the Company of: (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any notice or other communication from any Governmental Body related to or in connection with the transactions contemplated by this Agreement; (iii) any Actions relating to or involving or otherwise affecting Purchaser or its Affiliates that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.6 or that relate to the transactions contemplated by this Agreement; and (iv) any breach or inaccuracy of any representation or warranty contained in this Agreement at any time during the term hereof that could reasonably be expected to cause the conditions set forth in Article VII not to be satisfied; provided that the

delivery of any notice pursuant to this Section 6.8(b) will not limit the remedies available to the Sellers under or with respect to this Agreement.

6.9 Use of Business Name. Following the Closing, reorganized Sellers will as soon as reasonably practicable, but in no event later than ninety (90) days after the Closing, (i) cease to use or do business, and cease to allow any Affiliate of any Seller to use or do business with an entity containing in its legal entity (or d/b/a) name “Hollander,” “Pacific Coast Feather” or any name that is derivative or similar to such names or any names currently or formerly used by Sellers, and (ii) will file with the applicable Governmental Body amendments to effect the same; provided that the foregoing shall not limit any Seller from the use or sale or other transfer of any Excluded Assets to the extent any such names are embedded in, imprinted upon or used with such Excluded Assets.

6.10 Further Assurances. From time to time, as and when requested by any Party and at such requesting Party’s expense, any other Party will execute and deliver, or cause to be executed and delivered, all such documents and instruments and will take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to evidence and effectuate the transactions contemplated by this Agreement.

6.11 Insurance Matters. Purchaser acknowledges that, upon Closing, all nontransferable insurance coverage provided in relation to Sellers and the Acquired Assets that is maintained by any Seller or its Affiliates (whether such policies are maintained with third party insurers or with such Seller or its Affiliates) shall cease to provide any coverage to Purchaser and the Acquired Assets and no further coverage shall be available to Purchaser or the Acquired Assets under any such policies.

6.12 Acknowledgment by Purchaser.

(a) Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that it has conducted an independent investigation and verification of the business, financial condition, results of operations, Acquired Assets, Assumed Liabilities, and prospects of the Company and its Subsidiaries, and, in making its determination to proceed with the transactions contemplated by this Agreement, Purchaser and the Purchaser Group have relied solely on the results of the Purchaser Group’s own independent investigation and verification and have not relied on, are not relying on, and will not rely on, any Seller, any Subsidiary, any information, statements, disclosures, documents, projections, forecasts or other material made available to Purchaser or any of its Affiliates or Advisors in the Dataroom, Projections or any information, statements, disclosures or materials, in each case, whether written or oral, made or provided by, or as part of, any of the foregoing or any other Seller Party, or any failure of any of the foregoing to disclose or contain any information, except for the Express Representations (it being understood that Purchaser and the Purchaser Group have relied only on the Express Representations). Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that (i) the Express Representations are the sole and exclusive representations, warranties and statements of any kind made to Purchaser or any member of the Purchaser Group and on which Purchaser or any member of the Purchaser Group may rely in connection with the transactions contemplated by this Agreement; and (ii) all other representations, warranties and statements of any kind or nature expressed or implied, whether in written, electronic or oral

form, including (1) the completeness or accuracy of, or any omission to state or to disclose, any information (other than solely to the extent expressly set forth in the Express Representations) including in the Dataroom, Projections, meetings, calls or correspondence with management of the Company and its Subsidiaries, any of the Seller Parties or any other Person on behalf of the Company, its Subsidiaries or any of the Seller Parties or any of their respective Affiliates or Advisors and (2) any other statement relating to the historical, current or future business, financial condition, results of operations, Acquired Assets, Assumed Liabilities, and prospects of the Company or any of its Subsidiaries, or the quality, quantity or condition of the Company's or its Subsidiaries' assets, are, in each case, specifically disclaimed by the Company, on its behalf and on behalf of the Seller Parties, and each Seller. Purchaser, on its own behalf and on behalf of the Purchaser Group: (x) disclaims reliance on the items in clause (ii) in the immediately preceding sentence and (y) acknowledges and agrees that it has relied on, is relying on and will rely on only the items in clause (i) in the immediately preceding sentence. Without limiting the generality of the foregoing, Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that neither the Company, nor any other Person (including the Seller Parties), has made, is making or is authorized to make, and Purchaser, on its own behalf and on behalf of the Purchaser Group, hereby waive, all rights and claims it or they may have against any Seller Party with respect to the accuracy of, any omission or concealment of, or any misstatement with respect to, (A) any potentially material information regarding the Company, its Subsidiaries or any of their respective assets (including the Acquired Assets), liabilities (including the Assumed Liabilities) or operations and (B) any warranty or representation (whether in written, electronic or oral form), express or implied, as to the quality, merchantability, fitness for a particular purpose, or condition of the Company's or its Subsidiaries' business, operations, assets, liabilities, prospects or any portion thereof, except, in each case, solely to the extent expressly set forth in the Express Representations. Notwithstanding the foregoing, nothing contained in this Section 6.12 shall bar Purchaser from bringing a claim against any Seller based on such Seller's Fraud. For the avoidance of doubt, nothing in the Confirmation Order or Plan shall release, discharge, enjoin, exculpate, or otherwise impair any such claim based on Fraud.

(b) Without limiting the generality of the foregoing, in connection with the investigation by the Purchaser Group of the Company and its Subsidiaries, Purchaser and the members of the Purchaser Group, and the Advisors of each of the foregoing, have received or may receive prior to the Closing, from or on behalf of the Company, certain projections, forward-looking statements and other forecasts (whether in written, electronic, or oral form, and including in the Dataroom, management meetings, etc.) (collectively, "Projections"). Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that (i) such Projections are being provided solely for the convenience of Purchaser to facilitate its own independent investigation of the Company and its Subsidiaries, (ii) there are uncertainties inherent in attempting to make such Projections, (iii) Purchaser is familiar with such uncertainties, and (iv) Purchaser is taking full responsibility for making its own evaluation of the adequacy and accuracy of all Projections (including the reasonableness of the assumptions underlying such Projections).

(c) Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that it will not assert, institute, or maintain, and will cause each member of the Purchaser Group not to assert, institute or maintain, any Action that makes any claim

contrary to the agreements and covenants set forth in this Section 6.12, including any such Action with respect to the distribution to Purchaser or any member of the Purchaser Group, or Purchaser's or any member of the Purchaser Group's use, of the Dataroom, Projections or any other information, statements, disclosures, or materials, in each case whether written or oral, provided by them or any other Seller Party or any failure of any of the foregoing to disclose any information.

(d) Purchaser acknowledges and agrees, on its own behalf and on behalf of the Purchaser Group, that the covenants and agreements contained in this Section 6.12 (i) require performance after the Closing to the maximum extent permitted by applicable Law and will survive the Closing for twenty (20) years; and (ii) are an integral part of the transactions contemplated by this Agreement and that, without these agreements set forth in this Section 6.12, the Sellers would not enter into this Agreement.

6.13 Thomson Plant. Sellers shall use reasonable best efforts to complete the closure of (including the cessation of operations thereat) the Thomson Plant in accordance with the terms of the MOU.

6.14 Payments Relating to Acquired Assets.

(a) From and after the Closing, if any Seller or any of its respective Affiliates receives any asset that is an Acquired Asset, including any payments made in satisfaction of the Accounts Receivable, the applicable Seller shall promptly transfer or cause such of its Affiliates to transfer such asset (and shall promptly endorse and deliver any such asset that is received in the form of cash, checks, or other documents) to Purchaser, and such asset will be deemed the property of Purchaser held in trust by such Seller for Purchaser until so transferred. From and after the Closing, if Purchaser or any of its Affiliates receives any asset that is an Excluded Asset, Purchaser shall promptly transfer or cause such of its Affiliates to transfer such asset (and shall promptly endorse and deliver any such asset that is received in the form of cash, checks, or other documents) to the Company, and such asset will be deemed the property of the Company held in trust by Purchaser for the Company until so transferred.

(b) Subject to Section 6.14(a), from and after the Closing, Sellers will use reasonable efforts to promptly transfer to Purchaser any lock box accounts or other bank accounts that will be a depository for items constituting Acquired Assets, including Accounts Receivable, upon the Closing.

(c) If Sellers are required to pay the United States Trustee or any other Person any fee not in excess of 1% in respect of any Acquired Assets received by Sellers and transferred to Purchaser pursuant to Section 6.14(a), such fee shall be Purchaser's liability and Sellers shall be entitled to retain from the Acquired Assets to be transferred to Purchaser pursuant to Section 6.14(a) an amount equal to such fee in satisfaction of such liability.

6.15 Excluded Plant Inventory and Equipment. From the date hereof until the Closing, at Purchaser's sole cost and expense, Sellers shall at the written request of Purchaser deliver or cause to be delivered the Inventory, Equipment, machinery, records and other assets that

constitute Acquired Assets and are located at any Excluded Plant to locations specified by Purchaser.

ARTICLE VII

CONDITIONS TO CLOSING

7.1 Conditions Precedent to the Obligations of Purchaser and the Sellers. The respective obligations of each Party to this Agreement to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by each of the Sellers and Purchaser) on or prior to the Closing Date, of each of the following conditions:

(a) The applicable waiting periods under the HSR Act will have expired or been terminated;

(b) No court or other Governmental Body has issued, enacted, entered, promulgated or enforced any Law or Order (that is final and non-appealable and that has not been vacated, withdrawn or overturned) restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement;

(c) the Bankruptcy Court shall have entered the Confirmation Order and such Order shall have become a Final Order;

(d) the Canadian Court shall have entered an Order (the “Confirmation Recognition Order”) in the Canadian Proceedings, in form and substance satisfactory to Purchaser, recognizing and giving full force and effect in all provinces and territories of Canada to the Confirmation Order (including the vesting of the Acquired Assets in the Purchaser free and clear of Encumbrances except Permitted Encumbrances), and such Order shall have become a Final Order; and

(e) (i) all conditions precedent to the Effective Date, except for the occurrence of the Closing, have been satisfied or waived in accordance with the Plan, (ii) the occurrence of the Closing shall effect the substantial consummation (within the meaning of Section 1101(2) of the Bankruptcy Code) of the Plan, and (iii) the Effective Date shall occur contemporaneously with the Closing.

7.2 Conditions Precedent to the Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by Purchaser in its sole discretion), on or prior to the Closing Date, of each of the following conditions:

(a) the Sellers shall have delivered to Purchaser a certified copy of the Confirmation Order;

(b) the Express Representations shall be true and correct as of the Closing Date (disregarding all qualifications or limitations as to “materiality” or “Material Adverse Effect” (other than the use of “Material Adverse Effect” in the first sentence of Section 3.6) and

words of similar import set forth therein), as though such representations and warranties had been made on and as of the Closing Date (except that representations and warranties that are made as of a specified date need be true and correct only as of such date) except where the failure of such representations and warranties to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; provided that the representations set forth in Sections 3.1, 3.2, and 3.24 will be true and correct in all material respects;

(c) the Sellers shall have performed in all material respects all of the covenants and agreements required to be performed by each of them under this Agreement at or prior to the Closing; and

(d) the Sellers shall have delivered, or caused to be delivered, to Purchaser all of the items set forth in Section 2.5.

7.3 Conditions Precedent to the Obligations of the Company. The obligations of the Sellers to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by the Sellers in their sole discretion), on or prior to the Closing Date, of each of the following conditions:

(a) the representations and warranties made by Purchaser in Article IV shall be true and correct in all material respects (without giving effect to any materiality or similar qualification contained therein), in each case as of the date hereof and as of the Closing Date, with the same force and effect as though all such representations and warranties had been made as of the Closing Date (other than representations and warranties that by their terms address matters only as of another specified date, which shall be so true and correct only as of such other specified date);

(b) Purchaser shall have performed in all material respects all of the covenants and agreements required to be performed by it under this Agreement at or prior to the Closing; and

(c) Purchaser shall have delivered, or caused to be delivered, to the Sellers all of the items set forth in Section 2.6.

7.4 Waiver of Conditions. Upon the occurrence of the Closing, any condition set forth in this Article VII that was not satisfied as of the Closing will be deemed to have been waived for all purposes by the Party having the benefit of such condition as of and after the Closing. None of Purchaser or the Sellers may rely on the failure of any condition set forth in this Article VII, as applicable, to be satisfied if such failure was caused by such Party's failure to use, as required by this Agreement, its reasonable best efforts to consummate the transactions contemplated hereby.

ARTICLE VIII

TERMINATION

8.1 Termination of Agreement. This Agreement may be terminated only in accordance with this Section 8.1. This Agreement may be terminated at any time prior to the Closing:

- (a) by the mutual written consent of the Company and Purchaser;
- (b) by written notice of either Purchaser or the Company, upon the issuance by any Governmental Body of an Order restraining, enjoining, or otherwise prohibiting the consummation of the transactions contemplated by this Agreement or declaring unlawful the transactions contemplated by this Agreement, and such Order having become final, binding and non-appealable; provided that no termination may be made by a Party under this Section 8.1(b) if the issuance of such Order was caused by the material breach of this Agreement by such Party;
- (c) by written notice of either Purchaser or the Company, if the Closing shall not have occurred on or before September 30, 2019 (the “Outside Date”); provided that a Party shall not be permitted to terminate this Agreement pursuant to this Section 8.1(c) if the failure of the Closing to have occurred by the Outside Date was caused by the material breach of this Agreement by such Party;
- (d) by written notice of either Purchaser or the Company, if any Bankruptcy Case is dismissed or converted to a case or cases under Chapter 7 of the Bankruptcy Code, or if a trustee or examiner with expanded powers to operate or manage the financial affairs or reorganization of any Seller is appointed in any Bankruptcy Case;
- (e) by written notice from Purchaser to the Company, if Sellers announce or seek the approval of any plan of reorganization or liquidation (or support any such plan filed by any other party) other than the Plan or a wind-down plan of Sellers’ estates post-Closing;
- (f) by written notice from the Company to Purchaser, upon a breach of any covenant or agreement on the part of Purchaser, or if any representation or warranty of Purchaser will have become untrue, in each case, such that the conditions set forth in Section 7.3(a) or 7.3(b) would not be satisfied, including a breach of Purchaser’s obligation to consummate the Closing; provided that (i) if such breach is curable by Purchaser then the Company may not terminate this Agreement under this Section 8.1(f) unless such breach has not been cured by the date which is the earlier of (A) two (2) Business Days prior to the Outside Date and (B) thirty (30) days after the Company notifies Purchaser of such breach and (ii) the right to terminate this Agreement pursuant to this Section 8.1(f) will not be available to the Company at any time that the Company is in material breach of, any covenant, representation or warranty hereunder;
- (g) by written notice from Purchaser to the Company, upon a breach of any covenant or agreement on the part of any Seller, or if any representation or warranty of any Seller will have become untrue, in each case, such that the conditions set forth in Section 7.2(b) or 7.2(c); provided that (i) if such breach is curable by such Seller then Purchaser may not

terminate this Agreement under this Section 8.1(g) unless such breach has not been cured by the date which is the earlier of (A) two (2) Business Days prior to the Outside Date and (B) thirty (30) days after Purchaser notifies the Company of such breach and (ii) the right to terminate this Agreement pursuant to this Section 8.1(g) will not be available to Purchaser at any time that Purchaser is in material breach of, any covenant, representation or warranty hereunder;

(h) by written notice from the Company to Purchaser, if all of the conditions set forth in Sections 7.1 and 7.2 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) or waived and Purchaser fails to complete the Closing at the time required by Section 2.4; provided that the Company shall give Purchaser two (2) Business Days' prior notice of the time at which completion of the Closing is required by Section 2.4;

(i) by written notice from the Company to Purchaser, if any Seller or the board of directors (or similar governing body) of any Seller determines that proceeding with the transactions contemplated by this Agreement or failing to terminate this Agreement would be inconsistent with its or such Person's or body's fiduciary duties;

(j) by written notice of either Purchaser or the Company, if (i) any Seller enters into or seeks Bankruptcy Court approval of one or more Alternative Transactions with one or more Persons other than Purchaser (except for the Successful Bid (as defined in the Bidding Procedures) if Purchaser is the Back-Up Bidder) or (ii) the Bankruptcy Court approves an Alternative Transaction with one or more Persons other than Purchaser (except for the Successful Bid (as defined in the Bidding Procedures) if Purchaser is the Back-Up Bidder);

(k) by written notice from Purchaser to the Company, if (i) Purchaser is not determined to be the Winning Bidder or the Back-Up Bidder on or before August 21, 2019 at 6:00 p.m. (ET); (ii) the Term Loan Lenders (as defined in the Plan) are the Winning Bidder; or (iii) the Bankruptcy Court does not enter the Confirmation Order on or before September 6, 2019;

(l) by written notice from Purchaser to the Company, if any objection or appeal shall have been filed or received in respect of any of the Contracts set forth on Exhibit 8.1(l) by any of the counterparties thereto and shall not have been resolved in a manner acceptable to Purchaser or withdrawn prior to the Closing Date; or

(m) by written notice from the Company to Purchaser is the Deposit has not been received by the Company prior to 5:00 p.m. (ET) on August 19, 2019.

8.2 Effect of Termination.

(a) In the event of termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become void and there shall be no liability on the part of any Party or any of its partners, officers, directors or shareholders; provided that Section 2.2, this Section 8.2, and Article X shall survive any such termination; provided further that no termination will relieve Purchaser from any liability for damages (including damages based on the loss of the economic benefits of the transactions contemplated by this Agreement, including the Cash Payment, to the Sellers), losses, costs, or expenses (including reasonable legal fees and expenses)

resulting from any willful breach of this Agreement prior to the date of such termination (which, for the avoidance of doubt, will be deemed to include any failure by Purchaser to consummate the Closing if and when it is obligated to do so hereunder).

(b) In the event of any termination of this Agreement by Purchaser pursuant to Sections 8.1(e), 8.1(g), or 8.1(j), or by the Company pursuant to Sections 8.1(b), 8.1(c), 8.1(d), 8.1(i), 8.1(j), 8.1(k), or 8.1(l) then (in addition to the return of the Deposit) the Sellers shall pay to the Purchaser the Expense Reimbursement within three (3) Business Days after such termination.

(c) In the event of termination pursuant to Sections 8.1(e), 8.1(i), 8.1(j) or 8.1(k), then (in addition to the return of the Deposit and the payment of the Expense Reimbursement) the Company and the Sellers shall pay to the Purchaser the sum of \$1,500,000 (the “Break Up Fee”) out of the proceeds of any Alternative Transaction that is consummated within nine (9) months after such termination.

(d) The Parties agree that the Purchaser’s right to the Break Up Fee and the Expense Reimbursement as set forth herein is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the Purchaser for its efforts and resources expended and the opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision as of the date hereof. The Parties agree that if this Agreement is terminated in circumstances under which the Expense Reimbursement and/or Break Up Fee is payable, Purchaser’s receipt of the Expense Reimbursement and/or the Break Up Fee in accordance with this Agreement shall be the sole and exclusive remedy of Purchaser against Sellers and any of their respective Affiliates for any Liability, damage or other loss suffered as a result of any breach of any representation, warranty, covenant or agreement in this Agreement or the failure of the transactions contemplated hereby to be consummated, and upon payment of such amounts, none of Sellers nor any of their respective Affiliates shall have any further monetary Liability relating to or arising out of this Agreement or the transactions contemplated by this Agreement.

(e) Notwithstanding anything to the contrary herein or in the Bidding Procedures, as such procedures may be amended or otherwise modified from time to time and including any determination thereunder of Purchaser to be the Back-Up Bidder, at all times this Agreement (and the Parties’ respective rights and obligations with respect to the Deposit, Break Up Fee and Expense Reimbursement) is and shall be subject to this Article VIII.

ARTICLE IX

TAXES

9.1 Transfer Taxes. Any sales, use, purchase, transfer, franchise, deed, fixed asset, stamp, documentary stamp, use, or other Taxes and recording charges incurred under applicable Law in connection with consummation of the transactions contemplated by this Agreement, (the “Transfer Taxes”) shall be borne equally by the Parties and timely paid by Purchaser only to the extent not exempt under the Bankruptcy Code, as applicable to the transfer of the Acquired

Assets pursuant to this Agreement, or otherwise exempt under an applicable Tax exemption, and the Parties and their respective Affiliates shall timely file all Tax Returns related to any Transfer Taxes as required under applicable Law. Sellers and Purchaser shall use commercially reasonable efforts and cooperate in good faith to exempt all such transactions from any Transfer Taxes, including pursuant to section 1146(a) of the Bankruptcy Code, in each case, other than any PRC Transfer Taxes, which are the subject of Section 2.8.

9.2 Allocation of Purchase Price.

(a) For U.S. federal and applicable state, provincial and local income Tax purposes, Purchaser, the Sellers, and their respective Affiliates shall allocate the Purchase Price (and any Assumed Liabilities treated as part of the Purchase Price for applicable income Tax purposes) among the equity of Hollander Shanghai and the other Acquired Assets, and with respect to the portion of the Purchase Price allocated to the other Acquired Assets acquired from Sellers other than Hollander Sleep Products Canada Limited, in accordance with Section 1060 of the Code. Within ninety (90) days following the determination of the final Purchase Price, Purchaser shall provide a proposed allocation to the Sellers setting forth the allocation of the Purchase Price (and other amounts treated as purchase price for U.S. federal income Tax purposes) among the equity of Hollander Shanghai and the other Acquired Assets (the “Allocation”). If the Sellers deliver a written objection within thirty (30) days after receipt of the draft Allocation proposed by Purchaser, then Purchaser and the Sellers shall negotiate in good faith to resolve any such objection, and, if the Sellers and Purchaser cannot resolve such dispute within thirty (30) days of Purchaser’s receipt of the Sellers’ objection, then the parties shall not be bound by the Allocation. If the parties agree to be bound by the Allocation, then the Parties and their respective Affiliates shall file all U.S. federal and applicable U.S. state and local Tax Returns in accordance with such Allocation (as finally determined under this Section 9.2) and not take any U.S. federal or U.S. state or local Tax related action inconsistent with the Allocation, in each case, unless otherwise required by (i) a settlement with the United States Internal Revenue Service (“IRS”) Office of Appeals on IRS Form 870-AD (or successor forms) or (ii) a “determination” within the meaning of Section 1313(a) of the Code. Neither Purchaser nor any of its Affiliates shall make an election under Section 338(g) of the Code (or analogous state or local Tax Law) with respect to Purchaser’s acquisition of the equity of Hollander Shanghai pursuant to this Agreement.

(b) Notwithstanding the foregoing, the Purchase Price attributable to the assets to be acquired from Hollander Sleep Products Canada Limited (the “Canadian Acquired Assets”) shall be identified and allocated among the Canadian Acquired Assets as reasonably agreed to between the parties at least five (5) Business Days prior to the Closing Date (the “Canadian Allocation”). Hollander Sleep Products Canada Limited and the Canadian Purchaser shall (1) report the purchase and sale of the Canadian Acquired Assets for all Tax purposes in a manner consistent with the Canadian Allocation, (2) complete all Tax Returns, designations and elections in a manner consistent with the Canadian Allocation, and (3) otherwise follow the Canadian Allocation for all Tax purposes on and subsequent to the Closing Date and may not take any position inconsistent with the Canadian Allocation.

9.3 Canadian Tax Elections.

(a) If applicable, Hollander Sleep Products Canada Limited and Canadian Purchaser shall jointly elect under section 167 of the ETA and Section 75 of the QST Legislation to have the sale of the Acquired Assets take place on an HST-free basis under the ETA and QST-free basis under the QST Legislation. Hollander Sleep Products Canada Limited shall file the election in the manner and within the time prescribed under the ETA and QST Legislation, as applicable. Notwithstanding such election(s), in the event it is determined by the Canada Revenue Agency or Revenue Quebec that there is a liability of the Canadian Purchaser to pay, or of a Seller to collect and remit, any HST or QST in respect of the sale and transfer of the Acquired Assets, such Taxes (including for greater certainty any applicable penalties and interest) shall be paid by the Canadian Purchaser.

(b) Hollander Sleep Products Canada Limited and Canadian Purchaser shall make a joint election provided for in section 22 of the Income Tax Act (Canada) in respect of the Accounts Receivable attributable to Hollander Sleep Products Canada Limited. The election shall be filed with the Canada Revenue Agency within the prescribed time by Hollander Sleep Products Canada Limited.

9.4 Allocation of Tax Liability. For all purposes under this Agreement, in the case of any Straddle Period, the portion of Taxes (or any Tax refund and amount credited against any Tax) that are allocable to the portion of the Straddle Period ending on the Closing Date will be: (i) in the case of property Taxes and other Taxes imposed on a periodic basis without regard to income, gross receipts or sales, deemed to be the amount of such Taxes (or Tax refund or amount credited against Tax) for such entire Straddle Period multiplied by a fraction, the numerator of which is the number of calendar days in the portion of such Straddle Period ending on the end of the Closing Date and the denominator of which is the number of calendar days in such entire Straddle Period, and (ii) in the case of all other Taxes, determined as though the taxable year of the Company terminated at the end of the Closing Date.

9.5 Cooperation. Purchaser and the Sellers shall reasonably cooperate, as and to the extent reasonably requested by the other Party, in connection with the filing of Tax Returns and any Action, audit, litigation or other proceeding with respect to Taxes.

ARTICLE X

MISCELLANEOUS

10.1 Non-Survival of Representations and Warranties and Certain Covenants; Certain Waivers. Each of the representations and warranties and the covenants and agreements (to the extent such covenant or agreement contemplates or requires performance by such Party prior to the Closing) of the Parties set forth in this Agreement or in any other document contemplated hereby, or in any certificate delivered hereunder or thereunder, will terminate effective immediately as of the Closing such that no claim for breach of any such representation, warranty, covenant or agreement, detrimental reliance or other right or remedy (whether in contract, in tort or at law or in equity) may be brought with respect thereto after the Closing, except to the extent such claim is based on Fraud. Each covenant and agreement that explicitly contemplates performance after the Closing, will, in each case and to such extent, expressly survive the Closing in accordance with its terms, and if no term is specified, then for twenty (20) years

following the Closing Date, and nothing in this Section 10.1 will be deemed to limit any rights or remedies of any Person for breach of any such surviving covenant or agreement. Purchaser and the Sellers acknowledge and agree, on their own behalf and on behalf of the Purchaser Group or the Seller Parties, as the case may be, that the agreements contained in this Section 10.1 (a) require performance after the Closing to the maximum extent permitted by applicable Law and will survive the Closing for twenty (20) years; and (b) are an integral part of the transactions contemplated hereby and that, without the agreements set forth in this Section 10.1, none of the Parties would enter into this Agreement.

10.2 Expenses. Whether or not the Closing takes place, except as otherwise provided herein (including, for the avoidance of doubt, Section 8.2), all fees, costs and expenses (including fees, costs and expenses of Advisors) incurred in connection with the negotiation of this Agreement and the other agreements contemplated hereby, the performance of this Agreement and the other agreements contemplated hereby and the consummation of the transactions contemplated hereby and thereby will be paid by the Party incurring such fees, costs and expenses; it being acknowledged and agreed that (a) all fees and expenses in connection with any filing or submission that is necessary under the HSR Act and any Foreign Competition Laws will be allocated pursuant to Section 6.4 and (b) all Transfer Taxes will be allocated pursuant to Section 9.1.

10.3 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail, (c) the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to Purchaser:

Bedding Acquisition, LLC
c/o Centre Lane Partners
60 E. 42nd Street, #1250
New York, New York 10165
Attention: Mayank Singh
Email: msingh@centrelanepartners.com

with copies to which shall not constitute notice:

Thompson Hine, LLC
3900 Key Center
127 Public Square
Cleveland, Ohio 44114
Attention: David Watson
Email: David.Watson@thompsonhine.com

312 Walnut Street
Suite 1400
Cincinnati, Ohio 45202
Attention: Emma Off
Email: Emma.Off@thompsonhine.com

335 Madison Avenue
New York, New York 10017
Attention: David Forsh
Email: David.Forsh@thompsonhine.com

Notices to the Sellers:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
Email: mpfefferle@carlmarks.com

with a copy to which shall not constitute notice:

Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, Illinois 60654
Attention: Steve Toth
Mariska S. Richards
Joe Graham
Email: steve.toth@kirkland.com
mariska.richards@kirkland.com
joe.graham@kirkland.com

10.4 Binding Effect; Assignment. This Agreement shall be binding upon Purchaser and, subject to the terms of the Bidding Procedures Order (with respect to the matters covered thereby) and the entry and terms of the Confirmation Order and consummation of the Plan, the Sellers, and shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights or obligations hereunder may be assigned or delegated without the prior written consent of Purchaser and the Company, and any attempted assignment or delegation without said requisite prior written consent shall be null and void, except that Purchaser, without the consent of the Company, may assign or delegate any of its rights or obligations hereunder (including the right to purchase, acquire and accept from Sellers, all of Sellers' right, title and interest in and to any of the Acquired Assets or obligation to assume any of the Assumed Liabilities at Closing) to any Affiliate; provided that no such assignment shall release Purchaser of its obligations and liabilities under this Agreement except to the extent of payment or performance by such Affiliate.

10.5 Amendment and Waiver. Any provision of this Agreement or the Schedules or exhibits hereto may be (a) amended only in a writing signed by Purchaser and the Company or (b) waived only in a writing executed by the Person against which enforcement of such waiver is sought. No waiver of any provision hereunder or any breach or default thereof will extend to or affect in any way any other provision or prior or subsequent breach or default.

10.6 Third Party Beneficiaries. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

10.7 Non-Recourse. This Agreement may only be enforced against, and any Action based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as parties to this Agreement. Except to the extent named as a party to this Agreement, and then only to the extent of the specific obligations of such parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate, agent or Advisor of any Party or any Subsidiary of Company will have any liability (whether in contract, tort, equity or otherwise) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the parties to this Agreement or for any Action based upon, arising out of or related to this Agreement.

10.8 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law in any jurisdiction, such provision will be ineffective only to the extent of such prohibition or invalidity in such jurisdiction, without invalidating the remainder of such provision or the remaining provisions of this Agreement or in any other jurisdiction.

10.9 Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction will be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and will in no way restrict or otherwise modify any of the terms or provisions hereof.

10.10 Schedules. The Schedules have been arranged for purposes of convenience in separately numbered sections corresponding to the sections of this Agreement; however, each section of the Schedules will be deemed to incorporate by reference all information disclosed in any other section of the Schedules, and any disclosure in the Disclosure Statement will be deemed a disclosure against any representation or warranty set forth in this Agreement. Capitalized terms used in the Schedules and not otherwise defined therein have the meanings given to them in this Agreement. The specification of any dollar amount or the inclusion of any item in the representations and warranties contained in this Agreement, the Schedules or the attached exhibits is not intended to imply that the amounts, or higher or lower amounts, or the items so included, or other items, are or are not required to be disclosed (including whether such amounts or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course or consistent with past practice, and no Party will use the fact of the setting of the amounts or the fact of the inclusion of any item in this Agreement, the Schedules, Updated Schedules, or exhibits in any dispute or controversy between the Parties as to whether

any obligation, item or matter not set forth or included in this Agreement, the Schedules or exhibits is or is not required to be disclosed (including whether the amount or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course. In addition, matters reflected in the Schedules are not necessarily limited to matters required by this Agreement to be reflected in the Schedules. Such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature. No information set forth in the Schedules will be deemed to broaden in any way the scope of the parties' representations and warranties. Any description of any agreement, document, instrument, plan, arrangement or other item set forth on any Schedule is a summary only and is qualified in its entirety by the terms of such agreement, document, instrument, plan, arrangement, or item which terms will be deemed disclosed for all purposes of this Agreement. The information contained in this Agreement, in the Schedules and exhibits hereto is disclosed solely for purposes of this Agreement, and no information contained herein or therein will be deemed to be an admission by any Party to any third party of any matter whatsoever, including any violation of Law or breach of contract.

10.11 Complete Agreement. This Agreement, together with the Confidentiality Agreement, the Financing Commitment Letters and any other agreements expressly referred to herein or therein, contains the entire agreement of the parties respecting the sale and purchase of the Acquired Assets and the Assumed Liabilities and the transactions contemplated by this Agreement and supersedes all prior agreements among the Parties respecting the sale and purchase of the Acquired Assets and the Assumed Liabilities and the transactions contemplated by this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, the terms and provisions of the execution version of this Agreement will control and prior drafts of this Agreement and the documents referenced herein will not be considered or analyzed for any purpose (including in support of parol evidence proffered by any Person in connection with this Agreement), will be deemed not to provide any evidence as to the meaning of the provisions hereof or the intent of the Parties with respect hereto and will be deemed joint work product of the Parties.

10.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, would not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, including if any of the Parties fails to take any action required of it hereunder to consummate the transactions contemplated by this Agreement. It is accordingly agreed that (a) the Parties will be entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the courts described in Section 10.13 without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, neither the Sellers nor Purchaser would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 10.12 will not be required to provide any bond or other security in connection with any such Order. The remedies available to the Sellers pursuant to this Section 10.12 will be in addition to any other remedy to which they were entitled at law or in equity, and the election to

pursue an injunction or specific performance will not restrict, impair or otherwise limit any Seller from seeking to collect or collecting damages. If, prior to the Outside Date, any Party brings any action, in each case in accordance with Section 10.12, to enforce specifically the performance of the terms and provisions hereof by any other Party, the Outside Date will automatically be extended (y) for the period during which such action is pending, plus ten (10) Business Days or (z) by such other time period established by the court presiding over such action, as the case may be. In no event will this Section 10.12 be used, alone or together with any other provision of this Agreement, to require any Seller to remedy any breach of any representation or warranty of any Seller made herein.

10.13 Jurisdiction and Exclusive Venue. Each of the Parties irrevocably agrees that any Action that may be based upon, arising out of, or related to this Agreement or the negotiation, execution or performance of this Agreement and the transactions contemplated hereby brought by any other Party or its successors or assigns will be brought and determined only in (a) the Bankruptcy Court and any federal court to which an appeal from the Bankruptcy Court may be validly taken or (b) in the event the Bankruptcy Case is closed, or if the Bankruptcy Court is unwilling or unable to hear such Action, in the Delaware Chancery Court and any state court sitting in the State of Delaware to which an appeal from the Delaware Chancery Court may be validly taken (or, if the Delaware Chancery Court declines to accept jurisdiction over a particular matter, any state or federal court within the state of Delaware) ((a) and (b), the “Chosen Courts”), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the Chosen Courts for itself and with respect to its property, generally and unconditionally, with regard to any such Action arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any Action relating thereto except in the Chosen Courts, other than Actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any Chosen Court, and no Party will file a motion to dismiss any Action filed in a Chosen Court on any jurisdictional or venue-related grounds, including the doctrine of *forum non-conveniens*; provided that, notwithstanding the foregoing, any Action that may be based upon, arise out of, or relates to the Confirmation Recognition Order will be brought before, and determined by, the Canadian Court. The Parties irrevocably agree that venue would be proper in any of the Chosen Courts, and hereby irrevocably waive any objection that any such court is an improper or inconvenient forum for the resolution of such Action. Each of the Parties further irrevocably and unconditionally consents to service of process in the manner provided for notices in Section 10.3. Nothing in this Agreement will affect the right of any Party to this agreement to serve process in any other manner permitted by Law.

10.14 Governing Law; Waiver of Jury Trial.

(a) Except to the extent the mandatory provisions of the Bankruptcy Code or the CCAA apply, this Agreement, and any Action that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby will be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT, THE DOCUMENTS AND AGREEMENTS CONTEMPLATED HEREBY AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION BASED ON, ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. EACH OF THE PARTIES AGREES AND CONSENTS THAT ANY SUCH ACTION WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE IRREVOCABLE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY (I) CERTIFIES THAT NO ADVISOR OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.15 No Right of Set-Off. Purchaser, on its own behalf and on behalf of the Purchaser Group, hereby waives any rights of set-off, netting, offset, recoupment, or similar rights that Purchaser or any member of the Purchaser Group has or may have with respect to the payment of the Purchase Price or any other payment to be delivered by Purchaser under this Agreement.

10.16 Counterparts and PDF. This Agreement and any other agreements referred to herein or therein, and any amendments hereto or thereto, may be executed in multiple counterparts, any one of which need not contain the signature of more than one party hereto or thereto, but all such counterparts taken together will constitute one and the same instrument. Any counterpart, to the extent signed and delivered by means of a facsimile machine, .PDF or other electronic transmission, will be treated in all manner and respects as an original contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Minor variations in the form of the signature page to this Agreement or any agreement or instrument contemplated hereby, including footers from earlier versions of this Agreement or any such other document, will be disregarded in determining the effectiveness of such signature. At the request of any party or pursuant to any such contract, each other party hereto or thereto will re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such contract will raise the use of a facsimile machine, .PDF or other electronic transmission to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine, .PDF or other electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

10.17 Publicity. Neither the Company nor Purchaser shall issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other Party, which approval will not be

unreasonably withheld or delayed, unless, in the reasonable judgment of Purchaser or the Company, disclosure is otherwise required by applicable Law or by the Bankruptcy Court or the Canadian Court with respect to filings to be made with the Bankruptcy Court or the Canadian Court, respectively, in connection with this Agreement or by the applicable rules of any stock exchange on which Purchaser or the Company lists securities; provided that the Party intending to make such release shall use its best efforts consistent with such applicable Law or Bankruptcy Court or Canadian Court requirement to consult with the other Party with respect to the text thereof.

10.18 Bulk Sales Laws. The Parties intend that pursuant to section 363(f) and 1141(c) of the Bankruptcy Code, the transfer of the Acquired Assets shall be free and clear of any security interests in the Acquired Assets, including any liens or claims arising out of the bulk transfer (including Tax, bulk transfer or successor liability) Laws, and the parties shall take such steps as may be necessary or appropriate to so provide in the Confirmation Order and the Plan. In furtherance of the foregoing, each Party hereby waives compliance by the Parties with the “bulk sales,” “bulk transfers” or similar Laws and all other similar Laws in all applicable jurisdictions in respect of the transactions contemplated by this Agreement.

10.19 Fiduciary Obligations. Nothing in this Agreement, or any document related to the transactions contemplated hereby, will require any Seller or any of their respective directors, officers or members, in each case, in their capacity as such, to take any action, or to refrain from taking any action, in violation of their fiduciary obligations. For the avoidance of doubt, in the event that the Sellers elect to pursue any transaction or restructuring strategy other than consummation of the transactions with Purchaser contemplated herein that, in the Sellers’ business judgment, will maximize the value of their estates, the Deposit, Break Up Fee and Expense Reimbursement shall be payable to Purchaser in accordance with the terms of this Agreement.

10.20 No Solicitation. This Agreement, the Plan and the transactions contemplated herein and therein are the product of negotiations among the Parties. Notwithstanding anything herein to the contrary, this Agreement is not, and shall not be deemed to be, (a) a solicitation of votes for the acceptance of the Plan or any other plan of reorganization for the purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise or (b) an offer for the issuance, purchase, sale, exchange, hypothecation, or other transfer of securities or a solicitation of an offer to purchase or otherwise acquire securities for purposes of the Securities Act or the Exchange Act and none of the Company, the other Sellers, nor their Subsidiaries will solicit acceptances of the Plan from any party until such party has been provided with copies of a Disclosure Statement containing adequate information as required by section 1125 of the Bankruptcy Code.

ARTICLE XI

ADDITIONAL DEFINITIONS AND INTERPRETIVE MATTERS

11.1 Certain Definitions.

(a) “Action” means any action, claim (including a counterclaim, cross-claim, or defense), complaint, grievance, summons, suit, litigation, arbitration, mediation, audit, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation, of any kind whatsoever, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body.

(b) “Advisors” means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

(c) “Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by Contract or otherwise.

(d) “Alternative Transaction” means any transaction (or series of transaction), whether direct or indirect, concerning a sale, merger, acquisition, issuance, financing, recapitalization, reorganization, liquidation or disposition of any Seller or any portion of the equity interests or any material portion of the assets thereof (in any form of transaction, whether by merger, sale of assets or equity or otherwise), including any Restructuring Transaction (within the meaning of the Plan).

(e) “Asset Claims” means all Avoidance Actions and Causes of Action (as such terms are defined in the Plan and are not Commercial Tort Claims) of the Sellers that are not irrevocably released, waived or discharged pursuant to the Plan that are related to or otherwise concerning any Acquired Assets, any Assigned Contract or counterparty thereto, or any employees, customers or vendors of the businesses acquired hereunder by the Purchaser; provided, however, that no Avoidance Action shall be used offensively or defensively by Purchaser.

(f) “Auction” shall have the meaning ascribed to such term in the Bidding Procedures Order.

(g) “Bankruptcy Costs” means all fees, costs and expenses (including reasonable attorneys’ fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders’ attorneys and other advisors) and other professional fees) that are incurred by or the responsibility of the Sellers in connection with the Bankruptcy Case and the Canadian Proceedings.

(h) “Bidding Procedures” means the Bidding Procedures attached as Exhibit 1 to the Bidding Procedures Order.

(i) “Bidding Procedures Order” means that certain Order (i) Approving the Bidding Procedures, (ii) Scheduling the Bid Deadlines and the Auction, (iii) Approving the Form and Manner of Notice Thereof, (iv) Scheduling Hearings and Objection Deadlines with Respect to the Sale, and (v) Granting Related Relief [Docket No. 180].

(j) “Business Day” means any day other than a Saturday, Sunday or other day on which banks in New York City, New York are authorized or required by Law to be closed.

(k) “Cash and Cash Equivalents” means all of the Company’s cash (including petty cash and checks received prior to the close of business on the Closing Date), checking account balances, (but including responsibility for checks that are in transit or have not been cashed or deducted from any account of any Seller as of the Closing), marketable securities, certificates of deposits, time deposits, bankers’ acceptances, commercial paper, security entitlements, securities accounts, commodity Contracts, commodity accounts, government securities and any other cash equivalents, whether on hand, in transit, in banks or other financial institutions, or otherwise held.

(l) “Code” means the United States Internal Revenue Code of 1986, as amended.

(m) “Confidentiality Agreement” means that certain letter agreement, dated as of May 14, 2019, by and between the Company and Purchaser.

(n) “Confirmation Order” means an Order of the Bankruptcy Court satisfying the requirements of Section 5.3 and otherwise reasonably acceptable to the Parties, that among other things: (i) pursuant to section 1129 of the Bankruptcy Code, confirms the Plan, in a form mutually satisfactory to Purchaser and the Company and as may have been amended, supplemented or otherwise modified with the consent of Purchaser; (ii) approves this Agreement; and (iii) authorizes the Sellers to undertake the transactions contemplated hereunder, including pursuant to sections 363, 365, 1123(a)(5)(B), and 1123(a)(5)(D) of the Bankruptcy Code.

(o) “Consent” means any approval, consent, ratification, permission, waiver or authorization, or an Order of the Bankruptcy Court that deems or renders unnecessary the same.

(p) “Contract” means any contract, purchase order, service order, sales order, indenture, note, bond, lease, sublease, license or other agreement that is binding upon a Person or its property.

(q) “Data Privacy Requirement” means (i) all applicable Laws relating to the collection, processing, transfer, import, export, transmission, monitoring, interception, storage, retention, disposal, sharing, disclosure, localization, security, privacy, or any other use (collectively, “Processing”) of Personal Data; (ii) each applicable external or internal, past or present, privacy policy or enforceable obligation or promise of the Company relating to the

Company's Processing of Personal Data; or, (iii) any contract to which the Company is a party, or is otherwise bound, that relates to the Processing of Personal Data.

(r) "DIP Facility" means that certain Debtor-In-Possession Credit Agreement, dated as of May 23, 2019, by and among Wells Fargo Bank, National Association and the other parties named as Lenders therein, and the Sellers, as the same may be amended from time to time.

(s) "Disclosure Statement" means the disclosure statement for the Plan approved by the Bankruptcy Court pursuant to the Plan Solicitation Order (including all exhibits and Schedules thereto).

(t) "Documents" means all of the Company's written files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, plans, operating records, safety and environmental reports, data, studies, and documents, Tax Returns, ledgers, journals, title policies, customer lists, regulatory filings, operating data and plans, research material, technical documentation (design specifications, engineering information, test results, maintenance schedules, functional requirements, operating instructions, logic manuals, processes, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials, in each case whether or not in electronic form.

(u) "Effective Date" means the date that the Plan is consummated in accordance with its terms and the Confirmation Order.

(v) "Encumbrance" means any lien (as defined in section 101(37) of the Bankruptcy Code), interest (within the meaning of section 1141(c) of the Bankruptcy Code), Liability, encumbrance, claim (as defined in section 101(5) of the Bankruptcy Code), charge, mortgage, deed of trust, deemed statutory trusts for Taxes, option, pledge, security interest, hypothecs or similar interests, title defects, hypothecations, easements, servitude, rights of way, encroachments, judgments, conditional sale or other title retention agreements and other similar impositions, imperfections or defects of title or restrictions on transfer or use.

(w) "Environmental Laws" means all applicable Laws concerning pollution, public or worker health and safety (with respect to exposure to Hazardous Substances) or protection of the environment, including all those relating to the presence of, or the management, manufacture, use, treatment, storage, recycling, processing, production, generation, reclamation, reuse, discharge, disposal, release, remediation or transportation of Hazardous Substances.

(x) "Equipment" means any and all equipment, computers, furniture, furnishings, fixtures, office supplies, supply inventory, vehicles and all other fixed assets.

(y) "Escrow Agent" means Acquiom Clearinghouse LLC.

(z) "Escrow Agreement" means the escrow agreement substantially in the form attached hereto as Exhibit B.

(aa) “Estimated Working Capital Deficit” means the result of (i) Target Working Capital, minus (ii) \$2,000,000, minus (iii) Estimated Working Capital; provided that if such result is less than zero (\$0), then the Estimated Working Capital Deficit shall be equal to zero (\$0).

(bb) “Estimated Working Capital Excess” means the result of (i) Estimated Working Capital, minus (ii) Target Working Capital, minus (iii) 2,000,000; provided that if such result is less than zero (\$0), then the Estimated Working Capital Excess shall be equal to zero (\$0).

(cc) “ETA” means Part IX of the Excise Tax Act (Canada).

(dd) “Excluded Plant” means the Munfordville Plant, the Thomson Plant and any of Sellers’ facilities governed by any unexpired lease not constituting a Specified Contract that Purchaser designates as an Excluded Contract in accordance with Section 1.5.

(ee) “Excluded Plant Assets” means those assets located at any Excluded Plant, excluding all Inventory and Equipment and machinery (other than machinery located at the Munfordville Plant) of Sellers located at any Excluded Plant, which Inventory, Equipment and machinery (other than machinery located at the Munfordville Plant), for the avoidance of doubt, shall be Acquired Assets.

(ff) “Expense Reimbursement” shall mean an amount equal to Purchaser’s and its Affiliates’ actual reasonable and documented out of pocket fees, costs and expenses (including reasonable attorneys’ fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders’ attorneys and other advisors) and other professional fees) incurred in connection with the transactions contemplated by this Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities (including in connection with the enforcement of any rights or remedies hereunder), up to a maximum of \$1,000,000.

(gg) “Final Order” means an Order, ruling, judgment, the operation or effect of a judgment or other decree issued and entered by the Bankruptcy Court or the Canadian Court or by any state or other federal court or other court of competent jurisdiction which has not been reversed, vacated, stayed, modified or amended and as to which (i) the time to appeal or petition for review, rehearing, certiorari, reargument or retrial has expired and as to which no appeal or petition for review, rehearing, certiorari, reargument or retrial is pending or (ii) any appeal or petition for review, rehearing, certiorari, reargument or retrial has been finally decided and no further appeal or petition for review, rehearing, certiorari, reargument or retrial can be taken or granted; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such Order or judgment shall not cause such Order or judgment not to be a Final Order.

(hh) “Final Working Capital” means the amount of Working Capital as set forth in the Final Closing Date Statement.

(ii) “Final Working Capital Deficit” means the result of (i) Target Working Capital, minus (ii) \$2,000,000, minus (iii) Final Working Capital; provided that if such result is less than zero (\$0), then the Final Working Capital Deficit shall be equal to zero (\$0).

(jj) “Final Working Capital Excess” means the result of (i) Final Working Capital, minus (ii) Target Working Capital, minus (iii) 2,000,000; provided that if such result is less than zero (\$0), then the Final Working Capital Excess shall be equal to zero (\$0).

(kk) “Form Working Capital Statement” means the form statement of Working Capital of Sellers set forth on Exhibit C.

(ll) “Fraud” means with respect to (i) Sellers, the intentional misrepresentation by such Sellers in the making by such Sellers to Purchaser of the Express Representations or the representations and warranties set forth in the certificate delivered by such Sellers pursuant to Section 2.5(h) or (ii) Purchaser, the intentional misrepresentation by Purchaser in the making by Purchasers to Sellers of the representations and warranties set forth in Article IV, the certificate delivered by Purchaser pursuant to Section 2.6(g), in each case of clause (i) or (ii), that constitutes common law fraud under Delaware Law (and does not include any fraud claim based on constructive knowledge, negligent misrepresentation, recklessness or a similar theory).

(mm) “GAAP” means United States generally accepted accounting principles as in effect from time to time.

(nn) “Governmental Authorization” means any permit, license, certificate, approval, consent, permission, clearance, designation, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Law.

(oo) “Governmental Body” means any government, quasi governmental entity, or other governmental or regulatory body, agency or political subdivision thereof of any nature, whether foreign, federal, state, provincial or local, or any agency, branch, department, official, entity, instrumentality or authority thereof, or any court or arbitrator (public or private) of applicable jurisdiction.

(pp) “Hazardous Substance” means any toxic or hazardous material, substance or waste that is defined or listed as “hazardous” or “toxic” (or words of similar meaning or intent), under applicable Environmental Law or for which liability or standards of conduct may be imposed under any Environmental Laws.

(qq) “HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations promulgated thereunder.

(rr) “HST” means the tax imposed under the ETA.

(ss) “Intellectual Property” means all of the following: (i) patents, patent applications and patent disclosures; (ii) trademarks, service marks, trade dress, corporate names and Internet domain names, together with all goodwill associated with each of the foregoing; (iii) copyrights; (iv) registrations and applications for any of the foregoing; (v) trade secrets;

(vi) computer software; (vii) drawings, schematics and other technical plans; and (viii) all other intellectual property.

(tt) “Inventory” means all inventory (including finished goods, supplies, raw materials, work in progress, spare, replacement and component parts) maintained or held by, stored by or on behalf of, or in transit to, any of the Sellers.

(uu) “knowledge” or “knowledge of the Company” or “knowledge of the Sellers” means the actual knowledge of Beth Mack, May Huneidi, Rose Ruiz, Viral Gandhi, Keith Swiniarski, and Howard Head after reasonable inquiry of such individual’s direct reports with respect to the applicable subject matter.

(vv) “Law” means any federal, state, provincial, local, municipal, foreign or international, multinational or other law, statute, legislation, constitution, principle of common law, resolution, ordinance, code, edict, decree, proclamation, treaty, convention, rule, regulation, ruling, directive, pronouncement, determination, decision, opinion or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body.

(ww) “Leasehold Improvements” means all buildings, structures, improvements and fixtures which are owned by a Seller and located on any Leased Real Property, regardless of whether title to such buildings, structures, improvements or fixtures are subject to reversion to the landlord or other third party upon the expiration or termination of the lease for such Leased Real Property.

(xx) “Liability” means, as to any Person, any debt, adverse claim (as “claim” is defined in section 101(5) of the Bankruptcy Code), liability (including any liability that results from, relates to or arises out of tort or any other product liability claim), duty, responsibility, obligation, commitment, assessment, cost, expense, loss, expenditure, Tax, charge, fee, penalty, fine, contribution, or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed.

(yy) “Material Adverse Effect” means any event, change, occurrence, or effect (each, an “Effect”) that, individually or in the aggregate with all other Effects, has had, or would reasonably be expected to have a material adverse effect on the Acquired Assets and Assumed Liabilities, taken as whole; provided that none of the following shall constitute, or be taken into account in determining whether or not there has been, a Material Adverse Effect: (i) Effects in, arising from or relating to general business or economic conditions affecting the industry in which the Company and its Subsidiaries operate, (ii) Effects in, arising from or relating to national or international political or social conditions, including the engagement by the United States in hostilities or the escalation thereof, whether or not pursuant to the declaration of a national emergency or war, or the occurrence or the escalation of any military, cyber or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, asset, equipment or personnel of the United States, (iii) Effects in, arising from or relating to financial, banking, or securities markets (including (A)

any disruption of any of the foregoing markets, (B) any change in currency exchange rates, (C) any decline or rise in the price of any security, commodity, contract or index and (D) any increased cost, or decreased availability, of capital or pricing or terms related to any financing for the transactions contemplated by this Agreement), (iv) Effects in, arising from or relating to changes in, GAAP (excepting any voluntary change in Sellers' accounting policies regarding valuation of Inventory), (v) Effects in, arising from or relating to changes in, applicable Laws or other binding directives or determinations issued or made by or agreements with or consents of any Governmental Body (including, for the avoidance of doubt, any such items related to Section 6.5), (vi) Effects in, arising from or relating to (A) the taking of any action required by this Agreement or at the request of Purchaser or its Affiliates, (B) the failure to take any action if such action is expressly prohibited by this Agreement, or (C) the negotiation, announcement or pendency of this Agreement or the transactions contemplated hereby or the identity, nature or ownership of Purchaser, (vii) any failure, in and of itself, to achieve any budgets, projections, forecasts, estimates, plans, predictions, performance metrics or operating statistics or the inputs into such items (whether or not shared with Purchaser or its Affiliates or Advisors) (but, for the avoidance of doubt, not the underlying causes of any such failure to the extent such underlying cause is not otherwise excluded from the definition of Material Adverse Effect), (viii) the effect of any action taken by the Purchaser or its Affiliates with respect to the transactions completed by this Agreement or the financing thereof or any material breach by the Purchaser of the Agreement, or (ix) (A) the commencement or pendency of the Bankruptcy Case or the Canadian Proceeding; (B) any objections in the Bankruptcy Court or the Canadian Court to (1) this Agreement or any of the transactions contemplated hereby or thereby, (2) the reorganization of the Sellers, the Plan or the Disclosure Statement, (3) the Bidding Procedures or (4) the assumption or rejection of any Assigned Contract; (C) any Order of the Bankruptcy Court or Canadian Court or any actions or omissions of Sellers or their Subsidiaries in compliance therewith; except in the case of the clauses (i), (ii) or (iii), to the extent such Effects have a materially disproportionate impact on the Acquired Assets as compared to other participants engaged in the industries in which the Sellers operate.

(zz) "MOU" means the Memorandum of Agreement dated June 14, 2019 by and between Hollander Sleep Products, LLC and the Southern Regional Joint Board of Workers United, SEIU on behalf of Local 2420, approved by the Bankruptcy Court by Order dated July [3], 2019.

(aaa) "Munfordville Plant" means Sellers' facility located at 660 National Turnpike, Munfordville, KY 42765.

(bbb) "Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Governmental Body, including any Order entered by the Bankruptcy Court in the Bankruptcy Case (including the Confirmation Order).

(ccc) "Ordinary Course" means the ordinary and usual course of operations of the Company and its Subsidiaries taken as a whole consistent with past practice and taking into account the commencement of the Bankruptcy Case.

(ddd) "Parent" means Centre Lane Partners, LLC.

(eee) “Permitted Encumbrances” means (i) Encumbrances for current Taxes not yet due and payable or being contested in good faith, (ii) easements, servitudes, rights of way, restrictive covenants, encroachments, minor encroachments and imperfections of title and similar non-monetary encumbrances or non-monetary impediments against any of the Acquired Assets which do not, individually or in the aggregate, adversely affect the operation of the Acquired Assets and, in the case of the Owned Real Property and Leased Real Property, which do not, individually or in the aggregate, adversely affect the use or occupancy of such Owned Real Property or Leased Real Property as it relates to the operation of the Acquired Assets, (iii) applicable zoning Laws, building codes, land use restrictions and other similar restrictions imposed by Law which are not violated by the current use or occupancy of such Owned Real Property or Leased Real Property, as applicable, (iv) materialmans’, mechanics’, artisans’, shippers’, warehousemans’ or other similar common law or statutory liens incurred in the Ordinary Course for amounts not yet due and payable, (v) licenses granted on a non-exclusive basis in the Ordinary Course, (vi) such other Encumbrances or title exceptions as Purchaser may approve in writing in its sole discretion, (vii) any Encumbrances set forth on Schedule 11.1(eee); and (viii) any Encumbrance that will be removed or released by operation of the Confirmation Order solely for the purposes of any representation or warranty made as or prior to the Closing, or the Plan.

(fff) “Person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, labor union, estate, Governmental Body or other entity or group.

(ggg) “Personal Data” means any information that can be used, either alone or when combined with other data, to distinguish or trace an individual’s identity and that is subject to, or otherwise afforded privacy or security protection under, any Law.

(hhh) “Plan” means the *Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 233] in the chapter 11 cases captioned *In re Hollander Sleep Products, LLC, et al.*, Case No. 19-11608 (including any schedules and exhibits attached thereto), as may be amended or supplemented to reflect changes necessary for the approval and consummation of transactions pursuant to this Agreement as the Sales Transaction (as defined therein), as the same may be amended in accordance with this Agreement.

(iii) “Plan Solicitation Order” means the 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. 247], which, among other things, approved (i) the Disclosure Statement as containing adequate information in accordance with section 1125 of the Bankruptcy Code; and (ii) the commencement of a solicitation of votes to accept or reject the Plan.

(jjj) “Post-Closing Tax Period” means any taxable period beginning after the Closing Date and, with respect to any Straddle Period, the portion of such taxable period beginning after the Closing Date.

(kkk) “PRC” means the People’s Republic of China and any locality or jurisdiction with its territorial borders, which for the purposes of this Agreement shall exclude the special administrative regions of Hong Kong and Macao and the territory of Taiwan.

(lll) “PRC Taxing Authority” means a Governmental Body of the PRC having the power to determine, assess, regulate, imposed or collect Taxes.

(mmm) “PRC Transfer Tax” means (a) any Tax (including any withholding Tax) levied or asserted by any PRC Taxing Authority with respect to the transfer of equity of Hollander Shanghai pursuant to this Agreement and (b) any reasonable out-of-pocket costs and expenses related to filing any Tax Returns (including with respect to obtaining the PRC Valuation) attributable to any Tax described in clause (a) hereof.

(nnn) “Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date and, with respect to any Straddle Period, the portion of such taxable period ending on and including the Closing Date.

(ooo) “Purchaser Group” means Purchaser, any Affiliate of Purchaser and each of their respective former, current or future Affiliates, officers, directors, employees, partners, members, managers, agents, Advisors, successors or permitted assigns.

(ppp) “QST” means the Québec sales tax payable under the QST Legislation.

(qqq) “QST Legislation” means An Act Respecting the Québec Sales Tax (Québec).

(rrr) “Seller Parties” means the Sellers and the Company’s Subsidiaries and each of their respective former, current, or future Affiliates, officers, directors, employees, partners, members, equityholders, controlling or controlled persons, managers, agents, Advisors, successors or permitted assigns.

(sss) “Straddle Period” means any taxable period beginning on or before the Closing Date and ending after the Closing Date.

(ttt) “Subsidiary” or “Subsidiaries” means, with respect to any Person, any corporation of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any partnership, association or other business entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof.

(uuu) “Target Working Capital” means \$129,933,000.

(vvv) “Tax” or “Taxes” means any federal, state, provincial, county, local or foreign income, gross receipts, commercial activity, *ad valorem*, franchise, net worth, profits, sales or use, value added, transfer, production, documentary, profits, windfall profits,

registration, excise, ETA, utility, environmental, premium, communications, real or personal property, real property transfer, intangibles, capital stock, license, lease, service, service use, payroll, wage or other withholding, employment, unemployment, social security, severance, stamp, occupation, alternative or add-on minimum, estimated, customs, duties, HST, QST and other taxes of any kind whatsoever, together with any interest, deficiencies, penalties, additions to tax and any interest attributable in respect of such deficiencies, penalties or additions whether disputed or not.

(www) “Tax Return” means any return, claim for refund, report, statement or information return relating to Taxes required to be filed with a Governmental Body, including any schedule or attachment thereto, and including any amendments thereof.

(xxx) “Thomson Plant” means Sellers’ facility located at 3301 Stagecoach Road NE, Thomson, GA 30824.

(yyy) “Working Capital” means, as of a given date, the current Acquired Assets (comprised of the same line items as set forth in the Form Working Capital Statement) minus the current Assumed Liabilities (comprised of the same line items as set forth in the Form Working Capital Statement), as determined in accordance with and in a manner consistent with the Form Working Capital Statement and the procedures, practices, methodologies and standards used to prepare the Form Working Capital Statement and as set forth or described therein, other than Excluded Assets or Excluded Liabilities.

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11.3 Rules of Interpretation. Unless otherwise expressly provided in this Agreement, the following will apply to this Agreement, the Schedules and any other certificate, instrument, agreement or other document contemplated hereby or delivered hereunder.

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP consistently applied. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement will control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole (including Exhibits and Schedules) and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement. The terms of Articles I through XI of this Agreement shall control over any contrary or conflicting terms contained in any Schedule or Exhibit.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” will be equivalent to the use of the term “and/or.”

(d) The words “to the extent” shall mean “the degree by which” and not “if.”

(e) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded. If the last day of such period is a day other than a Business Day, the period in question will end on the next succeeding Business Day.

(f) Words denoting any gender will include all genders, including the neutral gender. Where a word is defined herein, such definition applies to both the singular and plural forms.

(g) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(h) All references to “\$” and dollars will be deemed to refer to United States currency unless otherwise specifically provided. All amounts due under this Agreement shall be paid in same day funds.

(i) All references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(j) Any document or item will be deemed “delivered,” “provided” or “made available” by the Company, within the meaning of this Agreement if such document or item (a) is included in the Dataroom, (b) actually delivered or provided to Purchaser or any of Purchaser’s Advisors or (c) made available to Purchaser or any of Purchaser’s Advisors.

(k) Any reference to any agreement or contract will be a reference to such agreement or contract, as amended, modified, supplemented or waived.


(l) Any reference to any particular Code section or any Law will be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided that, for the purposes of the representations and warranties set forth herein, with respect to determining whether any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law occurred, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(m) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

[Signature pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

BEDDING ACQUISITION, LLC

By: 
Name: Mayank Singh
Title: Vice President

DREAM II HOLDINGS, LLC

By: _____
Name: _____
Title: _____

HOLLANDER SLEEP PRODUCTS CANADA LIMITED

By: _____
Name: _____
Title: _____

HOLLANDER HOME FASHIONS HOLDINGS, LLC

By: _____
Name: _____
Title: _____

HOLLANDER SLEEP PRODUCTS, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

BEDDING ACQUISITION, LLC

By: _____
Name:
Title:

DREAM II HOLDINGS, LLC

By: Eric D. Bommer
Name: Eric D. Bommer
Title: President

HOLLANDER SLEEP PRODUCTS CANADA LIMITED

By: Eric D. Bommer
Name: Eric D. Bommer
Title: President

HOLLANDER HOME FASHIONS HOLDINGS, LLC

By: Eric D. Bommer
Name: Eric D. Bommer
Title: President

HOLLANDER SLEEP PRODUCTS, LLC

By: Eric D. Bommer
Name: Eric D. Bommer
Title: President

PACIFIC COAST FEATHER, LLC

By: Eric D. Bommer

Name: Eric D. Bommer

Title: President

**HOLLANDER SLEEP PRODUCTS
KENTUCKY, LLC**

By: Eric D. Bommer

Name: Eric D. Bommer

Title: President

PACIFIC COAST FEATHER CUSHION, LLC

By: Eric D. Bommer

Name: Eric D. Bommer

Title: President

BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

This BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT (this “Agreement”) is executed as of [●], 2019 (the “Closing Date”), by and among Dream II Holdings, LLC, a Delaware limited liability company (the “Company”), and each of the Company’s Subsidiaries listed on the signature pages hereto (each, along with the Company, an “Assignor” and collectively, “Assignors”), and Bedding Acquisition, LLC, a Delaware limited liability company (“Assignee”). Assignors and Assignee may be referred to herein, individually, as a “Party” and, collectively, as the “Parties.”

WHEREAS, this Agreement is being delivered in connection with the Closing of the transactions contemplated by that certain Asset Purchase Agreement, dated as of [●], 2019, by and among the Assignors, as Sellers, and Assignee, as Purchaser (the “Purchase Agreement”);

WHEREAS, pursuant to the Purchase Agreement, each Assignor has agreed to sell, transfer, assign, convey and deliver to Assignee, and Assignee has agreed to purchase, acquire and accept from such Assignors, all of such Assignors’ direct or indirect right, title and interest in, to and under certain assets, liabilities and contractual relationships;

WHEREAS, this Agreement, as duly executed by Assignee and each Assignor, is being delivered as of the date hereof by each Party to the other Parties effective as of the Closing.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements herein contained and intending to be legally bound hereby, Assignee and Assignors do hereby agree as follows:

I.

BILL OF SALE; ASSIGNMENT AND ASSUMPTION

1.1. Definitions. Capitalized terms used but not defined in this Agreement have the meanings given to such terms in the Purchase Agreement.

1.2. Assignment. In accordance with and subject to the terms of the Purchase Agreement, Assignors do hereby sell, transfer, assign, convey and deliver to Assignee, effective as of the Closing, all of Assignors’ rights, titles and interests in, to and under the Acquired Assets, as provided in Section 1.1 of the Purchase Agreement, free and clear of all Encumbrances other than Permitted Encumbrances.

1.3. Excluded Assets. Assignors except, reserve, and exclude all of Assignors’ rights, titles and interests in, to and under the Excluded Assets, as provided in Section 1.2 of the Purchase Agreement. Without limiting the foregoing, Assignors do not hereby sell, transfer, assign, convey and deliver to Assignee any right, title or interest in any assets, properties and rights of Assignors that are not Acquired Assets.

1.4. Assumed Liabilities. In accordance with and subject to the terms of the Purchase Agreement, Assignee, effective as of the Closing and only to the extent provided in Section 1.3 of the Purchase Agreement, does hereby assume, and does hereby agree to discharge and

perform when due, the Assumed Liabilities as set forth in Section 1.3 of the Purchase Agreement.

1.5. Excluded Liabilities. Assignee shall not assume, be deemed to have assumed or be liable or obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for the Excluded Liabilities, as provided in Section 1.4 of the Purchase Agreement.

II.

MISCELLANEOUS

2.1. Purchase Agreement. This Agreement is expressly made subject to the terms of the Purchase Agreement. The delivery of this Agreement shall not amend, affect, enlarge, diminish, supersede, modify, replace, rescind, waive or otherwise impair any of the representations, warranties, covenants, indemnities, terms or provisions of the Purchase Agreement or any of the rights, remedies or obligations of any Assignor or Assignee provided for therein or arising therefrom in any way, all of which shall remain in full force and effect in accordance with their terms. The representations, warranties, covenants, indemnities, terms and provisions contained in the Purchase Agreement shall not be merged with or into this Agreement but shall survive the execution and delivery of this Agreement to the extent, and in the manner, set forth in the Purchase Agreement. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms of this Agreement (including the schedules hereto), the terms of the Purchase Agreement shall control.

2.2. Successors and Assigns. The provisions of this Agreement shall bind and inure to the benefit of Assignors and Assignee and their respective successors and permitted assigns.

2.3. Amendment and Waiver. Any provision of this Agreement may be (a) amended only in a writing signed by Assignors and Assignee or (b) waived only in a writing executed by the Person against which enforcement of such waiver is sought. No waiver of any provision hereunder or any breach or default thereof will extend to or affect in any way any other provision or prior or subsequent breach or default.

2.4. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any jurisdiction, such provision shall be ineffective as to such jurisdiction to the extent of such invalidity, illegality or unenforceability without invalidating or affecting the remaining provisions hereof or affecting the validity, legality or enforceability of such provision in any other jurisdiction. Upon such a determination, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties hereto as closely as possible in a reasonably acceptable manner in order that the transactions contemplated hereby may be consummated as originally contemplated to the fullest extent possible.

2.5. Governing Law; Consent to Jurisdiction and Venue; Jury Trial Waiver

(a) Except to the extent the mandatory provisions of the Bankruptcy Code or the CCAA apply, this Agreement, and any Action that may be based upon, arise out of or relate

to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby will be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflict of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

(b) Each of the Parties irrevocably agrees that any Action that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement and the transactions contemplated hereby brought by any other Party or its successors or assigns will be brought and determined only in (a) the Bankruptcy Court and any federal court to which an appeal from the Bankruptcy Court may be validly taken or (b) in the event the Bankruptcy Case is closed, or if the Bankruptcy Court is unwilling or unable to hear such Action, in the Delaware Chancery Court or any state court sitting in the State of Delaware to which an appeal from the Delaware Chancery Court may be validly taken (or, if the State of Delaware Chancery Court declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) ((a) and (b), the “Chosen Courts”), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the Chosen Courts for itself and with respect to its property, generally and unconditionally, with regard to any such Action arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any Action relating thereto except in the Chosen Courts, other than Action in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any Chosen Court, and no Party will file a motion to dismiss any Action filed in a Chosen Court on any jurisdictional or venue-related grounds, including the doctrine of forum non-conveniens. The Parties irrevocably agree that venue would be proper in any of the Chosen Courts, and hereby irrevocably waive any objection that any such court is an improper or inconvenient forum for the resolution of such Action. Each of the Parties further irrevocably and unconditionally consents to service of process in the manner provided for notices in Section 10.3 of the Purchase Agreement. Nothing in this Agreement will affect the right of any Party to this Agreement to serve process in any other manner permitted by Law.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT, THE DOCUMENTS AND AGREEMENTS CONTEMPLATED HEREBY AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION BASED ON, ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. EACH OF THE PARTIES AGREES AND CONSENTS THAT ANY SUCH ACTION WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE IRREVOCABLE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY (I) CERTIFIES THAT NO ADVISOR OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE

EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 2.5(c).

2.6. Captions. The captions and article and section numbers in this Agreement are for convenience only and do not constitute a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. References in this Agreement to articles and sections are to articles and sections of this Agreement unless otherwise specified.

2.7. Counterparts and PDF. This Agreement and any other agreements referred to herein or therein, and any amendments hereto or thereto, may be executed in multiple counterparts, any one of which need not contain the signature of more than one Party, but all such counterparts taken together will constitute one and the same instrument. Any counterpart, to the extent signed and delivered by means of a facsimile machine, .PDF or other electronic transmission, will be treated in all manners and respects as an original contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party, each other Party hereto will re-execute original forms of this Agreement and deliver them to all other parties. No Party will raise the use of a facsimile machine, .PDF or other electronic transmission to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine, .PDF or other electronic transmission as a defense to the formation of a contract and each such Party forever waives any such defense.

[Signature Pages Follow]

EXECUTED on the Closing Date, to be EFFECTIVE as of the Closing Date.

ASSIGNORS:

DREAM II HOLDINGS, LLC

By: _____
Name:
Title:

**HOLLANDER SLEEP PRODUCTS CANADA
LIMITED**

By: _____
Name:
Title:

**HOLLANDER HOME FASHIONS
HOLDINGS, LLC**

By: _____
Name:
Title:

HOLLANDER SLEEP PRODUCTS, LLC

By: _____
Name:
Title:

PACIFIC COAST FEATHER, LLC

By: _____
Name:
Title:

**HOLLANDER SLEEP PRODUCTS
KENTUCKY, LLC**

By: _____
Name:
Title:

PACIFIC COAST FEATHER CUSHION, LLC

By: _____
Name:
Title:

ASSIGNEE:

BEDDING ACQUISITION, LLC

By: _____

Name:

Title:

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of [●], 2019 (this “Agreement”), is made by and among (i) Bedding Acquisition, LLC, a Delaware limited liability company (“Purchaser”), (ii) Dream II Holdings, LLC, a Delaware limited liability company (the “Company”) and (iii) Acquiom Clearinghouse LLC, as escrow agent (the “Escrow Agent”). Notwithstanding the foregoing, it is expressly understood and agreed by the parties hereto that all references herein to the Asset Purchase Agreement are for the convenience of the parties hereto other than the Escrow Agent and the Escrow Agent shall have no obligation or duties with respect thereto other than as expressly set forth herein.

WHEREAS, Purchaser, the Company and the other parties thereto have entered into an Asset Purchase Agreement (as amended, the “Asset Purchase Agreement”), dated as of August [●], 2019, pursuant to which Purchaser will purchase certain assets and assume certain liabilities of the Company (the “Transaction”) on the terms and subject to the conditions set forth in the Asset Purchase Agreement;

WHEREAS, the Asset Purchase Agreement provides that Purchaser shall deposit the Escrow Amount (defined below) in a segregated escrow account titled in the name of Escrow Agent for the benefit of Purchaser and the Company to be held by Escrow Agent for the purposes set forth in the Asset Purchase Agreement;

WHEREAS, in accordance with the terms and subject to the conditions of the Asset Purchase Agreement, Purchaser is depositing with the Escrow Agent an amount in cash equal to \$2,000,000 (the “Escrow Amount”) to be held in an escrow account (the “Escrow Account”) and disposed of as provided herein;

WHEREAS, Schedule I to this Agreement sets forth the wire transfer instructions for the Escrow Agent, Purchaser, and the Company; and

NOW, THEREFORE, in consideration of the agreements and understandings contemplated in the Asset Purchase Agreement and herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Appointment of Escrow Agent. Purchaser and the Company hereby jointly appoint and designate the Escrow Agent as the escrow agent for the purposes set forth in this Agreement, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth in this Agreement.
2. Establishment of Escrow Funds; Adjustment Escrow Account. Contemporaneously with the execution and delivery of this Agreement, Purchaser shall deliver to the Escrow Agent (by wire transfer of immediately available U.S. funds in accordance with the payment instructions of the Escrow Agent), and the Escrow Agent shall acknowledge to all parties hereto upon receipt of, the Escrow Amount, which the Escrow Agent shall then deposit in the Escrow Account. All amounts held in the Adjustment Escrow Account, including any dividends, interest, distributions and other income received in respect thereof, less any losses on investments thereof, less distributions thereof in accordance with the Asset Purchase Agreement and this Agreement, are hereinafter referred to as the “Escrow Funds.”
3. Disbursements of Escrow Funds.

- (a) The Escrow Agent will hold all the Escrow Funds in accordance with the provisions of this Agreement and will not distribute the Escrow Funds except in accordance with the express terms and conditions of this Agreement.
- (b) Within two (2) Business Days after the Escrow Agent's receipt of a joint written direction executed by Purchaser and the Company directing Escrow Agent to disburse all or a portion of the Escrow Funds or to take or refrain from taking an action pursuant to this Agreement (a "Joint Instruction") or final nonappealable order from a court of competent jurisdiction pursuant to Section 9(r), the Escrow Agent shall release, by wire transfer of immediately available funds to the accounts listed on Schedule I (as applicable), or as otherwise designated in such Joint Instruction or final nonappealable order, all or any portion (if less than all) of the Escrow Funds designated in such Joint Instruction by wire transfer of immediately available funds to the account or accounts as set forth in the Joint Instruction. The Company and Purchaser shall deliver to the Escrow Agent Joint Instructions to effect disbursement of the Escrow Funds when and as contemplated by Section 2.3(d) of the Asset Purchase Agreement. The Escrow Agent shall receive and may conclusively rely upon a certificate to the effect that such final order is final, non-appealable and from a court of competent jurisdiction.

4. No Duty to Verify.

- (a) The Escrow Agent will act in good faith and verify the accuracy of the information contained in any Joint Instructions, notices or certificates solely by means of the security procedure communicated to the Escrow Agent through a signed certificate in the form of Exhibit A-1 or Exhibit A-2 attached hereto or pursuant to Section 4(b). The Escrow Agent will be entitled to rely upon any document, instrument or signature reasonably believed by it in good faith to be genuine and signed by any party hereto or an authorized officer or agent thereof (provided that the document or instrument is otherwise in accordance with the requirements of Exhibits A-1 or A-2), and will not have the duty to verify the genuineness of the signatures or any instructions, notices or certificates or the authority of such signatories to execute such instructions, notices or certificates. Upon distribution of all of the Escrow Funds to Purchaser and/or the Company or as otherwise directed by Purchaser and the Company, in accordance with Section 3 and Section 6, the Escrow Agent will be deemed to have fully discharged its duties and obligations hereunder, and will have no further liability or obligation to any party with respect hereto.
- (b) Concurrently with the execution of this Agreement, the parties hereto shall deliver to the Escrow Agent the applicable authorized signers' forms in the forms attached hereto as Exhibit A-1 and Exhibit A-2. The Escrow Agent shall confirm each funds transfer instruction received in the name of such parties by confirming with an authorized individual as evidenced in Exhibit A-1 and Exhibit A-2. Once delivered to the Escrow Agent, Exhibit A-1 or Exhibit A-2 may be revised or rescinded only in writing signed by an authorized representative of the applicable party. Such revisions or rescissions shall be effective only after actual receipt and following such period of time as may be necessary to afford the Escrow Agent a reasonable opportunity to act on it. If a revised Exhibit A-1 or Exhibit A-2 or a rescission of an existing Exhibit A-1 or Exhibit A-2 is delivered to the Escrow Agent by an entity that is a successor-in-interest to either party, such document shall be accompanied by additional documentation reasonably satisfactory to the Escrow Agent showing that such entity has succeeded to the rights and responsibilities of the parties. The parties hereto understand that the Escrow Agent's inability to receive or confirm funds transfer instructions may result in a delay in

accomplishing such funds transfer, and agree that the Escrow Agent shall not be liable for any loss caused by any such delay.

5. Investment of Escrow Funds.

- (a) The Escrow Funds will be held at Citizens Bank, will not be invested and will be held in a non-interest bearing account and therefore shall not earn interest. The parties hereto recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Escrow Account or the purchase, sale, retention or other disposition of any investment. Escrow Agent or its affiliates may receive compensation from third parties based on balances deposited in the Escrow Account. Deposits into the Escrow Account are insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation (the "FDIC"), in the standard FDIC insurance amount of \$250,000, including principal and accrued interest, and are not secured.
- (b) Purchaser and the Company agree that, for tax reporting purposes, all interest and other income, if any, from investment of the Escrow Funds shall, as of the end of each calendar year and to the extent required by the United States Internal Revenue Code of 1986, as amended thereunder (the "Code"), be reported as having been earned by the Purchaser whether or not such income was disbursed during such calendar year. The Escrow Agent shall be deemed the payor of any interest or other income paid upon investment of the Escrow Funds for purposes of performing tax reporting, except to the extent required by applicable law (including common law). With respect to any other payments made under this Agreement, the Escrow Agent shall not be deemed the payor and shall have no responsibility for performing tax reporting. The Escrow Agent's function of making such payments is solely ministerial and upon express direction of Purchaser and the Company.
- (c) Purchaser and the Company provided the Escrow Agent with certified tax identification numbers by furnishing appropriate Internal Revenue Service forms W-9 or W-8 and such other tax forms and documents that the Escrow Agent has reasonably requested. The parties hereto understand that if such tax reporting documentation was not provided and certified to the Escrow Agent, the Escrow Agent may be required by the Code, the regulations promulgated thereunder, and any other applicable law to withhold a portion of any interest or other income earned on the investment of the Escrow Funds.

6. Provisions with Respect to the Escrow Agent.

- (a) Protection of the Escrow Agent. The Escrow Agent, Purchaser, and the Company agree that: (i) either Purchaser or the Company may examine the Escrow Account (and the Escrow Funds) at any time at the office of the Escrow Agent upon reasonable notice to the Escrow Agent; (ii) if the Escrow Account (or the Escrow Funds) are attached, garnished, or levied upon under the order of any court, or the delivery thereof will be stayed or enjoined by the order of any court, or any other order, judgment or decree will be made or entered by any court affecting the Escrow Account (or the Escrow Funds), the Escrow Agent is hereby expressly authorized to obey and comply with all writs, orders or decrees so entered or issued, whether with or without jurisdiction; provided that the Escrow Agent will provide reasonable prior notice, to the extent possible under the circumstances, to Purchaser and the Company of such compliance with such writs, orders or decrees, and the Escrow Agent will not be liable to any of the parties hereto or their successors by reason of compliance with any such writ, order or decree notwithstanding

such writ, order or decree being subsequently reversed, modified, annulled, set aside or vacated; (iii) the Escrow Agent may, in its sole and absolute discretion, deposit the Escrow Funds with a Chosen Court (defined below), and interplead the parties hereto, and upon so depositing such property and filing its complaint in interpleader, it will be relieved of all liability under the terms hereof as to the property so deposited and will be entitled to recover in such interpleader action, from the other parties hereto, its reasonable and documented out-of-pocket attorneys' fees and related reasonable and documented out-of-pocket costs and expenses incurred in commencing and prosecuting such action and furthermore, the parties hereto for themselves, their successors and assigns, do hereby submit themselves to the jurisdiction of said court and do hereby appoint the then clerk, or acting clerk, of said court as their agent for the service of all process in connection with such proceedings; and (iv) notwithstanding anything herein to the contrary, the Escrow Agent will be under no duty to monitor or enforce compliance by the Company or Purchaser with any term or provision of the Asset Purchase Agreement.

- (b) Resignation; Removal; New Escrow Agent. The Escrow Agent reserves the right to resign at any time by giving at least thirty (30) calendar days advance written notice of resignation to Purchaser and the Company, specifying the effective date thereof. Similarly, the Escrow Agent may be removed and replaced following the delivery of thirty (30) calendar days advance written notice to the Escrow Agent signed by Purchaser and the Company. Within thirty (30) calendar days after the receipt of one of the notices referred to above, Purchaser and the Company agree to jointly appoint a mutually-acceptable successor escrow agent (a "Successor Escrow Agent"). The Successor Escrow Agent will be a party to and will agree to be legally bound by this Agreement by means of a written joinder agreement, the signature page to which, when signed by the Successor Escrow Agent, will be deemed to be a counterpart signature page to this Agreement. The Successor Escrow Agent will be deemed to be the Escrow Agent under the terms of this Agreement and without any further act, deed or conveyance, shall become vested with all right, title and interest to all cash and property held hereunder by such predecessor Escrow Agent, and such predecessor Escrow Agent, shall, on the written request signed by Purchaser and the Company, execute and deliver to such Successor Escrow Agent all the right, title and interest hereunder in and to the Escrow Funds. If a Successor Escrow Agent has not been appointed and has not accepted such appointment by the end of the thirty (30) calendar day period commencing upon the receipt of the notice of resignation by Purchaser and the Company, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a Successor Escrow Agent, and the reasonable and documented out-of-pocket costs, expenses and reasonable and documented out-of-pocket attorneys' fees which the Escrow Agent incurs in connection with such a proceeding will be subject to indemnification pursuant to clause (c) below.
- (c) Indemnification. Without limiting any protection or indemnity of the Escrow Agent under any other provision hereof, or otherwise at law, each of Purchaser and the Company, agree, severally and not jointly, to indemnify and hold harmless the Escrow Agent from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, and reasonable and documented out-of-pocket costs, expenses and disbursements, including reasonable and documented out-of-pocket outside legal or advisor fees and disbursements, of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Escrow Agent in connection with the performance of its duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements finally adjudicated to have

directly resulted from the Escrow Agent's fraud, gross negligence or willful misconduct; provided, however, that, the Company, on the one hand, and Purchaser, on the other hand, shall each be responsible for not more than fifty percent (50%) of any such losses, liabilities, fees or expenses. This provision will survive the resignation or removal of the Escrow Agent, or the termination of this Agreement. In so agreeing to indemnify and hold harmless the Escrow Agent, as among themselves, Purchaser, on one hand, and the Company, on the other hand, intend to share equally (one-half each) all amounts required to be paid under this Section 6(c).

- (d) Duties. The Escrow Agent will have only those duties as are specifically provided in this Agreement, which will be deemed purely ministerial in nature, and will under no circumstance be deemed a fiduciary for any of the parties to this Agreement. The Escrow Agent will neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other parties hereto, in connection herewith, including, without limitation, the Asset Purchase Agreement. This Agreement sets forth all matters pertinent to the Adjustment Escrow Account, and no additional obligations of the Escrow Agent with regard to the Adjustment Escrow Account will be inferred from the terms of this Agreement or any other agreement. IN NO EVENT WILL THE ESCROW AGENT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT'S FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR (II) SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES AND REGARDLESS OF THE FORM OF ACTION.

7. Fees and Reimbursement to the Escrow Agent. The Escrow Agent will be entitled to be paid a fee as listed on Exhibit B hereto for its services and to be reimbursed for the reasonable, documented out-of-pocket costs and expenses incurred by the Escrow Agent related to the Escrow Accounts and this Agreement, which fees, costs and expenses shall be paid one-half by the Company and one-half by Purchaser. The Escrow Agent is hereby granted the right to set off and deduct any unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights from the Escrow Funds.
8. Termination. This Agreement will terminate when all of the Escrow Funds have been distributed in accordance with this Agreement.
9. Miscellaneous.
- (a) Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered (i) personally or sent by nationally-recognized overnight courier or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows or (ii) via e-mail to the e-mail address set out below if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (overnight service charges prepaid):

Notices to the Escrow Agent:

with a mandatory copy to (which will not

constitute notice):

Acquiom Clearinghouse LLC
10 S. Riverside Plaza, Suite 875
Chicago, Illinois 60606
Attention: Timothy P. Martin
E-mail: tmartin@srsacquiom.com

Acquiom Clearinghouse LLC
950 17th Street, Suite 1400
Denver, Colorado 80202
E-mail: escrowagent@srsacquiom.com

Notices to Purchaser:

with a copy to (which will not constitute notice):

Bedding Acquisition, LLC
c/o Centre Lane Partners
60 E. 42nd Street, #1250
New York, New York 10165
Attention: Mayank Singh
Email: msingh@centrelanepartners.com

Thompson Hine, LLC
3900 Key Center
127 Public Square
Cleveland, Ohio 44114
Attention: David Watson
Emma Off
David Forsh
Email: david.watson@thompsonhine.com
emma.off@thompsonhine.com
david.forsh@thompsonhine.com

Notices to The Company:

with a copy to (which will not constitute notice):

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
Email: mpfefferle@carlmarks.com

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Attention: Steve Toth
Mariska S. Richards
Joe Graham
Email: steve.toth@kirkland.com
mariska.richards@kirkland.com
joe.graham@kirkland.com

- (b) Governing Law. This Agreement, and any action, suit, claim, investigation, or proceeding of any kind whatsoever, including a counterclaim, cross-claim, or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or with respect to the transactions contemplated hereby, will be governed by and construed in accordance with the internal laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regard to any principles of conflicts of laws or statutes that would result in the application of the laws or statutes of any other jurisdiction other than the State of Delaware.
- (c) Jurisdiction and Venue. Each of the parties irrevocably agrees that any action, suit, claim, investigation or proceeding of any kind whatsoever, including a counterclaim,

cross-claim, or defense, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or with respect to the transactions contemplated hereby brought by any other party or its successors or assigns shall be brought and determined in the Delaware Chancery Court and any state court sitting in the State of Delaware to which an appeal from the Delaware Chancery Court may be validly taken (or, if the Delaware Chancery Court declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) (the “Chosen Courts”), and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the Chosen Courts with regard to any such action, suit, claim, investigation or proceeding arising out of or relating to this Agreement or with respect to the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit, claim or proceeding relating thereto except in the Chosen Courts, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any Chosen Court, and no party will file a motion to dismiss any action filed in a state or federal court in the State of Delaware, on any jurisdictional or venue-related grounds, including the doctrine of *forum non-conveniens*. Each party hereby irrevocably consents to the service of any and all process in any such action, suit, claim or proceeding by delivery of such process in the manner for notices provided in Section 9(a) and agrees not to assert (by way of motion, as a defense or otherwise) in any action, suit, claim or proceeding any claim that service of process made in accordance with Section 9(a) does not constitute good and valid service of process. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

- (d) WAIVER OF JURY TRIAL. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, SUIT, CLAIM, INVESTIGATION, OR PROCEEDING BASED ON, ARISING OUT OF OR RELATED TO THIS AGREEMENT OR WITH RESPECT TO THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER LEGAL OR EQUITABLE THEORY. EACH PARTY HERETO (I) CERTIFIES THAT NO ADVISOR OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9(d).
- (e) Counterparts. This Agreement may be executed on two or more separate counterparts (including by means of telecopied or electronically transmitted (including in .pdf or .tif formats) signature pages), each of which will be an original and all of which taken together will constitute one and the same agreement.
- (f) Successors and Assigns. Except as otherwise expressly provided in this Agreement, neither this Agreement nor any of the rights, benefits or obligations hereunder may be

assigned by any party (whether by operation of law or otherwise) without the prior written consent of the other parties. Notwithstanding the foregoing, Purchaser, upon prior written notice to Escrow Agent, may assign (without relieving it of its obligations under) this Agreement in whole or in part, to any of its subsidiaries or affiliates. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

- (g) Amendment and Waiver. This Agreement will not be amended, modified, altered or revoked without the prior written consent of each of Purchaser and the Company; provided that no amendment or modification will be made to Section 5(a) and Section 6(d) hereof without the written consent of the Escrow Agent (which consent shall not be unreasonably withheld, conditioned or delayed). Purchaser and the Company separately agree to provide to the Escrow Agent a copy of all amendments to this Agreement and agree that the Escrow Agent will not be bound by such amendments until it has acknowledged receipt of a copy. No failure or delay by a party hereto in exercising any right, power or privilege hereunder will operate as a waiver thereof, and no single or partial exercise thereof will preclude any right of further exercise or the exercise of any other right, power or privilege.
- (h) Headings. Section headings used herein are for convenience of reference only and will not be deemed to constitute a part of this Agreement for any other purpose, or to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced as if such headings had not been included herein.
- (i) No Strict Construction. The parties hereto hereby expressly acknowledge and agree that the language of this Agreement constitutes the mutual intention and understanding of the parties, and that each party hereto has been represented by competent counsel in connection herewith. Accordingly, each party hereto hereby waives any doctrine of strict construction with respect to the interpretation hereof or the resolution of any ambiguities herein, and none of the foregoing will be resolved against any party as a result of any such doctrine.
- (j) Complete Agreement. This Agreement (together with, as between Purchaser and the Company, the Asset Purchase Agreement), sets forth the entire agreement and understanding of the parties hereto with respect to the Escrow Funds and any prior agreements or understandings, whether oral or written, are entirely superseded hereby.
- (k) Delivery by Facsimile or Electronic Transmission. This Agreement, and any amendments hereto, to the extent signed and delivered by means of a facsimile machine or other electronic transmission (including email), will be treated in all manner and respects as an original contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any party hereto, each other party hereto will re-execute original forms thereof and deliver them to all other parties. No party hereto will raise the use of a facsimile machine or other electronic transmission (including email or “.pdf” format (or similar format)) to deliver a signature or the fact that this Agreement or any signature was transmitted or communicated through the use of facsimile machine or other electronic means (including email or “.pdf” format (or similar format)) as a defense to the formation of a contract and each such party forever waives any such defense.

- (l) Business Days. To the extent any payment or other action or delivery is required to be made on a date which is not a Business Day, then the period required for such payment, action or delivery will automatically be extended to the next Business Day immediately following. All references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.
- (m) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law (including common law), but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
- (n) Third Party Beneficiaries. Nothing herein expressed or implied is intended or will be construed to confer upon or to give any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, labor union, estate, governmental entity or other entity or group other than the Escrow Agent, the Company and Purchaser any rights or remedies under or by reason of this Agreement.
- (o) Automatic Succession. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, will be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.
- (p) Specific Performance. The obligations of the parties hereto (including the Escrow Agent) are unique in that time is of the essence, and any delay in performance hereunder by any party will result in irreparable harm to the other parties hereto. Accordingly, any party may seek specific performance and/or injunctive relief before any court of competent jurisdiction in order to enforce this Agreement or to prevent violations of the provisions hereof, and no party will object to specific performance or injunctive relief as an appropriate remedy. The Escrow Agent acknowledges that its obligations, as well as the obligations of any party hereunder, are subject to the equitable remedy of specific performance and/or injunctive relief.
- (q) Force Majeure. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.
- (r) Disagreements. If any conflict, disagreement or dispute arises between, among, or involving any of the parties hereto concerning the meaning or validity of any provision hereunder or concerning any other matter relating to this Agreement, or the Escrow Agent is in doubt as to the action to be taken hereunder, the Escrow Agent shall be fully protected and may, at its option, retain the Escrow Funds until the Escrow Agent (i)

receives a final non-appealable order of a court of competent jurisdiction or a final non-appealable arbitration decision directing delivery of the Escrow Funds, (ii) receives a written agreement executed by each of the parties involved in such disagreement or dispute directing delivery of the Escrow Funds, in which event the Escrow Agent shall be authorized to disburse the Escrow Funds in accordance with such final court order, arbitration decision, or agreement, or (iii) files an interpleader action in any court of competent jurisdiction, and upon the filing thereof, the Escrow Agent shall be relieved of all liability as to the Escrow Funds and shall be entitled to recover attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action. The parties hereto further agree to pursue any redress or recourse in connection with such dispute without making the Escrow Agent a party to the same. The Escrow Agent shall be entitled to act on any such agreement, court order, or arbitration decision without further question, inquiry, or consent.

- (s) No Financial Obligation. The Escrow Agent shall not be required to use its own funds in the performance of any of its obligations or duties or the exercise of any of its rights or powers, and shall not be required to take any action which, in the Escrow Agent's reasonable judgment, could involve it in expense or liability unless furnished with security and indemnity which it deems, in its sole and absolute discretion, to be satisfactory.
- (t) Attorneys and Agents. The Escrow Agent shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken by the Escrow Agent in accordance with the advice of counsel or other professionals retained or consulted by the Escrow Agent. The Escrow Agent shall be reimbursed set forth in Section 6(c) for any and all compensation (fees, expenses and other costs) paid and/or reimbursed to such counsel and/or professionals. The Escrow Agent may perform any and all of its duties through its affiliates, agents, representatives, attorneys, custodians, and/or nominees.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When a party opens an account, the Escrow Agent will ask for each party's name, address, date of birth, or other appropriate information that will allow the Escrow Agent to identify such party. The Escrow Agent may also ask to see each party's driver's license or other identifying documents.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement on the date first written above.

PURCHASER

BEDDING ACQUISITION, LLC

By: _____
Name:
Its:

COMPANY

DREAM II HOLDINGS, LLC

BY: _____
NAME:
TITLE:

THE ESCROW AGENT

ACQUIOM CLEARINGHOUSE LLC, as Escrow Agent

By: _____
Name: Timothy P. Martin
Its: Senior Director

Schedule I

Wire Transfer Instructions

Purchaser

Bank Name: ☐
ABA Number: ☐
Account Number: ☐

For International Wires

Swift Code: ☐
Account Number: ☐

Company

Bank Name: ☐
ABA Number: ☐
SWIFT Code: ☐
Account Number: ☐

Bank Contact: ☐
Phone: ☐
Fax: ☐
E-mail: ☐

Escrow Agent:

Bank Name: Citizens Bank
ABA #: 011-500-120
Account Name: Citizens Bank NA fbo Acquiom Clearinghouse Escrow Clients
Account: #1339477782
For further credit: Bedding Acq./Dream Escrow
Attn: Tim Martin

EXHIBIT A-1

CERTIFICATE AS TO AUTHORIZED REPRESENTATIVES
OF PURCHASER

Bedding Acquisition, LLC (the "Purchaser") hereby designates each of the following persons as its Authorized Representatives for purposes of this Agreement, and confirms that the title, contact information and specimen signature of each such person as set forth below is true and correct. Each such Authorized Representative is authorized to initiate and approve transactions of all types for the Escrow Account established under the Agreement to which this Exhibit A-1 is attached, on behalf of the Purchaser.

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

COMPLETE BELOW TO UPDATE EXHIBIT A-1

If Purchaser wishes to update this Exhibit A-1, Purchaser must complete, sign and send to Escrow Agent an updated copy of this Exhibit A-1 with such changes. Any updated Exhibit A-1 shall be effective once signed by Purchaser and Escrow Agent and shall entirely supersede and replace any prior Exhibit A-1 to this Agreement.

BEDDING ACQUISITION, LLC

By: _____
Name:
Title:
Date:

ACQUIOM CLEARINGHOUSE LLC (as Escrow Agent)

By: _____
Name:
Title:
Date:

EXHIBIT A-2

CERTIFICATE AS TO AUTHORIZED REPRESENTATIVES
OF THE COMPANY

Dream II Holdings, LLC (the “The Company”) designates each of the following persons as its Authorized Representatives for purposes of this Agreement, and confirms that the title, contact information and specimen signature of each such person as set forth below is true and correct. Each such Authorized Representative is authorized to initiate and approve transactions of all types for the Escrow Account established under the Agreement to which this Exhibit A-2 is attached, on behalf of the Company.

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email:

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email:

COMPLETE BELOW TO UPDATE EXHIBIT A-2

If the Company wishes to update this Exhibit A-2, the Company must complete, sign and send to Escrow Agent an updated copy of this Exhibit A-2 with such changes. Any updated Exhibit A-2 shall be effective once signed by the Company and Escrow Agent and shall entirely supersede and replace any prior Exhibit A-2 to this Agreement.

DREAM II HOLDINGS, LLC

BY: _____

NAME:

TITLE:

ACQUIOM CLEARINGHOUSE LLC (as Escrow Agent)

By: _____

Name:

Title:

Date:

Exhibit B

Fees of Escrow Agent

Acceptance Fee:

Waived

Initial Fees as they relate to Acquiom Clearinghouse LLC acting in the capacity of Escrow Agent – includes review of the Escrow Agreement; acceptance of the Escrow appointment; setting up of Escrow Account(s) and accounting records; and coordination of receipt of funds for deposit to the Escrow Account(s).

Annual Administration Fee

\$3,500

For ordinary administrative services by Escrow Agent – includes daily routine account management; interest tracking; monitoring claim notices pursuant to the agreement; disbursement of funds in accordance with the agreement; and delivery of trust account statements to all applicable parties. These fees cover a full year, or any part thereof, and thus are not pro-rated in the year of termination. The annual fee is billed in advance and payable prior to that years' service.

Acquiom Clearinghouse LLC's bid is based on the following assumptions:

- Number of Escrow Accounts to be established: One (1)
- Estimated Term: < 6 months
- Amount of Escrow: \$2,000,000
- Estimated number of disbursements: 6
- Investment in an account at Citizens Bank that will remain un-invested

Out-of-Pocket Expenses:

Billed At Cost

CONFIDENTIAL

DISCLOSURE SCHEDULES

to that certain

ASSET PURCHASE AGREEMENT

by and between

BEDDING ACQUISITION, LLC, as PURCHASER,

DREAM II HOLDINGS, LLC, as the COMPANY,

and

THE OTHER SELLERS NAMED THEREIN

August 15, 2019

These are the Disclosure Schedules referred to in the Asset Purchase Agreement (the "Agreement"), dated August 15, 2019, by and between Bedding Acquisition, LLC, a Delaware limited liability company ("Purchaser"), Dream II Holdings, LLC, a Delaware limited liability company (the "Company"), and the Subsidiaries of the Company that are indicated on the signature pages attached thereto (together with the Company, each a "Seller" and collectively "Sellers"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Agreement.

These Schedules have been arranged for purposes of convenience in separately numbered sections corresponding to the sections of the Agreement; however, each section of these Schedules will be deemed to incorporate by reference all information disclosed in any other section of the Schedules, and any disclosure in the Disclosure Statement will be deemed a disclosure against any representation or warranty set forth in the Agreement. Capitalized terms used in the Schedules and not otherwise defined therein have the meanings given to them in the Agreement. The specification of any dollar amount or the inclusion of any item in these Schedules or the exhibits to the Agreement is not intended to imply that the amounts, or higher or lower amounts, or the items so included, or other items, are or are not required to be disclosed (including whether such amounts or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course or consistent with past practice, and no Party will use the fact of the setting of the amounts or the fact of the inclusion of any item in the Agreement, these Schedules, Updated Schedules, or exhibits in any dispute or controversy between the Parties as to whether any obligation, item or matter not set forth or included in the Agreement, these Schedules or exhibit to the Agreement is or is not required to be disclosed (including whether the amount or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course. In addition, matters reflected in these Schedules are not necessarily limited to matters required by the Agreement to be reflected in these Schedules. Such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature. No information set forth in these Schedules will be deemed to broaden in any way the scope of the parties' representations and warranties. Any description of any agreement, document, instrument, plan, arrangement or other item set forth on any Schedule is a summary only and is qualified in its entirety by the terms of such agreement, document, instrument, plan, arrangement, or item which terms will be deemed disclosed for all purposes of the Agreement. The information contained in the Agreement, in these Schedules and exhibits thereto is disclosed solely for purposes of the Agreement, and no information contained herein or therein will be deemed to be an admission by any Party to any third party of any matter whatsoever, including any violation of Law or breach of contract.

Schedule 1.1(a) - Assigned Contracts

1. Master Services Agreement, by and between Auxis Managed Solutions, LLC and Hollander Home Fashions, LLC, dated as of April 5, 2012, as amended by that certain Statement of Work and Change Order Form #048, dated as of April 16, 2012, as further amended by that certain Change Order Form #050 dated as of November 1, 2017, as further amended by that certain Change Order Form #52, dated August 1, 2019.
2. Sales Order Terms and Conditions for Avalara Services, between Avalara and Hollander Sleep Products, LLC, dated as of July 17, 2015.
3. Avendra Supplier Agreement, by and between Avendra, LLC and Hollander Sleep Products LLC, dated as of September 1, 2017.
4. Avendra Supplier Agreement, dated February 1, 2010, between Pacific Coast Feather Company and Avendra, as amended.
5. Sublicense Agreement, by and between Crown Crafts Designer, Inc., and Pacific Coast Feather Company, dated November 1, 1999, as amended by Amendment to the Sublicense Agreement by and between Pacific Coast Feather Company and Calvin Klein, Inc., effective October 1, 2001, as further amended by that certain Amendment, by and between Pacific Coast Feather Company and Hollander Sleep Products LLC, dated as of May 1, 2018.
6. Lease Contract, by and between Hollander Sleep Products Canada Limited and Canon Canada Inc. (Business Solutions Division - Montreal).
7. Lease Contract, by and between Hollander Sleep Products Canada Limited and Canon Canada Inc. (Business Solutions Division - Toronto).
8. Lease Contract, by and between Hollander Sleep Products Canada Limited and Canon Canada Inc. (Business Solutions Division - Mississauga).
9. Unified Lease Agreement, by and between Hollander Sleep Products, LLC and Canon Solutions America, dated as of April 19, 2018.
10. Unified Lease Agreement, by and between Hollander Sleep Products, LLC and Canon Solutions America, dated as of November 17, 2017.
11. Unified Lease Agreement, by and between Hollander Sleep Products, LLC and Canon Solutions America, dated as of May 17, 2017.
12. CertiPay Service Agreement, between Hollander Sleep Products, LLC and CertiPay America, LLC, dated as of January 23, 2018, as amended by that certain Addendum to Agreement dated as of February 9, 2019.
13. Lease Agreement, between Hollander Sleep Products, LLC and CIT Bank, N.A., dated as of March 18, 2018.
14. Sales Order Form, between Hollander Sleep Products, LLC and SAP Concur, dated as of March 28, 2018.
15. Engagement Letter, between Hollander Sleep Products and CTMI, LLC, dated as of January 29, 2018.
16. Cybersource Payment Solutions Agreement, between CyberSource Corporation and Hollander Sleep Products, dated as of July 14, 2015.
17. Administrative Services Agreement with Discovery Benefits, Inc.

18. Trademark License Agreement, dated as of May 24, 2013, by and between Dreamwell, Ltd. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of December 2015, Amendment No. Two to the Trademark License Agreement, dated as of December 31, 2016, Amendment No. Three to the Trademark License Agreement, dated November 20, 2017, and Amendment No. Four to the Trademark License Agreement, dated as of September 18, 2018.

19. Master Lease Agreement, between Hollander Sleep Products, LLC and HYG Financial Services, Inc., dated as of August 22, 2018.

20. Master Lease Agreement, between Hollander Sleep Products, LLC and Nationwide Lift Trucks, Inc., dated as of June 10, 2013.

21. Service Agreement, between Hollander Sleep Products and InfoArmor, Inc., dated April 1, 2018.

22. Informatica License and Services Agreement, between Informatica LLC and Hollander Sleep Products, LLC, dated as of February 14, 2019.

23. Packaging Supply Agreement, between Kapstone Container Corporation and Hollander Sleep Products, LLC, dated as of June 1, 2016.

24. Investment and Administrative Services Agreement, between Mercer Investment Management, Inc. and Hollander Sleep Products, dated January 1, 2019.

25. Oracle Technical Support Services Renewal Order (Support Service # 6627028), between Hollander Sleep Products, LLC and Oracle America, Inc., undated.

26. Oracle Ordering Document, between Hollander Home Fashions, LLC and Oracle America, Inc., dated as of July 2, 2010.

27. Oracle License and Services Agreement, between Oracle America, Inc. and Hollander Home Fashions, LLC, undated.

28. Stock Purchase Agreement, between Pacific Coast Feather Company, each of the shareholders of Pacific Coast Feather Company, Joseph T. Crawford, and Hollander Sleep Products, LLC, dated as of June 9, 2017.

29. Master Services Agreement, between Pacific Coast Feather Company and Rimini Street, dated as of April 26, 2019, as amended by that certain Statement of Work No. 1, dated as of April 26, 2016, as further amended by that certain Statement of Work No. 2, dated as of April 26, 2016, and as further amended by that certain Amendment No. 3 to that certain Statement of Work No. 1, dated as of March 15, 2017.

30. Trademark License Agreement, dated May 24, 2013, by and between Simmons Canada Inc. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of January 1, 2017.

31. Agreement, between Hollander Sleep Products, LLC and Mid-Atlantic Joint Board of Workers United, dated as of May 1, 2019.

32. Agreement, between Hollander Sleep Products, LLC and Southwest Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of March 1, 2017.

33. Agreement, between Hollander Sleep Products, LLC and Workers United, Western States Regional Joint Board, dated as of February 28, 2019.

34. Master Consulting Services Agreement, between Cloud Consulting Partners, Inc. and Hollander Sleep Products, LLC, dated as of January 13, 2015.

35. Chaps License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

36. Amended and Restated Lauren/Ralph Lauren License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

37. NVOCC Service Agreement, between TopOcean Consolidation, Inc. and Hollander Sleep Products, dated as of May 17, 2018.

38. Agreement of Lease, between Hollander Home Fashions LLC and 440 Realty Associates LLC, dated as of October 19, 2011.

39. Lease Agreement, between Hollander Sleep Products, LLC and Earley LP D/B/ EFP Partners-1, Ltd., dated as of April 11, 2016, as amended by that certain Memorandum of Understanding between EFP Partners-1 and Hollander Sleep Products LLC, dated May 23, 2018.

40. Industrial Lease, between Hollander Sleep Products, LLC and NP Pottsville Industrial LLC, dated as of March 17, 2017, as amended by that certain First Amendment to Industrial Lease, dated as of October 13, 2017.

41. Standard Office Lease, between Hollander Sleep Products, LLC and Imperial Realty Company, dated as of November 27, 2017.

42. Office Lease, between Hollander Sleep Products, LLC and Mainstreet CV North 40, LLC, dated as of October 31, 2017.

43. Standard Industrial Real Estate Lease, between Hollander Sleep Products, LLC and Majestic/AMB Pico Rivera Associates, LLC, dated as of June 26, 2018.

44. Lease Agreement, between Hollander Home Fashions, LLC and Prologis LP, dated as of March 8, 2012.

45. Lease Agreement, between Pacific Coast Feather, LLC and Royal Oak Acquisitions LLC, dated as of November 10, 2017.

46. Lease Arkansas Sales Office, between Hollander Sleep Products, LLC and SH&S Limited Partnership II LLLP, dated as of February 1, 2003 (amended as of December 21, 2016).

47. Lease Agreement, between Hollander Sleep Products, LLC and MAC Crossing, L.L.C., dated as of February 9, 2018.

48. Workspace Service Agreement, between Hollander Sleep Products and Access Serviced Offices Pvt. Ltd., dated as of June 12, 2018.

49. Net Net Lease, between A.H.F. Aerated Home Furnishings Ltd. [LBC Canada Inc.] and 171570 Canada Inc. [6879616 Canada Inc.], dated as of June 1, 1993, as amended by that certain letter amendment, dated as of October 23, 2012.

50. Shanghaimart Office Tower Office Premises Lease Agreement, between Hollander Sleep Products Trading (Shanghai) Co., Ltd. and Shanghai World Trade City Corp., Ltd., dated as of September 10, 2016.

51. Industrial Building Lease, between Hollander Canada Home Fashions Limited and L and C Real Estate Holdings Corp., dated as of July 21, 2009, as amended by that certain Lease Amending Agreement dated as of April 2, 2012.
52. Indenture, between 420-450 Britannia Road East Ltd. and LBC Canada Inc., dated January 17, 2011, as amended by that Lease Amending Agreement, dated as of April 1, 2011.
53. Lease, between Pacific Coast Feather Cushion Company, LLC and H.I.P. III, LLC, dated as of September 11, 2017.
54. Lease, between A. Darrell Harris, Stella S. Harris, and Pacific Coast Feather Cushion Company, dated as of November 28, 2012, as amended by that certain letter amendment, dated as of May 20, 2015.
55. Lease, between Spiegel Family Realty Company Iowa, LLC and Pacific Coast Feather Company, dated as of February 3, 2016, as amended by that certain First Amendment to Lease Agreement and Release, dated as of February 3, 2017.
56. Standard Industrial/Commercial Single-Tenant Lease-Net, dated Hager Pacific Properties, LLC and Pacific Coast Feather Cushion, LLC, dated September 28, 2017.
57. 1736 Fourth Avenue South Building Lease Agreement, between Pacific Coast Feather, LLC and PND Engineers, Inc., dated as of May 29, 2018.
58. Master Country Agreement, by and between Hollander Sleep Products, LLC and Equinix LLC, dated as of November 20, 2015.
59. Global Terms and Conditions, by and between Hollander Sleep Products, LLC and Equinix LLC, undated.
60. Master Services Agreement, by and between Pacific Coast Feather and TierPoint, LLC, dated as of April 8, 2019.
61. Letter Agreement, by and between Hollander Sleep Products, LLC and Loftware, dated as of December 18, 2018.
62. Verizon Rapid Delivery Attachment to the Verizon Business Service Agreement, between Hollander Sleep Products, LLC and Verizon, undated.
63. Amendment to Verizon Business Service Agreement, by and between Hollander Home Fashions, LLC and Verizon Business Network Services, Inc., dated as of December 1, 2017.
64. Colocation Service Order, between Hollander Home Fashions, LLC and Terremark North America, LLC, dated as of June 8, 2018.
65. Verizon Wireless Major Account Agreement, between Hollander Sleep Products, LLC and Verizon Wireless, dated as of December 18, 2018.
66. ComRes Service Activation Form, between Hollander Home Fashions and ComRes, Inc., dated as of March 26, 2018
67. ComRes Monthly Managed Voice Services, between Hollander Sleep Products and ComRes, dated as of February 2, 2018.
68. Agreement for Managed Services, by and between Aeon It, Inc. and Hollander Sleep Products, undated and as amended by that certain email from Jim D'Amico, dated June 11, 2019 (Agreement No. C407292).
69. On-Site Service Agreement Terms and Conditions, between Avery Dennison Corporation and Hollander Sleep Products, LLC, dated as of January 1, 2019.

70. On-Site Service Agreement Terms and Conditions, between Avery Dennison Corporation and Hollander Sleep Products, LLC, dated as of November 1, 2018 (Agreement No. 503529).

71. Comcast Enterprise Services Sales Order Form, between Hollander Sleep Products, LLC and Comcast, dated as of January 30, 2018.

72. Watterson Center Lease Agreement, between Hollander Sleep Products, LLC and VARS, Inc., dated as of May 8, 2015, as amended by that Lease Renewal dated as of June 15, 2018.

73. R/3 Software Individual End-User License Agreement, dated March 8, 1995, between Pacific Coast Feather Company and SAP America, as supplemented and amended from time to time.

Schedule 1.1(d) - Acquired Owned Real Property

<u>Owner</u>	<u>Address</u>	<u>County</u>	<u>State</u>
Pacific Coast Feather, LLC	220 Miriam Street Henderson, NC 27536	Vance	North Carolina

Schedule 1.1(e) - Acquired Leased Real Property

Property Address	Agreement
1. 440 Park Avenue South, 10th floor Manhattan, New York	Agreement of Lease, between Hollander Home Fashions LLC and 440 Realty Associates LLC, dated as of October 19, 2011.
2. 2102 Production Drive Louisville, Kentucky	Lease Agreement, between Hollander Sleep Products, LLC and Earley LP D/B/ EFP Partners-1, Ltd., dated as of April 11, 2016, as amended by that certain Memorandum of Understanding between EFP Partners-1 and Hollander Sleep Products LLC, dated May 23, 2018.
3. 25 Keystone Boulevard Pottsville, Pennsylvania 17901	Industrial Lease, between Hollander Sleep Products, LLC and NP Pottsville Industrial LLC, dated as of March 17, 2017, as amended by that certain First Amendment to Industrial Lease, dated as of October 13, 2017.
4. 9933 Lawler Avenue, Suite 205 Skokie, Illinois 60077	Standard Office Lease, between Hollander Sleep Products, LLC and Imperial Realty Company, dated as of November 27, 2017.
5. 901 Yamato Road Boca Raton, Florida 33431, Suites 200, 220 and 250	Office Lease, between Hollander Sleep Products, LLC and Mainstreet CV North 40, LLC, dated as of October 31, 2017.
6. 8500-8550 Rex Road Pico Rivera, California	Standard Industrial Real Estate Lease, between Hollander Sleep Products, LLC and Majestic/AMB Pico Rivera Associates, LLC, dated as of June 26, 2018.
7. 100 Comfort Drive Henderson, North Carolina	Lease Agreement, between Pacific Coast Feather, LLC and Royal Oak Acquisitions LLC, dated as of November 10, 2017.
8. 1204 East Summit Street Maquoketa, Iowa 9. 1725 East Maple Street Maquoketa, Iowa	Lease Agreement, between Pacific Coast Feather, LLC and Royal Oak Acquisitions LLC, dated as of November 10, 2017.
10. Rain Tree Business Center, 902B South Walton Blvd., Suites 22 & 23 Bentonville, Arkansas 72712	Lease Arkansas Sales Office, between Hollander Sleep Products, LLC and SH&S Limited Partnership II LLLP, dated as of February 1, 2003 (amended as of December 21, 2016).
11. 10608 Watterson Center Court #200 Louisville, Kentucky 40299	Watterson Center Lease Agreement, between Hollander Sleep Products, LLC and VARS, Inc., dated as of May 8, 2015, as amended by that Lease Renewal dated as of June 15, 2018.
12. 100 Quality Street	Lease, between Hollander Sleep Products, LLC

Mundfordville, KY 42765	and Woodcreek Holdings, LLC, dated as of July 23, 2016, as amended by that certain Lease Amendment dated November 11, 2016.
13. 2615 Gifford Street Grand Prairie, Texas 75050	Lease Agreement, between Hollander Sleep Products, LLC and MAC Crossing, L.L.C., dated as of February 9, 2018.
14. Access Serviced Offices Pvt. Ltd. Level 4, MBC Infotech Park, Godbunder Road, Near Hypercity Park Thane-400607 India Workspace (Office) Number 403	Workspace Service Agreement, between Hollander Sleep Products and Access Serviced Offices Pvt. Ltd., dated as of June 12, 2018.
15. 5415 Cote de Liesse, Ville St.-Laurent	Net Net Lease, between A.H.F. Aerated Home Furnishings Ltd. [LBC Canada Inc.] and 171570 Canada Inc. [6879616 Canada Inc.], dated as of June 1, 1993, as amended by that certain letter amendment, dated as of October 23, 2012.
16. 1736 Fourth Avenue South Building Seattle, Washington 98134	1736 Fourth Avenue South Building Lease Agreement, between Pacific Coast Feather, LLC and PND Engineers, Inc., dated as of May 29, 2018.
17. Shanghaimart Office Tower 2299 Yanan Road West Shanghai, China	Shanghaimart Office Tower Office Premises Lease Agreement, between [Hollander Sleep Products Trading (Shanghai) Co., Ltd.] and Shanghai World Trade City Corp., Ltd., dated as of September 10, 2016.
18. Parcel Identification Number 10337-0185 (LT) - Part of Lots 2 and 3, Concession 3, west of Yonge Street, designated as Parts 1 on Plan 64R-10215, City of Toronto, Canada, together with all buildings of any type and nature located thereon.	Industrial Building Lease, between Hollander Canada Home Fashions Limited and L and C Real Estate Holdings Corp., dated as of July 21, 2009, as amended by that certain Lease Amending Agreement dated as of April 2, 2012.
19. 420 Britannia Road East, Mississauga, Ontario, Units 200A, 202 and 203	Indenture, between 420-450 Britannia Road East Ltd. and LBC Canada Inc., dated January 17, 2011, as amended by that Lease Amending Agreement, dated as of April 1, 2011.
20. 210 Pendleton Street High Point, North Carolina	Lease, between Pacific Coast Feather Cushion Company, LLC and H.I.P. III, LLC, dated as of September 11, 2017.
21. 140 Jacobsen Drive Maquoketa, Iowa	Lease, between Spiegel Family Realty Company Iowa, LLC and Pacific Coast Feather Company, dated as of February 3, 2016, as amended by that certain First Amendment to Lease Agreement and Release, dated as of February 3, 2017.
22. 7600 Industry Avenue	Standard Industrial/Commercial Single-Tenant

Pico Rivera, CA 90660	Lease-Net, dated Hager Pacific Properties, LLC and Pacific Coast Feather Cushion, LLC, dated September 28, 2017.
23. Prologis Artesia Industrial Center 601-615 West Walnut Street Compton, California 90220	Lease Agreement, between Hollander Home Fashions, LLC and Prologis LP, dated as of March 8, 2012.

Schedule 1.2(c) - Excluded Contracts

1. Supply and License Agreement, dated July 10, 2018 between Pacific Coast Feather Company and Cocona Inc.
2. Endorsement Agreement by and between Pacific Coast Feather Company (as successor-in-interest to the rights of United Feather & Down, Inc.) and James B. Maas, dated as of December 7, 2010, as amended effective December 31, 2015.
3. License Agreement, by and between Nautica Apparel, Inc. and Hollander Home Fashions, LLC, dated as of May 24, 2013, as amended by that certain Amendment No. 2 to License Agreement, dated as of January 1, 2018.
4. Trademark License Agreement by and between Pacific Coast Feather Company and Elie Tahari Ltd., dated March 13, 2014.
5. Trademark License Agreement, by and between Wal-Mart Stores, Inc. and Hollander Home Fashions, LLC, dated as of August 25, 2009.
6. License Agreement, dated as of August 20, 2008, by and between Croscill, Inc. and Louisville Bedding Company, as amended.
7. Letter Agreement, dated as of November 6, 2009, by and among The Versailles Foundation, Inc., Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC) and Hollander Canada Home Fashions Ltd.
8. License Agreement, dated as of September 30, 2010, by and among Icon De Holdings LLC (by assignment from Studio IP Holdings LLC), Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), and Hollander Canada Home Fashions Limited, as amended.
9. Exclusive Selling and Commission Agreement: ComfortMax, dated February 15, 2017, between Pacific Coast Feather Company and Hop Lion.
10. The SAP License Agreement, undated, between Pacific Coast Feather Company and Kamyk Daunen s.r.o.
11. Trademark License Agreement by and between Pacific Coast Feather Company and SHEEX, Inc., dated as of April 22, 2016.
12. Spring Air International LLC License Agreement by and between Spring Air International LLC, Spring Air IP Holdings, LLC, and Pacific Coast Feather Company, dated July 28, 2013.
13. IBM Credit LLC Rapid Finance Agreement, between Hollander Sleep Products, LLC and IBM Credit LLC, dated as of December 17, 2017.
14. Separation Agreement and Release of Claims by and between Hollander Sleep Products, LLC and Rafael Rodriquez, dated as of January 31, 2019.
15. Severance Agreement by and between Hollander Sleep Products, LLC and Rafael Rodriquez, dated as of September 30, 2014.
16. Deferred Compensation Agreement by and between Hollander Home Fashions Corp. and David P. Sides, dated July 1, 1999.
17. Employee Agreement between Hollander Home Fashions Corp. and David P. Sides III, dated as of June 8, 1998.
18. Amended and Restated Management Services Agreement, by and between Dream II Holdings, LLC and Sentinel Capital Partners, L.L.C., dated as of June 9, 2017.

19. Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board Workers United, SEIU on behalf of Local 2420, dated as of January 1, 2017.
20. Memorandum of Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board of Workers United, dated as of June 14, 2019.
21. Memorandum of Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of October 17, 2018.
22. Lease, between Hollander Sleep Products, LLC and Woodcreek Holdings, LLC, dated as of July 23, 2016, as amended by that certain Lease Amendment dated November 11, 2016.
23. Lease, between Hollander Sleep Products, LLC and Lex Thomson L.P., dated as of September 12, 2014.
24. Amended and Restated Lease Agreement, between Hollander Sleep Products, LLC and 660 National Turnpike, LLC, dated as of December 31, 2015.
25. Notification of Assignment, between Oracle Credit Corporation and Banc of America Leasing & Capital, LLC, dated as of January 16, 2018.
26. Payment Plan Agreement and Payment Plan Schedule, between Hollander Sleep Products and Oracle Credit Corporation, dated as of November 22, 2017.
27. Oracle Cloud Services Agreement, between Oracle America, Inc. and Hollander Sleep Products, LLC, dated May 29, 2015, as amended by that certain Amendment #3 dated as of May 29, 2015.
28. Master Agreement Oracle Ordering Document, between Hollander Sleep Products, LLC and Oracle America, Inc., dated as of April 24 2017.
29. Amended and Restated Lease Agreement, between Hollander Sleep Products, LLC and 10401 Bunsen Way, LLC, dated as of December 31, 2015.
30. Oracle Technical Support Services Renewal Order (Support Service # 17192078), between Hollander Sleep Products, LLC and Oracle America, Inc., undated.
31. Oracle Technical Support Services Renewal Order (Support Service # 14941038), between Hollander Sleep Products, LLC and Oracle America, Inc., undated.

Schedule 1.2(l) - Excluded Properties and Assets

1. Machinery located at the Munfordville Plant

Schedule 1.5 – Specified Contract

1. Any open purchase orders arising in the Ordinary Course after the Petition Date.
2. Items 1-23 of Schedule 1.1(e), which are hereby incorporated by reference.
3. The following Contracts:
 - Agreement, between Hollander Sleep Products, LLC and Mid-Atlantic Joint Board of Workers United, dated as of May 1, 2019.
 - Agreement, between Hollander Sleep Products, LLC and Southwest Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of March 1, 2017.
 - Agreement, between Hollander Sleep Products, LLC and Workers United, Western States Regional Joint Board, dated as of February 28, 2019.
 - Memorandum of Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of October 17, 2018.

Schedule 2.1(b) – Severance, Termination or Similar Payments

See attached.

Munfordville Severance Pay Overview									
Severance	21-Aug		4-Sep		7-Oct		25-Oct		Close of Plant
Hourly (Production)	5	\$ 6,910	19	\$14,720	7	\$ 7,501	106	\$ 203,326	0 \$ -
Hourly (Non Production)	1	\$ 4,041	2	\$ 6,733	0	\$ -	14	\$ 62,860	0 \$ -
Salary (Non-Production)	0	\$ -	0	\$ -	0	\$ -	9	\$ 72,531	3 \$24,020
	6	\$10,951	21	\$21,453	7	\$ 7,501	129	\$ 338,717	3 \$24,020

Total Severance

Accrued PTO Payout Est.

1 Month of Cobra for Salaried

TOTAL

Schedule 3.3 - Conflicts; Consents

(a)

1. Chaps License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.
2. Supply and License Agreement, dated July 10, 2018 between Pacific Coast Feather Company and Cocona Inc.
3. Endorsement Agreement by and between Pacific Coast Feather Company (as successor-in-interest to the rights of United Feather & Down, Inc.) and James B. Maas, dated as of December 7, 2010, as amended by that certain Amendment No. 1 to Endorsement Agreement dated as of December 31, 2015.
4. License Agreement, dated as of January 1, 2006, by and between Nautica Apparel, Inc. and Hollander Home Fashions, LLC, dated as of May 24, 2013, as amended by that certain Amendment No. 2 to License Agreement, dated as of January 1, 2018.
5. Amended and Restated Lauren/Ralph Lauren License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.
6. Trademark License Agreement, dated May 24, 2013, by and between Simmons Canada Inc. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of January 1, 2017.
7. Trademark License Agreement, dated as of May 24, 2013, by and between Dreamwell, Ltd. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of December 2015, Amendment No. Two to the Trademark License Agreement, dated as of December 31, 2016, Amendment No. Three to the Trademark License Agreement, dated November 20, 2017, and Amendment No. Four to the Trademark License Agreement, dated as of September 18, 2018.
8. Trademark License Agreement by and between Pacific Coast Feather Company and Elie Tahari Ltd., dated March 13, 2014.
9. Sublicense Agreement, by and between Crown Crafts Designer, Inc., and Pacific Coast Feather Company, dated November 1, 1999, as amended by Amendment to the Sublicense Agreement by and between Pacific Coast Feather Company and Calvin Klein, Inc., effective October 1, 2001, as further amended by that certain Amendment, by and between Pacific Coast Feather Company and Hollander Sleep Products LLC, dated as of May 1, 2018.
10. Avendra Supplier Agreement, by and between Avendra, LLC and Hollander Sleep Products LLC, dated as of September 1, 2017.
11. Trademark License Agreement, by and between Wal-Mart Stores, Inc. and Hollander Home Fashions, LLC, dated as of August 25, 2009.

(b)

No disclosure.

Schedule 3.4 - Equity Interests of Non-Debtor Subsidiaries

Issuer	Holder	Percentage of Outstanding Equity Interests Owned by Holder
Hollander Home Fashions Trading (Shanghai) Co., Ltd.	Hollander Sleep Products, LLC	100%

Schedule 3.5 - Financial Statements

See attached.

Schedule 3.6 - Absence of Certain Developments

(d)

(i) The individuals listed below received the increases to their annual compensation indicated below.

Employee Name	Effective Date	From Annual Amount	To Annual Amount
Sandy McNeil	8/5/2019	\$295,000.00	\$365,000.00
Beth Mack	8/5/2019	\$367,919.24	\$404,711.16
Mason Carroll	8/5/2019	\$318,243.12	\$350,067.43
May Huneidi	8/5/2019	\$275,000.44	\$302,500.48

Schedule 3.7 - Title to Properties

(a)

Property Address	Agreement
1. 10401 Bunsen Way and 2109 Carton Drive Louisville, Kentucky 40299	Amended and Restated Lease Agreement, between Hollander Sleep Products, LLC and 10401 Bunsen Way, LLC, dated as of December 31, 2015.
2. 440 Park Avenue South, 10th floor Manhattan, New York	Agreement of Lease, between Hollander Home Fashions LLC and 440 Realty Associates LLC, dated as of October 19, 2011.
3. 660 National Turnpike Munfordville, Kentucky 42765	Amended and Restated Lease Agreement, between Hollander Sleep Products, LLC and 660 National Turnpike, LLC, dated as of December 31, 2015.
4. 2102 Production Drive Louisville, Kentucky	Lease Agreement, between Hollander Sleep Products, LLC and Earley LP D/B/ EFP Partners-1, Ltd., dated as of April 11, 2016, as amended by that certain Memorandum of Understanding between EFP Partners-1 and Hollander Sleep Products LLC, dated May 23, 2018.
5. 25 Keystone Boulevard Pottsville, Pennsylvania 17901	Industrial Lease, between Hollander Sleep Products, LLC and NP Pottsville Industrial LLC, dated as of March 17, 2017, as amended by that certain First Amendment to Industrial Lease, dated as of October 13, 2017.
6. 9933 Lawler Avenue, Suite 205 Skokie, Illinois 60077	Standard Office Lease, between Hollander Sleep Products, LLC and Imperial Realty Company, dated as of November 27, 2017.
7. 3301 Stagecoach Road NE Thomson, GA 30824	Lease, between Hollander Sleep Products, LLC and Lex Thomson L.P., dated as of September 12, 2014.
8. 901 Yamato Road Boca Raton, Florida 33431, Suites 200, 220 and 250	Office Lease, between Hollander Sleep Products, LLC and Mainstreet CV North 40, LLC, dated as of October 31, 2017.
9. 8500-8550 Rex Road Pico Rivera, California	Standard Industrial Real Estate Lease, between Hollander Sleep Products, LLC and Majestic/AMB Pico Rivera Associates, LLC, dated as of June 26, 2018.
10. Prologis Artesia Industrial Center 601-615 West Walnut Street Compton, California 90220	Lease Agreement, between Hollander Home Fashions, LLC and Prologis LP, dated as of March 8, 2012.
11. 100 Comfort Drive	Lease Agreement, between Pacific Coast Feather,

Henderson, North Carolina	LLC and Royal Oak Acquisitions LLC, dated as of November 10, 2017.
12. 1204 East Summit Street Maquoketa, Iowa 13. 1725 East Maple Street Maquoketa, Iowa	Lease Agreement, between Pacific Coast Feather, LLC and Royal Oak Acquisitions LLC, dated as of November 10, 2017.
14. Rain Tree Business Center, 902B South Walton Blvd., Suites 22 & 23 Bentonville, Arkansas 72712	Lease Arkansas Sales Office, between Hollander Sleep Products, LLC and SH&S Limited Partnership II LLLP, dated as of February 1, 2003 (amended as of December 21, 2016).
15. 10608 Watterson Center Court #200 Louisville, Kentucky 40299	Watterson Center Lease Agreement, between Hollander Sleep Products, LLC and VARS, Inc., dated as of May 8, 2015, as amended by that Lease Renewal dated as of June 15, 2018.
16. 100 Quality Street Munfordville, KY 42765	Lease, between Hollander Sleep Products, LLC and Woodcreek Holdings, LLC, dated as of July 23, 2016, as amended by that certain Lease Amendment dated November 11, 2016.
17. 2615 Gifford Street Grand Prairie, Texas 75050	Lease Agreement, between Hollander Sleep Products, LLC and MAC Crossing, L.L.C., dated as of February 9, 2018.
18. Access Serviced Offices Pvt. Ltd. Level 4, MBC Infotech Park, Godbunder Road, Near Hypercity Park Thane-400607 India Workspace (Office) Number 403	Workspace Service Agreement, between Hollander Sleep Products and Access Serviced Offices Pvt. Ltd., dated as of June 12, 2018.
19. 5415 Cote de Liesse, Ville St.-Laurent	Net Net Lease, between A.H.F. Aerated Home Furnishings Ltd. [LBC Canada Inc.] and 171570 Canada Inc. [6879616 Canada Inc.], dated as of June 1, 1993, as amended by that certain letter amendment, dated as of October 23, 2012.
20. 1736 Fourth Avenue South Building Seattle, Washington 98134	1736 Fourth Avenue South Building Lease Agreement, between Pacific Coast Feather, LLC and PND Engineers, Inc., dated as of May 29, 2018.
21. Shanghaimart Office Tower 2299 Yanan Road West Shanghai, China	Shanghaimart Office Tower Office Premises Lease Agreement, between Hollander Sleep Products Trading (Shanghai) Co., Ltd. and Shanghai World Trade City Corp., Ltd., dated as of September 10, 2016.
22. Parcel Identification Number 10337-0185 (LT) - Part of Lots 2 and 3, Concession 3, west of Yonge Street, designated as Parts 1 on Plan 64R-10215,	Industrial Building Lease, between Hollander Canada Home Fashions Limited and L and C Real Estate Holdings Corp., dated as of July 21, 2009, as amended by that certain Lease Amending

City of Toronto, Canada, together with all buildings of any type and nature located thereon.	Agreement dated as of April 2, 2012.
23. 420 Britannia Road East, Mississauga, Ontario, Units 200A, 202 and 203	Indenture, between 420-450 Britannia Road East Ltd. and LBC Canada Inc., dated January 17, 2011, as amended by that Lease Amending Agreement, dated as of April 1, 2011.
24. 210 Pendleton Street High Point, North Carolina	Lease, between Pacific Coast Feather Cushion Company, LLC and H.I.P. III, LLC, dated as of September 11, 2017.
25. 140 Jacobsen Drive Maquoketa, Iowa	Lease, between Spiegel Family Realty Company Iowa, LLC and Pacific Coast Feather Company, dated as of February 3, 2016, as amended by that certain First Amendment to Lease Agreement and Release, dated as of February 3, 2017.
26. 7600 Industry Avenue Pico Rivera, California 90660	Standard Industrial/Commercial Single-Tenant Lease-Net, by and between Hager Pacific Properties, LLC and Pacific Coast Feather Cushion, LLC, dated September 28, 2017.

(b)

<u>Owner</u>	<u>Address</u>	<u>County</u>	<u>State</u>
Pacific Coast Feather, LLC	220 Miriam Street Henderson, NC 27536	Vance	North Carolina

(c)

1. On August 1, 2019 there was a fire at the Munfordville Plant that, to the Knowledge of Sellers, affected approximately 18,625 square feet of the Munfordville Plant.

Schedule 3.8 - Insurance

Effective	Expiration	Line of Coverage	Insurance Company	Policy Number
2/1/2019	2/1/2020	Property - includes Earth Movement, Flood	Westport Insurance Corporation (Swiss Re)	NAP 2003249-01
2/1/2019	2/1/2020	50% 1st Excess Property - includes Earth Movement, Flood	Ironshore Specialty Insurance Company	003965000
2/1/2019	2/1/2020	50% 1st Excess Property - includes Earth Movement, Flood	Evanston Insurance Company (Markel)	MKLV11XP007156
2/1/2019	2/1/2020	2nd Excess Property - <u>excludes</u> Earth Movement, Flood	James River Insurance Company	00081252-1
2/1/2019	2/1/2020	3rd Excess Property - <u>excludes</u> Earth Movement, Flood	Landmark American Insurance Company (RSUI)	LHD906954
1/1/2019	2/1/2020	Terrorism	Lloyds of London (Hiscox)	UTS2555987.19
1/1/2019	1/1/2020	Cargo & Stock Throughput (incl TRIA)	Lloyds of London	B0509MARCW1900022
1/1/2019	1/1/2020	Workers Compensation / Employers Liability	Safety First Insurance Co.	FCL 4059909
1/1/2019	1/1/2020	Commercial General Liability (incl TRIA)	Safety National Casualty Corp.	GLF 4059904
1/1/2019	1/1/2020	Business Auto Liability & Physical Damage	Safety National Casualty Corp.	CAF 4059905
1/1/2019	1/1/2020	Umbrella Liability (incl TRIA)	Continental Insurance Co (CNA)	6050424429
1/1/2019	1/1/2020	Excess Liability (incl TRIA)	The Ohio Casualty Insurance Co (Liberty Mutual)	ECO (20) 58458016
1/1/2019	1/1/2020	International Package: Foreign Commercial General Liability Foreign Business Auto & Physical Damage Foreign Voluntary Compensation & Employers Liab Foreign Travel Accident and Sickness Foreign Commercial Property - Scheduled location	Insurance Company of the State of Pennsylvania (AIG)	WS11001075
1/1/2019	1/1/2020	Commercial Crime	Travelers	106205672
1/1/2019	1/1/2020	Cyber (Privacy & Network Liability)	ACE American Insurance Co	G25666707004
1/1/2018	11/1/2019	Special Crime	National Union Fire Ins Co (AIG)	82867529
1/1/2019	1/1/2020	Employment Practices Liability	Travelers Casualty and Surety Company of America	106876796
2/1/2019	2/1/2020	CANADA: Property (local underlyer p/o Global Master property policy with Swiss Re)	Westport Insurance Corporation (Swiss Re)	TBD
1/1/2019	1/1/2020	CANADA: Commercial General Liability (local underlyer p/o Global Master Safety National GL policy)	Tokio Marine & Nichido Fire Insurance Co., Ltd. (Canadian Branch)	CBC0671648
2/28/2019	2/28/2020	CANADA: Employment	AIG Insurance Company of	01-144-48-19

Effective	Expiration	Line of Coverage	Insurance Company	Policy Number
		Practices Liability	Canada	
1/1/2019	1/1/2020	CHINA: Property	PingAn P&C Insurance Company of China, Ltd.	14576003900588300000
1/1/2019	1/1/2020	CHINA: Commercial General Liability (local underlyer p/o Global Master AIG foreign liability policy)	AIG Insurance Company China, Ltd.	SB11003823
3/11/2019	3/11/2020	Customs Bond - Importer # 27-054214300 Principal: Hollander Sleep Products, LLC	Berkley Insurance Co.	190207179
6/17/2018	6/17/2019	Customs Drawback Bond - Importer #27-054214300 Principal: Hollander Sleep Products, LLC	Berkley Insurance Co.	180605012
5/25/2016	5/25/2020	Notary Bond Principal: Pacific Coast Feather Company	Travelers Casualty and Surety Company of America	106504503
8/1/2017	8/1/2021	Notary Bond Principal: Pacific Coast Feather Company	Travelers Casualty and Surety Company of America	106766410
1/18/2018	11/1/2019	Statement of Work - Outsourced Claims Management Services - Oversight of 7 Legacy Claims	Marsh Claim Practice	N/A

See items 25-33 of Schedule 3.15, which are hereby incorporated by reference.

Schedule 3.9 - Contracts

(a)

(i)

1. Agreement, between Hollander Sleep Products, LLC and Mid-Atlantic Joint Board of Workers United, dated as of May 1, 2019.
2. Agreement, between Hollander Sleep Products, LLC and Southwest Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of March 1, 2017.
3. Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board Workers United, SEIU on behalf of Local 2420, dated as of January 1, 2017.
4. Memorandum of Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board of Workers United, dated as of June 14, 2019.
5. Agreement, between Hollander Sleep Products, LLC and Workers United, Western States Regional Joint Board, dated as of February 28, 2019.
6. Memorandum of Agreement, between Hollander Sleep Products, LLC and Southern Regional Joint Board of Workers United, SEIU on behalf of Local 2420, dated as of October 17, 2018.

(ii)

1. Offer Letter, between Hollander Sleep Products and Beth Mack, dated as of August 2, 2019.
2. Offer Letter, between Hollander Sleep Products and Mason Carroll, dated as of August 2, 2019.
3. Letter Agreement, between Hollander Sleep Products and May Huneidi, dated as of August 2, 2019.
4. Offer Letter, between Hollander Sleep Products and Sandra McNeil, dated as of August 2, 2019.
5. Offer Letter, between Hollander Sleep Products and Scott Whitlow, dated as of August 2, 2019.
6. Employee Agreement between Hollander Home Fashions Corp. and David P. Sides III, dated as of June 8, 1998.

(iii)

1. Debtor-in-Possession Term Loan Credit Agreement, by and among Dream II Holdings, LLC and Hollander Home Fashions Holdings, LLC, Hollander Sleep Products, LLC, the Lenders that are parties thereto, and Barings Finance LLC, dated as of May 23, 2019.
2. Debtor-in-Possession Credit Agreement, by and among Wells Fargo Bank, National Association, the Lenders that are party thereto, Dream II Holdings, LLC, Hollander Home Fashions Holdings, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather, LLC and Pacific Coast Feather Cushion, LLC, dated May 23, 2019.

(iv)

1. License Agreement, dated as of August 20, 2008, by and between Croscill, Inc. and Louisville Bedding Company, as amended.
2. Trademark License Agreement, dated as of May 24, 2013, by and between Dreamwell, Ltd. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of December 2015, Amendment No. Two to the Trademark License Agreement, dated as of December 31, 2016, Amendment No. Three to the Trademark License Agreement, dated November 20, 2017, and Amendment No. Four to the Trademark License Agreement, dated as of September 18, 2018.
3. License Agreement, dated as of January 1, 2006, by and between Nautica Apparel, Inc. and Hollander Home Fashions, LLC, dated as of May 24, 2013, as amended by that certain Amendment No. 2 to License Agreement, dated as of January 1, 2018.
4. License Agreement, dated as of May 1, 2012 (renewed as of May 1, 2019), by and among PRL USA, Inc., The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.
5. Trademark License Agreement, dated May 24, 2013, by and between Simmons Canada Inc. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of January 1, 2017.
6. Intellectual Property License Agreement, dated December 1, 2011, by and among Ther-A-Pedic Associates, Inc., Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), and Hollander Canada Home Fashions, Ltd.
7. Letter Agreement, dated as of November 6, 2009, by and among The Versailles Foundation, Inc., Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC) and Hollander Canada Home Fashions Ltd.
8. License Agreement, dated as of September 30, 2010, by and among Icon De Holdings LLC (by assignment from Studio IP Holdings LLC), Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), and Hollander Canada Home Fashions Limited, as amended.
9. Joint Seal Licensing Agreement, dated as of July 1, 2006, by and among Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), Hollander Canada Home Fashions Ltd., the Asthma and Allergy Foundation of America and Allergy Standards Ltd., as amended.
10. Exclusive Selling and Commission Agreement: ComfortMax, dated February 15, 2017, between Pacific Coast Feather Company and Hop Lion.
11. Avendra Supplier Agreement, dated February 1, 2010, between Pacific Coast Feather Company and Avendra, as amended.
12. The SAP License Agreement, undated, between Pacific Coast Feather Company and Kamyk Daunen s.r.o.

13. R/3 Software Individual End-User License Agreement, dated March 8, 1995, between Pacific Coast Feather Company and SAP America, as supplemented and amended from time to time.

14. Master Services Agreement, dated April 26, 2016, between Pacific Coast Feather Company and Rimini Street, Inc., with the statements of word and schedules thereto, as amended from time to time.

15. Supply and License Agreement, dated September 2, 2015 between Pacific Coast Feather Company and Cocona Inc.

16. Endorsement Agreement by and between Pacific Coast Feather Company (as successor-in-interest to the rights of United Feather & Down, Inc.) and James B. Maas, dated as of December 7, 2010, as amended by that certain Amendment No. 1 to Endorsement Agreement dated as of December 31, 2015.

17. Trademark License Agreement by and between Pacific Coast Feather Company and Elie Tahari Ltd., dated March 13, 2014.

18. Trademark License Agreement by and between Pacific Coast Feather Company and SHEEX, Inc., dated as of April 22, 2016.

19. Spring Air International LLC License Agreement by and between Spring Air International LLC, Spring Air IP Holdings, LLC, and Pacific Coast Feather Company, dated July 28, 2013.

20. Sublicense Agreement, by and between Crown Crafts Designer, Inc., and Pacific Coast Feather Company, dated November 1, 1999, as amended by Amendment to the Sublicense Agreement by and between Pacific Coast Feather Company and Calvin Klein, Inc., effective October 1, 2001, as further amended by that certain Amendment, by and between Pacific Coast Feather Company and Hollander Sleep Products LLC, dated as of May 1, 2018.

21. Trademark License Agreement by and between Pacific Coast Feather Company and Kamyk Daunen s.r.o., dated August 11, 2016, grants Pacific Coast Feather Company an exclusive license to use the trademark "CANNSTATTER" (Canada filing number: TMA881243) in Canada.

22. Trademark License Agreement by and between Pacific Coast Feather Company and Kamyk Daunen s.r.o., dated August 11, 2016, grants Pacific Coast Feather Company an exclusive license to use the trademark "CANNSTATTER" (U.S. filing number: 4218093) in the U.S.

23. Master Purchase Agreement (Domestic Vendors), dated February 25, 2015, between Pacific Coast Feather Company and Williams-Sonoma, Inc.

24. J.C. Penney Corporation, Inc. Trading Partner Agreement for U.S. Merchandise Vendors.

25. Manufacturing and Supply Agreement, effective July 1, 2015, by and between Best Western International, Inc. and Pacific Coast Feather Company.

26. Master Goods Agreement by and between Pacific Coast Feather Company and Six Continents Hotels, Inc., dated June 30, 2016.

27. Chaps License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander

Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

28. Supply and License Agreement, dated July 10, 2018 between Pacific Coast Feather Company and Cocona Inc.

29. Amended and Restated Lauren/Ralph Lauren License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

30. Avendra Supplier Agreement, by and between Avendra, LLC and Hollander Sleep Products LLC, dated as of September 1, 2017.

(v)

1. Master Lease Agreement, between Hollander Sleep Products, LLC and HYG Financial Services, Inc., dated as of August 22, 2018.

2. IBM Credit LLC Rapid Finance Agreement, between Hollander Sleep Products, LLC and IBM Credit LLC, dated as of December 17, 2017.

3. Master Lease Agreement, between Hollander Sleep Products, LLC and Nationwide Lift Trucks, Inc., dated as of June 10, 2013.

(vi) No disclosure.

(vii) No disclosure.

(viii)

1. Chaps License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

2. Amended and Restated Lauren/Ralph Lauren License Agreement, dated as of April 1, 2019, by and among The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.

3. Avendra Supplier Agreement, by and between Avendra, LLC and Hollander Sleep Products LLC, dated as of September 1, 2017.

4. Sublicense Agreement, by and between Crown Crafts Designer, Inc., and Pacific Coast Feather Company, dated November 1, 1999, as amended by Amendment to the Sublicense Agreement by and between Pacific Coast Feather Company and Calvin Klein, Inc., effective October 1, 2001, as further amended by that certain Amendment, by and between Pacific Coast Feather Company and Hollander Sleep Products LLC, dated as of May 1, 2018.

5. Supply and License Agreement, dated July 10, 2018 between Pacific Coast Feather Company and Cocona Inc.

6. License Agreement, dated as of January 1, 2006, by and between Nautica Apparel, Inc. and Hollander Home Fashions, LLC, dated as of May 24, 2013, as amended by that certain Amendment No. 2 to License Agreement, dated as of January 1, 2018.

7. Trademark License Agreement, dated May 24, 2013, by and between Simmons Canada Inc. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of January 1, 2017.

8. Trademark License Agreement, dated as of May 24, 2013, by and between Dreamwell, Ltd. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), as amended by that certain Amendment No. One to the Trademark License Agreement, dated as of December 2015, Amendment No. Two to the Trademark License Agreement, dated as of December 31, 2016, Amendment No. Three to the Trademark License Agreement, dated November 20, 2017, and Amendment No. Four to the Trademark License Agreement, dated as of September 18, 2018.

9. Trademark License Agreement, by and between Pacific Coast Feather Company and Elie Tahari Ltd., dated as of March 13, 2014.

10. Master Services Agreement, by and between Auxis Managed Solutions, LLC and Hollander Home Fashions, LLC, dated as of April 5, 2012.

(ix) No disclosure.

(x)

1. Packaging Supply Agreement, between Kapstone Container Corporation and Hollander Sleep Products, LLC, dated as of June 1, 2016.

(xi) No disclosure.

(xii) No disclosure.

(b)

No disclosure.

Schedule 3.10 - Litigation

1. Maria Serrano and Leonardo Canche Hernandez v. Pacific Coast Feather Cushion Co., et al Class Action, Case Number BC 659563, Department 12 of Los Angeles Superior Court, Central Civil West Division, 312 N. Spring Street, Los Angeles, CA 90012.
2. Deane Gonzalez v. Pacific Coast Feather, LLC, Hollander Sleep Products, LLC, et al, Wrongful Termination, Harassment, Discrimination, Civil Rights, etc. Case Number 18STCV09293, Superior Court of California, County of Los Angeles.

Schedule 3.11 - Permits; Compliance with Laws

The matters set forth on Schedule 3.10 are hereby incorporated to this Schedule 3.11 by reference.

Schedule 3.12 - Environmental Matters

No disclosure.

Schedule 3.13 - Intellectual Property

(a)

UNITED STATES COPYRIGHT REGISTRATIONS AND APPLICATIONS:

Title	Registration No.	Publication Date/ Year of Creation	Registration Date	Current Owner of Record
Double support (feather & down fill)	VA0001276670	12/3/2002	4/29/2004	Hollander Sleep Products, LLC
Basics Double Support : down alternative fill	VA0001256354	1/23/2003	4/29/2004	Hollander Sleep Products, LLC

UNITED STATES PATENTS AND PATENT APPLICATIONS:

Title	Case Status	Appln.No.	Appln.Date	Reg.No.	Reg.Date	Owner	Country
Adjustable Pillow	Pending	16374051	4/3/2019	—	—	Hollander Sleep Products, LLC	U.S.
Baffle Box Comforter	Pending	15229760	8/5/2016	—	—	Hollander Sleep Products, LLC	U.S.
Pillow	Pending	29675102	12/28/2018	—	—	Hollander Sleep Products, LLC	U.S.
Adjustable Pillow	Registered	62818877	3/15/2019	—	—	Hollander Sleep Products, LLC	U.S.
Baffle Box Comforter	Registered	12553885	9/3/2009	8561229	10/22/2013	Hollander Sleep Products, LLC	U.S.
Baffle Box Comforter Structure Designed To Resist Shifting Of Fill	Registered	13887203	5/3/2013	8776288	7/15/2014	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln.No.	Appln.Date	Reg.No.	Reg.Date	Owner	Country
Baffle Box Pillow	Registered	12694194	1/26/2010	8028360	10/4/2011	Hollander Sleep Products, LLC	U.S.
Bedding Article With Overlaying Portions	Registered	111192602	7/29/2005	7080421	7/25/2006	Hollander Sleep Products, LLC	U.S.
Blended Fiber Containing Silver, Blended Filling Containing Silver Fibers, And Method For Making Same	Registered	12022435	1/30/2008	7814623	10/19/2010	Hollander Sleep Products, LLC	U.S.
Comforter With Fitted Border	Registered	13442608	4/9/2012	9451839	9/27/2016	Hollander Sleep Products, LLC	U.S.
Contour Pillow With Interior Baffle Walls	Registered	10935261	9/7/2004	7210178	5/1/2007	Hollander Sleep Products, LLC	U.S.
Domed Comforter	Registered	11673165	2/9/2007	7647657	1/19/2010	Hollander Sleep Products, LLC	U.S.
Featherbed With Hourglass Construction	Registered	11567575	12/6/2006	7681268	3/23/2010	Hollander Sleep Products, LLC	U.S.
Filled Bedding Construction Having Channels With Alternating Length Portions	Registered	10808637	3/25/2004	6961970	11/8/2005	Hollander Sleep Products, LLC	U.S.
Filling Material And Process For Making Same	Registered	10759610	1/16/2004	7074242	7/11/2006	Hollander Sleep Products, LLC	U.S.
Gusseted Pillow With Pleated Top And Bottom Sections	Registered	10402605	3/28/2003	6760935	7/13/2004	Hollander Sleep Products, LLC	U.S.
High Loft Comforter	Registered	09474878	12/29/1999	6301730	10/16/2001	Hollander Sleep Products, LLC	U.S.
Multi-layer Multi-chamber Pillow With Unfilled Center Chamber In The Top Layer	Registered	111192605	7/29/2005	7152263	12/26/2006	Hollander Sleep Products, LLC	U.S.
No Shift Chambered Body Pillow	Registered	12112426	4/30/2008	7669266	3/2/2010	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln.No.	Appln.Date	Reg.No.	Reg.Date	Owner	Country
Non-gusset Pillow	Registered ¹	14666047	3/23/2015	9980587	5/29/2018	Hollander Sleep Products, LLC	U.S.
Pillow	Registered	29444405	1/30/2013	D706553	6/10/2014	Hollander Sleep Products, LLC	U.S.
Pillow	Registered	29577568	9/14/2016	D839636	2/5/2019	Hollander Sleep Products, LLC	U.S.
Pillow Cover With Closure And Pouch Member Therefor	Registered	10359865	2/7/2003	6910237	6/28/2005	Hollander Sleep Products, LLC	U.S.
Pillow Kit With Removable Interior Cores	Registered	10810150	3/26/2004	7222379	5/29/2007	Hollander Sleep Products, LLC	U.S.
Pillow With Baffles Within An Outer Pillow Shell	Registered	11671874	2/6/2007	7562405	7/21/2009	Hollander Sleep Products, LLC	U.S.
Pillow With Central Area Having Lower Fill Volume	Registered	10685884	10/14/2003	6931682	8/23/2005	Hollander Sleep Products, LLC	U.S.
Quilted-top Featherbed	Registered	09474339	12/29/1999	6745419	6/8/2004	Hollander Sleep Products, LLC	U.S.
Tubule Featherbed	Registered	11618476	12/29/2006	7356864	4/15/2008	Hollander Sleep Products, LLC	U.S.
Universal Support Pillow	Registered	12419591	4/7/2009	7874033	1/25/2011	Hollander Sleep Products, LLC	U.S.

CANADIAN PATENTS AND PATENT APPLICATIONS:

Title	Case Status	Appln.No.	Appln.Date	Reg.No.	Reg.Date	Owner	Country
Baffle Box Comforter	Registered	2940071	8/24/2016	2940071	12/4/2018	Hollander Sleep Products, LLC	Canada
Domed Comforter	Registered	2620502	2/8/2008	2620502	9/13/2011	Hollander Sleep Products, LLC	Canada

¹ The inventor assignment has not been recorded.


High Loft Comforter	Registered	2329698	12/28/2000	2329698	7/7/2009	Hollander Sleep Products, LLC	Canada
Pillow	Registered	149537	1/30/2013	149537	3/31/2014	Hollander Sleep Products, LLC	Canada
Pillow	Registered	175209	11/24/2016	175209	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow	Registered	175210	11/24/2016	175210	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow	Registered	171783	11/24/2016	171783	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow With Baffles Within An Outer Pillow Shell	Registered	2619522	2/6/2008	2619522	11/3/2015	Hollander Sleep Products, LLC	Canada
Quilted-top Featherbed ²	Registered	2329699	12/28/2000	2329699	8/29/2006	Hollander Sleep Products, LLC	Canada

UNITED STATES TRADEMARK REGISTRATIONS AND APPLICATIONS:


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
...THE ULTIMATE LUXURY (Stylized) ...THE ULTIMATE LUXURY	Registered	85430242	9/23/2011	4433031	11/12/2013	Hollander Sleep Products, LLC	U.S.
A WORLD OF COMFORT	Registered	86799377	10/26/2015	4988090	6/28/2016	Hollander Sleep Products, LLC	U.S.
ABUNDANCE	Registered	86174993	1/24/2014	4856184	11/17/2015	Hollander Sleep Products, LLC	U.S.
ABUNDANCE	Registered	86206712	2/27/2014	4856226	11/17/2015	Hollander Sleep Products, LLC	U.S.
AFFIRM	Registered	85032141	5/6/2010	3999384	7/19/2011	Hollander Sleep Products, LLC	U.S.

² The annuity payment for this patent pay be past due.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
ALLERREST	Registered	86269248	5/1/2014	4625073	10/21/2014	Hollander Sleep Products, LLC	U.S.
ALLER-SURE	Registered	77672914	2/18/2009	4026525	9/13/2011	Hollander Sleep Products, LLC	U.S.
ALLERX	Registered	78260439	6/10/2003	3298680	9/25/2007	Hollander Sleep Products, LLC	U.S.
ALLUNA	Registered	86464313	11/25/2014	4842758	10/27/2015	Hollander Sleep Products, LLC	U.S.
ARCTIC FRESH	Registered	86202314	2/24/2014	4782838	7/28/2015	Hollander Sleep Products, LLC	U.S.
BARRIER WEAVE	Registered	85085541	7/15/2010	3923124	2/22/2011	Hollander Sleep Products, LLC	U.S.
BED ARMOR	Registered	85364720	7/6/2011	4114357	3/20/2012	Hollander Sleep Products, LLC	U.S.
BED GLOVE	Registered	74426312	8/17/1993	1870583	12/27/1994	Hollander Sleep Products, LLC	U.S.
BED SAVER	Registered	76035627	4/28/2000	2551016	3/19/2002	Hollander Sleep Products, LLC	U.S.
BEYOND COMFORT	Registered	74577708	9/23/1994	2014240	11/5/1996	Hollander Sleep Products, LLC	U.S.
BIG COMFY	Registered	77868219	11/9/2009	3927089	3/1/2011	Hollander Sleep Products, LLC	U.S.
BIG COZY	Registered	77856380	10/23/2009	3901745	1/4/2011	Hollander Sleep Products, LLC	U.S.
BIG SHOT	Registered	76298016	8/13/2001	2687366	2/11/2003	Hollander Sleep Products, LLC	U.S.
BIG Z	Registered	75458046	5/27/1998	2270499	8/17/1999	Hollander Sleep Products, LLC	U.S.
BOOMERANG	Registered	75728906	6/15/1999	2613680	9/3/2002	Hollander Sleep Products, LLC	U.S.
BOTANICAL DOWN	Registered	77789088	7/24/2009	3846731	9/7/2010	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
Brain Logo 	Registered	87203456	10/14/2016	5590859	10/23/2018	Hollander Sleep Products, LLC	U.S.
BREATHE WELL	Registered	75474996	4/27/1998	2492969	9/25/2001	Hollander Sleep Products, LLC	U.S.
BREATHE-COOL	Registered	86241474	4/3/2014	4960744	5/17/2016	Hollander Sleep Products, LLC	U.S.
BREATHEMESH	Registered	86432141	10/23/2014	4755370	6/16/2015	Hollander Sleep Products, LLC	U.S.
BREATHEWELL	Registered	86420197	10/10/2014	5492445	6/12/2018	Hollander Sleep Products, LLC	U.S.
BREATHEWELL	Registered	87525646	7/12/2017	5587384	10/16/2018	Hollander Sleep Products, LLC	U.S.
BREATHEWELL PILLOW	Registered	86443928	11/4/2014	4999040	7/12/2016	Hollander Sleep Products, LLC	U.S.
CAPTURE TOP	Registered	77675946	2/23/2009	3679383	9/8/2009	Hollander Sleep Products, LLC	U.S.
CHILDREN'S BEDTIME PILLOW	Registered	75455371	3/23/1998	2262691	7/20/1999	Hollander Sleep Products, LLC	U.S.
CLEARFRESH	Registered	86258997	4/22/2014	4652260	12/9/2014	Hollander Sleep Products, LLC	U.S.
CLEARFRESH	Registered	86440768	10/31/2014	4919075	3/15/2016	Hollander Sleep Products, LLC	U.S.
CLUSTER PUFF	Registered	78238380	4/16/2003	2899498	11/2/2004	Hollander Sleep Products, LLC	U.S.
COMFORT '365 & Design COMFORT '365	Registered	88129193	9/24/2018	5802357	7/9/2019	Hollander Sleep Products, LLC	U.S.



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
COMFORT CENTRAL	Registered	74481802	1/24/1994	1882267	3/7/1995	Hollander Sleep Products, LLC	U.S.
COMFORT CHAMBER	Registered	76352308	12/26/2001	2792349	12/9/2003	Hollander Sleep Products, LLC	U.S.
COMFORT LOCK	Registered	74483254	1/27/1994	1998955	9/10/1996	Hollander Sleep Products, LLC	U.S.
COMFORT-FORME	Registered	87357944	3/3/2017	5449759	4/17/2018	Hollander Sleep Products, LLC	U.S.
CONFORMANCE	Registered	85776213	11/9/2012	4589386	8/19/2014	Hollander Sleep Products, LLC	U.S.
CORE SLEEP	Registered	85365760	7/7/2011	4222894	10/9/2012	Hollander Sleep Products, LLC	U.S.
COVER PLUS	Registered	85729756	9/14/2012	4572981	7/22/2014	Hollander Sleep Products, LLC	U.S.
CROWN OF DOWN	Registered	74437383	9/20/1993	1946007	1/2/1996	Hollander Sleep Products, LLC	U.S.
CRYSTALLINE	Registered	86194194	2/14/2014	4694537	3/3/2015	Hollander Sleep Products, LLC	U.S.
CUDDLE ROLL	Registered	75778188	8/17/1999	2375118	8/8/2000	Hollander Sleep Products, LLC	U.S.
CUDDLEBED	Registered	77939688	2/19/2010	4455249	12/24/2013	Hollander Sleep Products, LLC	U.S.
CUDDLEBED	Registered	85219868	1/18/2011	4052079	11/8/2011	Hollander Sleep Products, LLC	U.S.
CUDDLEFOAM	Registered	86567779	3/18/2015	4974488	6/7/2016	Hollander Sleep Products, LLC	U.S.
CUDDLELOFT	Registered	85307476	4/28/2011	4425944	10/29/2013	Hollander Sleep Products, LLC	U.S.
CURVATION	Registered	77084983	1/17/2007	3841863	8/31/2010	Hollander Sleep Products, LLC	U.S.



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
Design Only 	Registered	75355774	9/10/1997	2280430	9/28/1999	United Feather & Down LLC ³	U.S.
DOUBLE STUFF	Registered	85780553	11/15/2012	4576625	7/29/2014	Hollander Sleep Products, LLC	U.S.
DOUBLE SUPPORT	Registered	78137048	6/19/2002	2818380	2/24/2004	Hollander Sleep Products, LLC	U.S.
DOUBLE SUPPORT	Registered	86120315	11/15/2013	4822764	9/29/2015	Hollander Sleep Products, LLC	U.S.
DOWN EMBRACE	Registered	75455209	3/23/1998	2244632	5/11/1999	Hollander Sleep Products, LLC	U.S.
DOWN ON TOP	Registered	74437385	9/20/1993	1946008	1/2/1996	Hollander Sleep Products, LLC	U.S.
DOWN SURROUND	Registered	74437384	9/20/1993	1949403	1/16/1996	Hollander Sleep Products, LLC	U.S.
DOWN WRAP	Registered	76052619	5/22/2000	2587320	7/2/2002	Hollander Sleep Products, LLC	U.S.
DOWNAROUND	Registered	73445911	9/29/1983	1292323	8/28/1984	Hollander Sleep Products, LLC	U.S.
DOWNLOCK	Registered	74576144	9/20/1994	2095513	9/9/1997	Hollander Sleep Products, LLC	U.S.
DOWNWORKS	Registered	77044395	11/15/2006	3870768	11/2/2010	Hollander Sleep Products, LLC	U.S.
DOWNWORKS	Registered	85776239	11/9/2012	4522827	4/29/2014	Hollander Sleep Products, LLC	U.S.
DREAMLOFT	Registered	77780564	7/14/2009	4067713	12/6/2011	Hollander Sleep Products, LLC	U.S.


³ Owner of record is a predecessor entity.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DREAM-LOFT	Registered	86244594	4/7/2014	4863911	12/1/2015	Hollander Sleep Products, LLC	U.S.
DREAMSCAPE	Registered	75258742	3/17/1997	2158623	5/19/1998	Hollander Sleep Products, LLC	U.S.
DREAMSCAPE	Registered	77662373	2/3/2009	3663632	8/4/2009	Hollander Sleep Products, LLC	U.S.
DREAMY NIGHTS	Registered	76407514	5/14/2002	2795796	12/16/2003	Hollander Sleep Products, LLC	U.S.
DURAFIL	Registered	73657595	4/27/1987	1473201	1/19/1988	Hollander Sleep Products, LLC	U.S.
ECO-SMART	Registered	78924315	7/7/2006	3538930	11/25/2008	Hollander Sleep Products, LLC	U.S.
ECO-SMART	Registered	87203501	10/14/2016	5336781	11/14/2017	Hollander Sleep Products, LLC	U.S.
ELEMENTA	Registered	78778597	12/21/2005	3665120	8/4/2009	Hollander Sleep Products, LLC	U.S.
EMBRACE	Registered	74197577	8/23/1991	1772376	5/18/1993	Hollander Sleep Products, LLC	U.S.
EMBRACE	Registered	77448341	4/15/2008	3808912	6/29/2010	Hollander Sleep Products, LLC	U.S.
EMCOMPASS	Registered	76121955	9/5/2000	2569503	5/14/2002	Hollander Sleep Products, LLC	U.S.
EURO REST	Registered	75852933	11/17/1999	2663759	12/17/2002	Hollander Sleep Products, LLC	U.S.
EURO STAR	Registered	76024225	4/12/2000	2430066	2/20/2001	Hollander Sleep Products, LLC	U.S.
EURODOWN	Registered	73546201	7/2/1985	1411336	9/30/1986	Hollander Sleep Products, LLC	U.S.
EUROFEATHER	Registered	76514399	5/15/2003	2896731	10/26/2004	Hollander Sleep Products, LLC	U.S.
EVEN EDGE	Registered	87277960	12/22/2016	5245937	7/18/2017	Hollander Sleep Products, LLC	U.S.

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EVENREST	Registered	85032125	5/6/2010	4071381	12/13/2011	Hollander Sleep Products, LLC	U.S.
EVERLASTING LOFT	Registered	86024994	7/31/2013	4893314	1/26/2016	Hollander Sleep Products, LLC	U.S.
EXPAND A GRIP	Registered	74040636	3/21/1990	1649144	6/25/1991	Hollander Sleep Products, LLC	U.S.
EXPAND A GRIP and Design 	Registered	77716514	4/17/2009	3794644	5/25/2010	Hollander Sleep Products, LLC	U.S.
FEATHER BEST	Registered	86553361	3/4/2015	4994980	7/5/2016	Hollander Sleep Products, LLC	U.S.
FEATHERSOFT	Registered	76016034	4/3/2000	2499127	10/16/2001	Hollander Sleep Products, LLC	U.S.
FILLED WITH THOUGHT	Registered	78760650	11/23/2005	3671015	8/18/2009	Hollander Sleep Products, LLC	U.S.
FLAWLESS FIT	Registered	85776309	11/9/2012	4586759	8/19/2014	Hollander Sleep Products, LLC	U.S.
FLEXIBLE COMFORT	Registered	86783179	10/9/2015	4987328	6/28/2016	Hollander Sleep Products, LLC	U.S.
FLEXILOFT	Registered	76151853	10/23/2000	2558362	4/9/2002	Hollander Sleep Products, LLC	U.S.
FLEXO-TECH	Registered	87249386	11/28/2016	5371395	1/2/2018	Hollander Sleep Products, LLC	U.S.
FLUFFY FOR LIFE	Registered	87118751	7/27/2016	5155793	3/7/2017	Hollander Sleep Products, LLC	U.S.
FOREVER FIRM	Registered	85790985	11/29/2012	4438818	11/26/2013	Hollander Sleep Products, LLC	U.S.
FOREVER FIT	Registered	85766694	10/30/2012	4478885	2/4/2014	Hollander Sleep Products, LLC	U.S.
FOUR STAR	Registered	76345671	12/6/2001	2692542	3/4/2003	Hollander Sleep Products, LLC	U.S.



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
FRESHNESS ASSURED	Registered	76394171	4/10/2002	2883566	9/14/2004	Hollander Sleep Products, LLC	U.S.
GEN (Stylized) 	Registered	85429472	9/22/2011	4656551	12/16/2014	Hollander Sleep Products, LLC	U.S.
GRAND EMBRACE	Registered	75455208	3/23/1998	2244631	5/11/1999	Hollander Sleep Products, LLC	U.S.
GRAND LOFT	Registered	86411802	10/1/2014	5027679	8/23/2016	Hollander Sleep Products, LLC	U.S.
GRAPH-X	Registered	86428704	10/20/2014	5508825	7/3/2018	Hollander Sleep Products, LLC	U.S.
GRAPH-X and Design 	Registered	86428660	10/20/2014	5508824	7/3/2018	Hollander Sleep Products, LLC	U.S.
GREAT SLEEP	Registered	75472656	4/23/1998	2301602	12/21/1999	Hollander Sleep Products, LLC	U.S.
GREAT SLEEP	Registered	87203471	10/14/2016	5530920	7/31/2018	Hollander Sleep Products, LLC	U.S.
GREATFIT	Registered	85766690	10/30/2012	4359455	6/25/2013	Hollander Sleep Products, LLC	U.S.
HEALTHY HOME	Registered	77848622	10/14/2009	4335138	5/14/2013	Hollander Sleep Products, LLC	U.S.
HEALTHY HOME	Registered	77848609	10/14/2009	3771544	4/6/2010	Hollander Sleep Products, LLC	U.S.
Heart Logo	Registered	87203489	10/14/2016	5590861	10/23/2018	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
HOLLANDER	Registered	74295197	7/15/1992	1781457	7/13/1993	Hollander Sleep Products, LLC	U.S.
HOLLANDER SLEEP PRODUCTS	Registered	86060516	9/10/2013	5281490	9/5/2017	Hollander Sleep Products, LLC	U.S.
HOMESPUN	Registered	85673317	7/10/2012	5082443	11/15/2016	Hollander Sleep Products, LLC	U.S.
HUGE	Registered	75307538	6/12/1997	2322531	2/22/2000	Hollander Sleep Products, LLC	U.S.
HUGE	Registered	78320367	10/29/2003	2926375	2/15/2005	Hollander Sleep Products, LLC	U.S.
HUNK	Registered	74281877	6/3/1992	1747136	1/19/1993	Hollander Sleep Products, LLC	U.S.
HUNK	Registered	86308201	6/12/2014	4902512	2/16/2016	Hollander Sleep Products, LLC	U.S.
HYDRAFRESH	Registered	86481949	12/16/2014	5498091	6/19/2018	Hollander Sleep Products, LLC	U.S.
HYDROGEL	Registered	87525570	7/12/2017	5587383	10/16/2018	Hollander Sleep Products, LLC	U.S.
HYDROGEL and Design 	Registered	87308746	1/20/2017	5284781	9/12/2017	Hollander Sleep Products, LLC	U.S.
HYPERCLEAN	Registered	74648845	3/20/1995	2065582	5/27/1997	Hollander Sleep Products, LLC	U.S.
I AM	Registered	87176737	9/20/2016	5716014	4/2/2019	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
I AM	Registered	87927124	5/18/2018	5808139	7/16/2019	Hollander Sleep Products, LLC	U.S.
I AM and Design 	Registered	75781525	8/23/1999	2786754	11/25/2003	Hollander Sleep Products, LLC	U.S.
IDEAL	Registered	77941722	2/22/2010	4029492	9/20/2011	Hollander Sleep Products, LLC	U.S.
INFINILOFT	Registered	86194562	2/14/2014	4564329	7/8/2014	Hollander Sleep Products, LLC	U.S.
INFINILOFT	Registered	86346952	7/24/2014	5023076	8/16/2016	Hollander Sleep Products, LLC	U.S.
INFINITY	Registered	86281974	5/15/2014	4664910	12/30/2014	Hollander Sleep Products, LLC	U.S.
INSULOFT	Registered	74682517	5/31/1995	1964294	3/26/1996	Hollander Sleep Products, LLC	U.S.
LC Boot Logo 	Registered	85426084	9/19/2011	4433022	11/12/2013	Hollander Sleep Products, LLC	U.S.
LC Boot Logo 	Registered	86348011	7/25/2014	5448763	4/17/2018	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LC Boot Logo 	Registered	86799359	10/26/2015	4988088	6/28/2016	Hollander Sleep Products, LLC	U.S.
LITE-LOFT	Registered	85933949	5/16/2013	4458890	12/31/2013	Hollander Sleep Products, LLC	U.S.
LIVE ACTIVE	Registered	85429497	9/22/2011	4656553	12/16/2014	Hollander Sleep Products, LLC	U.S.
LIVE COMFORTABLY	Registered	78115624	3/18/2002	2751427	8/12/2003	Hollander Sleep Products, LLC	U.S.
LIVE COMFORTABLY	Registered	85426071	9/19/2011	4448232	12/10/2013	Hollander Sleep Products, LLC	U.S.
LIVE COMFORTABLY	Registered	86348023	7/25/2014	5443535	4/10/2018	Hollander Sleep Products, LLC	U.S.
LIVE COMFORTABLY	Registered	86799364	10/26/2015	4988089	6/28/2016	Hollander Sleep Products, LLC	U.S.
LIVE NOW!	Registered	85429491	9/22/2011	4656552	12/16/2014	Hollander Sleep Products, LLC	U.S.
LOVES TO BE WASHED	Registered	87079290	6/21/2016	5145463	2/21/2017	Hollander Sleep Products, LLC	U.S.
LUNALUXE	Registered	85473959	11/16/2011	4369363	7/16/2013	Hollander Sleep Products, LLC	U.S.
LUX LOFT	Registered	85137710	9/24/2010	4471153	1/21/2014	Hollander Sleep Products, LLC	U.S.
LUXEFILL	Registered	77912125	1/14/2010	3941758	4/5/2011	Hollander Sleep Products, LLC	U.S.
LYOCELL DOWN	Registered	85795227	12/5/2012	4599592	9/9/2014	Hollander Sleep Products, LLC	U.S.
MAXILOFT	Registered	76151535	10/23/2000	2747902	8/5/2003	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
MICRO CLUSTER	Registered	74735992	9/29/1995	2285747	10/12/1999	Hollander Sleep Products, LLC	U.S.
MICROFIL	Registered	74465476	12/6/1993	1932149	10/31/1995	Hollander Sleep Products, LLC	U.S.
MICROMAX	Registered	86511410	1/22/2015	4803617	9/1/2015	Hollander Sleep Products, LLC	U.S.
NATURAL BALANCE	Registered	76386744	5/25/2002	2952284	5/17/2005	Hollander Sleep Products, LLC	U.S.
NEVER FLAT	Registered	78238885	4/17/2003	3107498	6/20/2006	Hollander Sleep Products, LLC	U.S.
NORTHERN STAR DOWN BLANKET	Registered	76024250	4/12/2000	2551812	3/26/2002	Hollander Sleep Products, LLC	U.S.
NOTION	Registered	78630881	5/16/2005	3738196	1/12/2010	Hollander Sleep Products, LLC	U.S.
NSP	Registered	85775084	11/8/2012	4334982	5/14/2013	Hollander Sleep Products, LLC	U.S.
OPTAFIL	Registered	74080092	7/20/1990	1717102	9/15/1992	Hollander Sleep Products, LLC	U.S.
OPULUXE	Registered	86498928	1/8/2015	5161606	3/14/2017	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST	Registered	74648042	3/17/1995	1949211	1/16/1996	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST	Registered	85626829	5/16/2012	4495425	3/11/2014	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST	Registered	85770700	11/2/2012	4429909	11/5/2013	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST	Registered	86442842	11/3/2014	4743698	5/26/2015	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST	Registered	86847029	12/11/2015	5007654	7/26/2016	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST FEATHER CO	Registered	86803847	10/29/2015	5335950	11/14/2017	Hollander Sleep Products, LLC	U.S.


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PACIFIC COAST FEATHER CO SINCE 1884 and Design 	Registered	86455279	11/14/2014	5057088	10/11/2016	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST FEATHER CO. SINCE 1884 and Design 	Registered	75000867	10/2/1995	1997118	8/27/1996	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST GRAND	Registered	76975951	11/5/2001	2792723	12/9/2003	Hollander Sleep Products, LLC	U.S.
PACIFIC PILLOWS	Registered	78696103	8/19/2005	4721903	4/21/2015	Hollander Sleep Products, LLC	U.S.
PEACHY	Registered	76024553	4/13/2000	2489420	9/11/2001	Hollander Sleep Products, LLC	U.S.
PERFECT REST	Registered	85164795	10/29/2010	4547877	6/10/2014	Hollander Sleep Products, LLC	U.S.
PERFECT SUPPORT	Registered	74640191	2/24/1995	2005391	10/1/1996	Hollander Sleep Products, LLC	U.S.
PERFECT-FOR-FOAM	Registered	86025000	7/31/2013	4569844	7/15/2014	Hollander Sleep Products, LLC	U.S.
PERFORMANCE GRIP	Registered	85776299	11/9/2012	4905430	2/23/2016	Hollander Sleep Products, LLC	U.S.
PHYSIOFORM	Registered	86014430	7/18/2013	4594242	8/26/2014	Hollander Sleep Products, LLC	U.S.
POLYFIBER COILS	Registered	75494639	6/1/1998	2394404	10/10/2000	Hollander Sleep Products, LLC	U.S.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PRESTIGE	Registered	77755289	6/9/2009	4063779	11/29/2011	Hollander Sleep Products, LLC	U.S.
PROFORMANCE	Registered	78594110	3/24/2005	3641199	6/16/2009	Hollander Sleep Products, LLC	U.S.
PROGUARD	Registered	76102911	8/3/2000	2531647	1/22/2002	Hollander Sleep Products, LLC	U.S.
PROGUARD	Registered	85776252	11/9/2012	4905429	2/23/2016	Hollander Sleep Products, LLC	U.S.
PURE SENSATION	Registered	86386221	9/5/2014	4833337	10/13/2015	Hollander Sleep Products, LLC	U.S.
RADIANCE	Registered	74494257	2/25/1994	1928681	10/17/1995	Hollander Sleep Products, LLC	U.S.
RELIAGRIP	Registered	76455729	10/4/2002	2752549	8/19/2003	Hollander Sleep Products, LLC	U.S.
REMMY	Registered	86088677	10/10/2013	4600145	9/9/2014	Hollander Sleep Products, LLC	U.S.
RENOVA	Registered	77922713	1/28/2010	4049909	11/1/2011	Hollander Sleep Products, LLC	U.S.
RESILIA	Registered	86340140	7/17/2014	4911903	3/8/2016	Hollander Sleep Products, LLC	U.S.
RESPONSIBLE LUXURY	Registered	86272989	5/6/2014	5317377	10/24/2017	Hollander Sleep Products, LLC	U.S.
RESTFUL NIGHTS	Registered	76463983	11/4/2002	2747025	8/5/2003	Hollander Sleep Products, LLC	U.S.
ROYALOFT (Stylized) ROYALOFT	Registered	76556624	11/3/2003	2901394	11/9/2004	Hollander Sleep Products, LLC	U.S.
R-TECH	Registered	85029408	5/4/2010	4060884	11/22/2011	Hollander Sleep Products, LLC	U.S.
Running Human Logo	Registered	87203462	10/14/2016	5590860	10/23/2018	Hollander Sleep Products, LLC	U.S.

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SECURE WEAVE	Registered	85796622	12/6/2012	4549360	6/10/2014	Hollander Sleep Products, LLC	U.S.
SECUREFIT	Registered	76130775	9/20/2000	2523708	12/25/2001	Hollander Sleep Products, LLC	U.S.
SENSACOOOL	Registered	85655930	6/19/2012	4632783	11/4/2014	Hollander Sleep Products, LLC	U.S.
SIDE-BY-SIDE	Registered	78745714	11/2/2005	3189146	12/26/2006	Hollander Sleep Products, LLC	U.S.
SIMPLE COMFORT	Registered	86259009	4/22/2014	4960759	5/17/2016	Hollander Sleep Products, LLC	U.S.
SIX STAR	Registered	76345672	12/6/2001	2692543	3/4/2003	Hollander Sleep Products, LLC	U.S.
SLEEP FOR SUCCESS	Registered	85109698	8/17/2010	4195182	8/21/2012	Hollander Sleep Products, LLC	U.S.
SLEEP FOR SUCCESS!	Registered	87662690	10/27/2017	5578548	10/9/2018	Hollander Sleep Products, LLC	U.S.
SLEEP SAFE	Registered	85631966	5/22/2012	5241684	7/11/2017	Hollander Sleep Products, LLC	U.S.
SLUMBER CORE	Registered	76410016	5/20/2002	2798849	12/23/2003	Hollander Sleep Products, LLC	U.S.
SLUMBER'S ALLURE	Registered	85979427	12/1/2011	4385616	8/13/2013	Hollander Sleep Products, LLC	U.S.
SLUMBER'S ALLURE	Registered	85484782	12/1/2011	4584846	8/12/2014	Hollander Sleep Products, LLC	U.S.
SMART FOAM	Registered	75618046	1/9/1999	2364063	7/4/2000	Hollander Sleep Products, LLC	U.S.

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SMART GRIP	Registered	85766699	10/30/2012	4660112	12/23/2014	Hollander Sleep Products, LLC	U.S.
SMARTFLEX	Registered	85133384	9/20/2010	4265005	12/25/2012	Hollander Sleep Products, LLC	U.S.
SMARTFLEX	Registered	85133374	9/20/2010	4143506	5/15/2012	Hollander Sleep Products, LLC	U.S.
SMOOTH GRIP	Registered	77700895	3/27/2009	3761840	3/16/2010	Hollander Sleep Products, LLC	U.S.
SMOOTH GRIP and Design 	Registered	77716507	4/17/2009	3791297	5/18/2010	Hollander Sleep Products, LLC	U.S.
SNUG KNIT	Registered	76229652	3/26/2001	2944241	4/26/2005	Hollander Sleep Products, LLC	U.S.
SOMNUS	Registered	76580852	3/15/2004	2951135	5/17/2005	Hollander Sleep Products, LLC	U.S.
SOUTHERN STAR	Registered	76024251	4/12/2000	2430069	2/20/2001	Hollander Sleep Products, LLC	U.S.
STARLIGHT DUVET INSERT	Registered	76024226	4/12/2000	2430067	2/20/2001	Hollander Sleep Products, LLC	U.S.
STAYFLUFF	Registered	77814352	8/27/2009	3877872	11/16/2010	Hollander Sleep Products, LLC	U.S.
SUPER FILLED	Registered	85785361	11/21/2012	4545331	6/3/2014	Hollander Sleep Products, LLC	U.S.
SUPER FIT	Registered	85755198	10/16/2012	4632904	11/4/2014	Hollander Sleep Products, LLC	U.S.
SUPER SUPPORT	Registered	85371305	7/14/2011	4344316	5/28/2013	Hollander Sleep Products, LLC	U.S.
SUPERGRIP	Registered	77826176	9/14/2009	3923874	2/22/2011	Hollander Sleep Products, LLC	U.S.
SUPERSIDE	Registered	78381047	3/9/2004	2984220	8/9/2005	Hollander Sleep Products, LLC	U.S.

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SUPRACELL	Registered	86241535	4/3/2014	4698518	3/10/2015	Hollander Sleep Products, LLC	U.S.
SUREHOLD	Registered	76107510	8/14/2000	2587466	7/2/2002	Hollander Sleep Products, LLC	U.S.
TERRALOFT	Registered	86625201	5/11/2015	5096349	12/6/2016	Hollander Sleep Products, LLC	U.S.
THE BEAST	Registered	86452246	11/12/2014	5266349	8/15/2017	Hollander Sleep Products, LLC	U.S.
THE JUMBO	Registered	78325794	11/10/2003	2932133	3/8/2005	Hollander Sleep Products, LLC	U.S.
THIS YEAR	Registered	85162559	10/27/2010	4411408	10/1/2013	Hollander Sleep Products, LLC	U.S.
TOUCH OF DOWN	Registered	78732065	10/12/2005	3153679	10/10/2006	Hollander Sleep Products, LLC	U.S.
TRIA	Registered	77084967	1/17/2007	3599036	3/31/2009	Hollander Sleep Products, LLC	U.S.
TRI-COOL	Registered	87691494	11/20/2017	5758561	5/21/2019	Hollander Sleep Products, LLC	U.S.
TRILLIUM	Registered	78594123	3/24/2005	3716946	11/24/2009	Hollander Sleep Products, LLC	U.S.
TRI-LOFT	Registered	85135421	9/22/2010	4335240	5/14/2013	Hollander Sleep Products, LLC	U.S.
TRILOGY	Registered	74674187	5/15/1995	2007760	10/15/1996	Hollander Sleep Products, LLC	U.S.
TRIPLE COMFORT	Registered	86585852	4/2/2015	5187072	4/18/2017	Hollander Sleep Products, LLC	U.S.
TROPICAL STAR	Registered	76024227	4/12/2000	2430068	2/20/2001	Hollander Sleep Products, LLC	U.S.
TWO STAR	Registered	76345673	12/6/2001	2692544	3/4/2003	Hollander Sleep Products, LLC	U.S.
ULTIMATE FIT	Registered	86550234	3/2/2015	4787723	8/4/2015	Hollander Sleep Products, LLC	U.S.

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UNCRUSHABLE	Registered	76462052	10/28/2002	3294379	9/18/2007	Hollander Sleep Products, LLC	U.S.
UNE VIE DOUILLETT	Registered	78157787	8/26/2002	2851928	6/8/2004	Hollander Sleep Products, LLC	U.S.
UNITED FEATHER & DOWN	Registered	87433862	5/2/2017	5728516	4/16/2019	United Feather & Down, LLC ⁴	U.S.
US SMART	Registered	86020081	7/25/2013	4657173	12/16/2014	Hollander Sleep Products, LLC	U.S.
US SMART and Design 	Registered	86020094	7/25/2013	4657174	12/16/2014	Hollander Sleep Products, LLC	U.S.
WAKE UP! AND LIVE	Registered	85250424	2/24/2011	4564473	7/8/2014	Hollander Sleep Products, LLC	U.S.
WONDER LOFT	Registered	75383284	11/3/1997	2362736	6/27/2000	Hollander Sleep Products, LLC	U.S.
WON'T GO FLAT	Registered	85307645	4/28/2011	4163367	6/26/2012	Hollander Sleep Products, LLC	U.S.
WON'T GO FLAT	Registered	86599686	4/16/2015	4915237	3/8/2016	Hollander Sleep Products, LLC	U.S.
A WORLD OF COMFORT	Pending	87708942	12/5/2017	—	—	Hollander Sleep Products, LLC	U.S.
ALLSLEEP	Pending	88290665	2/6/2019	—	—	Hollander Sleep Products, LLC	U.S.
AQUACHILL	Pending	88208272	11/28/2018	—	—	Hollander Sleep Products, LLC	U.S.
ARCTIC DOWN	Pending	87662622	10/27/2017	—	—	Hollander Sleep Products, LLC	U.S.

⁴ Owner of record is a predecessor entity.

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ARCTIC FRESH	Pending	88253450	1/8/2019	—	—	Hollander Sleep Products, LLC	U.S.
BLUE DIAMOND	Pending	88186043	11/8/2018	—	—	Hollander Sleep Products, LLC	U.S.
COMFORT '365	Pending	86959503	3/31/2016	—	—	Hollander Sleep Products, LLC	U.S.
COMFORT-LITE	Pending	88285679	2/1/2019	—	—	Hollander Sleep Products, LLC	U.S.
DIAMONDCOOL	Pending	88219720	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
ECO-SMART	Pending	88219558	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
EMBRACE	Pending	88279342 ⁵	1/28/2019	—	—	Hollander Sleep Products, LLC	U.S.
FLEXILOFT (Stylized)	Pending	88219808	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
GREAT SLEEP	Pending	88175067	10/30/2018	—	—	Hollander Sleep Products, LLC	U.S.
GREAT SLEEP	Pending	88308125	2/20/2019	—	—	Hollander Sleep Products, LLC	U.S.
GREAT THINGS COME FROM GREAT SLEEP	Pending	88158144	10/17/2018	—	—	Hollander Sleep Products, LLC	U.S.
HEALTHY LIVING	Pending	86436763	10/28/2014	—	—	Hollander Sleep Products, LLC	U.S.
HYDROCOOL	Pending	87166802	9/9/2016	—	—	Hollander Sleep Products, LLC ⁶	U.S.
I AM	Pending	87691276	11/20/2017	—	—	Hollander Sleep Products, LLC	U.S.



⁵ Prosecution of this application may be abandoned.

⁶ Prosecution of this application may be abandoned.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
I AM	Pending	88127310	9/21/2018	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88175746	10/31/2018	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295982	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295968	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295961	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295953 ⁷	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295943	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295902	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM	Pending	88295894	2/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
I AM YOGA	Pending	87742061	1/3/2018	—	—	Hollander Sleep Products, LLC	U.S.
LIVECOMFORTABLY (Stylized) (Add) LIVECOMFORTABLY	Pending	88310029	2/21/2019	—	—	Hollander Sleep Products, LLC	U.S.
LYODOWN	Pending	88212430	11/30/2018	—	—	Hollander Sleep Products, LLC	U.S.
LYODOWN SURROUND	Pending	88212247	11/30/2018	—	—	Hollander Sleep Products, LLC	U.S.


⁷ Prosecution of this application may be abandoned.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
MIRACLE FIBER	Pending	86929044	3/4/2016	—	—	Hollander Sleep Products, LLC	U.S.
MIRACLE FIBER	Pending	87153590	8/29/2016	—	—	Hollander Sleep Products, LLC	U.S.
NATURAL ELEMENTS	Pending	87308348	1/20/2017	—	—	Hollander Sleep Products, LLC	U.S.
NATURALLY COOL	Pending	88134008	9/27/2018	—	—	Hollander Sleep Products, LLC	U.S.
NEVERFLAT	Pending	87509017	6/28/2017	—	—	Hollander Sleep Products, LLC	U.S.
OPTITEMP	Pending	88258277	1/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
PACIFIC COAST FEATHER CO	Pending	88158175	10/17/2018	—	—	Hollander Sleep Products, LLC	U.S.
PERFECT REST	Pending	88279357	1/28/2019	—	—	Hollander Sleep Products, LLC	U.S.
POP CORNER	Pending	88176018	10/31/2018	—	—	Hollander Sleep Products, LLC	U.S.
RESPONSIBLE LUXURY	Pending	88219562	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
SLEEP 4 A's	Pending	88176004	10/31/2018	—	—	Hollander Sleep Products, LLC	U.S.
SMARTFLEX	Pending	88167359	10/24/2018	—	—	Hollander Sleep Products, LLC	U.S.
STRETCHFIT	Pending	88258336	1/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT	Pending	88175996	10/31/2018	—	—	Hollander Sleep Products, LLC	U.S.
TEMPZONE	Pending	88258284	1/11/2019	—	—	Hollander Sleep Products, LLC	U.S.
Three Arc Design	Pending	87784733	2/5/2018	—	—	Hollander Sleep Products, LLC	U.S.


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TWICE COOL	Pending	86924842	3/1/2016	—	—	Hollander Sleep Products, LLC	U.S.
US SMART	Pending	88219557	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
US SMART and Design 	Pending	88219553	12/6/2018	—	—	Hollander Sleep Products, LLC	U.S.
V-NECK	Pending	88279329	1/28/2019	—	—	Hollander Sleep Products, LLC	U.S.


CANADIAN TRADEMARK REGISTRATIONS AND APPLICATIONS:

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
A WORLD OF COMFORT	Registered	1752828	10/30/2015	TMA999487	6/20/2018	Hollander Sleep Products, LLC	Canada
A.H.F.	Registered	1421286	12/10/2008	TMA758656	2/2/2010	Hollander Sleep Products, LLC	Canada

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ABUNDANCE	Registered	1246006	2/4/2005	TMA770945	6/30/2010	Hollander Sleep Products, LLC	Canada
ACTIVECOOL	Registered	1654979	12/5/2013	TMA957136	12/5/2016	Hollander Sleep Products, LLC	Canada
ADJUSTAFIL	Registered	1346660	5/2/2007	TMA710196	3/26/2008	Hollander Sleep Products, LLC	Canada
AFFIRM	Registered	1481169	5/14/2010	TMA826628	6/19/2012	Hollander Sleep Products, LLC	Canada
AHF and Design 	Registered	1421287	12/10/2008	TMA758655	2/2/2010	Hollander Sleep Products, LLC	Canada
ALLERREST	Registered	1209830	3/16/2004	TMA711231	4/8/2008	Hollander Sleep Products, LLC	Canada
ALLERREST FABRIC	Registered	1278826	11/8/2005	TMA747653	9/15/2009	Hollander Sleep Products, LLC	Canada
ALLERREST PROTECTION	Registered	1278827	11/8/2005	TMA738268	4/17/2009	Hollander Sleep Products, LLC	Canada

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ALLER-SURE	Registered	1442239	6/19/2009	TMA854200	6/28/2013	Hollander Sleep Products, LLC	Canada
ALLERX	Registered	1371733	11/13/2007	TMA748573	9/23/2009	Hollander Sleep Products, LLC	Canada
ARCTIC FRESH	Registered	1498171	10/1/2010	TMA916923	10/13/2015	Hollander Sleep Products, LLC	Canada
BABY BLUE	Registered	1487405	7/5/2010	TMA796525	5/2/2011	Hollander Sleep Products, LLC	Canada
BARRIER WEAVE	Registered	1501835	10/29/2010	TMA833243	9/28/2012	Hollander Sleep Products, LLC	Canada
BASIC COMFORT	Registered	1477224	4/16/2010	TMA791232	2/21/2011	Hollander Sleep Products, LLC	Canada
BED ARMOR	Registered	1168865	2/21/2003	TMA643658	7/6/2005	Hollander Sleep Products, LLC	Canada
BEST FIT!	Registered	1363508	9/13/2007	TMA779717	10/13/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BEYOND COMFORT	Registered	1440876	6/9/2009	TMA875807	4/15/2014	Hollander Sleep Products, LLC	Canada
BEYOND DOWN	Registered	1555263	12/7/2011	TMA838340	12/12/2012	Hollander Sleep Products, LLC	Canada
BEYOND SLEEP	Registered	1320820	10/19/2006	TMA783454	11/25/2010	Hollander Sleep Products, LLC	Canada
BIG COMFORT	Registered	1418469	11/17/2008	TMA757693	1/22/2010	Hollander Sleep Products, LLC	Canada
BIG SHOT	Registered	1190006	9/3/2003	TMA667140	7/7/2006	Hollander Sleep Products, LLC	Canada
BIO-BAG	Registered	1424031	1/9/2009	TMA762644	3/25/2010	Hollander Sleep Products, LLC	Canada
BIO-BAG...and Design 	Registered	1424136	1/12/2009	TMA763908	4/12/2010	Hollander Sleep Products, LLC	Canada
BIOCRISTAL	Registered	1439354	5/27/2009	TMA766718	5/13/2010	Hollander Sleep Products, LLC	Canada

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BREATHE WELL	Registered	894571	10/27/1998	TMA553109	10/31/2001	Hollander Sleep Products, LLC	Canada
BREATHE-COOL	Registered	1672011	4/9/2014	TMA992765	3/20/2018	Hollander Sleep Products, LLC	Canada
BREATHEWELL	Registered	1705939	12/5/2014	TMA995431	4/27/2018	Hollander Sleep Products, LLC	Canada
BRITE WHALE	Registered	1281897	11/25/2005	TMA681709	2/15/2007	Hollander Sleep Products, LLC	Canada
BUG BLOCK	Registered	1517755	3/4/2011	TMA817566	2/14/2012	Hollander Sleep Products, LLC	Canada
CANADA SMART	Registered	1637354	7/30/2013	TMA962733	2/14/2017	Hollander Sleep Products, LLC	Canada
CANADA SMART Logo 	Registered	1655188	12/6/2013	TMA954199	11/3/2016	Hollander Sleep Products, LLC	Canada


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CANNSTATTER	Registered	1442808	6/25/2009	TMA881243	7/4/2014	Hollander Sleep Products, LLC	Canada
CAPTURE TOP	Registered	1371711	11/13/2007	TMA757842	1/26/2010	Hollander Sleep Products, LLC	Canada
CHAMBERCOMBE	Registered	1461288	12/2/2009	TMA822977	4/26/2012	Hollander Sleep Products, LLC	Canada
CHOICES COLLECTION	Registered	1355911	7/12/2007	TMA717727	7/2/2008	Hollander Sleep Products, LLC	Canada
CLEAN COMFORT	Registered	1371773	11/13/2007	TMA729336	11/24/2008	Hollander Sleep Products, LLC	Canada
CLEAN LIVING	Registered	1385283	2/28/2008	TMA729332	11/24/2008	Hollander Sleep Products, LLC	Canada
CLEANLOFT	Registered	1386815	3/11/2008	TMA729334	11/24/2008	Hollander Sleep Products, LLC	Canada
CLEAR FRESH	Registered	1534918	7/8/2011	TMA910814	8/11/2015	Hollander Sleep Products, LLC	Canada

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CLUSTAIRE	Registered	1309744	7/19/2006	TMA795171	4/11/2011	Hollander Sleep Products, LLC	Canada
CLUSTER PUFF	Registered	1221423	6/23/2004	TMA662003	3/31/2006	Hollander Sleep Products, LLC	Canada
COMFORT LOCK	Registered	768647	11/15/1994	TMA488350	1/27/1998	Hollander Sleep Products, LLC	Canada
COMFORT WRAP	Registered	1394765	5/8/2008	TMA763665	4/8/2010	Hollander Sleep Products, LLC	Canada
COMFORTLOFT	Registered	1342281	3/28/2007	TMA707970	2/21/2008	Hollander Sleep Products, LLC	Canada
CONFORMANCE	Registered	1603389	11/21/2012	TMA965187	3/8/2017	Hollander Sleep Products, LLC	Canada
CONFORT ET RESPECT DE L'ENVIRONNEMENT	Registered	1377886	1/3/2008	TMA735546	3/3/2009	Hollander Sleep Products, LLC	Canada
CORE SLEEP	Registered	1540395	8/19/2011	TMA883014	7/29/2014	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
COTON D'OR	Registered	1379243	1/15/2008	TMA729330	11/24/2008	Hollander Sleep Products, LLC	Canada
COTTON D'OR	Registered	1379251	1/15/2008	TMA729331	11/24/2008	Hollander Sleep Products, LLC	Canada
CREATIONS	Registered	1205654	2/3/2004	TMA701411	11/22/2007	Hollander Sleep Products, LLC	Canada
CRYSTALLINE	Registered	1700233	10/29/2014	TMA984327	11/6/2017	Hollander Sleep Products, LLC	Canada
CUDDLESOFT	Registered	1254954	4/21/2005	TMA661418	3/24/2006	Hollander Sleep Products, LLC	Canada
DOUBLE STUFF	Registered	1603384	11/21/2012	TMA918325	10/26/2015	Hollander Sleep Products, LLC	Canada
DOWN AROUND	Registered	818663	7/23/1996	TMA502795	10/26/1998	Hollander Sleep Products, LLC	Canada
DOWN CRADLE	Registered	1438962	5/22/2009	TMA826867	6/21/2012	Hollander Sleep Products, LLC	Canada


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DOWN ENHANCE	Registered	1458920	11/12/2009	TMA831845	9/12/2012	Hollander Sleep Products, LLC	Canada
DOWN ENRAPTURE	Registered	1556714	12/16/2011	TMA921503	11/27/2015	Hollander Sleep Products, LLC	Canada
DOWN SURROUND	Registered	1603711	11/23/2012	TMA879063	5/29/2014	Hollander Sleep Products, LLC	Canada
DOWN WRAP	Registered	1442733	6/25/2009	TMA768528	6/2/2010	Hollander Sleep Products, LLC	Canada
DOWN LOCK	Registered	768646	11/15/1994	TMA511258	4/28/1999	Hollander Sleep Products, LLC	Canada
DOWNWORKS	Registered	1329377	12/22/2006	TMA822466	4/18/2012	Hollander Sleep Products, LLC	Canada
DOWNWORKS	Registered	1603385	11/21/2012	TMA918328	10/26/2015	Hollander Sleep Products, LLC	Canada
DREAM CATCHER	Registered	1194299	10/21/2003	TMA626044	11/19/2004	Hollander Sleep Products, LLC	Canada


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DREAM FOAM	Registered	1170763	3/11/2003	TMA639002	5/3/2005	Hollander Sleep Products, LLC	Canada
DREAM SOLUTIONS	Registered	1304909	6/9/2006	TMA805965	9/2/2011	Hollander Sleep Products, LLC	Canada
DREAMSCAPE	Registered	846340	5/28/1997	537853	11/28/2000	Hollander Sleep Products, LLC	Canada
DUAL ZONE	Registered	1398619	6/9/2008	TMA810191	10/25/2011	Hollander Sleep Products, LLC	Canada
EARTH ESSENTIALS	Registered	1378501	1/9/2008	TMA762747	3/26/2010	Hollander Sleep Products, LLC	Canada
EARTHSMART	Registered	1314923	8/23/2006	TMA693174	7/31/2007	Hollander Sleep Products, LLC	Canada
ECOCOMFORT	Registered	1387259	3/13/2008	TMA729339	11/24/2008	Hollander Sleep Products, LLC	Canada
ELEMENTA	Registered	1284388	12/22/2005	TMA779869	10/15/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
EUROFEATHER	Registered	782569	5/10/1995	TMA492650	4/8/1998	Hollander Sleep Products, LLC	Canada
EVENDREAM	Registered	1441466	6/15/2009	TMA849032	4/19/2013	Hollander Sleep Products, LLC	Canada
EXPAND A GRIP and Design 	Registered	1435253	4/21/2009	TMA822446	4/18/2012	Hollander Sleep Products, LLC	Canada
EXPAND-A-GRIP	Registered	666903	9/20/1990	TMA402264	9/4/1992	Hollander Sleep Products, LLC	Canada
EXTREMECLEAN	Registered	1162415	12/16/2002	TMA657048	1/20/2006	Hollander Sleep Products, LLC	Canada
FIBERLOGIC	Registered	1272581	9/9/2005	TMA671536	8/29/2006	Hollander Sleep Products, LLC	Canada
FIBRELOGIC	Registered	1272580	9/9/2005	TMA673164	9/22/2006	Hollander Sleep Products, LLC	Canada
FILLED WITH THOUGHT	Registered	1293012	3/9/2006	TMA802772	7/21/2011	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
FLAWLESS FIT	Registered	1335633	2/15/2007	TMA828712	7/27/2012	Hollander Sleep Products, LLC	Canada
FLAWLESS FIT	Registered	1625829	5/8/2013	TMA937108	5/6/2016	Hollander Sleep Products, LLC	Canada
FOREVER FIRM	Registered	1606548	12/13/2012	TMA918324	10/26/2015	Hollander Sleep Products, LLC	Canada
FOREVER FIT	Registered	1655830	12/11/2013	TMA917331	10/16/2015	Hollander Sleep Products, LLC	Canada
GEN (Stylized) 	Registered	1547226	10/11/2011	TMA933616	4/4/2016	Hollander Sleep Products, LLC	Canada
GRAND LOFT	Registered	1696599	10/3/2014	TMA982124	10/4/2017	Hollander Sleep Products, LLC	Canada
GREAT SLEEP	Registered	1544177	9/20/2011	TMA831859	9/12/2012	Hollander Sleep Products, LLC	Canada
GREAT WHITE	Registered	1161906	12/11/2002	TMA681268	2/7/2007	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
HEALTHY HOME	Registered	829436	11/20/1996	494096	5/7/1998	Hollander Sleep Products, LLC	Canada
HEALTHY LIVING	Registered	1384373	2/21/2008	TMA785748	12/22/2010	Hollander Sleep Products, LLC	Canada
HOLLANDER HOME FASHIONS	Registered	543705	6/13/1985	TMA322219	12/26/1986	Hollander Sleep Products, LLC	Canada
HUGE	Registered	1489883	7/23/2010	TMA854631	7/5/2013	Hollander Sleep Products, LLC	Canada
HUNK	Registered	746734	2/1/1994	TMA443659	6/9/1995	Hollander Sleep Products, LLC	Canada
HYDRAFRESH	Registered	1716186	2/20/2015	TMA959519	1/9/2017	Hollander Sleep Products, LLC	Canada
HYDROCOOL	Registered	1653474	11/25/2013	TMA960082	1/12/2017	Hollander Sleep Products, LLC	Canada
HYPERCLEAN	Registered	782570	5/10/1995	TMA522690	2/7/2000	Hollander Sleep Products, LLC	Canada


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
HYPERCOOL	Registered	1720665	3/24/2015	TMA1008609	11/9/2018	Hollander Sleep Products, LLC	Canada
I AM	Registered	1814488	12/15/2016	TMA995331	4/26/2018	Hollander Sleep Products, LLC	Canada
IDEAL	Registered	1470983	2/25/2010	TMA836196	11/9/2012	Hollander Sleep Products, LLC	Canada
INFINILOFT	Registered	1598576	10/17/2012	TMA926730	1/21/2016	Hollander Sleep Products, LLC	Canada
INTELLALOFT	Registered	1346659	5/2/2007	TMA710195	3/26/2008	Hollander Sleep Products, LLC	Canada
LBC	Registered	1486934	6/29/2010	TMA797668	5/16/2011	Hollander Sleep Products, LLC	Canada
LBC CANADA	Registered	1486935	6/29/2010	TMA797667	5/16/2011	Hollander Sleep Products, LLC	Canada
LC Boot Logo 	Registered	1545110	9/26/2011	TMA694979	8/11/2016	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LC Boot Logo 	Registered	1752829	10/30/2015	TMA999949	6/28/2018	Hollander Sleep Products, LLC	Canada
LET SLEEP SURROUND YOU	Registered	1308607	6/29/2006	TMA691448	7/6/2007	Hollander Sleep Products, LLC	Canada
L'IL GUPPY	Registered	1205655	2/3/2004	TMA628771	12/20/2004	Hollander Sleep Products, LLC	Canada
LITE-LOFT	Registered	1655829	12/11/2013	TMA957841	12/13/2016	Hollander Sleep Products, LLC	Canada
LIVE ACTIVE	Registered	1547220	10/11/2011	TMA933843	4/6/2016	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1151245	8/29/2002	TMA620784	9/28/2004	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1545102	9/26/2011	TMA964994	3/7/2017	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1752655	10/29/2015	TMA999951	6/28/2018	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LIVE NOW!	Registered	1547219	10/11/2011	TMA933604	4/4/2016	Hollander Sleep Products, LLC	Canada
LOVES TO BE WASHED	Registered	1716144	2/20/2015	TMA949671	9/19/2016	Hollander Sleep Products, LLC	Canada
LUNALUXE	Registered	1552990	11/21/2011	TMA979323	8/24/2017	Hollander Sleep Products, LLC	Canada
LUXEGUARD	Registered	1300562	5/5/2006	TMA774802	8/17/2010	Hollander Sleep Products, LLC	Canada
LUXIA	Registered	1615486	2/25/2013	TMA888541	10/22/2014	Hollander Sleep Products, LLC	Canada
LUX-LOFT	Registered	1665911	2/28/2014	TMA1008353	11/6/2018	Hollander Sleep Products, LLC	Canada
MATTRESS MAKEOVER	Registered	1324776	11/9/2006	TMA703778	12/21/2007	Hollander Sleep Products, LLC	Canada
MAXILOFT	Registered	1084702	11/30/2000	TMA643741	7/6/2005	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
MICROMAX	Registered	1713441	2/2/2015	TMA966629	3/23/2017	Hollander Sleep Products, LLC	Canada
MIRACLE DREAMS	Registered	1390225	4/7/2008	TMA742935	7/2/2009	Hollander Sleep Products, LLC	Canada
MODERN HOME	Registered	1389289	3/31/2008	TMA729329	11/24/2008	Hollander Sleep Products, LLC	Canada
NATIONAL SLEEP PRODUCTS	Registered	782145	5/5/1995	TMA494924	5/20/1998	Hollander Sleep Products, LLC	Canada
NATURAL BALANCE	Registered	1477078	4/15/2010	TMA875808	4/15/2014	Hollander Sleep Products, LLC	Canada
NATURAL ELEMENTS	Registered	1395929	5/15/2008	TMA755671	12/18/2009	Hollander Sleep Products, LLC	Canada
NATURAL LIVING	Registered	1155201	10/8/2002	TMA651523	10/26/2005	Hollander Sleep Products, LLC	Canada
NATURAL SLUMBER	Registered	1477260	4/16/2010	TMA878554	5/23/2014	Hollander Sleep Products, LLC	Canada


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NATURE'S LOFT	Registered	1300845	4/25/2006	TMA692858	7/27/2007	Hollander Sleep Products, LLC	Canada
NEVER FLAT	Registered	1270917	9/2/2005	TMA669135	8/2/2006	Hollander Sleep Products, LLC	Canada
NONI	Registered	1277792	10/31/2005	TMA778117	9/24/2010	Hollander Sleep Products, LLC	Canada
NOTION	Registered	1277794	10/31/2005	TMA799954	6/14/2011	Hollander Sleep Products, LLC	Canada
NSP	Registered	1603382	11/21/2012	TMA918288	10/26/2015	Hollander Sleep Products, LLC	Canada
OXFORD STRIPE	Registered	1312413	8/1/2006	TMA715693	6/3/2008	Hollander Sleep Products, LLC	Canada
PACIFIC COAST	Registered	787886	7/19/1995	TMA467336	12/9/1996	Hollander Sleep Products, LLC	Canada
PACIFIC COAST	Registered	1595092	9/20/2012	TMA909705	7/28/2015	Hollander Sleep Products, LLC	Canada

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PACIFIC COAST	Registered	1602737	11/16/2012	TMA920131	11/13/2015	Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER CO SINCE 1884 and Design 	Registered	1708504	12/22/2014	TMA988348	1/12/2018	Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER COMPANY	Registered	1760510	12/21/2015	TMA967093	3/29/2017	Hollander Sleep Products, LLC	Canada
PLATINUM EDGE	Registered	1343295	4/13/2007	TMA963963	2/24/2017	Hollander Sleep Products, LLC	Canada
PLUSH TOUCH	Registered	1304465	5/29/2006	TMA690989	6/27/2007	Hollander Sleep Products, LLC	Canada
POWER SLEEP	Registered	1548332	10/19/2011	TMA917149	10/15/2015	Hollander Sleep Products, LLC	Canada
PROFORMANCE	Registered	1277594	10/28/2005	TMA788243	1/21/2011	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PROGUARD	Registered	1603391	11/21/2012	TMA998241	6/6/2018	Hollander Sleep Products, LLC	Canada
PÜR COMFORT	Registered	1558617	1/5/2012	TMA839518	1/8/2013	Hollander Sleep Products, LLC	Canada
PÜR SUPPORT	Registered	1558618	1/5/2012	TMA839517	1/8/2013	Hollander Sleep Products, LLC	Canada
PÜR VALUE	Registered	1558619	1/5/2012	TMA844892	2/27/2013	Hollander Sleep Products, LLC	Canada
PURELOFT	Registered	1301704	5/10/2006	TMA688686	5/31/007	Hollander Sleep Products, LLC	Canada
QUEST	Registered	1510560	1/10/2011	TMA815264	1/10/2012	Hollander Sleep Products, LLC	Canada
RELIAGRIP	Registered	1476545	4/12/2010	TMA800129	6/16/2011	Hollander Sleep Products, LLC	Canada
RENOVA	Registered	1487429	7/5/2010	TMA854513	7/4/2013	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
RESILIA	Registered	1685975	7/18/2014	TMA974466	6/27/2017	Hollander Sleep Products, LLC	Canada
RESTFUL NIGHTS	Registered	1166003	1/27/2003	TMA658115	2/6/2006	Hollander Sleep Products, LLC	Canada
ROAR	Registered	1200721	12/29/2003	TMA628753	12/20/2004	Hollander Sleep Products, LLC	Canada
SENSACOOOL	Registered	1583150	6/21/2012	TMA973842	6/19/2017	Hollander Sleep Products, LLC	Canada
SENSALOFT	Registered	1370325	10/25/2007	TMA729328	11/24/2008	Hollander Sleep Products, LLC	Canada
SENSALUX	Registered	1346658	5/2/2007	TMA710194	3/26/2008	Hollander Sleep Products, LLC	Canada
SIDE-BY-SIDE	Registered	1278498	11/4/2005	TMA697400	9/27/2007	Hollander Sleep Products, LLC	Canada
SILVER SURE	Registered	1361794	8/30/2007	TMA791673	2/25/2011	Hollander Sleep Products, LLC	Canada


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SIMPLE COMFORT	Registered	1312384	7/31/2006	TMA693163	7/31/2007	Hollander Sleep Products, LLC	Canada
SIMPLY WHITE	Registered	1209599	3/8/2004	TMA634698	3/9/2005	Hollander Sleep Products, LLC	Canada
SLEEP 360	Registered	1306182	6/5/2006	TMA694994	8/29/2007	Hollander Sleep Products, LLC	Canada
SLEEP 365	Registered	1306344	6/7/2006	TMA691387	7/5/2007	Hollander Sleep Products, LLC	Canada
SLEEP CLASSICS	Registered	1450539	9/3/2009	TMA773119	7/28/2010	Hollander Sleep Products, LLC	Canada
SLEEPSATIONS	Registered	1341356	3/29/2007	TMA793831	3/25/2011	Hollander Sleep Products, LLC	Canada
SLEEPSATIONS	Registered	1498089	10/1/2010	TMA812456	11/23/2011	Hollander Sleep Products, LLC	Canada
SLZZP	Registered	1818741	1/18/2017	TMA1002051	8/2/2018	Hollander Sleep Products, LLC	Canada



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SMART FIBRE	Registered	1275403	10/12/2005	TMA740173	5/14/2009	Hollander Sleep Products, LLC	Canada
SMARTFLEX	Registered	1500121	10/18/2010	TMA878219	5/20/2014	Hollander Sleep Products, LLC	Canada
SMOOTH GRIP	Registered	1432902	3/30/2009	TMA822189	4/16/2012	Hollander Sleep Products, LLC	Canada
SMOOTH GRIP and Design 	Registered	1435254	4/21/2009	TMA822445	4/18/2012	Hollander Sleep Products, LLC	Canada
SNUG KNIT	Registered	1103001	5/15/2001	TMA667734	7/14/2006	Hollander Sleep Products, LLC	Canada
SOLUTIONS	Registered	1123039	11/22/2001	TMA609509	5/6/2004	Hollander Sleep Products, LLC	Canada
SOMNUS	Registered	1139933	5/6/2002	TMA697643	10/2/2007	Pacific Coast Feather Canada Inc. ⁸	Canada



⁸ Owner of record is a predecessor entity.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
STRATUS	Registered	1442058	6/18/2009	TMA848287	4/11/2013	Hollander Sleep Products, LLC	Canada
STRETCHFIT	Registered	1082908	11/16/2000	TMA599736	1/16/2004	Hollander Sleep Products, LLC	Canada
STUDENT CHOICE	Registered	1371683	11/6/2007	TMA729335	11/24/2008	Hollander Sleep Products, LLC	Canada
STUDENT EDITIONS	Registered	1371654	11/5/2007	TMA729333	11/24/2008	Hollander Sleep Products, LLC	Canada
SUPER FIT	Registered	1598577	10/17/2012	TMA965370	3/10/2017	Hollander Sleep Products, LLC	Canada
SUPERGRIP	Registered	1451988	9/16/2009	TMA828203	7/17/2012	Hollander Sleep Products, LLC	Canada
SUPERSIDE	Registered	1225865	8/4/2004	TMA641078	6/1/2005	Hollander Sleep Products, LLC	Canada
SUPERSIDE	Registered	1452964	9/24/2009	TMA834458	10/17/2012	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SWEET SLUMBER	Registered	1322421	10/25/2006	TMA693687	8/8/2007	Hollander Sleep Products, LLC	Canada
TERRAMORA	Registered	1346661	5/2/2007	TMA710197	3/26/2008	Hollander Sleep Products, LLC	Canada
THE BLUE WHALE	Registered	0858547	10/14/1997	TMA498787	8/17/1998	Hollander Sleep Products, LLC	Canada
THE BLUE WHALE	Registered	1504934	11/23/2010	TMA807902	9/28/2011	Hollander Sleep Products, LLC	Canada
TOP SHIELD	Registered	1458051	11/5/2009	TMA781429	11/2/2010	Hollander Sleep Products, LLC	Canada
TOUCH OF DOWN	Registered	1277793	10/31/2005	TMA710684	4/1/2008	Hollander Sleep Products, LLC	Canada
TRIA	Registered	1332303	1/23/2007	TMA811790	11/16/2011	Hollander Sleep Products, LLC	Canada
TRILLIUM	Registered	1340704	3/23/2007	TMA805969	9/2/2011	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
TRUECLEAN	Registered	1487425	7/5/2010	TMA881261	7/4/2014	Hollander Sleep Products, LLC	Canada
ULTRA ESSENCE	Registered	1533355	6/27/2011	TMA879395	6/4/2014	Hollander Sleep Products, LLC	Canada
UNE VIE DOUILLETT	Registered	1151246	8/29/2002	TMA638406	4/27/2005	Hollander Sleep Products, LLC	Canada
VERTICAL FIBRE	Registered	1306147	6/2/2006	TMA696464	9/13/2007	Hollander Sleep Products, LLC	Canada
VERTICAL FIBRE and Design New Generation Comfort  Comfort nouvelle generation	Registered	1306183	6/5/2006	TMA696298	9/12/2007	Hollander Sleep Products, LLC	Canada
VERY SPECIAL OVERNIGHT PILLOW	Registered	1251178	3/14/2005	TMA658196	2/7/2006	Hollander Sleep Products, LLC	Canada

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VSOP	Registered	1251179	3/14/2005	TMA655371	12/16/2005	Hollander Sleep Products, LLC	Canada
WONDER LOFT	Registered	1237662	11/12/2004	TMA652782	11/16/2005	Hollander Sleep Products, LLC	Canada
WONDER LOFT Design 	Registered	1237661	11/12/2004	TMA653117	11/22/2005	Hollander Sleep Products, LLC	Canada
3W (Stylized) 	Pending	1897263	5/3/2018	—	—	Hollander Sleep Products, LLC	Canada
ARCTIC DOWN	Pending	1903904	6/12/2018	—	—	Hollander Sleep Products, LLC	Canada
ARCTIC FRESH	Pending	1940803	1/15/2019	—	—	Hollander Sleep Products, LLC	Canada
DIAMOND COOL	Pending	1705941	12/5/2014	—	—	Hollander Sleep Products, LLC	Canada
DIET EXERCISE SLEEP Arrows Logo	Pending	1903763	6/12/2018	—	—	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
DURAFIL	Pending	1882474	2/9/2018	—	—	Hollander Sleep Products, LLC	Canada
ECO-SMART	Pending	1818740	1/18/2017	—	—	Hollander Sleep Products, LLC	Canada
ECO-SMART	Pending	1935566	12/12/2018	—	—	Hollander Sleep Products, LLC	Canada
EMBRACE	Pending	1944396	2/4/2019	—	—	Hollander Sleep Products, LLC	Canada
EVEN COOLER	Pending	1819177	1/20/2017	—	—	Hollander Sleep Products, LLC	Canada
FLEXILOFT	Pending	1948064	2/25/2019	—	—	Hollander Sleep Products, LLC	Canada
FLEXILOFT (Stylized) 	Pending	1935546	12/12/2018	—	—	Hollander Sleep Products, LLC	Canada


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
GREAT SLEEP	Pending	1900368	5/22/2018	—	—	Hollander Sleep Products, LLC	Canada
GREAT THINGS COME FROM GREAT SLEEP	Pending	1927369	10/26/2018	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1825704	3/3/2017	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1846279	7/7/2017	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1900369	5/22/2018	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1935568	12/12/2018	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945584	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945583	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
I AM	Pending	1945582	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945581	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945578	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945575	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1945574	2/11/2019	—	—	Hollander Sleep Products, LLC	Canada
I AM	Pending	1961394	5/7/2019	—	—	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Pending	1900537	5/23/2018	—	—	Hollander Sleep Products, LLC	Canada
NATURAL ELEMENTS	Pending	1819507	1/24/2017	—	—	Hollander Sleep Products, LLC	Canada



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
OPTITEMP	Pending	1941279	1/17/2019	—	—	Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER CO	Pending	1927365	10/26/2018	—	—	Hollander Sleep Products, LLC	Canada
PERFECT REST	Pending	1944398	2/4/2019	—	—	Hollander Sleep Products, LLC	Canada
POP CORNER	Pending	1928679	11/5/2018	—	—	Hollander Sleep Products, LLC	Canada
RESPONSIBLE LUXURY	Pending	1935556	12/12/2018	—	—	Hollander Sleep Products, LLC	Canada
RESPONSIBLE LUXURY	Pending	1948060	2/25/2019	—	—	Hollander Sleep Products, LLC	Canada
SLEEP 4 A'S	Pending	1928705	11/5/2018			Hollander Sleep Products, LLC	Canada
SMARTFLEX	Pending	1927370	10/26/2018	—	—	Hollander Sleep Products, LLC	Canada


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT	Pending	1928695	11/5/2018	—	—	Hollander Sleep Products, LLC	Canada
TEMPZONE	Pending	1941283	1/17/2019	—	—	Hollander Sleep Products, LLC	Canada
TRI-COOL	Pending	1903632	6/11/2018	—	—	Hollander Sleep Products, LLC	Canada
TRI-COOL	Pending	1905773	6/22/2018	—	—	Hollander Sleep Products, LLC	Canada
WON'T GO FLAT	Pending	1810952	11/23/2016	—	—	Hollander Sleep Products, LLC	Canada







WORLDWIDE TRADEMARK REGISTRATIONS AND APPLICATIONS (OTHER THAN UNITED STATES AND CANADA):





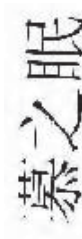

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LIVE COMFORTABLY	Registered	1903560	1/31/2018	1903560	9/27/2018	Hollander Sleep Products, LLC	Australia
LC	Registered	1903558	1/31/2018	1903558	8/29/2018	Hollander Sleep Products, LLC	Australia
A WORLD OF COMFORT	Pending	1905279	2/7/2018	—	—	Hollander Sleep Products, LLC	Australia
LC Boot Logo 	Registered	840032609	2/17/2012	840032609	4/14/2015	Hollander Sleep Products, LLC	Brazil
LIVE COMFORTABLY	Pending	840032927	2/22/2012	—	—	Hollander Sleep Products, LLC	Brazil
LIVE COMFORTABLY	Pending	840032935	2/22/2012			Hollander Sleep Products, LLC	Brazil
PACIFIC COAST FEATHER	Registered	28135213	12/18/2017	28135213	8/28/2019	Hollander Sleep Products, LLC	China
A WORLD OF COMFORT	Registered	28135211	12/18/2017	28135211	11/28/2018	Hollander Sleep Products, LLC	China
A WORLD OF COMFORT	Registered	28164755	12/18/2017	28164755	11/28/2018	Hollander Sleep Products, LLC	China
pai sai fei te 派赛菲特	Registered	22882643	2/21/2017	22882643	2/28/2018	Hollander Sleep Products, LLC	China


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
HYDROCOOL	Registered	15278252	9/2/2014	15278252	10/21/2015	Hollander Sleep Products, LLC	China
HYDROCOOL	Registered	15278202	9/2/2014	15278202	10/21/2015	Hollander Sleep Products, LLC	China
LIVE COMFORTABLY	Registered	10152946	11/7/2011	10152946	11/14/2013	Hollander Sleep Products, LLC	China
COMFORT CORE	Registered	10629813	3/16/2012	10629813	9/7/2013	Hollander Sleep Products, LLC	China
LC Boot Logo 	Registered	10152956	11/7/2011	10152956	7/21/2013	Hollander Sleep Products, LLC	China
COMFORT CORE	Registered	10629814	3/16/2012	10629814	5/14/2013	Hollander Sleep Products, LLC	China
POWER SLEEP	Registered	10144197	11/3/2011	10144197	3/7/2013	Hollander Sleep Products, LLC	China
LC Boot Logo 	Registered	10152955	11/7/2011	10152955	1/7/2013	Hollander Sleep Products, LLC	China
LIVE COMFORTABLY	Registered	10152945	11/7/2011	10152945	1/7/2013	Hollander Sleep Products, LLC	China
LC Boot Logo	Registered	10152953	11/7/2011	10152953	12/28/2012	Hollander Sleep Products, LLC	China


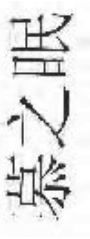

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
qian ran 	Registered	6896480	8/13/2008	6896480	10/28/2012	Hollander Sleep Products, LLC	China
PEACHY	Registered	7685822	9/10/2009	7685822	5/28/2012	Hollander Sleep Products, LLC	China
PEACHY	Registered	7685823	9/10/2009	7685823	5/21/2012	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY	Registered	6002794	4/16/2007	6002794	12/21/2011	Hollander Sleep Products, LLC	China
RENOVA	Registered	8725438	10/11/2010	8725438	10/21/2011	Hollander Sleep Products, LLC	China
rui nuo hua 	Registered	8725440	10/11/2010	8725440	10/21/2011	Hollander Sleep Products, LLC	China
rui nuo hua 	Registered	8725441	10/11/2010	8725441	10/21/2011	Hollander Sleep Products, LLC	China
rui nuo hua 	Registered	8725439	10/11/2010	8725439	10/21/2011	Hollander Sleep Products, LLC	China

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PACIFIC COAST FEATHER COMPANY SINCE 1884	Registered	8318674	5/21/2010	8318674	5/28/2011	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY SINCE 1884	Registered	8318676	5/21/2010	8318676	5/28/2011	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY SINCE 1884	Registered	8318675	5/21/2010	8318675	5/28/2011	Hollander Sleep Products, LLC	China
PACIFIC COAST (Stylized) Pacific Coast	Registered	6002798	4/16/2007	6002798	3/7/2011	Hollander Sleep Products, LLC	China
pai sai fei te 派賽菲特	Registered	6022059	4/26/2007	6022059	3/7/2011	Hollander Sleep Products, LLC	China
you mian 悠眠	Registered	7725309	9/25/2009	7725309	1/14/2011	Hollander Sleep Products, LLC	China
PACIFIC COAST SINCE 1884 FEATHER CO and Design 	Registered	5984115	4/6/2007	5984115	12/21/2010	Hollander Sleep Products, LLC	China
RESTFUL NIGHTS and Design	Registered	7647702	8/26/2009	7647702	12/21/2010	Hollander Sleep Products, LLC	China




Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
you mian 	Registered	7725307	9/25/2009	7725307	12/7/2010	Hollander Sleep Products, LLC	China
you mian 	Registered	7725308	9/25/2009	7725308	11/28/2010	Hollander Sleep Products, LLC	China
you mian 	Registered	7725306	9/25/2009	7725306	11/28/2010	Hollander Sleep Products, LLC	China
EXPAND-A-GRIP SUPREME and Design 	Registered	4842697	8/17/2005	4842697	11/21/2010	Hollander Sleep Products, LLC	China
RESTFUL NIGHTS and Design 	Registered	7647606	8/26/2009	7647606	11/21/2010	Hollander Sleep Products, LLC	China
RESTFUL NIGHTS and Design	Registered	7647607	8/26/2009	7647607	11/21/2010	Hollander Sleep Products, LLC	China



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
RESTFUL NIGHTS and Design	Registered	7647605	8/26/2009	7647605	11/21/2010	Hollander Sleep Products, LLC	China
							
MODERNISMA	Registered	6208583	8/7/2007	6208583	10/21/2010	Hollander Sleep Products, LLC	China
qian ran 	Registered	6896478	8/13/2008	6896478	9/28/2010	Hollander Sleep Products, LLC	China
mu zhi mian 	Registered	6896475	8/13/2008	6896475	9/14/2010	Hollander Sleep Products, LLC	China
mu zhi mian 	Registered	6896476	8/13/2008	6896476	9/14/2010	Hollander Sleep Products, LLC	China
mu zhi mian 	Registered	6896477	8/13/2008	6896477	9/14/2010	Hollander Sleep Products, LLC	China
qian ran	Registered	6896479	8/13/2008	6896479	9/14/2010	Hollander Sleep Products, LLC	China



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
芊然							
EXPAND A GRIP	Registered	4836971	8/15/2005	4836971	9/7/2010	Hollander Sleep Products, LLC	China
EXPAND-A-GRIP ULTIMATE and Design 	Registered	4842696	8/17/2005	4842696	8/21/2010	Hollander Sleep Products, LLC	China
HOTEL COLLECTION	Registered	7051188	11/11/2008	7051188	8/21/2010	Hollander Sleep Products, LLC	China
DURALUX	Registered	6515549	1/17/2008	6515549	7/7/2010	Hollander Sleep Products, LLC	China
ROYALOFT	Registered	6515548	1/17/2008	6515548	7/7/2010	Hollander Sleep Products, LLC	China
TRILLIUM	Registered	6515550	1/17/2008	6515550	7/7/2010	Hollander Sleep Products, LLC	China
TRILLIUM	Registered	6515551	1/17/2008	6515551	6/28/2010	Hollander Sleep Products, LLC	China
CONFORMANCE	Registered	6515201	1/17/2008	6515201	6/21/2010	Hollander Sleep Products, LLC	China
FLEXILOFT	Registered	6515198	1/17/2008	6515198	6/21/2010	Hollander Sleep Products, LLC	China
pai sai fei te 派賽菲特	Registered	6022043	4/26/2007	6022043	6/21/2010	Hollander Sleep Products, LLC	China


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SILVERSOFT	Registered	6515194	1/17/2008	6515194	6/21/2010	Hollander Sleep Products, LLC	China
ULTRAFLOW	Registered	6515196	1/17/2008	6515196	6/21/2010	Hollander Sleep Products, LLC	China
NL and Design 	Registered	5984116	4/6/2007	5984116	5/28/2010	Hollander Sleep Products, LLC	China
mu zhi mian 	Registered	6896481	8/13/2008	6896481	4/28/2010	Hollander Sleep Products, LLC	China
TRIA	Registered	6515203	1/17/2008	6515203	4/28/2010	Hollander Sleep Products, LLC	China
MODERNISMA	Registered	6208577	8/7/2007	6208577	4/14/2010	Hollander Sleep Products, LLC	China
MODERNISMA	Registered	6208578	8/7/2007	6208578	4/14/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST (Stylized) 	Registered	6002802	4/16/2007	6002802	4/7/2010	Hollander Sleep Products, LLC	China
CONFORMANCE	Registered	6515202	1/17/2008	6515202	3/28/2010	Hollander Sleep Products, LLC	China


Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
FLEXLOFT	Registered	6515199	1/17/2008	6515199	3/28/2010	Hollander Sleep Products, LLC	China
NATURAL LIVING	Registered	6002645	4/16/2007	6002645	3/28/2010	Hollander Sleep Products, LLC	China
SILVERSOFT	Registered	6515195	1/17/2008	6515195	3/28/2010	Hollander Sleep Products, LLC	China
TOUCH OF DOWN	Registered	6515200	1/17/2008	6515200	3/28/2010	Hollander Sleep Products, LLC	China
TRILLIUM	Registered	6515552	1/17/2008	6515552	3/28/2010	Hollander Sleep Products, LLC	China
ULTRAFLOW	Registered	6515197	1/17/2008	6515197	3/28/2010	Hollander Sleep Products, LLC	China
pai sai fei te 派賽菲特	Registered	6022046	4/26/2007	6022046	3/14/2010	Hollander Sleep Products, LLC	China
pai sai fei te 派賽菲特	Registered	6022045	4/26/2007	6022045	3/14/2010	Hollander Sleep Products, LLC	China
NATURAL LIVING	Registered	6002647	4/16/2007	6002647	3/7/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST (Stylized) Pacific Coast	Registered	6002799	4/16/2007	6002799	3/7/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY	Registered	6002795	4/16/2007	6002795	3/7/2010	Hollander Sleep Products, LLC	China
NL and Design	Registered	5984113	4/6/2007	5984113	2/28/2010	Hollander Sleep Products, LLC	China



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
PACIFIC COAST and Design 	Registered	5984114	4/6/2007	5984114	2/28/2010	Hollander Sleep Products, LLC	China
pai sai fei te 派賽菲特	Registered	6022044	4/26/2007	6022044	2/21/2010	Hollander Sleep Products, LLC	China
NATURAL LIVING	Registered	6002646	4/16/2007	6002646	2/14/2010	Hollander Sleep Products, LLC	China
NL and Design 	Registered	5984112	4/6/2007	5984112	2/14/2010	Hollander Sleep Products, LLC	China

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PACIFIC COAST	Registered	6002800	4/16/2007	6002800	2/14/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER CO SINCE 1884 and Design 	Registered	5984117	4/6/2007	5984117	2/14/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY	Registered	6002796	4/16/2007	6002796	2/14/2010	Hollander Sleep Products, LLC	China
MODERNISMA	Registered	6208576	8/7/2007	6208576	2/7/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST (Stylized) <i>Pacific Coast</i>	Registered	6002803	4/16/2007	6002803	1/7/2010	Hollander Sleep Products, LLC	China
pai sai fei te 	Registered	6022042	4/26/2007	6022042	1/7/2010	Hollander Sleep Products, LLC	China
PACIFIC COAST	Registered	6002801	4/16/2007	6002801	12/21/2009	Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER COMPANY	Registered	6002797	4/16/2007	6002797	12/21/2009	Hollander Sleep Products, LLC	China
NL and Design	Registered	5984161	4/6/2007	5984161	12/14/2009	Hollander Sleep Products, LLC	China



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
PACIFIC COAST and Design 	Registered	5984118	4/6/2007	5984118	12/14/2009	Hollander Sleep Products, LLC	China
DREAMLOFT	Registered	4908131	9/21/2005	4908131	5/7/2009	Hollander Sleep Products, LLC	China
MATTRESS MAKEOVER	Registered	4836961	8/15/2005	4836961	4/14/2009	Hollander Sleep Products, LLC	China
SLEEPSATIONS	Registered	4908150	9/21/2005	4908150	3/14/2009	Hollander Sleep Products, LLC	China
THERA-FOAM	Registered	4908146	9/21/2005	4908146	3/14/2009	Hollander Sleep Products, LLC	China
BED SAVER	Registered	4836974	8/15/2005	4836974	3/7/2009	Hollander Sleep Products, LLC	China
H and Design	Registered	4282291	9/22/2004	4282291	3/7/2009	Hollander Sleep Products, LLC	China



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
LIVE COMFORTABLY	Registered	4281994	9/22/2004	4281994	5/7/2008	Hollander Sleep Products, LLC	China
LIVE COMFORTABLY	Registered	4282290	9/22/2004	4282290	2/7/2008	Hollander Sleep Products, LLC	China
A WORLD OF COMFORT	Pending	28135212	12/18/2017	—	—	Hollander Sleep Products, LLC	China
LC	Pending	10152954	11/7/2011			Hollander Sleep Products, LLC	China
PACIFIC COAST FEATHER	Pending	28065373	12/13/2017	—	—	Hollander Sleep Products, LLC	China
SLEEPFORBEAUTY	Pending	10144196	11/3/2011	—	—	Hollander Sleep Products, LLC	China
SLEEPFORSUCCESS	Pending	10144195	11/3/2011	—	—	Hollander Sleep Products, LLC	China
SLEEPFORSUCCESS	Pending	10144198	11/3/2011	—	—	Hollander Sleep Products, LLC	China
RENOVA	Registered	11226081	9/28/2012	11226081	6/13/2015	Hollander Sleep Products, LLC	EU trade marks
PACIFIC COAST FEATHER CO SINCE 1884 and Design	Registered	13573852	12/15/2014	13573852	4/6/2015	Hollander Sleep Products, LLC	EU trade marks

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
							
RESTFUL NIGHTS	Registered	11359759	11/20/2012	11359759	4/23/2013	Hollander Sleep Products, LLC	EU trade marks
PACIFIC COAST	Registered	11308582	10/31/2012	11308582	3/28/2013	Hollander Sleep Products, LLC	EU trade marks
BEYOND COMFORT	Registered	11221421	9/27/2012	11221421	2/6/2013	Hollander Sleep Products, LLC	EU trade marks
POWER SLEEP	Registered	10781029	4/3/2012	10781029	9/3/2012	Hollander Sleep Products, LLC	EU trade marks
EUROFEATHER	Registered	2054419	1/24/2001	2054419	2/11/2002	Hollander Sleep Products, LLC	EU trade marks
COMFORT CORE	Registered	2029734	1/8/2001	2029734	1/22/2002	Hollander Sleep Products, LLC	EU trade marks
PACIFIC COAST FEATHER COMPANY	Registered	2030864	1/8/2001	2030864	12/17/2001	Hollander Sleep Products, LLC	EU trade marks
BARRIER WEAVE	Registered	2030617	1/8/2001	2030617	12/4/2001	Hollander Sleep Products, LLC	EU trade marks
PCF SUPERFLUFF	Registered	2030088	1/8/2001	2030088	12/4/2001	Hollander Sleep Products, LLC	EU trade marks
FEATHERLOCK	Registered	1752690	7/12/2000	1752690	11/5/2001	Hollander Sleep Products, LLC	EU trade marks
COMFORTHOLD	Registered	1751668	7/12/2000	1751668	9/5/2001	Hollander Sleep Products, LLC	EU trade marks
DOWN SURROUND	Registered	1751833	7/12/2000	1751833	8/9/2001	Hollander Sleep Products, LLC	EU trade marks



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BEYOND COMFORT	Registered	1753227	7/12/2000	1753227	7/31/2001	Hollander Sleep Products, LLC	EU trade marks
DOWNAROUND	Registered	1753995	7/12/2000	1753995	7/31/2001	Hollander Sleep Products, LLC	EU trade marks
EURODOWN	Registered	1751593	7/12/2000	1751593	7/31/2001	Hollander Sleep Products, LLC	EU trade marks
HYPERCLEAN	Registered	1753961	7/12/2000	1753961	7/31/2001	Hollander Sleep Products, LLC	EU trade marks
PACIFIC COAST	Registered	1753953	7/12/2000	1753953	7/31/2001	Hollander Sleep Products, LLC	EU trade marks
COMFORT LOCK	Registered	1751460	7/12/2000	1751460	7/9/2001	Hollander Sleep Products, LLC	EU trade marks
HOLLANDER	Registered	1151604	4/26/1999	1151604	2/26/2001	Hollander Sleep Products, LLC	EU trade marks
PACIFIC COAST	Registered	39527679.9	7/5/1995	39527679	5/31/1996	Hollander Sleep Products, LLC	Germany
LC Boot Logo 	Registered	302056437	10/13/2011	302056437	10/13/2011	Hollander Sleep Products, LLC	Hong Kong
LC Boot Logo 	Registered	2274460	1/31/2012	2274460	1/31/2012	Hollander Sleep Products, LLC	India
LIVE COMFORTABLY	Registered	2274459	1/31/2012	2274459	1/31/2012	Hollander Sleep Products, LLC	India

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SUPERSIDE	Registered	1865163	9/22/2009	1865163	9/22/2009	Hollander Sleep Products, LLC	India
SUPERSIDE	Registered	1865164	9/22/2009	1865164	9/22/2009	Hollander Sleep Products, LLC	India
PACIFIC COAST	Registered	2016-002185	1/8/2016	5855307	6/3/2016	Hollander Sleep Products, LLC	Japan
PACIFIC COAST FEATHER COMPANY	Registered	2016-000746	1/5/2016	5855293	6/3/2016	Hollander Sleep Products, LLC	Japan
LIVE COMFORTABLY	Registered	2004-090077	10/1/2004	4901120	10/14/2005	Hollander Sleep Products, LLC	Japan
PACIFIC COAST	Registered	H07-091747	9/7/1995	4068337	10/9/1997	Hollander Sleep Products, LLC	Japan
EXPAND-A-GRIP	Registered	H04-145057	7/27/1992	3077223	9/29/1995	Hollander Sleep Products, LLC	Japan
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT and Design <small>TECHNOLOGY THAT ADAPTS TO YOUR COMFORT</small>	Registered	2125513	11/5/2018	1973235	2/22/2019	Hollander Sleep Products, LLC	Mexico
GREAT THINGS COME FROM GREAT SLEEP and Design <small>GREAT THINGS COME FROM GREAT SLEEP</small>	Registered	2122824	10/26/2018	1969247	2/12/2019	Hollander Sleep Products, LLC	Mexico
RESTFUL NIGHTS and Design RESTFUL NIGHTS	Registered	2127164	11/7/2018	1968629	2/11/2019	Hollander Sleep Products, LLC	Mexico
GREAT SLEEP	Registered	2058792	6/7/2018	1919719	9/6/2018	Hollander Sleep Products, LLC	Mexico
I AM	Registered	2058784	6/7/2018	1919718	9/6/2018	Hollander Sleep Products, LLC	Mexico

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
NSP	Registered	2059901	6/8/2018	1919838	9/6/2018	Hollander Sleep Products, LLC	Mexico
NSP and Design NSP	Registered	2059908	6/8/2018	1919839	9/6/2018	Hollander Sleep Products, LLC	Mexico
I AM	Registered	1837049	12/20/2016	1876238	4/24/2018	Hollander Sleep Products, LLC	Mexico
FEATHER BEST	Registered	1613929	5/26/2015	1578928	10/8/2015	Hollander Sleep Products, LLC	Mexico
DREAMY NIGHTS	Registered	1564291	1/8/2015	1541706	5/27/2015	Hollander Sleep Products, LLC	Mexico
DREAMY NIGHTS	Registered	1564292	1/8/2015	1541707	5/27/2015	Hollander Sleep Products, LLC	Mexico
ULTRA LUXE	Registered	1439498	12/10/2013	1445105	3/31/2014	Hollander Sleep Products, LLC	Mexico
ULTRA LUXE	Registered	1439499	12/10/2013	1445106	3/31/2014	Hollander Sleep Products, LLC	Mexico
LC Boot Logo 	Registered	1340093	1/16/2013	1365747	5/2/2013	Hollander Sleep Products, LLC	Mexico
LC Boot Logo 	Registered	1233390	12/7/2011	1314364	9/26/2012	Hollander Sleep Products, LLC	Mexico

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LC Boot Logo 	Registered	1233392	12/7/2011	1313915	9/25/2012	Hollander Sleep Products, LLC	Mexico
LIVE COMFORTABLY	Registered	1233388	12/7/2011	1310227	9/7/2012	Hollander Sleep Products, LLC	Mexico
LIVE COMFORTABLY	Registered	1233387	12/7/2011	1307775	8/29/2012	Hollander Sleep Products, LLC	Mexico
LC Boot Logo 	Registered	1233391	12/7/2011	1287428	5/24/2012	Hollander Sleep Products, LLC	Mexico
THE BLUE WHALE	Registered	1165199	3/22/2011	1233787	8/18/2011	Hollander Sleep Products, LLC	Mexico
THE BLUE WHALE	Registered	1100701	6/30/2010	1227550	7/15/2011	Hollander Sleep Products, LLC	Mexico
SUPERSIDE	Registered	1030829	9/2/2009	1196044	1/11/2011	Hollander Sleep Products, LLC	Mexico
ARCTIC DOWN	Registered	1030832	9/2/2009	1195673	1/7/2011	Hollander Home Fashions Corp. ⁹	Mexico
SUPERSIDE	Registered	1030833	9/2/2009	1127258	10/23/2009	Hollander Sleep Products, LLC	Mexico

⁹ Owner of record is a predecessor entity.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
ARCTIC DOWN	Registered	1030830	9/2/2009	1124096	10/2/2009	Hollander Home Fashions Corp. ¹⁰	Mexico
ARCTIC DOWN	Registered	1030835	9/2/2009	1124097	10/2/2009	Hollander Home Fashions Corp. ¹¹	Mexico
PACIFIC COAST SINCE 1884 FEATHER CO and Design 	Registered	548496	5/24/2002	769918	11/25/2002	Hollander Sleep Products, LLC	Mexico
PACIFIC COAST SINCE 1884 FEATHER CO and Design 	Registered	548495	5/24/2002	769243	11/21/2002	Hollander Sleep Products, LLC	Mexico
EUROFEATHER	Registered	548498	5/24/2002	764744	10/25/2002	Hollander Sleep Products, LLC	Mexico
EUROFEATHER	Registered	548499	5/24/2002	755195	7/23/2002	Hollander Sleep Products, LLC	Mexico
BARRIER WEAVE	Registered	549710	6/3/2002	754057	6/28/2002	Hollander Sleep Products, LLC	Mexico
DOWNAROUND	Registered	548497	5/24/2002	751999	6/26/2002	Hollander Sleep Products, LLC	Mexico

¹⁰ Owner of record is a predecessor entity.

¹¹ Owner of record is a predecessor entity.



Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
EUROFEATHER	Registered	548500	5/24/2002	752000	6/26/2002	Hollander Sleep Products, LLC	Mexico
MICROFEATHER	Registered	409583	2/7/2000	658987	6/16/2000	Hollander Sleep Products, LLC	Mexico
HHF	Registered ¹²	363800	2/15/1999	606788	4/26/1999	Hollander Home Fashions Corp. ¹³	Mexico
HOLLANDER HOME FASHIONS	Registered ¹⁴	363799	2/15/1999	603964	3/26/1999	Hollander Sleep Products, LLC	Mexico
HOLLANDER HOME FASHIONS	Registered ¹⁵	363795	2/15/1999	603963	3/26/1999	Hollander Sleep Products, LLC	Mexico
COMFORT LOCK	Registered	221222	1/9/1995	507226	10/20/1995	Hollander Sleep Products, LLC	Mexico
PACIFIC COAST	Registered	237482	7/14/1995	502000	8/29/1995	Hollander Sleep Products, LLC	Mexico
HYPERCLEAN	Registered	228503	3/30/1995	499559	7/28/1995	Hollander Sleep Products, LLC	Mexico
HUNK	Registered	191761	2/23/1994	496851	7/10/1995	Hollander Sleep Products, LLC	Mexico
EXPAND-A-GRIP	Registered	204810	7/8/1994	495327	6/23/1995	Hollander Sleep Products, LLC	Mexico



¹² This registration may have lapsed.

¹³ Owner of record is a predecessor entity.

¹⁴ This registration may have lapsed.

¹⁵ This registration may have lapsed.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DIET EXERCISE SLEEP 3 ELEMENTS THAT COMPLETE YOUR LIFE CIRCLE... and Design 	Pending	2060442	6/11/2018	—	—	Hollander Sleep Products, LLC	Mexico
DIET EXERCISE SLEEP 3 ELEMENTS THAT COMPLETE YOUR LIFE CIRCLE... and Design 	Pending	2060447	6/11/2018	—	—	Hollander Sleep Products, LLC	Mexico
GREAT THINGS COME FROM GREAT SLEEP	Pending	2122820	10/26/2018	—	—	Hollander Sleep Products, LLC	Mexico
I AM	Pending	1837050	12/20/2016	—	—	Hollander Sleep Products, LLC	Mexico
LIVE COMFORTABLY	Pending	2059912	6/8/2018	—	—	Hollander Sleep Products, LLC	Mexico
OPTITEMP	Pending	2151719	1/15/2019	—	—	Hollander Sleep Products, LLC	Mexico
OPTITEMP	Pending	2151723	1/15/2019	—	—	Hollander Sleep Products, LLC	Mexico

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PACIFIC COAST FEATHER CO	Pending	2122808	10/26/2018	—	—	Hollander Sleep Products, LLC	Mexico
PACIFIC COAST FEATHER CO	Pending	2122816	10/26/2018	—	—	Hollander Sleep Products, LLC	Mexico
POP CORNER	Pending	2125515	11/5/2018	—	—	Hollander Sleep Products, LLC	Mexico
RESTFUL NIGHTS	Pending	2127167	11/7/2018	—	—	Hollander Sleep Products, LLC	Mexico
SMART FLEX	Pending	2122822	10/26/2018	—	—	Hollander Sleep Products, LLC	Mexico
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT	Pending	2125514	11/5/2018	—	—	Hollander Sleep Products, LLC	Mexico
TEMPZONE	Pending	2151727	1/15/2019	—	—	Hollander Sleep Products, LLC	Mexico
TEMPZONE	Pending	2151733	1/15/2019	—	—	Hollander Sleep Products, LLC	Mexico
LC Boot Logo 	Pending	313570	1/31/2012	—	—	Hollander Sleep Products, LLC	Pakistan
LC Boot Logo 	Pending	313569	1/31/2012	—	—	Hollander Home Fashions LLC ¹⁶	Pakistan

¹⁶ Owner of record is a predecessor entity.

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LIVE COMFORTABLY	Pending	313572	1/31/2012	—	—	Hollander Home Fashions ¹⁷	Pakistan
SUPERSIDE	Pending	272616	9/24/2009	—	—	Hollander Home Fashions Corp ¹⁸	Pakistan
SUPERSIDE	Pending	272617	9/24/2009	—	—	Hollander Home Fashions Corp ¹⁹	Pakistan
I AM	Registered	261692	10/13/2017	261692	10/13/2017	Hollander Sleep Products, LLC	Panama
PACIFIC COAST FEATHER COMPANY	Registered	4020150095468	12/23/2015	4012093460000	10/14/2016	Hollander Sleep Products, LLC	South Korea
PACIFIC COAST	Registered	4020140078472	11/20/2014	4011302600000	9/15/2015	Hollander Sleep Products, LLC	South Korea
LIVE COMFORTABLY	Registered	107006972	1/31/2018	01977136	3/16/2019	Hollander Sleep Products, LLC	Taiwan

¹⁷ Owner of record is a predecessor entity.

¹⁸ Owner of record is a predecessor entity.

¹⁹ Owner of record is a predecessor entity.

Schedule 3.14 - Tax Matters

No disclosure.

Schedule 3.15 - Seller Plans

(a)

(vi)

1. Letter between Hollander Sleep Products, LLC and Mason Carroll, dated September 30, 2014.
2. Letter between Hollander Sleep Products, LLC and Beth Mack, dated September 30, 2014.
3. Offer Letter between Hollander Sleep Products, LLC and May Huneidi, dated as of December 11, 2018.
4. Offer Letter, between Hollander Sleep Products, LLC and Scot Whitlow, dated as of August 2, 2019.
5. Letter, between Hollander Sleep Products, LLC and James Kindschi, dated August 30, 2017.
6. Letter, between Hollander Sleep Products, LLC and Robert Sand, dated July 28, 2017.
7. Letter, between Hollander Sleep Products, LLC and Erlin Eugenio, dated July 11, 2017.
8. Letter, between Hollander Sleep Products, LLC and Jonathan Hundven, dated July 11, 2017.
9. Letter, between Hollander Sleep Products, LLC and Allison Hudson, dated July 28, 2017.
10. Letter, between Hollander Sleep Products, LLC and James Elnathan, dated July 12, 2017.
11. Letter, between Hollander Sleep Products, LLC and Linda Nicholson, dated July 11, 2017.
12. Hollander Retention Plan (as defined in the Order (A) Approving the Debtors' Key Employee Retention Plans and (B) Granting Related Relief (Docket No. 281))
13. Georgia Retention Plan (as defined in the Order (A) Approving the Debtors' Key Employee Retention Plans and (B) Granting Related Relief (Docket No. 281))
14. Hollander Sleep Products, LLC Retirement and Savings Plan
15. Hollander Sleep Products Canada Ltd. Plan Number 011637 Group Registered Retirement Savings Plan
16. Equity Grant Agreement, by and between Dream II Holdings, LLC and Mason Carroll, dated as of October 21, 2014.
17. Equity Grant Agreement, by and between Dream II Holdings, LLC and Bill Deliberti, dated as of October 21, 2014.
18. Equity Grant Agreement, by and between Dream II Holdings, LLC and Beth Mack, dated as of October 21, 2014.
19. Non-Qualified Hollander Home Fashions, LLC Executive Bonus Award Plan
20. Non-Qualified Hollander Home Fashions, LLC Senior Manager Bonus Award Plan
21. Non-Qualified Hollander Sleep Products, LLC Executive Bonus Award Plan
22. Non-Qualified Hollander Sleep Products, LLC Executive Sales Bonus Award Plan
23. Non-Qualified Hollander Sleep Products, LLC Senior Manager Bonus Award Plan
24. Non-Qualified Hollander Sleep Products, LLC Manager Bonus Award Plan

25. Aetna Group Term Life Insurance
26. Kaiser Group Medical Policy
27. Geisinger Health Plan Group Medical Policy
28. Delta Dental Group Dental Policy
29. Anthem Stop Loss Policy
30. Lincoln National Group ADD and Life Insurance Policy
31. Lincoln National Group LTD Policy
32. Lincoln National Group Disability Policy
33. National Vision Administrators Policy
34. Hollander Home Fashions Salaried Employees Welfare Plan
35. Hollander Home Fashions Union Employees Welfare Plan Excluding Pennsylvania Location
36. Hollander Home Fashions Pennsylvania Union Employees Welfare Plan
37. Louisville Bedding Company Employee Benefits Plan
38. Pacific Coast Feather Life and Medical Plan
39. Louisville Bedding Company Retirement Savings Plan
40. CPIC Allianz Critical Illness
41. CPIC Allianz Medical Insurance
42. Zurich EL Insurance
43. BCBS SC Medical Plan
44. Optum Rx Pharmacy Plan Symetra Stop Loss Policy
45. VSP Vision plan
46. HSA administered by HSA Bank
47. MetLife Basic and Voluntary Life/AD&D
48. MetLife Short-Term and Long-Term Disability
49. Aflac Voluntary Benefits
50. InfoArmor Identity Theft Protection
51. Nationwide My Pet Protection
52. ARAG Legal Insurance
53. Discovery Benefits COBRA and FSA Administration
54. MetLife Leave Administration

(f) No disclosure.

Schedule 3.16 - Employees

(a)

See attached.

(b)

1. The Company and its Subsidiaries periodically use individual independent contractors (who are not subject to written agreements) for sales and marketing services and sewing services as necessary.
2. Buying Agency Agreement, between Hollander Sleep Products, LLC and Ashwini Prashant Adure, dated as of September 1, 2013.
3. Buying Agency Agreement, between Hollander Sleep Products, LLC and Kaustubh Dattatraya Marathe, dated as of October 14, 2013.
4. Independent Contractor Agreement, by and between Hollander Sleep Products, LLC and Ramon Figueroa, dated as September 14, 2015.

(c)

(ii)

The matters set forth on Schedule 3.10 are hereby incorporated to this Schedule 3.16 by reference.

(iii)

1. The Company closed its plant located at 2504 Lowell Road, Gastonia, NC 28054 on or about October 23, 2017.
2. The Company closed its plant located at 414 East Gold Road, Des Plaines, IL 60016 on or about December 15, 2017.

(d)

The matters set forth on Schedule 3.9(i) are hereby incorporated to this Schedule 3.16 by reference.

Schedule 3.17 – Inventory

1. Approximately \$20.9M of the Inventory is classified by the Sellers as slow-moving, discontinued or obsolete.

Schedule 3.22 - Suppliers and Customers

Hollander Sleep Products - Top 20 Suppliers

Supplier	2018 Receipts	2017 Receipts
Invista Inc.	\$50,425,618	\$37,626,015
Liuqiao Group	30,436,920	29,829,562
Sun Fiber / Cixi Jiangnan Chemical Fiber	27,721,629	14,981,074
The Sea Feather Company Of Luan	19,517,398	13,326,578
Roind Hometex Co., Ltd.	17,048,194	13,203,923
Funing Jincheng Home Textile Co	15,487,184	13,514,662
Packaging Corp Of America	12,616,906	10,287,311
Nap Industries Inc	10,926,166	8,517,802
Hangzhou Chuangyuan Feather Co Ltd	10,211,049	7,032,702
Be Be Jan Pakistan Limited	8,731,692	6,947,883
Wuxi Jielong Textile Co. Ltd	8,684,076	11,369,396
Wuhu Fine Textile International Trading Co., Ltd.	7,622,954	4,460,944
Stein Fibers Ltd	6,437,065	7,669,487
Wujiang City Xinyi Textile Co. Ltd.	6,073,044	4,731,691
Zhejiang Wanxiang Bedding Co Ltd (W/O Cushion)	6,021,093	5,956,534
Hangzhou Huoju Down Products Co., Ltd.	4,682,159	2,690,372
Anhui Rongdi Down Product Co Ltd	4,656,569	-
Elite Foam	4,463,751	4,473,368
Nan Ya Plastics Corporation America	4,111,613	1,492,020
Qingdao Fuyuan Arts And Crafts Co Ltd	2,451,038	3,043,335
Grand Total	\$258,326,117	\$201,154,658

Top 20 Customers By Revenue
Hollander Sleep Products (US)
Values in USD

#	Master Customer	2017 Total	#	Master Customer	2018 Total
1	WAL-MART STORES INC.	107,149,195	1	WAL-MART STORES INC.	111,501,810
2	COSTCO	86,475,580	2	COSTCO	85,845,511
3	BED BATH & BEYOND	48,220,304	3	BED BATH & BEYOND	45,567,700
4	AMERICAN HOTEL REGISTER	27,267,571	4	TARGET STORES INC.	30,228,641
5	HOME GOODS	25,304,617	5	AMERICAN HOTEL REGISTER	27,396,775
6	TJ Maxx	24,061,795	6	HOME GOODS	24,249,981
7	TARGET STORES INC.	23,183,547	7	MACYS HOME STORE	19,005,743
8	MACYS HOME STORE	18,453,115	8	TJ Maxx	18,601,155
9	ROSS STORES INC.	18,441,653	9	ROSS STORES INC.	14,495,753
10	Sysco Guest Supply	12,522,539	10	Sysco Guest Supply	11,924,326
11	POTTERY BARN	11,493,732	11	JC Penney CO.	10,335,387
12	JC Penney CO.	11,418,082	12	POTTERY BARN	9,685,322
13	COSTCO WHOLESALE CANADA Ltd	10,936,278	13	PCFC-WEB SITE	7,282,920
14	BELK STORE SERVICES	7,339,078	14	BELK STORE SERVICES	6,532,715
15	PCFC-WEB SITE	6,862,829	15	COSTCO WHOLESALE CANADA Ltd	6,506,043
16	KOHL'S DEPT. STORES INC.	5,449,938	16	HD SUPPLY	5,780,015
17	HD SUPPLY	5,340,461	17	Serta Simmons Bedding	4,599,394
18	Serta Simmons Bedding	4,542,628	18	RESTORATION HARDWARE	4,295,168
19	SEARS/KMART	4,351,863	19	BLOOMINGDALE'S	3,069,736
20	RESTORATION HARDWARE	3,697,381	20	WEST ELM	2,991,560

Top 20 Customers By Revenue
Hollander Sleep Products (CAN)
Values in CAD

#	Master Customer	2017 Total
1	WAL MART - CANADA	31,069,406
2	COSTCO WHOLESALE CANADA Ltd	21,521,937
3	HUDSON'S BAY CO.	11,204,857
4	SEARS CANADA	3,744,916
5	LOBLAW INC.	2,130,949
6	WINNERS APPAREL LTD	1,785,672
7	HOMESENSE	1,602,418
8	BED BATH & BEYOND CANADA	1,446,528
9	Giant Tiger	1,405,543
10	HOME OUTFITTERS	755,593
11	Canadian Tire Corporation Ltd.	597,803
12	RED APPLE STORES INC	445,252
13	La Maison Simons Inc	408,099
14	JYSK LINEN N'FURNITURE	332,777
15	Home Depot Canada	162,000
16	Sysco Guest Supply	158,275
17	LADY SANDRA HOME FASHIONS INC.	90,269
18	EASTERN TEXTILES LTD.	58,483
19	Riff's Stores	44,925
20	ZeneX Enterprises Limited	35,063

#	Master Customer	2018 Total
1	WAL MART - CANADA	31,202,266
2	COSTCO WHOLESALE CANADA Ltd	26,589,912
3	HUDSON'S BAY CO.	11,319,934
4	HOMESENSE	1,906,596
5	BED BATH & BEYOND CANADA	1,518,772
6	WINNERS APPAREL LTD	1,518,596
7	Giant Tiger	1,386,425
8	LOBLAW INC.	921,275
9	La Maison Simons Inc	542,305
10	Canadian Tire Corporation Ltd.	495,791
11	HOME OUTFITTERS	469,783
12	RED APPLE STORES INC	419,805
13	JYSK LINEN N'FURNITURE	218,811
14	Home Depot Canada	215,136
15	LADY SANDRA HOME FASHIONS INC.	104,678
16	Sysco Guest Supply	80,520
17	EQ3 LTD	77,625
18	COSTCO	38,189
19	HD SUPPLY	35,776
20	OBUS FORME CO	30,895

Schedule 3.23 - Affiliate Transactions

Amended and Restated Management Services Agreement, by and between Dream II Holdings, LLC and Sentinel Capital Partners, L.L.C., dated as of June 9, 2017.

Schedule 3.24 - Brokers

No disclosure.

Schedule 4.3 – Conflicts; Consents

(a) No disclosure.

(b) Post-Closing notification under the Investment Canada Act.

Schedule 6.1 - Conduct of Business of the Sellers

No disclosure.

Schedule 6.4 - Regulatory Approvals


No disclosure.

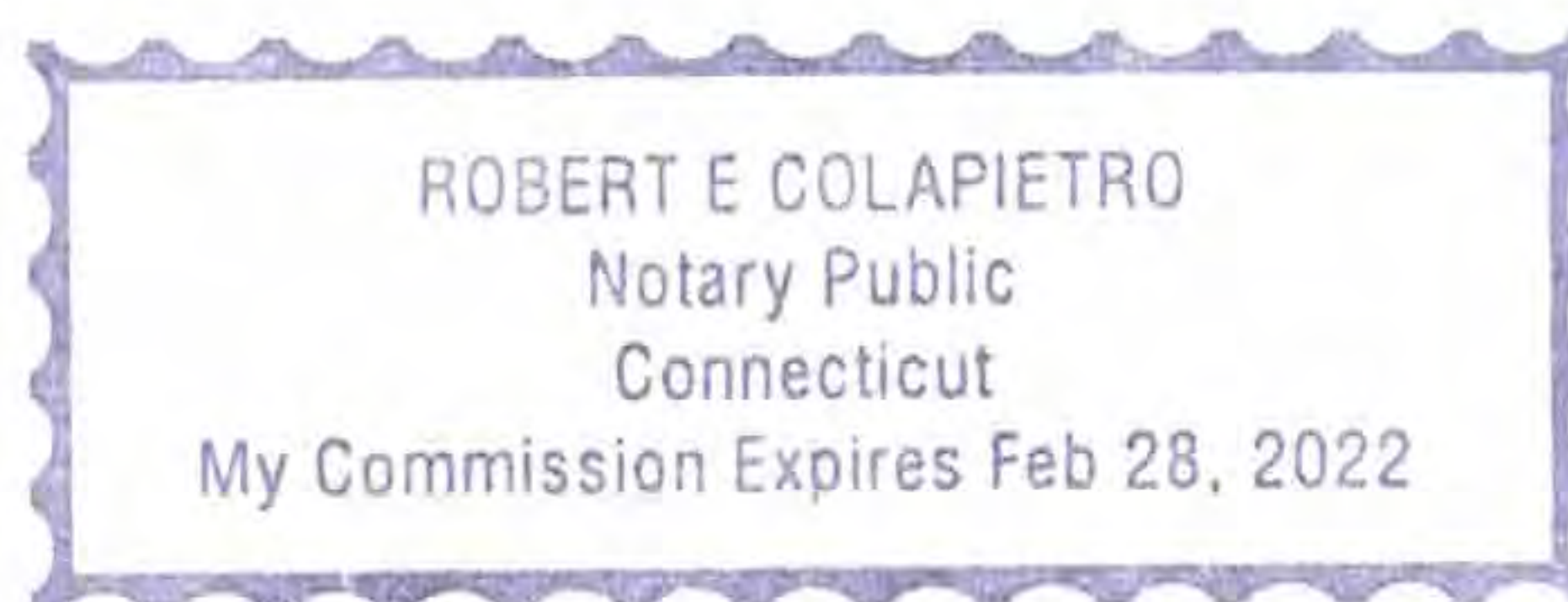
Schedule 11.1(vv) - Permitted Encumbrances

No disclosure.

TAB J

THIS IS EXHIBIT "J" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





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Counsel to the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:)	
	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	

NOTICE OF WINNING BIDDER AND CANCELLATION OF AUCTION

On July 3, 2019, the United States Bankruptcy Court for the Southern District of New York entered an order [Docket No. 180] approving bidding procedures (the “Bidding Procedures”)² in connection with the proposed auction and sale of some or all of the assets of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) and scheduling dates and deadlines in connection with approval of the sale.

In accordance with the Bidding Procedures, following the Final Bid Deadline the Debtors, in consultation with the Consultation Parties, determined the Winning Bidder to be Bedding Acquisition, LLC, with a Successful Bid of \$102 million cash and certain other

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 have the meaning given to such terms in the Bidding Procedures.

consideration,³ subject to certain adjustments for net working capital and similar transaction costs, to acquire the majority of the Debtors' assets and operate as a going concern.

Because Bedding Acquisition, LLC placed the only Qualified Bid, the Auction scheduled for **August 19, 2019, at 10:00 a.m., prevailing Eastern Time**, is hereby **canceled**. The proposed sale will be consummated pursuant to the Debtors' chapter 11 plan [Docket No. 248] (as modified to implement the sale). The Debtors will present the Successful Bid to the Bankruptcy Court for approval at the confirmation hearing currently scheduled for **September 4, 2019, at 11:00 a.m., prevailing Eastern Time**, before the Honorable Michael E. Wiles, United States Bankruptcy Judge for the Bankruptcy Court for the Southern District of New York at One Bowling Green, New York, New York 10004. Please be advised that 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 or by a notice of adjournment or agenda filed with the Court and served on the master service list (available on the Debtors' case website at <http://www.omnimgt.com/hollander>).

Copies of all documents filed in these chapter 11 cases, including the Bidding Procedures, may be obtained free of charge by visiting the website of Omni Management Group at <http://www.omnimgt.com/hollander>.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

³ The Successful Bid contemplates the issuance of warrants to the Debtors granting the right to purchase up to 7.5% of the purchaser's post-closing fully diluted equity ownership.

New York, New York
Dated: August 16, 2019

/s/ Joshua A. Sussberg, P.C.

Joshua A. Sussberg, P.C.

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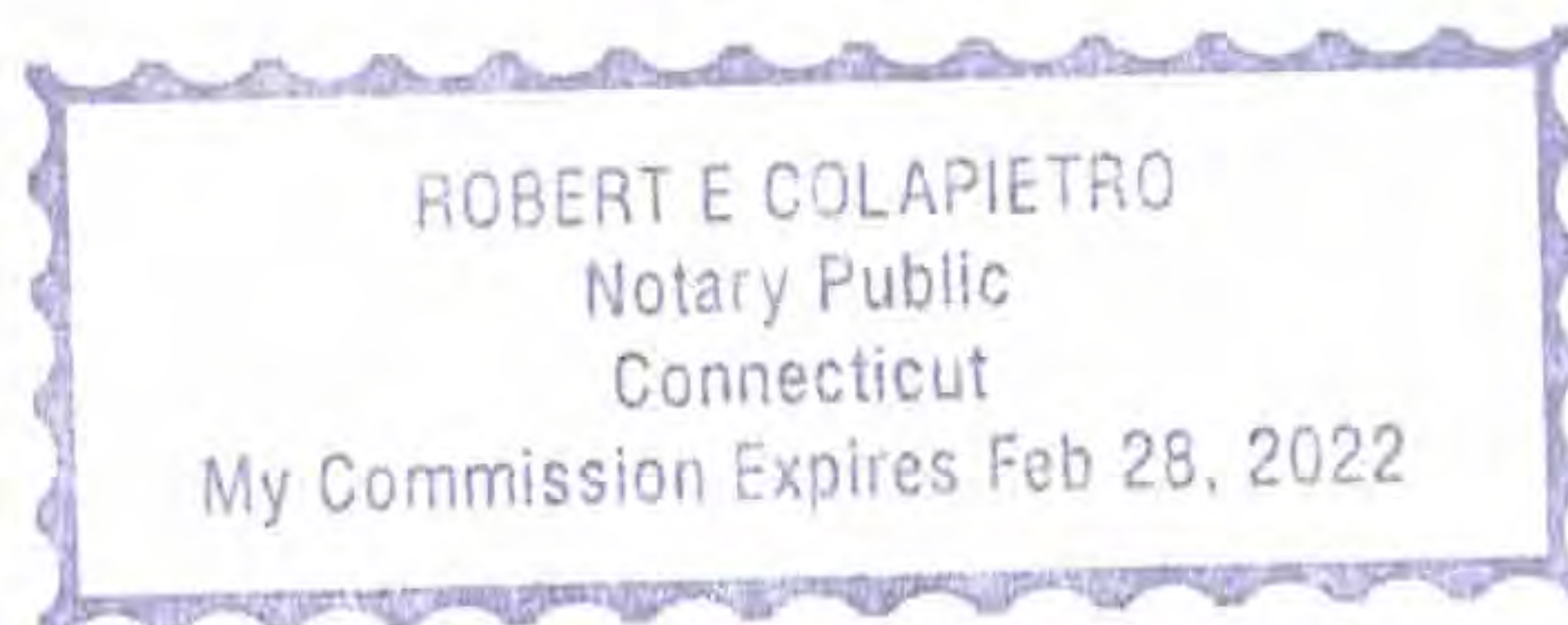
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Counsel to the Debtors and Debtors in Possession

TAB K

THIS IS EXHIBIT "K" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





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Counsel to the Debtors and Debtors in Possession

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

In re:)	
	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	

**NOTICE OF FILING OF THE DEBTORS' MODIFIED FIRST AMENDED
JOINT PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE that on July 25, 2019, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 248] (the "Plan").

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file the *Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (the "Modified Plan"), attached hereto as **Exhibit 1**.

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit 2** is a redline of the Modified Plan reflecting cumulative changes from the Plan.

PLEASE TAKE FURTHER NOTICE that the Debtors will seek confirmation of the Modified Plan at a hearing scheduled for **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, in Courtroom No. 617, located at One Bowling Green, New York, New York 10004-1408.

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.

PLEASE TAKE FURTHER NOTICE that copies of the Modified Plan and all other documents in these chapter 11 cases are available free of charge by visiting <https://omnimgt.com/hollander> or by calling (844) 212-9942 within the United States or Canada or, outside of the United States or Canada, by calling +1 (818) 906-8300. 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>.

New York, New York
Dated: August 30, 2019

/s/ Joshua A. Sussberg, P.C.

Joshua A. Sussberg, P.C.

Christopher T. Greco, P.C.

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Counsel to the Debtors and Debtors in Possession

Exhibit 1

Modified Plan

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

In re:

HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-11608 (MEW)
)
) (Jointly Administered)
)

**DEBTORS' MODIFIED FIRST AMENDED JOINT
PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

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Counsel to the Debtors and Debtors in Possession

Dated: August 30, 2019

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY 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.

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INTRODUCTION

Hollander Sleep Products, LLC and its Debtor affiliates in the above-captioned Chapter 11 Cases propose this joint chapter 11 plan pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A. This Plan constitutes a separate chapter 11 plan for each Debtor and, unless otherwise set forth herein, the classifications and treatment of Claims and Interests apply to each individual Debtor.

Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and historical financial information, projections, and future operations, as well as a summary and description of this Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

As used in this Plan, capitalized terms have the meanings ascribed to them below.

1. “**ABL Agent**” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

2. “**ABL Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the ABL Credit Facility.

3. “**ABL Credit Agreement**” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

4. “**ABL Credit Facility**” means, collectively, the senior secured revolving credit facility, swing loans, and letters of credit provided for by the ABL Credit Agreement.

5. “**ABL Lenders**” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

6. “**ABL Priority Collateral**” has the meaning set forth in the DIP Intercreditor Agreement.

7. “**Administration Charge**” means the charge granted by the Canadian Court in the Recognition Proceedings on the Canadian Assets to secure the professional fees and disbursements of the Information Officer and its counsel, in each case incurred in respect of the Recognition Proceedings.

8. “**Administrative Claim**” means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) amounts owing pursuant to the DIP Orders.

9. “**Administrative Claim Bar Date**” means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims, (y) Administrative Claims arising in the ordinary

course of business, or (z) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code, which are required to be filed in accordance with the Bar Date Order), which shall be 30 days after the Effective Date.

10. “**Administrative Claim Objection Bar Date**” means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the later of (a) 60 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of the Administrative Claims; *provided* that the Administrative Claim Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

11. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

12. “**Allowed**” means with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claims, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. For the avoidance of doubt: (x) a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim; and (y) the Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law. “Allow” and “Allowing” shall have correlative meanings.

13. “**Acquired Assets**” means those “Acquired Assets” as defined in the Asset Purchase Agreement.

14. “**APA Post Closing Obligations**” means those certain obligations of the Debtors (or any successor thereto) under the Asset Purchase Agreement that may become due and payable after the closing of the Sale Transaction, including the payment of certain tax obligations relating to periods prior to the closing and payment of certain cure amounts with respect to Executory Contracts or Unexpired Leases assigned to the Winning Bidder.

15. “**Asset Purchase Agreement**” means that certain asset purchase agreement dated as of August 15, 2019, executed by and between the Debtors and the Winning Bidder for the sale of certain of the Debtors’ assets to the Winning Bidder, a copy of which has been filed with the Plan Supplement, together with all exhibits, appendices, supplements, documents, and agreements ancillary thereto, in each case as amended, modified, or supplemented from time to time.

16. “**Auction**” means the auction, if any, for some or all of the Debtors’ assets, conducted in accordance with the Bidding Procedures.

17. “**Avoidance Actions**” mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their Estates under the Bankruptcy Code, CCAA, BIA, or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

18. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 100–1532, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

19. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of reference under section 157 of the Judicial Code and/or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

20. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

21. “**Bar Date Order**” means the *Order (A) Setting Bar Dates for Filing Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 120], entered by the Bankruptcy Court on June 21, 2019.

22. “**BIA**” means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

23. “**Bidding Procedures**” means the procedures governing the Auction and sale of all or substantially all of the Debtors’ assets, as approved by the Bankruptcy Court and as may be amended from time to time in accordance with their terms.

24. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)(6)).

25. “**Canadian Assets**” means the assets, undertakings, and properties of Hollander Canada at the applicable time.

26. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

27. “**Canadian Intercompany Claim**” means (i) the Claim of Hollander Canada in respect of the aggregate amount loaned by Hollander Canada to the Debtors other than Hollander Canada during the Chapter 11 Cases pursuant to and in accordance with the DIP Orders, *less* (ii) the aggregate amount reasonably incurred by the Debtors other than Hollander Canada during the Chapter 11 Cases in providing selling, general, and administrative services to Hollander Canada.

28. “**Cash**” or “**\$**” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

29. “**Causes of Action**” means any actions, claims, cross claims, third-party claims, interests, damages, controversies, remedies, causes of action, debts, judgments, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, disputed or undisputed, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law or otherwise. For the avoidance of doubt, “Causes of Action” include: (a) any rights of setoff, counterclaim, or recoupment and any claims under contracts or for breaches of duties imposed by law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claims or defenses, including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any state law fraudulent transfer claim.

30. “**CCAA**” means Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

31. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

32. “**Claim**” means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, or as defined in the CCAA, as applicable, against a Debtor or an Estate.

33. “**Claims Bar Date**” means the dates established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims (other than Claims required to be Filed by the Administrative Claims Bar Date), pursuant to (a) the Bar Date Order, (b) a Final Order of the Bankruptcy Court, or (c) the Plan.

34. “**Claims Objection Bar Date**” means the later of: (a) the first Business Day following 180 days after the Effective Date; and (b) such later date as may be fixed by the Bankruptcy Court, after notice and a hearing upon a motion either Filed on or before the day that is 180 days after the Effective Date or filed thereafter, for cause.

35. “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

36. “**Class**” means a class of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

37. “**Collective Bargaining Agreement**” means those certain Collective Bargaining Agreements by and between Debtor Hollander Sleep Products, LLC, on the one hand, and, as applicable, the Southwest Regional Joint Board Workers United, the Southern Regional Joint Board of Workers United, SEIU on Behalf of Local 2420, the Mid-Atlantic Joint Board of Workers United, or the Workers United, Western States Regional Joint Board, on the other hand, as the same may have been amended from time to time.

38. “**Commercial Tort Claims**” means any commercial tort claims or Causes of Action owned by the Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date.

39. “**Commercial Tort Proceeds**” means the Cash proceeds, if any, of any Commercial Tort Claims, less any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

40. “**Committee**” means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 30, 2019, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 61].

41. “**Committee Advisors**” means, collectively, Pachulski Stang Ziehl & Jones LLP, Alvarez & Marsal North America, LLC, and Gowling WLG.

42. “**Committee Monthly Fee Cap**” means, the sum of \$300,000 per month for the period commencing on August 1, 2019, through the Effective Date which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code, *provided* that any unused amount from a prior month may be used for fees and expenses incurred in a subsequent month on a rolling basis.

43. “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

44. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

45. “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, including any adjournments thereof.

46. “**Confirmation Recognition Order**” means the order granted by the Canadian Court recognizing the Confirmation Order in the Recognition Proceedings.

47. “**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the ABL Agent (solely with respect to the economic and non-economic treatment of the ABL Agent and ABL Lenders pursuant to such order), the Winning Bidder (solely with respect to the Sale Transaction), and the Sponsor.

48. “**Consenting Term Loan Lenders**” means the Term Loan Lenders that are party to the RSA, together with their respective successors and permitted assigns and any subsequent Term Loan Lenders that become party to the RSA in accordance with the terms of the RSA.

49. “**Consummation**” means the occurrence of the Effective Date.

50. “**Contingent Amounts**” means any (a) Sale Proceeds or other amounts that any Debtor, Post-Effective Date Debtor, or the Wind-Down Trust receives from the Sale Transaction (i) pursuant to the Asset Purchase Agreement or the Confirmation Order, whether received immediately upon the consummation of the Sale Transaction or on a later date, that the Debtors will not distribute under the Plan on the Effective Date due to such proceeds being escrowed, earmarked, reserved, or otherwise set aside to satisfy a Claim with a higher priority than the DIP Claims in accordance with the DIP Intercreditor Agreement or pursuant to the Bankruptcy Code or as otherwise provided under the Plan and/or (ii) on a date after the Effective Date in accordance with the Asset Purchase Agreement or the Confirmation Order and/or (b) any proceeds or other amounts that any Debtor or Post-Effective Date Debtor receives from any other source after the Effective Date but excluding the GUC Sale Transaction Recovery Pool, the Last Out Loans Turnover Amount, and the Commercial Tort Proceeds.

51. “**D&O Liability Insurance Policies**” means, collectively, (a) all insurance policies (including any “tail policy”) of any of the Debtors for current or former directors’, members’, trustees’, managers’, and officers’ liability as of the Petition Date, and (b) all insurance policies (including any “tail policy”) for directors’, members’, trustees’, managers’, and officers’ liability maintained by the Debtors, the Estates, or the Post-Effective Date Debtors as of the Effective Date.

52. “**Debtor**” means one or more of the Debtors, as debtors and debtors in possession, each in its respective individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

53. “**Debtor Release**” means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.C of the Plan

54. “**Debtors**” means, collectively: (a) Dream II, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

55. “**DIP ABL Agent**” means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

56. “**DIP ABL Claims**” means any and all Claims derived from or based upon the DIP ABL Credit Facility, including all Claims for any fees and expenses of the DIP ABL Agent.

57. “**DIP ABL Credit Agreement**” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP ABL Agent, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

58. “**DIP ABL Credit Facility**” means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

59. “**DIP ABL Lenders**” means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

60. “**DIP ABL Order**” means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP ABL Credit Agreement and incur postpetition obligations thereunder.

61. “**DIP Agents**” means collectively, the DIP ABL Agent and the DIP Term Loan Agent.

62. “**DIP Claims**” means any and all Claims arising under or related to the DIP Facilities, including the Last Out DIP Loan Claims.

63. “**DIP Credit Agreements**” means collectively, the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement.

64. “**DIP Facilities**” means the DIP ABL Credit Facility and the DIP Term Loan Facility.

65. “**DIP Intercreditor Agreement**” means the amended and restated intercreditor agreement, by and among the ABL Agent and the Term Loan Agent, which amended and restated the prepetition intercreditor agreement in its entirety, and is binding and enforceable against the Borrowers (as such term is defined in the DIP Orders), the other “Grantors” thereunder, the Prepetition Secured Parties, and the DIP Lenders in accordance with its terms.

66. “**DIP Lenders**” means the banks, financial institutions, and other lenders party to the DIP Credit Agreements from time to time and the bank product providers thereunder.

67. “**DIP Orders**” means collectively, the DIP ABL Order and the DIP Term Loan Order.

68. “**DIP Term Loan Agent**” means the administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such.

69. “**DIP Term Loan Claims**” means any and all Claims derived from or based upon the DIP Term Loan Credit Facility, including all Claims for any fees and expenses of the DIP Term Loan Agent.

70. “**DIP Term Loan Credit Agreement**” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time.

71. “**DIP Term Loan Credit Facility**” means the credit facility provided for under the DIP Term Loan Credit Agreement.

72. “**DIP Term Loan Distributable Cash**” means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (a) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral), other than the DIP Term Loan Claims, in full in Cash, as provided herein, (b) fund the GUC Sale Transaction Recovery Pool, and (c) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

73. “**DIP Term Loan Distributable Cash Deductions**” means the payment or funding, or the reserving of estimates for such payments or funding, of Administrative Claims (other than DIP Term Loan Claims), Professional Fee Claims, the DIP ABL Claims, the Last Out DIP Loan Claims, the Priority Tax Claims, the Other Priority Claims, the Secured Tax Claims, the Other Secured Claims, any Cash amounts necessary to cover any cure payments not covered by the Asset Purchase Agreement, the payment of the statutory fees described in Article XII.C hereof, the

\$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, any reserves necessary to cover the reasonable estimated costs for the APA Post Closing Obligations (with such reasonable estimates to be developed in consultation with and subject to the reasonable approval of the Debtors, the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and the Winning Bidder, which approvals shall not be unreasonably withheld, conditioned, or delayed), and the initial \$600,000 of the GUC Sale Transaction Recovery Pool (as described in subsection (a) of the definition thereof).

74. **“DIP Term Loan Documents”** means the DIP Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, as may be amended, modified, restated, or supplemented from time to time.

75. **“DIP Term Loan Lenders”** means the banks, financial institutions, and other lenders party to the DIP Term Loan Credit Agreement from time to time, each solely in their capacity as such.

76. **“DIP Term Loan Order”** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Term Loan Credit Agreement and incur postpetition obligations thereunder.

77. **“Disbursing Agent”** means, as applicable, the Debtors or the Plan Administrator (as applicable) or any Entity or Entities selected by the Debtors or the Plan Administrator to make or facilitate distributions contemplated under the Plan (in consultation with the DIP Term Loan Agent with respect to distributions made to the Holders of DIP Term Loan Claims and in consultation with the Term Loan Agent with respect to distributions made to the Holders of Term Loan Claims).

78. **“Disclosure Statement”** means the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of July 21, 2019, as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, which must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the ABL Agent, and the Sponsor.

79. **“Disputed”** means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

80. **“Disputed Claim Reserve”** means amounts in a bank account or accounts reserved for Disputed Claims.

81. **“Distribution Record Date”** means the date for determining which Holders of Allowed Claims or Allowed Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date or such other date as is designated in a Final Order of the Bankruptcy Court.

82. **“Dream II”** means Dream II Holdings, LLC.

83. **“Effective Date”** means the date that is the first Business Day after the Confirmation Date on which (a) the conditions to the occurrence of the Effective Date have been satisfied or waived pursuant to Article IX.A and Article IX.B of the Plan and (b) no stay of the Confirmation Order is in effect, which shall be the day Consummation occurs.

84. **“Entity”** means an entity as such term is defined in section 101(15) of the Bankruptcy Code.

85. **“Estate”** means, as to each Debtor, the estate created on the Petition Date for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired by the Debtors after the Petition Date through the Effective Date.

86. ***“Excess Distributable Cash”*** means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets in excess of amounts necessary to satisfy the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, and all Claims senior in priority to General Unsecured Claims, including the DIP Claims, the ABL Claims, and the Term Loan Claims, in full, in Cash, as provided herein.

87. ***“Exculpated Party”*** means collectively, and in each case solely in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Committee and each of its respective members; (d) the DIP Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the ABL Agent; (h) the ABL Lenders; (i) the Term Loan Agent; (j) the Term Loan Lenders; (k) the Sponsor; (l) the parties to the RSA; (m) the Plan Administrator; and (n) with respect to each of the foregoing entities, 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, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

88. ***“Executory Contract”*** means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.

89. ***“Federal Judgment Rate”*** means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code.

90. ***“File,” “Filed,” or “Filing”*** means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.

91. ***“Final Order”*** means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari, or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing has been timely taken or filed, or as to which any appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any comparable rule of the Bankruptcy Rules may be Filed relating to such order shall not cause such order to not be a Final Order.

92. ***“General Unsecured Claim”*** means any Claim that is not Secured and is not (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim), (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an ABL Claim, (f) a Term Loan Claim, or (g) a DIP Claim. Any Term Loan Deficiency Claim shall be waived and shall not constitute a General Unsecured Claim.

93. ***“Governmental Unit”*** has the meaning set forth in section 101(27) of the Bankruptcy Code.

94. ***“GUC Sale Transaction Recovery Pool”*** means, in a Sale Transaction, from the first available proceeds of the Term Loan Priority Collateral: (a) Cash in the amount of \$600,000, plus (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 5% of each dollar in excess thereof, plus (c) if the Term Loan Lenders receive more than a 50% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 7.5% of each dollar in excess thereof, less (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

95. ***“Holder”*** means an Entity holding a Claim or an Interest in any Debtor.

96. **“Hollander Canada”** means Hollander Sleep Products Canada Limited.
97. **“Impaired”** means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.
98. **“Indemnification Obligations”** means each of the Debtors’ indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, members, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors.
99. **“Information Officer”** means the information officer appointed by the Canadian Court in the Recognition Proceedings.
100. **“Initial Distribution Date”** means the date on which the Disbursing Agent shall make initial distributions to Holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date but in no event shall be later than 30 days after the Effective Date.
101. **“Intercompany Claim”** means any Claim held by a Debtor or an Affiliate of a Debtor against another Debtor arising before the Petition Date and excludes, for the avoidance of doubt, the Canadian Intercompany Claim.
102. **“Intercompany Interest”** means an Interest in any Debtor, or a direct or indirect subsidiary of any Debtor, other than an Interest in Dream II.
103. **“Intercreditor Agreement”** means that certain Intercreditor Agreement, dated as of June 9, 2017, by and among the Prepetition Agents, as amended, restated, supplemented, or otherwise modified in accordance with its terms.
104. **“Interest”** means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security, including any Claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.
105. **“Interim Compensation Order”** means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 179], entered by the Bankruptcy Court on July 3, 2019, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.
106. **“Judicial Code”** means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.
107. **“Last Out DIP Loan Claims”** means any and all Claims derived from or based upon the Last Out DIP Loans.
108. **“Last Out DIP Loans”** means those Last Out Loans that upon entry of the final DIP ABL Order were deemed refinanced or replaced by, or otherwise converted into, Last Out Loans under the DIP ABL Credit Facility.
109. **“Last Out Loans”** means those “Last Out Loans” as defined in the ABL Credit Agreement.

110. ***“Last Out Loans Turnover”*** means the turnover of the Last Out Loans Turnover Amount in accordance with the terms of the Plan.

111. ***“Last Out Loans Turnover Amount”*** means an amount up to \$650,000 in the aggregate to be paid for the benefit of Holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to Holders of Last Out DIP Loan Claims on account of such Claims, plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the Holders of Last Out DIP Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

112. ***“Lien”*** means any lien, as such term is defined in section 101(37) of the Bankruptcy Code.

113. ***“Notice and Claims Agent”*** means Omni Management Group in its capacity as notice and claims agent for the Debtors and any successor.

114. ***“Other Priority Claim”*** means any Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

115. ***“Other Secured Claim”*** means any Secured Claim that is not a DIP Claim, an ABL Claim, a Term Loan Claim, or a Secured Tax Claim, and includes (i) any Claim secured by the Administration Charge, and (ii) the Canadian Intercompany Claim.

116. ***“Payoff Letter”*** means the payoff letter in respect of any payment in full of the DIP ABL Claims and ABL Claims (including Last Out DIP Loan Claims) in accordance with Section 1.4 of the DIP ABL Credit Agreement, to be agreed upon by the Debtor and the DIP ABL Agent prior to the Effective Date.

117. ***“Person”*** means a person as such term as defined in section 101(41) of the Bankruptcy Code.

118. ***“Petition Date”*** means the date on which each of the Debtors commenced the Chapter 11 Cases.

119. ***“Plan”*** means this *Debtors’ Joint Plan of Reorganization of Hollander Sleep Products, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, as may be altered, amended, modified, or supplemented from time to time in accordance with Article X hereof, including the Plan Supplement (as modified, amended or supplemented from time to time), which is incorporated herein by reference and made part of the Plan as if set forth herein.

120. ***“Plan Administrator”*** means (a) if the Holders of Class 5 Claims vote to accept the Plan, a person or Entity designated by the Committee in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), or (b) if the Holders of Class 5 Claims vote to reject the Plan, a person or Entity designated by the Debtors in consultation with the Committee and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), who will be disclosed prior to the Confirmation Hearing and will serve as the trustee and administrator for the Wind-Down Trust and have all power and authorities as set forth in Article IV.D of the Plan.

121. ***“Plan Administrator Certificate”*** means a certification Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made under the Plan.

122. ***“Plan Settlement”*** means the good faith compromise and settlement of all Claims, Interests, and controversies as described in Article IV.A of the Plan.

123. ***“Plan Supplement”*** means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, the initial draft of certain of such documents shall be Filed by the Debtors fourteen calendar days before the first day of the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Effective Date, as may be amended, supplemented, altered, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, including: (a) the Asset Purchase

Agreement; (b) the Schedule of Assumed Executory Contracts and Unexpired Leases; (c) the Schedule of Rejected Executory Contracts and Unexpired Leases; (d) the Schedule of Retained Causes of Action; (e) the Payoff Letter; (f) the identity and terms of compensation of the Plan Administrator; (g) the Wind-Down Trust Agreement; and (h) any necessary documentation related to the Sale Transaction, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

124. ***“Post-Effective Date Debtor”*** means any Debtor, or any successor thereto after the Effective Date.
125. ***“Prepetition Agents”*** means the ABL Agent and the Term Loan Agent.
126. ***“Prepetition Facilities”*** means the ABL Credit Facility and the Term Loan Facility.
127. ***“Prepetition Secured Lenders”*** means the ABL Lenders and Term Loan Lenders.
128. ***“Priority Tax Claim”*** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
129. ***“Pro Rata”*** means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.
130. ***“Professional”*** means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code, *provided* that, for the avoidance of doubt, the advisors to the Term Loan Agent, the DIP Agents, and the ABL Agent shall not constitute a “Professional.”
131. ***“Professional Fee Claims”*** mean all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent a Bankruptcy Court or higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.
132. ***“Professional Fee Escrow Account”*** means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount, *provided* that the Professional Fee Escrow shall be increased with Cash held by the Post-Effective Date Debtors or by the Wind-Down Trust to the extent applications are filed after the Effective Date in excess of the amount of Cash funded into the escrow as of the Effective Date, *provided* that any such incremental funding will not reduce the GUC Sale Transaction Recovery Pool or the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.
133. ***“Professional Fee Escrow Amount”*** means the total amount of Professional fees and expenses estimated pursuant to Article II.B.3 of the Plan.
134. ***“Proof of Claim”*** means a written proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.
135. ***“Proof of Interest”*** means a written proof of Interest Filed against any of the Debtor in the Chapter 11 Cases.
136. ***“Put Purchasers”*** means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.

137. ***“Quarterly Distribution Date”*** means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date, or as soon thereafter as is reasonably practicable.

138. ***“Recognition Proceedings”*** means the proceedings commenced by the Debtors under Part IV of the CCAA in the Canadian Court to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.

139. ***“Reinstate,” “Reinstated,” or “Reinstatement”*** means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

140. ***“Released Party”*** means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Plan Administrator; (i) the Winning Bidder; (j) the Sponsor; (k) the parties to the RSA; (l) the Committee; and (m) with respect to each of the foregoing in clauses (a) through (l), 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.”

141. ***“Releasing Parties”*** means, collectively, each of the following: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Winning Bidder; (i) the Sponsor; (j) the parties to the RSA; and (k) the Committee; (l) with respect to each of the foregoing in clauses (a) through (k), such Entity and its current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, 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, management companies, fund advisors, employees, agents, advisory board members (other than members of the Committee), financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such and solely to the extent of such Entity’s authority to bind any of the foregoing, including pursuant to agreement or applicable non-bankruptcy law; (m) all Holders of Claims that vote to accept the Plan; (n) all Holders of Claims that vote to reject the Plan but elect on their ballot to opt into the Third-Party Release; and (o) all Holders of Claims or Interests not described in the foregoing clauses (a) through (n) who elect to opt into the Third-Party Release.

142. ***“Required DIP Lenders”*** means the “Required Lenders” as defined in the DIP Term Loan Credit Agreement.

143. ***“Required Term Lenders”*** means the “Required Consenting Term Loan Lenders” as defined in the RSA.

144. ***“Restructuring Transactions”*** means the transactions described in Article IV.B of the Plan.

145. “**RSA**” means that certain restructuring support agreement, dated as of May 19, 2019, by and among the Debtors, the Consenting Term Loan Lenders, and the Sponsor, as amended and restated by that certain amended and restated restructuring support and settlement agreement, dated as of July 21, 2019, by and among the Debtors, the Consenting Term Loan Lenders, the Committee, and the Sponsor, as may be amended, restated, supplemented, or modified from time to time, which RSA was approved by the Bankruptcy Court on August 15, 2019 [Docket No. 298].

146. “**Sale Proceeds**” means all proceeds of the Sale Transaction, including the Cash proceeds and the Warrants, that the Debtors or the Plan Administrator shall receive in accordance with the Asset Purchase Agreement.

147. “**Sale Transaction**” means the sale of certain of the Debtors’ assets to the Winning Bidder to be consummated in accordance with the Plan and the Asset Purchase Agreement.

148. “**Schedule of Assumed Executory Contracts and Unexpired Leases**” means that certain schedule filed with the Plan Supplement of Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, or assumed by the Debtors and assigned to the Winning Bidder pursuant to the Plan and in accordance with the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

149. “**Schedule of Rejected Executory Contracts and Unexpired Leases**” means that certain schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder and shall be included in the Plan Supplement.

150. “**Schedule of Retained Causes of Action**” means that certain schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan or the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder, and shall be included in the Plan Supplement.

151. “**Schedules**” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules may be amended, modified, or supplemented from time to time.

152. “**Section 510(b) Claim**” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; *provided* that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

153. “**Secured**” means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court or Canadian Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in such Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, which value shall be determined pursuant to section 506(a) of the Bankruptcy Code or (b) Allowed pursuant to the Plan as a Secured Claim.

154. “**Secured Tax Claim**” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

155. “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

156. “**Security**” means a security as defined in section 2(a)(1) of the Securities Act.

157. “**Sponsor**” means Sentinel Capital Partners on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its Affiliates, each solely in their capacity as Holders of direct or indirect equity interests in Dream II.

158. “**Term Loan Agent**” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such.

159. “**Term Loan Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the Term Loan Facility and the Term Loan Documents.

160. “**Term Loan Credit Agreement**” means that certain term loan credit agreement dated as of June 9, 2017, by and among Hollander Sleep Products, LLC, as borrower, Dream II and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

161. “**Term Loan Deficiency Claim**” means a Term Loan Claim that is not a Secured Claim, which Term Loan Deficiency Claim shall be, subject to the occurrence of the Effective Date, waived pursuant to the Plan.

162. “**Term Loan Distributable Cash**” means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (i) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral) in full, in Cash, as provided herein, (ii) fund the GUC Sale Transaction Recovery Pool, and (iii) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

163. “**Term Loan Documents**” means the Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, in each case, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

164. “**Term Loan Facility**” means the term loan facility provided for under the Term Loan Credit Agreement.

165. “**Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

166. “**Term Loan Priority Collateral**” means “Term Loan Priority Collateral” as defined in the Intercreditor Agreement

167. “**Third-Party Release**” means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.D of the Plan.

168. “**U.S. Trustee**” means the Office of the United States Trustee for the Southern District of New York.

169. “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 or section 1123 of the Bankruptcy Code.

170. “**Unimpaired**” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

171. “**Voting Deadline**” means 4:00 p.m., prevailing Eastern Time, on August 28, 2019.

172. “**Warrants**” means the warrants to be issued to Dream II upon the consummation of the Sale Transaction by the Winning Bidder in accordance with the terms of the Asset Purchase Agreement, which warrants shall grant the holders of such warrants the right to purchase 7.5% of the fully diluted common equity in the Winning

Bidder on the terms set forth in the warrant agreement and shall be assignable and distributed in accordance with the terms of this Plan.

173. “**Wind-Down Trust**” means that certain trust to be created on the Effective Date, as described in Article IV.E of the Plan.

174. “**Wind-Down Trust Account**” means the bank account or accounts used to fund all expenses and payments required to be made by the Plan Administrator, which shall be established by the Plan Administrator on or after the Effective Date.

175. “**Wind-Down Trust Agreement**” means that certain agreement establishing the Wind-Down Trust, which shall be reasonably acceptable to the Debtors, the Committee, the DIP Term Loan Agent, the Required DIP Lenders, the Term Loan Agent, and the Required Term Lenders and the form of which shall be included in the Plan Supplement.

176. “**Wind-Down Trust Assets**” means all of the assets of the Debtors’ Estates remaining after the closing of the Sale Transaction, which assets shall be treated as transferred to and beneficially owned by the Wind-Down Trust as of the Effective Date; *provided that* (a) any such assets that cannot be transferred to the Wind-Down Trust on the Effective Date shall be held by the Post-Effective Date Debtors for the benefit of the Wind-Down Trust for purposes of winding down the Debtors’ Estates and implementing the terms of the Plan and (b) any Canadian Assets shall continue to be owned by Hollander Canada, and the shares of which shall be owned by the Wind-Down Trust for purposes of winding down the Debtor’s Estates and implementing the terms of the Plan.

177. “**Winning Bidder**” means Bedding Acquisition, LLC and its successors and permitted assigns, as the purchaser of certain of the Debtors’ assets in accordance with the Asset Purchase Agreement.

B. *Rules of Interpretation*

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles of the Plan or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation”; (8) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (9) subject to the provisions of any contract, certificate of incorporation, bylaw, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with, applicable federal law, including the Bankruptcy Code and the Bankruptcy Rules, or, if no rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court’s CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any effectuating provisions may be interpreted by the Debtors or Plan Administrator in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall be conclusive; (15) any references herein to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; (16) all references herein

to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; (17) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (18) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; and (19) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or the Post-Effective Date Debtors shall mean the Debtors and the Post-Effective Date Debtors, as applicable, to the extent the context requires.

C. *Computation of Time*

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. *Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate or limited liability company governance matters relating to the Debtors or the Post-Effective Date Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the applicable Debtor or the Post-Effective Date Debtors, as applicable.

E. *Reference to Monetary Figures*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. *Non-Consolidated Plan*

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan that addresses the reorganization of each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors and the Plan is a separate Plan for each Debtor.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS AND PRIORITY TAX CLAIMS**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III.

A. *Administrative Claims*

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 30 days after

the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Post-Effective Date Debtors and the Plan Administrator no later than the Administrative Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the Post-Effective Date Debtors (if the Post-Effective Date Debtors are not the objecting party), the Plan Administrator, and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, or the property of any of the foregoing, and such Administrative Claims shall be deemed released as of the Effective Date without the need for any objection from the Debtors or the Plan Administrator or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

B. *Professional Fee Claims*

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 30 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The Plan Administrator shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, the Plan Administrator, or the Post-Effective Date Debtors.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the Plan Administrator, as applicable, from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court;

provided that the Debtors' and the Plan Administrator's obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the Wind-Down Trust without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

3. Professional Fee Escrow Amount

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided, however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account, *provided* that the Plan Administrator shall use Cash from the Wind-Down Trust or the Post-Effective Date Debtors to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

4. Post-Confirmation Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors after the Confirmation Date, and (b) the Committee after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and the Plan Administrator, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or the Plan Administrator, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors, as applicable. If the Debtors dispute the reasonableness of any such invoice, the Debtors or the Plan Administrator, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. DIP Claims

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreements, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of this Plan, or other such treatment as contemplated by this Article II.C of the Plan, on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

1. DIP ABL Claims

Except as set forth in Article II.C.2 and to the extent that a Holder of an Allowed DIP ABL Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP ABL Claim, each such Holder of an Allowed DIP ABL Claim shall receive on the Effective Date payment in full in Cash of such Holder's Allowed DIP ABL Claim pursuant to the Payoff Letter. Notwithstanding

anything to the contrary in this Plan, the Post-Effective Date Debtors shall be and remain bound by the indemnification and expense reimbursement provisions of the Payoff Letter in favor of the DIP ABL Agent and DIP ABL Lenders.

Pursuant to the DIP ABL Credit Agreement, all distributions pursuant to this Article II.C.1 shall be made to the DIP ABL Agent for distributions to the DIP ABL Lenders in accordance with the DIP ABL Credit Agreement and DIP ABL Loan Documents. The DIP ABL Agent shall hold or direct distributions for the benefit of the Holders of DIP ABL Claims. The DIP ABL Agent shall retain all rights as DIP ABL Agent under the DIP ABL Documents in connection with the delivery of the distributions to the DIP ABL Lenders. The DIP ABL Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP ABL Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP ABL Agent on account of the DIP ABL Claims shall be made by wire transfer.

2. Last Out DIP Loan Claims

Subject to the Last Out Loans Turnover, each Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall receive payments in accordance with the waterfall provisions of the DIP ABL Credit Agreement, the DIP Intercreditor Agreement, and the final DIP ABL Order and final DIP Term Loan Order.

3. DIP Term Loan Claims

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP Term Loan Claim, each such Holder of an Allowed DIP Term Loan Claim shall receive (a) on the Effective Date, its Pro Rata share of (1) DIP Term Loan Distributable Cash (after the DIP Term Loan Distributable Cash Deductions) and (2) the Warrants and (b) after the Effective Date, until its Allowed DIP Term Loan Claim has been repaid in full in Cash (without taking into account the receipt of the Warrants) its Pro Rata share of all DIP Term Loan Distributable Cash constituting Contingent Amounts (after the DIP Term Loan Distributable Cash Deductions), if and when received by the Plan Administrator, which such DIP Term Loan Distributable Cash constituting Contingent Amounts shall be distributed by the Plan Administrator to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Credit Facility as of the Effective Date; *provided, however*, that the DIP Term Loan Claims in respect of contingent and unliquidated obligations of the Debtor under the DIP Term Loan Credit Agreement shall survive the Effective Date on an unsecured basis and shall not be released pursuant to the Plan or Confirmation Order, and shall be paid by the Plan Administrator as and when due under the DIP Term Loan Documents.

Pursuant to the DIP Term Loan Credit Agreement, all Cash distributions pursuant to this Article II.C.3 shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Agent shall hold or direct distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Term Loan Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

D. Priority Tax Claims

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. Classification of Claims and Interests

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth in this Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that Class 8 shall be vacant at each Debtor other than Dream II. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests

Subject to Article IV hereof, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, and release of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or
 - (ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of such Holder's Allowed Other Secured Claim;
 - (ii) the collateral securing such Holder's Allowed Other Secured Claim;
 - (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or
 - (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- (a) *Classification:* Class 3 consists of all Secured Tax Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Secured Tax Claim and the applicable Debtor or Post-Effective Date Debtor agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Secured Tax Claim, each such Holder shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor, as applicable:

- (i) payment in full in Cash of the unpaid portion of such Holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or
- (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years from the Petition Date, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Plan Administrator to prepay the entire amount of such Allowed Secured Tax Claim during such time period.
- (c) *Voting:* Class 3 is Unimpaired under the Plan. Each Holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each Holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

4. Class 4 – Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Distributable Cash up to the full amount of such Holder's Allowed Term Loan Claim or such other treatment rendering such Holder's Allowed Term Loan Claim Unimpaired.
- (c) *Voting:* Class 4 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim, its Pro Rata share of:
 - (i) the Last Out Loans Turnover Amount;
 - (ii) the Commercial Tort Proceeds, if any;
 - (iii) the GUC Sale Transaction Recovery Pool; and
 - (iv) the Excess Distributable Cash, if any.
- (c) *Voting:* Class 5 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.

- (b) *Treatment:* Holders of Intercompany Claims shall not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Plan Administrator may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by the Debtors.
- (c) *Voting:* Class 6 is Impaired under the Plan. Holders of Intercompany Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Intercompany Interests

- (a) *Classification:* Class 7 consists of all Intercompany Interests.
- (b) *Treatment:* Intercompany Interests shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:
 - (i) Reinstated in accordance with Article III.G of the Plan;
 - (ii) cancelled and released without any distribution on account of such Interests; or
 - (iii) solely in the case of Hollander Canada, transferred to and owned by the Wind-Down Trust.
- (c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

8. Class 8 – Interests in Dream II

- (a) *Classification:* Class 8 consists of all Interests in Dream II.
- (b) *Treatment:* On the Effective Date, all Interests in Dream II will be cancelled, released, and extinguished, and will be of no further force or effect.
- (c) *Voting:* Class 8 is Impaired under the Plan. Holders of Interests in Dream II are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interest in Dream II are not entitled to vote to accept or reject the Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Allowance:* Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.
- (c) *Treatment:* Allowed Section 510(b) Claims, if any, shall be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.

- (d) *Voting:* Class 9 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of 510(b) Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired, *provided, however*, that the Reinstatement or other treatment of such Claims shall not be inconsistent with the Asset Purchase Agreement. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

D. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

E. *Subordinated Claims*

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Plan Administrator reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

F. *Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes*

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

G. *Intercompany Interests*

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Winning Bidder, and in exchange for the Debtors' agreement under the Plan to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors to the Holders of certain Allowed Claims. For the avoidance of doubt, any Interest in non-Debtor subsidiaries owned by a Debtor shall continue to be owned by the applicable Post-Effective Date Debtor.

H. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. *General Settlement of Claims and Interests*

As discussed in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and applicable law, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, including (1) the Debtors' agreement to (A) turnover any Commercial Tort Proceeds for the benefit of the Holders of General Unsecured Claims and (B) waive Avoidance Actions, (2) the DIP Term Loan Lenders agreement to consent to the treatment of the DIP Term Loan Claims set forth in Article II.C hereof in the event such treatment does not repay the DIP Term Loan Claims in full, (3) the Term Loan Lenders' agreement to (A) consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool and the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and (B) subject to the occurrence of the Effective Date, forgo any Term Loan Deficiency Claim, (4) the Sponsor's agreement to fund the Last Out Loans Turnover Amount, and (5) the Committee's agreement to (A) support and take, and refrain from taking, actions set forth in the RSA, including taking those actions necessary to obtain Bankruptcy Court approval of the Plan and Disclosure Statement and (B) abide by the Committee Monthly Fee Cap, upon the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, or otherwise resolved pursuant to the Plan, including (i) any challenge to the amount, validity, perfection, enforceability, priority, or extent of all Term Loan Claims, DIP Claims, and all ABL Claims (including any liens related to the foregoing), (ii) any Avoidance Actions, and (iii) any claims or Causes of Action against the Holders of Term Loan Claims, DIP Claims, ABL Claims, or Interests. The Plan shall be deemed a motion to approve the Plan Settlement pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

B. *Restructuring Transactions*

On the Effective Date, the Debtors shall enter into any transaction and shall take any actions as may be necessary or appropriate to effect the transactions described herein, including, as applicable: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (iv) all other actions that the Debtors and the Winning Bidder determine to be necessary or appropriate in connection with the consummation of the Sale Transaction, including making filings or recordings that may be required by applicable law in connection with the Plan.

C. *Sources of Consideration for Plan Distributions*

On and after the Effective Date, the Debtors or the Plan Administrator, as applicable, will fund the Debtors' distributions and obligations under the Plan with Cash on hand, as well as the following sources of consideration.

After the Effective Date, to the extent not held in the Professional Fee Escrow Account, the amounts held by the Wind-Down Trust shall be held in the Wind-Down Trust Account.

1. Sale Transaction and Sale Proceeds

The Debtors selected the Winning Bidder to consummate the Sale Transaction after a marketing process that was approved in and conducted in accordance with the Bidding Procedures Order. The Sale Transaction was the highest and otherwise best offer for the Debtors' assets. On the Effective Date, the Debtors shall consummate the Sale Transaction and, among other things, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. In exchange, the Winning Bidder shall pay to the Debtors the Sale Proceeds in accordance with the Asset Purchase Agreement.

Notwithstanding anything to the contrary in this Plan: (a) all APA Post Closing Obligations shall be treated in accordance with the Asset Purchase Agreement and paid from the Sale Proceeds, Wind-Down Trust Assets, or the Canadian Assets without the need for the filing of any Proof of Claim or request for payment with respect to such obligations, *provided* that such payments shall not be paid from any of the Wind-Down Trust Assets that constitute the Last Out Loans Turnover Amount or the GUC Sale Transaction Recovery Pool under the terms of this Plan, and shall be (i) appropriately estimated and reserved for prior to any distribution of the Sale Proceeds from the Debtors or their Estates, *provided* that the Debtors must make the distributions set forth in Article II.C.1, Article II.C.2, and Article II.C.3 hereof on the Effective Date, and (ii) paid in the ordinary course as and when due and payable; and (b) the Debtors, Post-Effective Date Debtors, and the Plan Administrator, as applicable, shall remain obligated to satisfy such post-closing obligations.

2. Last Out Loans Turnover Amount

The Sponsor shall cause to be delivered the Last Out Loans Turnover Amount to fund recoveries for the Holders of General Unsecured Claims. The Last Out Loans Turnover Amount shall be funded solely from the Cash proceeds, if any, received by the Sponsor on account of the Last Out DIP Loan Claims.

D. *Plan Administrator and Post-Effective Date Debtors*

The Plan Administrator shall act for the Post-Effective Date Debtors in the same fiduciary capacity as applicable to a board of managers (or, in the case of Hollander Canada, directors) and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, articles of incorporation or amendment by-laws, and related documents, as applicable, are deemed amended pursuant to the Plan to permit and authorize the same). On the Effective Date, the authority, power, and incumbency of the persons acting as managers (or, in the case of Hollander Canada, directors) and officers for the Debtors shall be deemed to have resigned, and the Plan Administrator shall be appointed as the sole manager and sole officer for the Post-Effective Date Debtors and shall succeed to the powers of the Post-Effective Date Debtors' managers and officers (or, in the case of Hollander Canada, directors). From and after the Effective Date, the Plan Administrator shall be the sole representative of and shall act for the Post-Effective Date Debtors. For the avoidance of doubt, the foregoing shall not limit the authority of the Plan Administrator to continue the employment of any former manager, director, or officer, including pursuant to any transition services agreement or other agreement entered into on or after the Effective Date by and between the Plan Administrator and the Winning Bidder.

Among other things, the Plan Administrator shall be responsible for: (1) winding down the Debtors' businesses and affairs as expeditiously as reasonably possible and administering the liquidation of the Post-Effective Date Debtors and any assets held by the Wind-Down Trust (including any assets held on its behalf by the Post-Effective Date Debtors while the Post-Effective Date Debtors are being wound down and any remaining Canadian Assets held by Hollander Canada) after the Effective Date and after consummation of the Sale Transaction, (2) resolving any Disputed Claims, (3) paying Allowed Claims, (5) performing pursuant to the Asset Purchase Agreement, including satisfying any liabilities owed to the Winning Bidder in accordance with the Asset Purchase Agreement, (6) filing appropriate tax returns, and (7) administering the Plan, and the Plan Administrator shall consult with the Information Officer in respect of any matters relating to the foregoing as such matters also relate to Canada.

Without limiting the foregoing, the Plan Administrator shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (a) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court or Canadian Court, and (b) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court or Canadian Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

The Plan Administrator shall be named prior to Confirmation. The Plan Administrator shall represent the Wind-Down Trust and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion, are necessary to assist the Plan Administrator in performing his or her duties. The Plan Administrator shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator. The Plan Administrator shall also pay the reasonable fees and disbursements of the Information Officer and its counsel upon the submission of invoices on a monthly basis to the Plan Administrator. The payment of the reasonable fees and expenses of the Plan Administrator's retained professionals and of the Information Officer and its counsel shall be made promptly and shall not be subject to the approval of the Bankruptcy Court. The fees and expenses of the Information Officer and its counsel shall remain subject to the approval of the Canadian Court in the Recognition Proceedings.

E. *Wind-Down*

On and after the Effective Date, the Plan Administrator will be authorized to implement the Plan and any applicable orders of the Bankruptcy Court and Canadian Court, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Estates.

On and after the Effective Date, the Plan Administrator shall cause the Debtors to comply with, and abide by, the terms of the Asset Purchase Agreement and take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Except to the extent necessary to complete the liquidation and wind-down of any remaining assets or operations, from and after the Effective Date, the Debtors (1) for all purposes, shall be deemed to have withdrawn their business operations from any state or province in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action to effectuate such withdrawal, (2) shall be deemed to have cancelled pursuant to this Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date.

The filing of the final monthly operating or disbursement report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator, and copies of all such reports shall be provided to the Information Officer as soon as reasonably practicable following their preparation and upon their filing. The Plan Administrator shall respond promptly to any reasonable information requests of the Information Officer in order to ensure the Information Officer can carry out its mandate pursuant to the orders of the Canadian Court in the Recognition Proceedings.

1. Wind-Down Trust and Distribution of Assets of Hollander Canada

On the Effective Date, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement and immediately after the consummation of the Sale Transaction to receive all of the assets of the Post-Effective Date Debtors other than Hollander Canada. Any proceeds received in the Sale Transactions in respect of the Canadian Assets and distributed to Holders of Claims against Hollander Canada shall be treated as distributed to such Holders on behalf of Hollander Canada. Until final dissolution of Hollander Canada, (a) the shares of Hollander Canada shall be owned by the Wind-Down Trust and (b) any remaining Canadian Assets shall be continued to be owned by Hollander Canada until recovered by the Plan Administrator and shall be distributed by Hollander Canada to the Wind-Down Trust in respect of such shares as part of a plan of liquidation of Hollander Canada (within the meaning of section 331 of the Internal Revenue Code of 1986, as amended), subject to any withholding requirements in accordance with Article VI.G of the Plan; *provided* that the Plan Administrator shall have authority to take any and all necessary actions to transfer or close the Debtors' existing bank accounts or open new bank accounts, subject to the documentation with the applicable bank, as necessary, for the benefit of the Wind-Down Trust; *provided, further*, that any such assets of the Post-Effective Date Debtors not transferred to the Wind-Down Trust on the Effective Date, other than the remaining Canadian Assets, shall be deemed transferred to and beneficially owned by the Wind-Down

Trust for U.S. federal and all other applicable tax purposes as of the Effective Date and, to the fullest extent permitted by U.S. federal and other applicable income tax law, each of the Post-Effective Date Debtors other than Hollander Canada shall be treated as liquidated on the Effective Date. All Canadian Assets will be distributed to Holders of Claims in each case in accordance with their respective entitlements under the Plan.

The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Estates, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust. The Debtors or Post-Effective Date Debtors will have no reversionary or further interest in or with respect to the Wind-Down Trust Assets upon the transfer of the Wind-Down Trust Assets as more fully set forth in the Wind-Down Trust Agreement. For all U.S. federal income tax purposes, the beneficiaries of the Wind-Down Trust will be treated as grantors and owners thereof, and it is intended that the Wind-Down Trust be classified as a liquidating trust under section 301.7701-4 of the Treasury Regulations. Accordingly, it is intended for federal income tax purposes that the beneficiaries of the Wind-Down Trust be treated as if they had received an interest in the Wind-Down Trust's assets and then contributed such interests to the Wind-Down Trust. As soon as possible after the transfer of the Wind-Down Trust Assets to the Wind-Down Trust, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets. This valuation will be made available from time to time as may be relevant for tax reporting purposes. Each of the Debtors, the trustee(s) of the Wind-Down Trust, the Plan Administrator, and the Holders of Claims receiving interests in the Wind-Down Trust shall take consistent positions with respect to the valuation of the Wind-Down Trust Assets, and such valuation shall be utilized for all U.S. federal income tax purposes. The Wind-Down Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Wind-Down Trusts Assets, satisfy the Debtors' or the Post-Effective Date Debtors' obligations under the Asset Purchase Agreement, make timely distributions to the beneficiaries of the Wind-Down Trust pursuant to the Plan and the Confirmation Order, and not unduly prolong its duration.

The Debtors expect that the Disputed Claims Reserve will be treated as a "disputed ownership fund" governed pursuant to section 1.468B-9 of the Treasury Regulation, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate U.S. federal income tax return shall be filed with the U.S. Internal Revenue Service for the Disputed Claims Reserve, and the Disputed Claims Reserve will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the Disputed Claims Reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

On the Effective Date, any Estate non-Cash assets remaining after the Sale Transaction is consummated shall vest in the Wind-Down Trust, other than any Canadian Assets, for the purpose of facilitating the above tasks. Such assets shall be held free and clear of all Liens, Claims, and Interests, except as otherwise provided in the Plan. The Post-Effective Date Debtors, the Plan Administrator, and the Wind-Down Trust shall be deemed to be fully bound to the terms of the Plan, the Confirmation Order, and the Wind-Down Trust Agreement.

On the Effective Date or as soon as reasonably practicable thereafter, the Wind-Down Trust shall be funded with \$1.0 million pursuant to the Wind-Down Trust Agreement for the purpose of (a) satisfying all fees, expenses, and disbursements that the Plan Administrator may incur in connection with the wind down and dissolution of the Estates and the Post-Effective Date Debtors, each as applicable, (b) paying fees and expenses that any attorney, accountant, or other professional that the Plan Administrator has retained to facilitate its duties, (c) compensating the Plan Administrator, each in accordance with Article IV.D and Article IV.E of the Plan and the Wind-Down Trust Agreement, and (d) paying the reasonable fees and disbursements of the Information Officer and its counsel in accordance with Article IV.D of the Plan.

2. Tax Returns

After the Effective Date, the Plan Administrator shall complete and file all final or otherwise required federal, state, provincial, and local tax returns for each of the Debtors and the Wind-Down Trust.

3. Dissolution of the Post-Effective Date Debtors

Upon a certification to be Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made and completion of all its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Wind-Down Trust shall be deemed to be dissolved without any further action by the Plan Administrator, including the filing of any documents with the secretary of state for the state in which the Post-Effective Date Debtors are formed or any other jurisdiction. Notwithstanding the foregoing, the Plan Administrator shall retain the authority to take all necessary actions to dissolve the Post-Effective Date Debtors in, and withdraw the Post-Effective Date Debtors from applicable states and provinces to the extent required by applicable law.

4. Termination of Recognition Proceedings

The Plan Administrator shall deliver a certified copy of each of the following to the Information Officer prior to the Information Officer seeking an order of the Canadian Court terminating the Recognition Proceedings, discharging and releasing the Information Officer and granting related relief: (a) the Plan Administrator's Certificate, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the filing thereof by the Plan Administrator with the Bankruptcy Court, and (b) the final decree of the Bankruptcy Court closing the last of the Chapter 11 Cases, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the entry thereof by the Bankruptcy Court.

F. *Term Loan Deficiency Claim Waiver*

The Holders of Term Loan Deficiency Claims shall not receive any distribution on account of such Claims and, subject to the occurrence of the Effective Date, such Term Loan Deficiency Claims shall be deemed waived.

G. *Avoidance Actions Waiver*

The Debtors and the Post-Effective Date Debtors waive all Avoidance Actions.

H. *Cancellation of Existing Securities and Agreements*

On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the ABL Credit Agreement, the Term Loan Credit Agreement, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors and their Affiliates, and the Post-Effective Date Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors and their Affiliates pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released. Notwithstanding the foregoing, no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, except that (a) the ABL Credit Agreement and Term Loan Credit Agreement shall continue in effect solely for the purpose of (I) allowing Holders of the ABL Claims and Term Loan Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the ABL Agent and Term Loan Agent to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in Article VI.A of the Plan, and (III) preserving the ABL Agent's and Term Loan Agent's right to indemnification pursuant and subject to the terms of the ABL Credit Agreement and Term Loan Credit Agreement in respect of any Claim or Cause of Action asserted against the ABL Agent or Term Loan Agent, as applicable, *provided* that any Claim or right to payment on account of such indemnification shall be an

Administrative Claim, and (b) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in Article III.B.7.

I. *Corporate Action*

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the Plan Administrator; (2) implementation of the Restructuring Transactions; (3) consummation of the Sale Transaction; (4) performance under the Asset Purchase Agreement and related documentation; (5) execution of the Asset Purchase Agreement, and any and all other agreements, documents, securities, and instruments relating thereto, if applicable; (6) the entry into the Payoff Letter with respect to the DIP ABL Claims; and (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Post-Effective Date Debtors, and any corporate action required by the Debtors or the Post-Effective Date Debtors in connection with the Plan or corporate structure of the Debtors or Post-Effective Date Debtors shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Plan Administrator. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Plan Administrator, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Post-Effective Date Debtor, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.I shall be effective notwithstanding any requirements under non-bankruptcy law.

J. *Effectuating Documents; Further Transactions*

On and after the Effective Date, the Plan Administrator may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Sale Transaction, and the Securities issued pursuant to the Plan in the name of and on behalf of the Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

K. *Exemption from Securities Act Registration*

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act and/or the regulations promulgated thereunder, the offering, issuance, exchange, or distribution of any securities pursuant to the Plan is or shall be conducted in a manner that is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security.

L. *Exemption from Certain Taxes and Fees*

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers (whether from a Debtor to a Post-Effective Date Debtor or to any other Person) of property under the Plan (including pursuant to the Asset Purchase Agreement) or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Post-Effective Date Debtor, including in accordance with the Asset Purchase Agreement, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, or (5) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or

recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

M. *Preservation of Causes of Action*

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this Article IV and Article VIII hereof and the Asset Purchase Agreement, the Plan Administrator shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, other than Avoidance Actions and the Causes of Action (a) acquired by the Winning Bidder in accordance with the Sale Transaction or (b) released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, which shall be deemed released and waived by the Debtors, the Post-Effective Date Debtors, and the Wind-Down Trust as of the Effective Date, *provided* that Commercial Tort Claims shall be preserved for the sole benefit of the Holders of General Unsecured Claims and only the Plan Administrator shall have an obligation to commence, prosecute, or settle such Commercial Tort Claims, if any.

The Plan Administrator may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Wind-Down Trust. The Plan Administrator shall retain and may exclusively enforce any and all such Causes of Action. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Plan Administrator, as applicable, will not pursue any and all available Causes of Action against it, except as assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement or otherwise expressly provided in the Plan, including this Article IV and Article VIII of the Plan. Unless any such Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all such Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

**ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

On the Effective Date, except as otherwise provided herein, each Executory Contract or Unexpired Lease not previously assumed, assumed and assigned, or rejected shall be deemed automatically rejected by the applicable Post-Effective Date Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (2) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy Court order; (3) are the subject of a Filed motion to assume, assume and assign, or reject such Executory Contract or Unexpired Lease (or of a Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date; or (4) are a contract, release, or other agreement or document entered into in connection with the Plan.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving, subject to and upon the occurrence of the Effective Date, the assumptions, assumptions and assignments, or rejections of the Executory Contracts and Unexpired Leases assumed, assumed and assigned, or rejected pursuant to the Plan and in accordance with the Asset Purchase Agreement. Any Filed motions to assume, assume and assign, or reject any Executory Contracts or Unexpired Leases (or Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order but may be withdrawn, settled, or otherwise prosecuted by the Plan Administrator, with any such disposition to be deemed to effect an assumption, assumption and assignment, or rejection, as applicable, as of the Effective Date, *provided, however*, that with respect to any such Filed objection to an Executory Contract assumed and assigned to the Winning Bidder in accordance with the Asset Purchase Agreement, the Winning Bidder may revoke the proposed assumption and assignment of the subject Executory Contract prior to 10 days after entry of an Order by the Bankruptcy Court adjudicating the objection with respect to such Executory Contract, with such revocation to be accomplished by filing a notice with the Bankruptcy Court and serving a copy on the counterparty(ies) to such Executory Contract, and any such Executory Contract shall be deemed rejected as of the Effective Date.

Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party on or prior to the Effective Date, shall revest in and be fully enforceable by the Plan Administrator in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within 30 days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, the Winning Bidder, or the property of any of the foregoing Entities without the need for any objection by the Plan Administrator or further notice to, or action, order, or approval of the Bankruptcy 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 and released, 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 and 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.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash, on the Effective Date or as soon as reasonably practicable thereafter, of the applicable cure amount identified on the Schedule of Assumed Executory Contracts or Unexpired Leases or other applicable Filed motion, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Post-Effective Date 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, any such dispute shall be resolved as set forth in Article V.A above with any related cure payments required by section 365(b)(1) of the Bankruptcy Code to be made following the entry of a Final Order resolving the dispute and approving the assumption. For any Executory Contract or Unexpired Lease being assumed, the applicable cure payment shall be made, in full in Cash, by the Winning Bidder if so provided by the Asset Purchase Agreement or otherwise by the Debtors or the Post-Effective Date Debtors. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any 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 prior to the effective date of assumption. **Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. *Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases*

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Post-Effective Date Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases, and, to the extent that such rights are Acquired Assets, such rights shall be assigned to and enforceable by the Winning Bidder.

E. *Insurance Policies and Surety Bonds*

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Debtors shall be deemed to have assumed or assumed and assigned to the Winning Bidder, solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases, all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; *provided* that any insurance policies that are not assumed and assigned to the Winning Bidder shall be assumed by the Debtors for the sole purpose of resolving any Claims covered by such insurance policies, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

Except as set forth in Article V.F of the Plan, nothing in this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any other order of the Bankruptcy Court (including any other provision that purports to be preemptory or supervening), (1) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any of such insurance policies or (2) alters or modifies the duty, if any, that the insurers or third party administrators have to pay claims covered by such insurance policies and their right to seek payment or reimbursement from the Debtors or the Plan Administrator (or the Winning Bidder, solely to the extent assumed and assigned to the Winning Bidder under the Asset Purchase Agreement) or draw on any collateral or security therefor. For the avoidance of doubt, insurers and third party administrators shall not need to nor be required to file or serve a cure objection or a request, application, claim, Proof of Claim, or motion for payment and shall not be subject to any claims bar date or similar deadline governing cure amounts or Claims.

Without limiting the foregoing, on the Effective Date, (1) all of the Debtors' obligations and commitments to any surety bond providers shall be deemed reaffirmed by the Plan Administrator or the Winning Bidder, as applicable, (2) surety bonds and related indemnification and collateral agreements entered into by any Debtor will be vested and performed by the applicable Post-Effective Date Debtor or the Winning Bidder, as applicable, and will survive and remain unaffected by entry of the Confirmation Order, and (3) the Plan Administrator shall be authorized to enter into new surety bond agreements and related indemnification and collateral agreements, or to modify any such

existing agreements, to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

F. *Director, Officer, Manager, and Employee Liability Insurance*

On or before the Effective Date, the Debtors, on behalf of the Post-Effective Date Debtors, shall be authorized to and shall purchase and maintain directors, officers, managers, and employee liability tail coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies.

After the Effective Date, none of the Debtors or the Post-Effective Date Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

G. *Indemnification Obligations*

On and as of the Effective Date, the Indemnification Provision will be assumed and irrevocable and will survive the effectiveness of the Plan. None of the Post-Effective Date Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any of the Post-Effective Date Debtors' obligations to provide such indemnification rights or such directors,' officers,' employees,' or agents' indemnification right.

On and as of the Effective Date, any of the Debtors' indemnification obligations with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Post-Effective Date Debtors, as applicable, shall be assumed by the Post-Effective Date Debtors and otherwise remain unaffected by the Chapter 11 Cases.

H. *Employee and Retiree Benefits*

Unless otherwise provided herein, all employee wages, compensation, and benefit programs in place as of the Effective Date with the Debtors shall be assumed and shall remain in place as of the Effective Date and, without limiting any authority provided to the board of directors or managers or members of the Post-Effective Date Debtors under the Post-Effective Date Debtors' respective formation and constituent documents, the Post-Effective Date Debtors will continue to honor such agreements, arrangements, programs, and plans in the ordinary course of business. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law. For the avoidance of doubt and without limiting the foregoing, the liabilities described in this Article V.H are not being assigned to or otherwise assumed by the Winning Bidder, except to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases.

I. *Collective Bargaining Agreements*

Unless otherwise provided in the Plan, the Collective Bargaining Agreements and any agreements, documents, or instruments relating thereto, are treated as and deemed to be an Executory Contract under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed the Collective Bargaining Agreements and any agreements, documents, and instruments related thereto or assumed and assigned such contracts to the Winning Bidder solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreements shall be considered satisfied by the assumption (and assignment, as applicable) and cure in

the ordinary course as provided herein. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreements shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

J. *Workers Compensation Program*

Unless otherwise provided in the Plan, as of the Effective Date, the Plan Administrator shall continue to honor obligations under all applicable workers' compensation laws in states and provinces in which the Debtors operated, as applicable, and the Plan Administrator shall honor obligations under the Debtors' (1) written contracts, agreements, and agreements of indemnity, in each case relating to workers' compensation, (2) self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation, and (3) workers' compensation insurance for the sole purpose of resolving any Claims covered by such workers' compensation insurance, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors', the Post-Effective Date Debtors', the Plan Administrator's, or the Winning Bidder's defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans.

K. *Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

L. *Reservation of Rights*

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Post-Effective Date Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory at the time of assumption or rejection, the Debtors or the Plan Administrator, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

M. *Nonoccurrence of Effective Date*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

N. *Contracts and Leases Entered Into After the Petition Date*

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed or assumed and assigned by such Debtor, will be performed by the Debtor, the Plan Administrator, or the Winning Bidder, as applicable, in the ordinary course of business. Accordingly, such contracts and leases (including any assumed or assumed and assigned Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. *Timing and Calculation of Amounts to Be Distributed*

Unless otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim or Allowed Interest on the Initial Distribution Date, on the next Quarterly Distribution Date after such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Allowed Interests (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. *Distributions on Account of Obligations of Multiple Debtors*

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan, *provided* that Claims held by a single entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

C. *Disbursing Agent*

Except as otherwise provided herein, distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Wind-Down Trust.

D. *Rights and Powers of Disbursing Agent*

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may

be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash from the Wind-Down Trust.

E. *Delivery of Distributions and Undeliverable or Unclaimed Distributions*

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions

(a) Initial Distribution Date

Except as otherwise provided herein, on the Initial Distribution Date, the Disbursing Agent shall make distributions to Holders of Allowed Claims and Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' books and records or the register or related document maintained by, as applicable, the DIP Agents, the ABL Agent, or the Term Loan Agent as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Disbursing Agent; *provided, further*, that the address for each Holder of an Allowed Claim or Interest shall be deemed to be the address set forth in, as applicable, any Proof of Claim or Proof of Interest Filed by such Holder, or, if no Proof of Claim or Proof of Interest has been Filed, the address set forth in the Schedules. If a Holder holds more than one Claim in any one Class, all Claims of the Holder may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

(b) Quarterly Distribution Date

Except as otherwise determined by the Plan Administrator in its sole discretion, on each Quarterly Distribution Date or as soon thereafter as is reasonably practicable, the Disbursing Agent shall make the distributions required to be made on account of Allowed Claims and Interests under the Plan on such date. Any distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that distribution is not an Allowed Claim or Interest on such date, shall be distributed on the first Quarterly Distribution Date after such Claim or Interest is Allowed. No interest shall accrue or be paid on the unpaid amount of any distribution paid on a Quarterly Distribution Date in accordance with Article VI.I of the Plan.

(c) Distributions to Holders of Term Loan Claims

Except as set forth in this Article VI.E.2(c), the Term Loan Agent shall be deemed to be the Holder of all Term Loan Claims for purposes of distributions to be made hereunder, and all distributions on account of such Term Loan Claims shall be made to or on behalf of the Term Loan Agent. The Term Loan Agent shall hold or direct such distributions for the benefit of the Holders of Term Loan Claims. As soon as practicable following compliance with the requirements set forth in this Article VI, the Term Loan Agent shall arrange to deliver or direct the delivery of such distributions for which it is the deemed Holder to or on behalf of such Holders of Allowed Term Loan Claims.

Notwithstanding anything to the contrary herein, the Term Loan Agent shall be entitled to maintain a record of Holders of Term Loan Claims in the ordinary course of business and shall be entitled without regard to the general occurrence of the Distribution Record Date, to make distributions that it receives under the Plan to Holders of Term

Loan Claims based upon its books and records. The Term Loan Agent shall not be held liable to any person with respect to distributions made or directed to be made by the Term Loan Agent except for liability arising from gross negligence, willful misconduct, or actual fraud of the Term Loan Agent.

3. Minimum Distributions

Notwithstanding any other provision of the Plan, the Disbursing Agent will not be required to make distributions of Cash less than \$100 in value (whether cash or otherwise), and each such Claim to which this limitation applies shall be released pursuant to Article VIII and its Holder is forever barred pursuant to Article VIII from asserting such Claim against the Debtors, the Post-Effective Date Debtors, the Plan Administrator, or their property.

4. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Wind-Down Trust automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be released and forever barred.

A distribution shall be deemed unclaimed if a Holder has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the Plan Administrator of an intent to accept a particular distribution; (c) responded to the Debtors' or Plan Administrator's requests for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

F. *Distributions on Account of Claims or Interests Allowed After the Effective Date*

1. Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims or Interests that are not Allowed Claims or Interests as of the Effective Date, but which later become Allowed Claims or Interests, as applicable, shall be deemed to have been made on the applicable Quarterly Distribution Date after they have actually been made, unless the Plan Administrator and the applicable Holder of such Claim or Interest agree otherwise. No interest shall accrue or be paid on a Disputed Claim before it becomes an Allowed Claim in accordance with Article VI.I of the Plan.

2. Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Plan Administrator, on the one hand, and the Holder of a Disputed Claim or Interest, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim or Interest until the Disputed Claim or Interest has become an Allowed Claim or Interest, as applicable, or has otherwise been resolved by settlement or Final Order; *provided* that if the Debtors do not dispute a portion of an amount asserted pursuant to an otherwise Disputed Claim, the Holder of such Disputed Claim shall be entitled to a distribution on account of that portion of such Claim, if any, that is not disputed at the time and in the manner that the Disbursing Agent makes distributions to similarly-situated Holders of Allowed Claims pursuant to the Plan.

G. *Compliance with Tax Requirements*

In connection with the Plan, to the extent applicable, the Debtors or the Plan Administrator, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the

distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Plan Administrator, as applicable, reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

H. *Allocations Between Principal and Accrued Interest*

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. *No Postpetition Interest on Claims*

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim.

J. *Foreign Currency Exchange Rate*

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

K. *Setoffs and Recoupment*

Except as expressly provided in this Plan, each Post-Effective Date Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Post-Effective Date Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided, however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Post-Effective Date Debtor or its successor of any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in, the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the Plan Administrator, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, all rights of counterparties to unexpired leases of nonresidential real property that have been rejected for setoff, recoupment, and subrogation are preserved and shall continue unaffected by Confirmation or the occurrence of the Effective Date.

L. *Claims Paid or Payable by Third Parties*

1. Claims Paid by Third Parties

The Debtors or the Plan Administrator, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the Plan Administrator. To the extent that such Claim payment was made by the

Winning Bidder to satisfy an obligation of the Debtors or the Post-Effective Date Debtors under the Asset Purchase Agreement, the Winning Bidder shall be promptly reimbursed for such payment in full in Cash from the Sale Proceeds or Wind-Down Trust Assets (other than the Wind-Down Trust Assets that constitute the GUC Sales Transaction Recovery Pool or the Last Out Loan Turnover Amount under the terms of this Plan), as applicable. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or the Plan Administrator on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the applicable Debtor or the Plan Administrator, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. If the Debtors or the Plan Administrator, as applicable, become aware of any payment of a Claim by a third party, the Debtors or Plan Administrator, as applicable, will send a notice of wrongful payment to the Holder of such Claim requesting the return of any excess payments and advising the recipient of the provisions of the Plan requesting turnover of excess estate funds. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or the Plan Administrator annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED, AND DISPUTED CLAIMS**

A. *Allowance of Claims*

After the Effective Date, the Plan Administrator shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately before the Effective Date as long as such rights or defenses are not Avoidance Actions waived pursuant to Article IV.G hereof; except for such rights and defenses assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement.

B. *Claims Administration Responsibilities*

After the Effective Date, the Plan Administrator will (a) oversee the Claim administration process and (b) administer Commercial Tort Claims and Commercial Tort Proceeds, if any, for the benefit of Holders of General Unsecured Claims. Except as otherwise specifically provided in the Plan, the Plan Administrator shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests and Commercial Tort Claims; (2) to settle or compromise any Disputed Claim or Commercial Tort Claims without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. *Estimation of Claims*

Before or after the Effective Date, the Plan Administrator and the Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant Post-Effective Date Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before fourteen days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. *Adjustment to Claims Without Objection*

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, cancelled or otherwise expunged (including pursuant to the Plan), may be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Post-Effective Date Debtor without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim against or Interest in the same Debtor or another Debtor may be adjusted or expunged on the Claims Register by the Plan Administrator without the Plan Administrator having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. *Time to File Objections to Claims*

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

F. *Disallowance of Claims*

Any Claims or Interests held by Entities from which property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, but solely to the extent that any such Cause of Action is not an Avoidance Action waived pursuant to Article IV.G hereof, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Wind-Down Trust. All Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. *Amendments to Claims*

On or after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Plan Administrator. Absent such authorization, any new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

H. *No Distributions Pending Allowance*

If an objection to a Claim or portion thereof is Filed as set forth in Article VII.B, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

I. *Distributions After Allowance*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest (as applicable) in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. *Settlement, Compromise, and Release of Claims and Interests*

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Plan Administrator), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests subject to the occurrence of the Effective Date.

B. *Release of Liens*

On the Effective Date, concurrently with the consummation of the Sale Transaction and to the extent required by the Asset Purchase Agreement, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests, or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the

Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. Without limiting the foregoing, except as otherwise provided in the Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims (other than any Claim secured by the Administration Charge) that the Debtors elect to reinstate in accordance with Article III.B.2 hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Plan Administrator to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases, and the Debtors and their successors and assigns shall be authorized to file and record such terminations or releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. *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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the Prepetition Facilities, the DIP Facilities, the Sale Transaction, 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 liabilities or obligations of the Winning Bidder to the Debtors relating to the Asset Purchase Agreement, (2) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset

Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan, and (3) any Causes of Action listed on the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

D. *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, Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction, the Asset Purchase Agreement, 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 liabilities or obligations of any Entity to the Winning Bidder relating to the Asset Purchase Agreement or any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective

Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

E. *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, or created or entered into in connection with the RSA, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the Recognition Proceedings, 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 relating to the Asset Purchase Agreement or 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.

F. *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 released pursuant to Article VIIIA 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 VIIIB of the Plan), or are subject to exculpation pursuant to Article VIIIE 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 Post-Effective Date 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.

Upon entry of the Confirmation Order and granting by the Canadian Court of the Confirmation Recognition Order in the Recognition Proceedings, all Holders of Claims and Interests and their respective

current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.F of the Plan.

G. *Protections Against Discriminatory Treatment*

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Post-Effective Date Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Post-Effective Date Debtors, or another Entity with whom the Post-Effective Date Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. *Document Retention*

On and after the Effective Date, the Post-Effective Date Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Plan Administrator.

I. *Reimbursement or Contribution*

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

J. *Term of Injunctions or Stays*

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

K. *Subordination Rights*

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the Plan shall be terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best

interests of the Debtors, the Estates, the Post-Effective Date Debtors, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Recognition Order shall have been granted by the Canadian Court in the Recognition Proceedings, and such orders shall not have been stayed, modified, or vacated on appeal;

2. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;

3. the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;

4. the payment in full of the DIP ABL Claims pursuant to the Payoff Letter; and

5. all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

B. *Waiver of Conditions*

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX may be waived by the Debtors with the reasonable consent of the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), and the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

C. *Substantial Consummation*

The “substantial consummation” of the Plan, as defined in section 1101(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

D. *Effect of Failure of Conditions*

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. *Modification and Amendments*

Except as otherwise specifically provided in the Plan, the Debtors, with the reasonable consent of the Term Loan Agent, Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), or the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement), reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors expressly reserve their respective rights to revoke or withdraw, to alter, amend, or modify the Plan with respect to each Debtor, one or more times, before or after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. The Debtors shall not consent to any amendment, modification or supplement of the Asset Purchase Agreement that is adverse in any material respect to the interest of (i) the DIP ABL Lenders, without the consent of the DIP ABL Agent, or (ii) the DIP Term Loan Lenders, without the consent of the DIP Term Loan Agent.

B. *Effect of Confirmation on Modifications*

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. *Revocation or Withdrawal of Plan*

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans, in each case subject to any applicable consent rights as set forth in the RSA, the DIP Orders, or the DIP Facilities. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Class of Claims or Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Causes of Action, or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, to the extent legally permissible, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals (including Accrued Professional Compensation Claims) authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed (or assumed and assigned); (c) the Plan Administrator amending, modifying or supplementing, after the Effective Date, pursuant to Article V, the Executory Contracts and Unexpired Leases to be assumed (or assumed and assigned) or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order;

8. enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, 1141, or 1146(a) of the Bankruptcy Code;

9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

11. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the releases, injunctions and other provisions contained in Article VIII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;

12. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid in accordance with the Plan;

13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

14. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or, subject to any applicable forum selection clauses, any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

15. enter an order or Final Decree concluding or closing any of the Chapter 11 Cases;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;
17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;
19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order or any Entity's obligations incurred in connection with the Plan, including, subject to any applicable forum selection clauses, disputes arising under agreements, documents, or instruments executed in connection with the Plan;
20. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Restructuring Transactions, whether they occur before, on or after the Effective Date;
21. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
22. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, injunctions, and releases granted in connection with and under the Plan, including under Article VIII;
23. enforce all orders previously entered by the Bankruptcy Court; and
24. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII. MISCELLANEOUS PROVISIONS

A. *Immediate Binding Effect*

Subject to Article IX.A and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Post-Effective Date Debtors, the Plan Administrator, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. *Additional Documents*

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Plan Administrator, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. *Payment of Statutory Fees*

Each of the Debtors (or the Disbursing Agent on behalf of each of the Debtors) shall pay all fees payable pursuant to section 1930(a)(6) of the Judicial Code, together with any interest thereon pursuant to 31 U.S.C. § 3717, on or before the Effective Date in Cash, based on disbursements in and outside the ordinary course of the Debtors' business and Plan payments. Thereafter, such fees and any applicable interest shall be paid by each of the Post-Effective Date Debtors (or the Disbursing Agent on behalf of each of the Post-Effective Date Debtors) until the earlier of entry of a final decree closing such Chapter 11 Case or an order of dismissal or conversion, whichever occurs first.

D. *Statutory Committee and Cessation of Fee and Expense Payment*

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, responsibilities, and liabilities arising on or prior to the Effective Date, from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Committee and its Professionals. The Post-Effective Date Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

E. *Reservation of Rights*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders unless and until the Effective Date has occurred.

F. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. *Notices*

To be effective, all notices, requests, and demands to or upon the Debtors shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered by courier or registered or certified mail (return receipt requested) or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to the following:

1. If to the Debtors, to:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
E-mail: mpfefferle@carlmarks.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
E-mail: joshua.sussberg@kirkland.com
christopher.greco@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attention: Joseph M. Graham
Laura Krucks
E-mail: joe.graham@kirkland.com
laura.krucks@kirkland.com

2. If to the ABL Agent or DIP ABL Agent, to:

Goldberg Kohn Ltd.
55 East Monroe, Suite 3300
Chicago, Illinois 60603
Attention: Randall Klein
E-mail address: Randall.Klein@goldbergkohn.com

3. If to the Term Loan Agent or the DIP Term Agent, to:

King & Spalding LLP
1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attention: W. Austin Jowers
E-mail address: ajowers@kslaw.com

-and -

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Attention: Christopher G. Boies
Stephen M. Blank
E-mail address: cboies@kslaw.com
sblank@kslaw.com

4. If to the Committee, to:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, Suite 3400
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

After the Effective Date, the Plan Administrator may notify Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. *Entire Agreement*

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan. If the Effective Date does not occur, nothing herein shall be construed as a waiver by any party in interest of any or all of such party's rights, remedies, claims, and defenses, and such parties expressly reserve any and all of their respective rights, remedies, claims and, defenses. This Plan and the documents comprising the Plan Supplement, including any drafts thereof (and any discussions, correspondence, or negotiations regarding any of the foregoing) shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any party in interest of any claim or fault or liability or damages whatsoever. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations, discussions, agreements, settlements, and compromises reflected in or related to Plan and the documents comprising the Plan Supplement is part of a proposed settlement of matters that could otherwise be the subject of litigation among various parties in interest, and such negotiations, discussions, agreements, settlements, and compromises shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of the Plan and the documents comprising the Plan Supplement.

I. *Exhibits*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the website of the Notice and Claims Agent at www.omnimgt.com/cases/hollander or (for a fee) the Bankruptcy Court's website at <http://www.ecf.nysb.uscourts.gov/>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order. For the avoidance of doubt, no provisions of the Plan Supplement may contradict the provisions under the Plan that require payment in full (in accordance with Section 1.4 of the DIP ABL Credit Agreement) of the DIP ABL Claims. Notwithstanding anything to the contrary in this Plan, in the event of any inconsistency between the Asset Purchase Agreement and this Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, the Asset Purchase Agreement shall control solely with respect to the assumption and assignment of Executory Contracts and Unexpired Leases, the Causes of Action listed on the Schedule of Retained

Causes of Action, the Acquired Assets, the Assumed Liabilities (as defined in the Asset Purchase Agreement), and any other matter between or among the Winning Bidder and the Debtors or the Plan Administrator, their successors and permitted assigns, or any other Entity, relating to the Asset Purchase Agreement.

J. *Non-Severability of Plan Provisions*

The provisions of the Plan, including its release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, consistent with the terms set forth herein; and (3) non-severable and mutually dependent.

K. *Votes Solicited in Good Faith*

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan and, therefore, no such parties will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan or any previous plan.

L. *Closing of Chapter 11 Cases*

The Plan Administrator shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

M. *Conflicts*

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Hollander Sleep Products, LLC

By: /s/ Marc L. Pfefferle

Name: Marc L. Pfefferle

Title: Chief Executive Officer

Exhibit 2

Redline

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 19-11608 (MEW)

)
) (Jointly Administered)
)

DEBTORS' MODIFIED FIRST AMENDED JOINT ~~PLAN OF REORGANIZATION~~
PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
KIRKLAND & ELLIS LLP
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300 North LaSalle
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

Counsel to the Debtors and Debtors in Possession

Dated: ~~July 25~~ August 30, 2019

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY 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.

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INTRODUCTION

Hollander Sleep Products, LLC and its Debtor affiliates in the above-captioned Chapter 11 Cases propose this joint chapter 11 plan pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A. This Plan constitutes a separate chapter 11 plan for each Debtor and, unless otherwise set forth herein, the classifications and treatment of Claims and Interests apply to each individual Debtor.

Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and historical financial information, projections, and future operations, as well as a summary and description of this Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

As used in this Plan, capitalized terms have the meanings ascribed to them below.

1. “**ABL Agent**” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

2. “**ABL Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the ABL Credit Facility.

3. “**ABL Credit Agreement**” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

4. “**ABL Credit Facility**” means, collectively, the senior secured revolving credit facility, swing loans, and letters of credit provided for by the ABL Credit Agreement.

5. “**ABL Lenders**” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

6. “**ABL Priority Collateral**” has the meaning set forth in the DIP Intercreditor Agreement.

7. “**Administration Charge**” means the charge granted by the Canadian Court in the Recognition Proceedings on the Canadian Assets to secure the professional fees and disbursements of the Information Officer and its counsel, in each case incurred in respect of the Recognition Proceedings.

8. “**Administrative Claim**” means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) amounts owing pursuant to the DIP Orders.

9. “**Administrative Claim Bar Date**” means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims, (y) Administrative Claims arising in the ordinary

course of business, or (z) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code, which are required to be filed in accordance with the Bar Date Order), which shall be 30 days after the Effective Date.

10. ***“Administrative Claim Objection Bar Date”*** means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the later of (a) 60 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of the Administrative Claims; *provided* that the Administrative Claim Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

11. ***“Affiliate”*** has the meaning set forth in section 101(2) of the Bankruptcy Code.

12. ***“Allowed”*** means with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claims, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. ~~Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable.~~ For the avoidance of doubt: (x) a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim; and (y) the Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law. “Allow” and “Allowing” shall have correlative meanings.

13. ***“Acquired Assets”*** means those “Acquired Assets” as defined in the Asset Purchase Agreement.

14. ***“APA Post Closing Obligations”*** means those certain obligations of the Debtors (or any successor thereto) under the Asset Purchase Agreement that may become due and payable after the closing of the Sale Transaction, including the payment of certain tax obligations relating to periods prior to the closing and payment of certain cure amounts with respect to Executory Contracts or Unexpired Leases assigned to the Winning Bidder.

15. ***“Asset Purchase Agreement”*** means that certain asset purchase agreement dated as of August 15, 2019, executed by and between the Debtors and the Winning Bidder for the sale of certain of the Debtors’ assets to the Winning Bidder, a copy of which has been filed with the Plan Supplement, together with all exhibits, appendices, supplements, documents, and agreements ancillary thereto, in each case as amended, modified, or supplemented from time to time.

16. ~~13.~~ ***“Auction”*** means the auction, if any, for some or all of the Debtors’ assets, conducted in accordance with the Bidding Procedures.

17. ~~14.~~ ***“Avoidance Actions”*** mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their Estates under the Bankruptcy Code, CCAA, BIA, or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

18. ~~15.~~ “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 100–1532, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

19. ~~16.~~ “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of reference under section 157 of the Judicial Code and/or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

20. ~~17.~~ “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

21. ~~18.~~ “**Bar Date Order**” means the *Order (A) Setting Bar Dates for Filing Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 120], entered by the Bankruptcy Court on June 21, 2019.

22. ~~19.~~ “**BIA**” means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

23. ~~20.~~ “**Bidding Procedures**” means the procedures governing the Auction and sale of all or substantially all of the Debtors’ assets, as approved by the Bankruptcy Court and as may be amended from time to time in accordance with their terms.

24. ~~21.~~ “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)(6)).

25. ~~22.~~ “**Canadian Assets**” means the assets, undertakings, and properties of Hollander Canada at the applicable time.

26. ~~23.~~ “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

27. ~~24.~~ “**Canadian Intercompany Claim**” means (i) the Claim of Hollander Canada in respect of the aggregate amount loaned by Hollander Canada to the Debtors other than Hollander Canada during the Chapter 11 Cases pursuant to and in accordance with the DIP Orders, *less* (ii) the aggregate amount reasonably incurred by the Debtors other than Hollander Canada during the Chapter 11 Cases in providing selling, general, and administrative services to Hollander Canada.

28. ~~25.~~ “**Cash**” or “\$” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

29. ~~26.~~ “**Causes of Action**” means any actions, claims, cross claims, third-party claims, interests, damages, controversies, remedies, causes of action, debts, judgments, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, disputed or undisputed, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law or otherwise. For the avoidance of doubt, “Causes of Action” include: (a) any rights of setoff, counterclaim, or recoupment and any claims under contracts or for breaches of duties imposed by law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claims or defenses, including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any state law fraudulent transfer claim.

30. ~~27.~~ “**CCAA**” means Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

31. ~~28.~~ “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

32. ~~29.~~ “**Claim**” means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, or as defined in the CCAA, as applicable, against a Debtor or an Estate.

33. ~~30.~~ “**Claims Bar Date**” means the dates established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims (other than Claims required to be Filed by the Administrative Claims Bar Date), pursuant to (a) the Bar Date Order, (b) a Final Order of the Bankruptcy Court, or (c) the Plan.

34. ~~31.~~ “**Claims Objection Bar Date**” means the later of: (a) the first Business Day following 180 days after the Effective Date; and (b) such later date as may be fixed by the Bankruptcy Court, after notice and a hearing upon a motion either Filed on or before the day that is 180 days after the Effective Date or filed thereafter, for cause.

35. ~~32.~~ “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

36. ~~33.~~ “**Class**” means a class of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

37. ~~34.~~ “**Collective Bargaining Agreement**” means those certain Collective Bargaining Agreements by and between Debtor Hollander Sleep Products, LLC, on the one hand, and, as applicable, the Southwest Regional Joint Board Workers United, the Southern Regional Joint Board of Workers United, SEIU on Behalf of Local 2420, the Mid-Atlantic Joint Board of Workers United, or the Workers United, Western States Regional Joint Board, on the other hand, as the same may have been amended from time to time.

38. ~~35.~~ “**Commercial Tort Claims**” means any commercial tort claims or Causes of Action owned by the Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date.

39. ~~36.~~ “**Commercial Tort Proceeds**” means the Cash proceeds, if any, of any Commercial Tort Claims, less any fees, expenses, and disbursements of the Plan Administrator in excess of the ~~Plan Administrator Budget~~ \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

40. ~~37.~~ “**Committee**” means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 30, 2019, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 61].

41. ~~38.~~ “**Committee Advisors**” means, collectively, Pachulski Stang Ziehl & Jones LLP, Alvarez & Marsal North America, LLC, and Gowling WLG.

42. ~~39.~~ “**Committee Monthly Fee Cap**” means, the sum of \$300,000 per month for the period commencing on August 1, 2019, through the Effective Date which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code, *provided* that any unused amount from a prior month may be used for fees and expenses incurred in a subsequent month on a rolling basis.

43. ~~40.~~ “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

44. ~~40.~~ “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

45. ~~41.~~ “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, including any adjournments thereof.

46. ~~“Confirmation Recognition Order”~~ means the order granted by the Canadian Court recognizing the Confirmation Order in the Recognition Proceedings.

47. ~~42.~~ “**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the ABL Agent (solely with respect to the economic and non-economic treatment of the ABL Agent and ABL Lenders pursuant to such order), the Winning Bidder (solely with respect to the Sale Transaction), and the Sponsor.

48. ~~43.~~ “**Consenting Term Loan Lenders**” means the Term Loan Lenders that are party to the RSA, together with their respective successors and permitted assigns and any subsequent Term Loan Lenders that become party to the RSA in accordance with the terms of the RSA.

49. ~~44.~~ “**Consummation**” means the occurrence of the Effective Date.

50. ~~“Contingent Amounts”~~ means any (a) Sale Proceeds or other amounts that any Debtor, Post-Effective Date Debtor, or the Wind-Down Trust receives from the Sale Transaction (i) pursuant to the Asset Purchase Agreement or the Confirmation Order, whether received immediately upon the consummation of the Sale Transaction or on a later date, that the Debtors will not distribute under the Plan on the Effective Date due to such proceeds being escrowed, earmarked, reserved, or otherwise set aside to satisfy a Claim with a higher priority than the DIP Claims in accordance with the DIP Intercreditor Agreement or pursuant to the Bankruptcy Code or as otherwise provided under the Plan and/or (ii) on a date after the Effective Date in accordance with the Asset Purchase Agreement or the Confirmation Order and/or (b) any proceeds or other amounts that any Debtor or Post-Effective Date Debtor receives from any other source after the Effective Date but excluding the GUC Sale Transaction Recovery Pool, the Last Out Loans Turnover Amount, and the Commercial Tort Proceeds.

51. ~~45.~~ “**D&O Liability Insurance Policies**” means, collectively, (a) all insurance policies (including any “tail policy”) of any of the Debtors for current or former directors’, members’, trustees’, managers’, and officers’ liability as of the Petition Date, and (b) all insurance policies (including any “tail policy”) for directors’, members’, trustees’, managers’, and officers’ liability maintained by the Debtors, the Estates, or the ~~Reorganized~~ Post-Effective Date Debtors as of the Effective Date.

52. ~~46.~~ “**Debtor**” means one or more of the Debtors, as debtors and debtors in possession, each in its respective individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

53. ~~47.~~ “**Debtor Release**” means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.C of the Plan

54. ~~48.~~ “**Debtors**” means, collectively: (a) Dream II, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

55. ~~49.~~ “**DIP ABL Agent**” means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

56. ~~50.~~ “**DIP ABL Claims**” means any and all Claims derived from or based upon the DIP ABL Credit Facility, including all Claims for any fees and expenses of the DIP ABL Agent.

57. ~~51.~~ “**DIP ABL Credit Agreement**” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP ABL Agent, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

58. ~~52.~~ “**DIP ABL Credit Facility**” means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

59. ~~53.~~ “**DIP ABL Lenders**” means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

60. ~~54.~~ “**DIP ABL Order**” means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP ABL Credit Agreement and incur postpetition obligations thereunder.

61. ~~55.~~ “**DIP Agents**” means collectively, the DIP ABL Agent and the DIP Term Loan Agent.

62. ~~56.~~ “**DIP Claims**” means any and all Claims arising under or related to the DIP Facilities, including the Last Out DIP Loan Claims.

63. ~~57.~~ “**DIP Credit Agreements**” means collectively, the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement.

64. ~~58.~~ “**DIP Facilities**” means the DIP ABL Credit Facility and the DIP Term Loan Facility.

65. ~~59.~~ “**DIP Intercreditor Agreement**” means the amended and restated intercreditor agreement, by and among the ABL Agent and the Term Loan Agent, which amended and restated the prepetition intercreditor agreement in its entirety, and is binding and enforceable against the Borrowers (as such term is defined in the DIP Orders), the other “Grantors” thereunder, the Prepetition Secured Parties, and the DIP Lenders in accordance with its terms.

66. ~~60.~~ “**DIP Lenders**” means the banks, financial institutions, and other lenders party to the DIP Credit Agreements from time to time and the bank product providers thereunder.

67. ~~61.~~ “**DIP Orders**” means collectively, the DIP ABL Order and the DIP Term Loan Order.

68. ~~62.~~ “**DIP Term Loan Agent**” means the administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such.

69. ~~63.~~ “**DIP Term Loan Claims**” means any and all Claims derived from or based upon the DIP Term Loan Credit Facility, including all Claims for any fees and expenses of the DIP Term Loan Agent.

70. ~~64.~~ “**DIP Term Loan Credit Agreement**” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time.

71. ~~65.~~ “**DIP Term Loan Credit Facility**” means the credit facility provided for under the DIP Term Loan Credit Agreement.

72. ~~66.~~ “**DIP Term Loan ~~Debt Consideration~~**” means ~~\$28 million of the Exit Term Loan Facility provided to the DIP Term Loan Lenders in consideration of the DIP Term Loan Claims (in addition to any other consideration provided herein).~~ **Distributable Cash**” means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (a) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral), other than the DIP Term Loan Claims, in full in Cash, as provided herein.

(b) fund the GUC Sale Transaction Recovery Pool, and (c) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

73. “DIP Term Loan Distributable Cash Deductions” means the payment or funding, or the reserving of estimates for such payments or funding, of Administrative Claims (other than DIP Term Loan Claims), Professional Fee Claims, the DIP ABL Claims, the Last Out DIP Loan Claims, the Priority Tax Claims, the Other Priority Claims, the Secured Tax Claims, the Other Secured Claims, any Cash amounts necessary to cover any cure payments not covered by the Asset Purchase Agreement, the payment of the statutory fees described in **Error! Reference source not found.** hereof, the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, any reserves necessary to cover the reasonable estimated costs for the APA Post Closing Obligations (with such reasonable estimates to be developed in consultation with and subject to the reasonable approval of the Debtors, the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and the Winning Bidder, which approvals shall not be unreasonably withheld, conditioned, or delayed), and the initial \$600,000 of the GUC Sale Transaction Recovery Pool (as described in subsection (a) of the definition thereof).

74. ~~67.~~ “DIP Term Loan Documents” means the DIP Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, as may be amended, modified, restated, or supplemented from time to time.

75. ~~68.~~ “DIP Term Loan Lenders” means the banks, financial institutions, and other lenders party to the DIP Term Loan Credit Agreement from time to time, each solely in their capacity as such.

76. ~~69.~~ “DIP Term Loan Order” means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Term Loan Credit Agreement and incur postpetition obligations thereunder.

77. ~~70.~~ “Disbursing Agent” means, as applicable, the ~~Reorganized~~ Debtors or the Plan Administrator (as applicable) or any Entity or Entities selected by the Debtors, ~~the Reorganized Debtors,~~ or the Plan Administrator to make or facilitate distributions contemplated under the Plan (in consultation with the DIP Term Loan Agent with respect to distributions made to the Holders of DIP Term Loan Claims and in consultation with the Term Loan Agent with respect to distributions made to the Holders of Term Loan Claims).

78. ~~71.~~ “Disclosure Statement” means the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of July 21, 2019, as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, which must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the ABL Agent, and the Sponsor.

79. ~~72.~~ “Disputed” means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

80. “Disputed Claim Reserve” means amounts in a bank account or accounts reserved for Disputed Claims.

81. ~~73.~~ “Distribution Record Date” means the date for determining which Holders of Allowed Claims or Allowed Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date or such other date as is designated in a Final Order of the Bankruptcy Court.

82. ~~74.~~ “Dream II” means Dream II Holdings, LLC.

83. ~~75.~~ “Effective Date” means the date that is the first Business Day after the Confirmation Date on which (a) the conditions to the occurrence of the Effective Date have been satisfied or waived pursuant to Article

IX.A and Article IX.B of the Plan and (b) no stay of the Confirmation Order is in effect, which shall be the day Consummation occurs.

84. ~~76.~~ “**Entity**” means an entity as such term is defined in section 101(15) of the Bankruptcy Code.

85. ~~77.~~ “**Estate**” means, as to each Debtor, the estate created on the Petition Date for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired by the Debtors after the Petition Date through the Effective Date.

86. ~~78.~~ “**Excess Distributable Cash**” means, ~~only in the event that the Winning Bidder is an Entity other than the Term Loan Lenders,~~ any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets in excess of amounts necessary to satisfy the ~~Plan Administrator Budget~~ \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, and all Claims senior in priority to General Unsecured Claims, including the DIP Claims, the ABL Claims, and the Term Loan Claims, in full, in Cash, as provided herein.

87. ~~79.~~ “**Exculpated Party**” means collectively, and in each case solely in its capacity as such: (a) the Debtors; (b) the ~~Reorganized~~ Post-Effective Date Debtors; (c) the Committee and each of its respective members; (d) the DIP Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the ABL Agent; (h) the ABL Lenders; (i) the Term Loan Agent; (j) the Term Loan Lenders; (k) the ~~Exit Facility Agents; (l) the Exit Facility Lenders; (m) the Sponsor; (n) Sponsor; (l)~~ the parties to the RSA; (m) the Plan Administrator; and ~~(en)~~ with respect to each of the foregoing entities, 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, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

88. ~~80.~~ “**Executory Contract**” means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.

~~81. “Exit ABL Agent” means the administrative agent under the Exit ABL Credit Agreement, solely in its capacity as such.~~

~~82. “Exit ABL Credit Agreement” means that certain credit agreement by and among the Reorganized Debtors, the Exit ABL Agent, and the Exit ABL Lenders, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such agreement, if applicable), and the Committee (solely with respect to any provisions implementing the Last Out Loans Turnover) and which shall be included in the Plan Supplement.~~

~~83. “Exit ABL Documents” means the Exit ABL Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such documents, if applicable), and the Committee (solely with respect to any provisions implementing the Last Out Loans Turnover).~~

~~84. “Exit ABL Facility” means the asset-based revolving credit facility provided for under the Exit ABL Credit Agreement.~~

~~85. “Exit ABL Lenders” means the banks, financial institutions, and other lenders party to the Exit ABL Credit Agreement from time to time, each solely in their capacity as such.~~

~~86. “Exit Facilities” means, collectively, the Exit ABL Facility and the Exit Term Loan Facility.~~

~~87. “Exit Facility Agents” means, collectively, the Exit ABL Agent and the Exit Term Loan Agent.~~

~~88. “Exit Facility Documents” means, collectively, the Exit ABL Documents and the Exit Term Loan Documents.~~

~~89. “Exit Facility Lenders” means, collectively, the Exit ABL Lenders and the Exit Term Loan Lenders.~~

~~90. “Exit Term Loan Agent” means the administrative agent under the Exit Term Loan Credit Agreement, solely in its capacity as such.~~

~~91. “Exit Term Loan Commitment Letter” means that certain exit commitment letter, dated May 19, 2019, by and among the Debtors and certain Term Loan Lenders party thereto, which is attached to the RSA as Exhibit C.~~

~~92. “Exit Term Loan Credit Agreement” means that certain credit agreement by and among the Reorganized Debtors, the Exit Term Loan Agent, and the Exit Term Loan Lenders, which shall include terms and conditions consistent with the Exit Term Loan Commitment Letter, shall be reasonably acceptable to the parties thereto and the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such agreement, if applicable), and shall be included in the Plan Supplement.~~

~~93. “Exit Term Loan Documents” means the Exit Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, which shall be reasonably acceptable to the parties to the Exit Term Loan Credit Agreement and the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such documents, if applicable).~~

~~94. “Exit Term Loan Facility” means the term loan credit facility in the aggregate principal amount of \$58,000,000 (comprised of the New Money Exit Term Loan Facility and the DIP Term Loan Debt Consideration) provided for under the Exit Term Loan Credit Agreement.~~

~~95. “Exit Term Loan Lenders” means the banks, financial institutions, and other lenders party to the Exit Term Loan Credit Agreement from time to time, each solely in their capacity as such.~~

89. ~~96. “Federal Judgment Rate” means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code.~~

90. ~~97. “File,” “Filed,” or “Filing” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.~~

91. ~~98. “Final Order” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari, or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing has been timely taken or filed, or as to which any appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any comparable rule of the Bankruptcy Rules may be Filed relating to such order shall not cause such order to not be a Final Order.~~

~~99. “Future Sale Consideration” means, if the Term Loan Lenders are the Winning Bidder and the Reorganized Debtors are sold within 24 months of the Effective Date and the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan~~

~~Claim) (which shall be calculated after the repayment in full of the Exit Facilities (including, for the avoidance of doubt, the conversion of the DIP Term Loan Credit Facility into the Exit Term Loan Credit Facility), any Claims related to the foregoing, and any replacement or additional money raised to fund the Reorganized Debtors, the sources and uses of such sale transaction, and any other obligations repaid as part of such transaction), 5% of each dollar in excess thereof.~~

92. ~~100.~~ **“General Unsecured Claim”** means any Claim that is not Secured and is not (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim), (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an ABL Claim, (f) a Term Loan Claim, or (g) a DIP Claim. Any Term Loan Deficiency Claim shall be waived and shall not constitute a General Unsecured Claim.

93. ~~101.~~ **“Governmental Unit”** has the meaning set forth in section 101(27) of the Bankruptcy Code.

~~102. **“GUC Reorganization Recovery Pool”** means if the Term Loan Lenders are the Winning Bidder, Cash in the amount of \$500,000, less any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.~~

94. ~~103.~~ **“GUC Sale Transaction Recovery Pool”** means, in a Sale Transaction, from the first available proceeds of the Term Loan Priority Collateral: (a) Cash in the amount of \$600,000, plus (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 5% of each dollar in excess thereof, plus (c) if the Term Loan Lenders receive more than a 50% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 7.5% of each dollar in excess thereof, less (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the ~~Plan Administrator Budget, including~~ \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

95. ~~104.~~ **“Holder”** means an Entity holding a Claim or an Interest in any Debtor.

96. ~~105.~~ **“Hollander Canada”** means Hollander Sleep Products Canada Limited.

97. ~~106.~~ **“Impaired”** means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

98. ~~107.~~ **“Indemnification Obligations”** means each of the Debtors’ indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, members, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors.

99. ~~108.~~ **“Information Officer”** means the information officer appointed by the Canadian Court in the Recognition Proceedings.

100. ~~109.~~ **“Initial Distribution Date”** means the date on which the Disbursing Agent shall make initial distributions to ~~holders~~ Holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date but in no event shall be later than 30 days after the Effective Date.

~~110. **“Initial Minimum Overbid”** has the meaning given to such term in the Bidding Procedures.~~

101. ~~111.~~ **“Intercompany Claim”** means any Claim held by a Debtor or an Affiliate of a Debtor against another Debtor arising before the Petition Date and excludes, for the avoidance of doubt, the Canadian Intercompany Claim.

102. ~~112.~~ “**Intercompany Interest**” means an Interest in any Debtor, or a direct or indirect subsidiary of any Debtor, other than an Interest in Dream II.

103. ~~113.~~ “**Intercreditor Agreement**” means that certain Intercreditor Agreement, dated as of June 9, 2017, by and among the Prepetition Agents, as amended, restated, supplemented, or otherwise modified in accordance with its terms.

104. ~~114.~~ “**Interest**” means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security, including any Claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

105. ~~115.~~ “**Interim Compensation Order**” means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 179], entered by the Bankruptcy Court on July 3, 2019, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.

106. ~~116.~~ “**Judicial Code**” means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

107. ~~117.~~ “**Last Out DIP Loan Claims**” means any and all Claims derived from or based upon the Last Out DIP Loans.

108. ~~118.~~ “**Last Out DIP Loans**” means those Last Out Loans that upon entry of the final DIP ABL Order were deemed refinanced or replaced by, or otherwise converted into, Last Out Loans under the DIP ABL Credit Facility.

109. ~~119.~~ “**Last Out Loans**” means those “Last Out Loans” as defined in the ABL Credit Agreement.

110. ~~120.~~ “**Last Out Loans Turnover**” means the turnover of the Last Out Loans Turnover Amount in accordance with the terms of the Plan.

111. ~~121.~~ “**Last Out Loans Turnover Amount**” means an amount up to \$650,000 in the aggregate to be paid for the benefit of Holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to Holders of Last Out DIP Loan Claims on account of such Claims ~~(including, after being rolled into any Exit ABL Facility, on account of any repayment as part of such Exit ABL Facility)~~, plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the Holders of Last Out DIP Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

112. ~~122.~~ “**Lien**” means ~~a~~any lien, as such term is defined in section 101(37) of the Bankruptcy Code.

~~123. “**Management Incentive Plan**” means that certain management incentive plan that may be adopted by the New Board after the Effective Date on terms to be determined by and at the discretion of the New Board, including with respect to allocation, timing, and structure of such issuance and the Management Incentive Plan, the amount of which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders.~~

~~124. “**New Board**” means the initial board of directors, members, or managers, as applicable, of the Reorganized Dream II.~~

~~125. “New Interests” means the equity interests in Reorganized Dream II.~~

~~126. “New Money Exit Term Loan Facility” means the “new money” term loan credit facility in the aggregate principal amount of \$30,000,000 provided for under the Exit Term Loan Credit Agreement.~~

~~127. “New Organizational Documents” means the form of the certificates or articles of incorporation or formation, bylaws, limited liability company agreements, or such other applicable formation documents, including any shareholders agreement, of Reorganized Dream II, the terms of which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders and which shall be included in the Plan Supplement.~~

113. ~~128.~~ “**Notice and Claims Agent**” means Omni Management Group in its capacity as notice and claims agent for the Debtors and any successor.

114. ~~129.~~ “**Other Priority Claim**” means any Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

115. ~~130.~~ “**Other Secured Claim**” means any Secured Claim that is not a DIP Claim, an ABL Claim, a Term Loan Claim, or a Secured Tax Claim, and includes (i) any Claim secured by the Administration Charge, and (ii) the Canadian Intercompany Claim.

116. ~~131.~~ “**Payoff Letter**” means the payoff letter in respect of any payment in full of the DIP ABL Claims and ABL Claims (~~ex~~including ~~the~~Last out DIP Loan Claims) in accordance with Section 1.4 of the DIP ABL Credit Agreement, to be agreed upon by the Debtor and the DIP ABL Agent prior to the Effective Date.

117. ~~132.~~ “**Person**” means a person as such term as defined in section 101(41) of the Bankruptcy Code.

118. ~~133.~~ “**Petition Date**” means the date on which each of the Debtors commenced the Chapter 11 Cases.

119. ~~134.~~ “**Plan**” means this *Debtors’ Joint Plan of Reorganization of Hollander Sleep Products, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, as may be altered, amended, modified, or supplemented from time to time in accordance with Article X hereof, including the Plan Supplement (as modified, amended or supplemented from time to time), which is incorporated herein by reference and made part of the Plan as if set forth herein.

120. ~~135.~~ “**Plan Administrator**” means (a) if the Holders of Class 5 Claims vote to accept the Plan, a person or Entity designated by the Committee in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), or (b) if the Holders of Class 5 Claims vote to reject the Plan, a person or Entity designated by the Debtors in consultation with the Committee and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), who will be disclosed prior to the Confirmation Hearing ~~to~~and will serve as the trustee and administrator for the Wind-Down Trust and have all power and authorities as set forth in ~~Article VII.B~~ Article IV.D of the Plan.

121. ~~136.~~ “**Plan Administrator Budget**” means ~~that certain budget governing the fees, expenses, disbursements of the Plan Administrator, which budget shall be reasonably acceptable to the Debtors, the Committee, the Term Loan Agent, and the Required Term Lenders and~~ Certificate” means a certification ~~Filed with the Bankruptcy Court as part of~~by the Plan Supplement Administrator of all distributions having been made under the Plan.

122. ~~137.~~ “**Plan Settlement**” means the good faith compromise and settlement of all Claims, Interests, and controversies as described in ~~Article IV.A~~ Article IV.A of the Plan.

123. ~~138.~~ “**Plan Supplement**” means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, the initial draft of certain of such documents shall be Filed by the

Debtors fourteen calendar days before the first day of the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Effective Date, as may be amended, supplemented, altered, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, including: (a) the ~~New Organizational Documents, if applicable;~~ (b) ~~the Exit ABL Credit Agreement, if applicable;~~ (c) ~~the Exit Term Loan Credit Agreement, if applicable;~~ (d) ~~any necessary documentation related to the Sale Transaction, if applicable;~~ (e) ~~the Asset Purchase Agreement;~~ (b) the Schedule of Assumed Executory Contracts and Unexpired Leases; (f) ~~the~~ the Schedule of Rejected Executory Contracts and Unexpired Leases; (g) ~~the~~ the Schedule of Retained Causes of Action; (h) ~~the identity of the members of the New Board and any executive management for the Reorganized Debtors;~~ (i) ~~the~~ the Payoff Letter; (j) ~~the Restructuring Transactions Memorandum;~~ (k) the identity and terms of compensation of the Plan Administrator; (l) ~~the Plan Administrator Budget~~ Wind-Down Trust Agreement; and (m) any ~~other~~ necessary documentation related to the ~~Restructuring Sale~~ Transactions, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, ~~and~~ the Required Term Lenders, and the Winning Bidder.

124. ~~“Post-Effective Date Debtor”~~ means any Debtor, or any successor thereto after the Effective Date.

125. ~~139.~~ **“Prepetition Agents”** means the ABL Agent and the Term Loan Agent.

126. ~~140.~~ **“Prepetition Facilities”** means the ABL Credit Facility and the Term Loan Facility.

127. ~~141.~~ **“Prepetition Secured Lenders”** means the ABL Lenders and Term Loan Lenders.

128. ~~142.~~ **“Priority Tax Claim”** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

129. ~~143.~~ **“Pro Rata”** means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.

130. ~~144.~~ **“Professional”** means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code, *provided* that, for the avoidance of doubt, the advisors to the Term Loan Agent, the DIP Agents, and the ABL Agent shall not constitute a “Professional.”

131. ~~145.~~ **“Professional Fee Claims”** mean all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent a Bankruptcy Court or higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

132. ~~146.~~ **“Professional Fee Escrow Account”** means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount, *provided* that the Professional Fee Escrow shall be increased ~~from with~~ Cash ~~on hand at the Reorganized~~ held by the Post-Effective Date Debtors or by the Wind-Down Trust to the extent applications are filed after the Effective Date in excess of the amount of Cash funded into the escrow as of the Effective Date, provided that any such incremental funding will not reduce the GUC Sale Transaction Recovery Pool or the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

133. ~~147.~~ **“Professional Fee Escrow Amount”** means the total amount of Professional fees and expenses estimated pursuant to ~~Article H.B.3~~ Article II.B.3 of the Plan.

134. ~~148.~~ **“Proof of Claim”** means a written proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

135. ~~149.~~ “**Proof of Interest**” means a written proof of Interest Filed against any of the Debtor in the Chapter 11 Cases.

136. ~~150.~~ “**Put Purchasers**” means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.

137. ~~151.~~ “**Quarterly Distribution Date**” means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date, or as soon thereafter as is reasonably practicable.

138. ~~152.~~ “**Recognition Proceedings**” means the proceedings commenced by the Debtors under Part IV of the CCAA in the Canadian Court to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.

139. ~~153.~~ “**Reinstate,**” “**Reinstated,**” or “**Reinstatement**” means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such ~~h~~Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

140. ~~154.~~ “**Released Party**” means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the ~~Reorganized~~Post-Effective Date 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~~Plan Administrator; (i) the ~~Exit Facility Agents~~Winning Bidder; (j) the ~~Winning Bidder~~Sponsor; (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.”

141. ~~155.~~ “**Releasing Parties**” means, collectively, each of the following: (a) the Debtors; (b) the ~~Reorganized~~Post-Effective Date 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; ~~and~~ ~~(m)~~ the Committee; ~~(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 and former Affiliates’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, 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, management companies, fund advisors, employees, agents, advisory board members (other than members of the Committee), financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such and solely to the extent of such Entity’s authority to bind any of the foregoing, including pursuant to agreement or applicable non-bankruptcy law; ~~(o)~~ all Holders of Claims that vote to accept the Plan; ~~(p)~~ all Holders of Claims that vote to reject the Plan but elect on their ballot to opt into the Third-Party Release; and ~~(q)~~ all Holders of

Claims or Interests not described in the foregoing clauses (a) through (pn) who elect to opt into the Third-Party Release.

142. ~~“Required DIP Lenders”~~ means the “Required Lenders” as defined in the DIP Term Loan Credit Agreement.

~~156. “Reorganized Debtors” means the Debtors, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Effective Date, including Reorganized Dream II.~~

~~157. “Reorganized Dream II” means Dream II Holdings, LLC, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.~~

143. ~~158.~~ “Required Term Lenders” means the “Required Consenting Term Loan Lenders” ~~(“~~ as defined in the RSA).

144. ~~159.~~ “Restructuring Transactions” means the transactions described in Article IV.B of the Plan.

~~160. “Restructuring Transactions Memorandum” means, if the Term Loan Lenders are the Winning Bidder, a memorandum to be included in the Plan Supplement, prior to the Effective Date that, among other things, sets forth the steps necessary to effectuate the transactions described in Article IV.B of the Plan.~~

145. ~~161.~~ “RSA” means that certain restructuring support agreement, dated as of May 19, 2019, by and among the Debtors, the Consenting Term Loan Lenders, and the Sponsor, as amended and restated by that certain amended and restated restructuring support and settlement agreement, dated as of July 21, 2019, by and among the Debtors, the Consenting Term Loan Lenders, the Committee, and the Sponsor, as may be amended, restated, supplemented, or modified from time to time, which RSA was approved by the Bankruptcy Court on August 15, 2019 [Docket No. 298].

146. ~~“Sale Proceeds” means all proceeds of the Sale Transaction, including the Cash proceeds and the Warrants, that the Debtors or the Plan Administrator shall receive in accordance with the Asset Purchase Agreement.~~

147. ~~162.~~ “Sale Transaction” means the sale of ~~all or substantially all~~ certain of the Debtors’ assets to the Winning Bidder, ~~if such Winning Bidder is an Entity other than the Term Loan Lenders, to be~~ consummated in accordance with the Bidding Procedures Plan and the Plan Asset Purchase Agreement.

148. ~~163.~~ “Schedule of Assumed Executory Contracts and Unexpired Leases” means ~~the schedule of that~~ certain schedule filed with the Plan Supplement of Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, ~~as the same or assumed by the Debtors and assigned to the Winning Bidder pursuant to the Plan and in accordance with the Asset Purchase Agreement, as such schedule~~ may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, ~~and the Required Term Lenders, and shall be included in the Plan Supplement~~ the Winning Bidder.

149. ~~164.~~ “Schedule of Rejected Executory Contracts and Unexpired Leases” means ~~the that certain~~ schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, ~~as the same such schedule~~ may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, ~~and the Required Term Lenders, and the Winning Bidder~~ and shall be included in the Plan Supplement.

150. ~~165.~~ “Schedule of Retained Causes of Action” means ~~the that certain~~ schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan, ~~as the same or the Asset Purchase Agreement, as such schedule~~ may be amended, modified, or supplemented from time to time by the

Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, ~~and~~ the Required Term Lenders, and the Winning Bidder, and shall be included in the Plan Supplement.

151. ~~166.~~ “**Schedules**” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules may be amended, modified, or supplemented from time to time.

152. ~~167.~~ “**Section 510(b) Claim**” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; *provided* that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

153. ~~168.~~ “**Secured**” means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court or Canadian Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in such Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, which value shall be determined pursuant to section 506(a) of the Bankruptcy Code or (b) Allowed pursuant to the Plan as a Secured Claim.

154. ~~169.~~ “**Secured Tax Claim**” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including ~~authority~~ any related Secured Claim for penalties.

155. ~~170.~~ “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

156. ~~171.~~ “**Security**” means a security as defined in section 2(a)(1) of the Securities Act.

157. ~~172.~~ “**Sponsor**” means Sentinel Capital Partners on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its Affiliates, each solely in their capacity as ~~H~~ Holders of direct or indirect equity interests in Dream II.

~~173. “**Supporting Vendor**” means any vendor who participates in the Vendor Support Incentive.~~

158. ~~174.~~ “**Term Loan Agent**” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such.

159. ~~175.~~ “**Term Loan Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the Term Loan Facility and the Term Loan Documents.

160. ~~176.~~ “**Term Loan Credit Agreement**” means that certain term loan credit agreement dated as of June 9, 2017, by and among Hollander Sleep Products, LLC, as borrower, Dream II and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

161. ~~177.~~ “**Term Loan Deficiency Claim**” means a Term Loan Claim that is not a Secured Claim, which Term Loan Deficiency Claim shall be, subject to the occurrence of the Effective Date, waived pursuant to the Plan.

162. ~~178.~~ “**Term Loan Distributable Cash**” means, ~~only in the event that the Winning Bidder is an Entity other than the Term Loan Lenders,~~ any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (i) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral) in full, in Cash, as provided herein, (ii) fund the GUC Sale Transaction Recovery Pool, and (iii)

fund the ~~Plan Administrator Budget~~ \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

163. ~~179.~~ “**Term Loan Documents**” means the Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, in each case, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

164. ~~180.~~ “**Term Loan Facility**” means the term loan facility provided for under the Term Loan Credit Agreement.

165. ~~181.~~ “**Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

166. ~~182.~~ “**Term Loan Priority Collateral**” ~~has the meaning given to such~~ means “Term Loan Priority Collateral” as defined in the Intercreditor Agreement.

167. ~~183.~~ “**Third-Party Release**” means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.D of the Plan.

168. ~~184.~~ “**U.S. Trustee**” means the Office of the United States Trustee for the Southern District of New York.

169. ~~185.~~ “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 or section 1123 of the Bankruptcy Code.

170. ~~186.~~ “**Unimpaired**” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

~~187. “Vendor Support Incentive” means for each Supporting Vendor who agrees at the request of the Debtors, in the Debtors’ sole discretion, to provide standard prepetition trade credit to the Reorganized Debtors on the most favorable terms extended by the Supporting Vendor in the 12 months before the Petition Date (but in no event less than 60 day terms) for the 12 month period beginning on the Effective Date, which support shall be documented in a trade agreement acceptable to the Debtors, (a)(i) a payment of 3.0% of the average outstanding payable balance for the 12 month period beginning on the Effective Date to be paid in six monthly installments plus (ii) 1% of such Supporting Vendor’s Allowed General Unsecured Claim, or (b) a letter of credit from the Reorganized Debtors backing the payment of the moving average outstanding payable balance for the 12 month period beginning on the Effective Date.~~

171. ~~188.~~ “**Voting Deadline**” means 4:00 p.m., prevailing Eastern Time, on August 28, 2019.

172. “**Warrants**” means the warrants to be issued to Dream II upon the consummation of the Sale Transaction by the Winning Bidder in accordance with the terms of the Asset Purchase Agreement, which warrants shall grant the holders of such warrants the right to purchase 7.5% of the fully diluted common equity in the Winning Bidder on the terms set forth in the warrant agreement and shall be assignable and distributed in accordance with the terms of this Plan.

173. “**Wind-Down Trust**” means that certain trust to be created on the Effective Date, as described in Article IV.E of the Plan.

174. “**Wind-Down Trust Account**” means the bank account or accounts used to fund all expenses and payments required to be made by the Plan Administrator, which shall be established by the Plan Administrator on or after the Effective Date.

175. “Wind-Down Trust Agreement” means that certain agreement establishing the Wind-Down Trust, which shall be reasonably acceptable to the Debtors, the Committee, the DIP Term Loan Agent, the Required DIP Lenders, the Term Loan Agent, and the Required Term Lenders and the form of which shall be included in the Plan Supplement.

176. “Wind-Down Trust Assets” means all of the assets of the Debtors’ Estates remaining after the closing of the Sale Transaction, which assets shall be treated as transferred to and beneficially owned by the Wind-Down Trust as of the Effective Date; provided that (a) any such assets that cannot be transferred to the Wind-Down Trust on the Effective Date shall be held by the Post-Effective Date Debtors for the benefit of the Wind-Down Trust for purposes of winding down the Debtors’ Estates and implementing the terms of the Plan and (b) any Canadian Assets shall continue to be owned by Hollander Canada, and the shares of which shall be owned by the Wind-Down Trust for purposes of winding down the Debtor’s Estates and implementing the terms of the Plan.

177. ~~189.~~ “Winning Bidder” means ~~the Entity or Entities whose bid or bids for some or all Bedding Acquisition, LLC and its successors and permitted assigns, as the purchaser of certain~~ of the Debtors’ assets, ~~which for the avoidance of doubt may include the transaction contemplated under the Plan, is selected by the Debtors and approved by the Bankruptcy Court as the highest or otherwise best bid pursuant to the Bidding Procedures. For the avoidance of doubt, if there is no third party purchaser of the assets, the Term Loan Lenders shall be deemed to be the Winning Bidder~~ in accordance with the ~~other terms and provisions of the Plan~~ Asset Purchase Agreement.

B. *Rules of Interpretation*

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles of the Plan or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation”; (8) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (9) subject to the provisions of any contract, certificate of incorporation, bylaw, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with, applicable federal law, including the Bankruptcy Code and the Bankruptcy Rules, or, if no rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court’s CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any effectuating provisions may be interpreted by the Debtors or ~~Reorganized Debtors~~ Plan Administrator in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall be conclusive; (15) any references herein to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; (16) all references herein to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; (17) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (18) references to “shareholders,”

“directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; and (19) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or the ~~Reorganized~~Post-Effective Date Debtors shall mean the Debtors and the ~~Reorganized~~Post-Effective Date Debtors, as applicable, to the extent the context requires.

C. *Computation of Time*

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. *Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate or limited liability company governance matters relating to the Debtors or the ~~Reorganized~~Post-Effective Date Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the applicable Debtor or the ~~Reorganized~~Post-Effective Date Debtors, as applicable.

E. *Reference to Monetary Figures*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. *Non-Consolidated Plan*

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan that addresses the reorganization of each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors and the Plan is a separate Plan for each Debtor.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS AND PRIORITY TAX CLAIMS**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III.

A. *Administrative Claims*

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 30 days after the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable

thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the ~~Reorganized Debtors~~ Plan Administrator, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the ~~Reorganized~~ Post-Effective Date Debtors and the Plan Administrator no later than the Administrative Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the ~~Reorganized~~ Post-Effective Date Debtors (if the ~~Reorganized~~ Post-Effective Date Debtors are not the objecting party), the Plan Administrator, and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the ~~Reorganized~~ Post-Effective Date Debtors, the Estates, the Plan Administrator, or the property of any of the foregoing, and such Administrative Claims shall be deemed ~~discharged~~ released as of the Effective Date without the need for any objection from the ~~Reorganized~~ Debtors or the Plan Administrator or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

B. *Professional Fee Claims*

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 30 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The ~~Reorganized Debtors~~ Plan Administrator shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, ~~or the Reorganized~~ the Plan Administrator, or the Post-Effective Date Debtors.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the ~~Reorganized Debtors~~ Plan Administrator, as applicable, from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided* that the Debtors' and the ~~Reorganized Debtors'~~ Plan Administrator's obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy

Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the ~~Reorganized Debtors~~ Wind-Down Trust without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

3. Professional Fee Escrow Amount

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided, however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account, *provided* that the ~~Reorganized Debtors~~ Plan Administrator shall use Cash ~~on hand from the Wind-Down Trust or the Post-Effective Date Debtors~~ to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

4. Post-Confirmation Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors ~~or the Reorganized Debtors~~ after the Confirmation Date, and (b) the Committee after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and ~~Reorganized Debtors~~ the Plan Administrator, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or ~~Reorganized Debtors~~ the Plan Administrator, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors ~~and Reorganized Debtors~~, as applicable. If the Debtors ~~or Reorganized Debtors, as applicable~~, dispute the reasonableness of any such invoice, the Debtors or ~~Reorganized Debtors~~ the Plan Administrator, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. DIP Claims

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreements, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of this Plan, or other such treatment as contemplated by this Article II.C of the Plan, on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

1. DIP ABL Claims

Except as set forth in Article II.C.2 and to the extent that a Holder of an Allowed DIP ABL Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of, and in exchange for, each Allowed DIP ABL Claim, each such Holder of an Allowed DIP ABL Claim shall receive on the Effective Date ~~(a) payment in full in Cash of such Holder's Allowed DIP ABL Claim pursuant to the Payoff Letter or (b) at such Holder's election and agreement by the Debtors, such Holder's Pro Rata share of the Exit ABL~~

~~Facility~~. Notwithstanding anything to the contrary in this Plan, the ~~Reorganized~~Post-Effective Date Debtors shall be and remain bound by the indemnification and expense reimbursement provisions of the Payoff Letter in favor of the DIP ABL Agent and DIP ABL Lenders.

Pursuant to the DIP ABL Credit Agreement, all distributions pursuant to this Article II.C.1 shall be made to the DIP ABL Agent for distributions to the DIP ABL Lenders in accordance with the DIP ABL Credit Agreement and DIP ABL Loan Documents. The DIP ABL Agent shall hold or direct distributions for the benefit of the Holders of DIP ABL Claims. The DIP ABL Agent shall retain all rights as DIP ABL Agent under the DIP ABL Documents in connection with the delivery of the distributions to the DIP ABL Lenders. The DIP ABL Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP ABL Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP ABL Agent on account of the DIP ABL Claims shall be made by wire transfer.

2. Last Out DIP Loan Claims

~~If the Term Loan Lenders are the Winning Bidder, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each Allowed Last Out DIP Loan Claim, each such Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall, subject to the Last Out Loans Turnover, receive such Holder's Pro Rata share of the Exit ABL Facility on a last out basis (on terms reasonably acceptable to each Holder of an Allowed Last Out DIP Loan Claim (or Last Out Loans)). The Exit ABL Documents shall include provisions necessary to implement the Last Out Loans Turnover.~~

Subject to the Last Out Loans Turnover, ~~if an Entity other than the Term Loan Lenders is the Winning Bidder,~~ each Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall receive payments in accordance with the waterfall provisions of the DIP ABL Credit Agreement, the DIP Intercreditor Agreement, and the final DIP ABL Order and final DIP Term Loan Order.

3. DIP Term Loan Claims

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and ~~release, and discharge~~ of, and in exchange for, each Allowed DIP Term Loan Claim, each such Holder of an Allowed DIP Term Loan Claim shall receive (a) on the Effective Date ~~either: (a) if an Entity other than the Term Loan Lenders is the Winning Bidder, (i) payment in full in Cash of such Holder's Allowed DIP Term Loan Claim, or (ii) at such Holder's election and agreement by the Debtors, such Holder's Pro Rata share of the Exit Term Loan Facility; or (b) if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of (i) 37 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan, and (ii) the DIP Term Loan Debt Consideration, its Pro Rata share of~~ (1) DIP Term Loan Distributable Cash (after the DIP Term Loan Distributable Cash Deductions) and (2) the Warrants and (b) after the Effective Date, until its Allowed DIP Term Loan Claim has been repaid in full in Cash (without taking into account the receipt of the Warrants) its Pro Rata share of all DIP Term Loan Distributable Cash constituting Contingent Amounts (after the DIP Term Loan Distributable Cash Deductions), if and when received by the Plan Administrator, which such DIP Term Loan Distributable Cash constituting Contingent Amounts shall be distributed by the Plan Administrator to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Credit Facility as of the Effective Date; *provided, however*, that the DIP Term Loan Claims in respect of contingent and unliquidated obligations of the Debtor under the DIP Term Loan Credit Agreement shall survive the Effective Date on an unsecured basis and shall not be ~~discharged or~~ released pursuant to the Plan or Confirmation Order, and shall be paid by the ~~Reorganized Debtors~~Plan Administrator as and when due under the DIP Term Loan Documents.

Pursuant to the DIP Term Loan Credit Agreement, all Cash distributions pursuant to this Article II.C.3 shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Agent shall hold or direct

distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Term Loan Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

D. Priority Tax Claims

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. Classification of Claims and Interests

Except for the Claims addressed in ~~Article II~~ Article II of the Plan, all Claims and Interests are classified in the Classes set forth in this ~~Article III~~ Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that Class 8 shall be vacant at each Debtor other than Dream II. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Reject)

Class	Claim/Interest	Status	Voting Rights
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. *Treatment of Claims and Interests*

Subject to ~~Article VI~~ Article IV hereof, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor or ~~Reorganized~~ Post-Effective Date Debtor:
 - (i) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or
 - (ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor or ~~Reorganized~~ Post-Effective Date Debtor:
 - (i) payment in full in Cash of such Holder's Allowed Other Secured Claim;
 - (ii) the collateral securing such Holder's Allowed Other Secured Claim;

- (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or
 - (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- (a) *Classification:* Class 3 consists of all Secured Tax Claims.
- (b) *Treatment:* Except to the extent that a ~~h~~Holder of an Allowed Secured Tax Claim and the applicable Debtor or ~~Reorganized~~Post-Effective Date Debtor agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of and in exchange for such Secured Tax Claim, each such ~~h~~Holder shall receive, at the option of the applicable Debtor or ~~Reorganized Debtors~~Post-Effective Date Debtor, as applicable:
 - (i) payment in full in Cash of the unpaid portion of such ~~h~~Holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or
 - (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years from the Petition Date, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the ~~Reorganized Debtors~~Plan Administrator to prepay the entire amount of such Allowed Secured Tax Claim during such time period.
- (c) *Voting:* Class 3 is Unimpaired under the Plan. Each ~~h~~Holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each ~~h~~Holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

4. Class 4 – Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive ~~either:~~
 - (i) ~~if an Entity other than the Term Loan Lenders is the Winning Bidder,~~ its Pro Rata share of the Term Loan Distributable Cash up to the full amount of such Holder's Allowed Term Loan Claim or such other treatment rendering such Holder's Allowed Term Loan Claim Unimpaired; ~~or,~~

~~(ii) if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of 23 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan.~~

- (c) *Voting:* Class 4 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release, ~~and discharge~~ of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim:

its Pro Rata share of:

- (i) the Last Out Loans Turnover Amount;
- (ii) ~~its Pro Rata share of~~ the Commercial Tort Proceeds, if any; ~~and~~

~~(iii) either:~~

~~a. if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of the Future Sale Consideration, if any, plus either:~~

~~(iii) I. its Pro Rata share of the GUC Reorganization~~Sale Transaction Recovery Pool; ~~or and~~

~~(iv) the Excess Distributable Cash, if any.~~

~~II. if the Holder is a Supporting Vendor, the Vendor Support Incentive (provided that no Holder that receives the Vendor Support Incentive shall receive such Holder's portion of the GUC Reorganization Recovery Pool); or~~

~~b. if an Entity other than the Term Loan Lenders is the Winning Bidder, its Pro Rata share of the GUC Sale Transaction Recovery Pool and the Excess Distributable Cash.~~

- (c) *Voting:* Class 5 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.
- (b) *Treatment:* ~~Treatment:~~Holders of Intercompany Claims shall ~~be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Plan Administrator may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by the Debtors.~~

~~(i) Reinstated; or~~

~~(ii) cancelled and released without any distribution on account of such Claims.~~

- (c) *Voting:* Class 6 is ~~either~~ Impaired ~~or Unimpaired~~ under the Plan. Holders of Intercompany Claims are ~~either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.~~ Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Intercompany Interests

- (a) *Classification:* Class 7 consists of all Intercompany Interests.
- (b) *Treatment:* Intercompany Interests shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:
- (i) Reinstated in accordance with ~~Article III.G~~ Article III.G of the Plan; ~~or~~
- (ii) cancelled and released without any distribution on account of such Interests; ~~or~~
- (iii) solely in the case of Hollander Canada, transferred to and owned by the Wind-Down Trust.
- (c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

8. Class 8 – Interests in Dream II

- (a) *Classification:* Class 8 consists of all Interests in Dream II.
- (b) *Treatment:* On the Effective Date, all Interests in Dream II will be cancelled, released, and extinguished, and will be of no further force or effect.
- (c) *Voting:* Class 8 is Impaired under the Plan. Holders of Interests in Dream II are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interest in Dream II are not entitled to vote to accept or reject the Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Allowance:* Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.
- (c) *Treatment:* Allowed Section 510(b) Claims, if any, shall be ~~discharged~~, cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.

- (d) *Voting:* Class 9 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of 510(b) Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired, provided, however, that the Reinstatement or other treatment of such Claims shall not be inconsistent with the Asset Purchase Agreement. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

D. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

E. *Subordinated Claims*

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the ~~Reorganized Debtors~~ Plan Administrator reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

F. *Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes*

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

G. *Intercompany Interests*

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the ~~Holders of the New Interests~~ Winning Bidder, and in exchange for the Debtors' ~~and Reorganized Debtors'~~ agreement under the Plan ~~to provide management services to certain other Debtors and Reorganized Debtors,~~ to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors ~~and Reorganized Debtors~~ to the Holders of certain Allowed Claims. For the avoidance of doubt, any Interest in non-Debtor subsidiaries owned by a Debtor shall continue to be owned by the applicable ~~Reorganized~~ Post-Effective Date Debtor.

H. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. *General Settlement of Claims and Interests*

As discussed in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and applicable law, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, including (1) the Debtors' agreement to (A) ~~provide an additional Vendor Support Incentive to Supporting Vendors, (B)~~ turnover any Commercial Tort Proceeds for the benefit of the Holders of General Unsecured Claims, and (C) waive Avoidance Actions, (2) the DIP Term Loan Lenders agreement to consent to the treatment of the DIP Term Loan Claims set forth in Article II.C hereof in the event such treatment does not repay the DIP Term Loan Claims in full, (3) the Term Loan Lenders' agreement to (A) ~~in the event that the Term Loan Lenders are the Winning Bidder, consent to the Debtors' funding of the GUC Reorganization Recovery Pool and the Reorganized Debtors' funding the Future Sale Consideration (as applicable), (B) in the event there is a Sale Transaction, consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool, and the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan~~ and (C) subject to the occurrence of the Effective Date, forgo any Term Loan Deficiency Claim, (34) the Sponsor's agreement to fund the Last Out Loans Turnover Amount, and (45) the Committee's agreement to (A) support and take, and refrain from taking, actions set forth in the RSA, including taking those actions necessary to obtain Bankruptcy Court approval of the Plan and Disclosure Statement, and (B) abide by the Committee Monthly Fee Cap, upon the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, ~~discharged,~~ or otherwise resolved pursuant to the Plan, including (4i) any challenge to the amount, validity, perfection, enforceability, priority, or extent of all Term Loan Claims, DIP Claims, and all ABL Claims (including any liens related to the foregoing), (2ii) any Avoidance Actions, and (3iii) any claims or Causes of Action against the Holders of Term Loan Claims, DIP Claims, ABL Claims, or Interests. The Plan shall be deemed a motion to approve the Plan Settlement pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

B. *Restructuring Transactions*

On the Effective Date, the ~~applicable Debtors or the Reorganized~~ Debtors shall enter into any transaction and shall take any actions as may be necessary or appropriate to effect ~~a corporate restructuring of their respective businesses or a corporate restructuring of the overall corporate structure of the Debtors on the terms set forth in the Plan~~ the transactions described herein, including, as applicable, ~~entry into the Exit Facilities, entry into the New Organizational Documents, consummation of the Sale Transaction in the event that the Winning Bidder is an Entity other than the Term Loan Lenders, the issuance of all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, and/or the entry into one or more intercompany mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dispositions, dissolutions, transfers, liquidations, spinoffs, intercompany sales, purchases, or other corporate transactions with the reasonable consent of the Term Loan Agent and the Required Term Lenders. The actions to implement the Restructuring Transactions may include: (1): (i)~~ the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, ~~amalgamation, arrangement, continuance,~~ restructuring, conversion, disposition, ~~dissolution,~~ transfer, ~~liquidation, spinoff~~ arrangement, continuance, dissolution, sale, ~~or purchase, or liquidation~~ containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2)-(ii) the execution

and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; ~~(3)-(iii)~~ the filing of appropriate certificates or articles of incorporation, reincorporation, ~~formation~~, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and ~~(4)-(iv)~~ all other actions that the ~~applicable Entities~~ Debtors and the Winning Bidder determine to be necessary or appropriate in connection with the consummation of the Sale Transaction, including making filings or recordings that may be required by applicable law in connection with the Plan.

~~C. Reorganized Debtors~~

~~On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt the New Organizational Documents. The Reorganized Debtors shall be authorized to implement the Restructuring Transactions and adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary or desirable to consummate the Plan, which actions, regardless of whether taken before, on, or after the Effective Date, shall be deemed to constitute a Restructuring Transaction.~~

C. ~~D. Sources of Consideration for Plan Distributions~~

~~The Reorganized~~ On and after the Effective Date, the Debtors or the Plan Administrator, as applicable, will fund the Debtors' distributions and obligations under the Plan with Cash ~~held on the Effective Date by or for the benefit of the Debtors or Reorganized Debtors, including Cash from operations on hand~~, as well as the following sources of consideration. After the Effective Date, to the extent not held in the Professional Fee Escrow Account, the amounts held by the Wind-Down Trust shall be held in the Wind-Down Trust Account.

~~1. Exit Facilities~~

1. Sale Transaction and Sale Proceeds

The Debtors selected the Winning Bidder to consummate the Sale Transaction after a marketing process that was approved in and conducted in accordance with the Bidding Procedures Order. The Sale Transaction was the highest and otherwise best offer for the Debtors' assets. On the Effective Date, the ~~Reorganized~~ Debtors shall ~~execute and deliver the Exit Facility Documents to the applicable Exit Facility Administrative Agent and such documents shall become effective~~ consummate the Sale Transaction and, among other things, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with their terms. ~~On and after the Effective Date, the Exit Facility Documents shall constitute legal, valid, and binding obligations of the Reorganized Debtors and be enforceable~~ the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. In exchange, the Winning Bidder shall pay to the Debtors the Sale Proceeds in accordance with their respective terms the Asset Purchase Agreement.

Notwithstanding anything to the contrary in this Plan: (a) all APA Post Closing Obligations shall be treated in accordance with the Asset Purchase Agreement and paid from the Sale Proceeds, Wind-Down Trust Assets, or the Canadian Assets without the need for the filing of any Proof of Claim or request for payment with respect to such obligations, provided that such payments shall not be paid from any of the Wind-Down Trust Assets that constitute the Last Out Loans Turnover Amount or the GUC Sale Transaction Recovery Pool under the terms of this Plan, and shall be (i) appropriately estimated and reserved for prior to any distribution of the Sale Proceeds from the Debtors or their Estates, provided that the Debtors must make the distributions set forth in Article II.C.1, Article II.C.2, and Article II.C.3 hereof on the Effective Date, and (ii) paid in the ordinary course as and when due and payable; and (b) the Debtors, Post-Effective Date Debtors, and the Plan Administrator, as applicable, shall remain obligated to satisfy such post-closing obligations.

~~The Exit Facilities shall consist of the Exit ABL Facility and the Exit Term Loan Facility. On the Effective Date, the Exit Term Loan Lenders shall fund the Exit Term Loan Facility and the Exit ABL Lenders shall fund the Exit ABL Facility. If the Term Loan Lenders are the Winning Bidder, in exchange for the commitment to fund the~~

~~Exit Term Loan Facility, each Exit Term Loan Lender shall receive its Pro Rata share of 40 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan, and such other consideration as set forth in the Exit Facility Documents.~~

~~The terms for the Exit Facilities will be determined in accordance with the Reorganized Debtors' contemplated post Effective Date business plan following and depending on the results of the Auction (which may contemplate the continued ownership or operation of all or only some of the Debtors' assets), and any documentation necessary to implement the Exit Facilities will be included in the Plan Supplement. The Reorganized Debtors shall use proceeds of the Exit Facilities, as applicable, to fund ongoing operations and distributions under the Plan and to satisfy other Cash obligations under the Plan.~~

~~Confirmation shall be deemed approval of the Exit Facility Documents (including the transactions and fees contemplated thereby, and all actions to be taken, undertakings to be made, and obligations and guarantees to be incurred and fees paid in connection therewith), and, to the extent not approved by the Bankruptcy Court previously, the Reorganized Debtors will be authorized to execute and deliver any and all documents necessary or appropriate to obtain and enter into the Exit ABL Facility and the Exit Term Loan Facility, including the entry into the Exit Facility Documents, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or Reorganized Debtors, with the reasonable consent of the Exit Term Loan Lenders, may deem to be necessary to consummate the Exit ABL Facility and the Exit Term Loan Facility.~~

~~2. Issuance of the New Interests~~

~~All existing Interests in Dream II shall be automatically cancelled on the Effective Date and the Reorganized Debtors shall issue the New Interests to Entities entitled to receive the New Interests pursuant to the Plan. The issuance of the New Interests is authorized without the need for any further corporate action and ~~without any further action by the~~ Holders of Claims or Interests or the Debtors or the Reorganized Debtors, as applicable. The New Organizational Documents, as applicable, shall authorize the issuance and distribution on the Effective Date of the New Interests to the Disbursing Agent for the benefit of Entities entitled to receive the New Interests pursuant to the Plan. All of the New Interests issued under the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Interests under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of New Interests shall be deemed as its agreement to the New Organizational Documents, as the same be amended or modified from time to time following the Effective Date in accordance with their terms. The New Interests will not be registered on any exchange as of the Effective Date.~~

~~2.~~ ~~3.~~ Last Out Loans Turnover Amount

~~The Sponsor shall cause to be delivered the Last Out Loans Turnover Amount to fund recoveries for the Holders of General Unsecured Claims. ~~In a Sale Transaction, the~~ The Last Out Loans Turnover Amount shall be funded solely from the Cash proceeds, if any, received by the Sponsor on account of the Last Out DIP Loan Claims. If the Term Loan Lenders are the Winning Bidder and the Last Out DIP Loans are rolled into the Exit ABL Facility, the Sponsor (or its affiliated Entities) will fund ~~the Last Out Loans Turnover Amount~~ solely from the Cash proceeds it ultimately receives on account of the Last Out DIP Loans that have been converted into such Exit ABL Facility (in either case solely through a future pay down of such loans or from future proceeds the Sponsor (or its affiliated Entities) receives in the event of a sale of all or a portion of such loans following the Effective Date).~~

~~D.~~ Plan Administrator and Post-Effective Date Debtors

~~The Plan Administrator shall act for the Post-Effective Date Debtors in the same fiduciary capacity as applicable to a board of managers (or, in the case of Hollander Canada, directors) and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, articles of incorporation or amendment by-laws, and related documents, as applicable, are deemed amended pursuant to the Plan to permit and authorize the same). On the Effective Date, the authority, power, and incumbency of the persons acting as managers (or, in the~~

case of Hollander Canada, directors) and officers for the Debtors shall be deemed to have resigned, and the Plan Administrator shall be appointed as the sole manager and sole officer for the Post-Effective Date Debtors and shall succeed to the powers of the Post-Effective Date Debtors' managers and officers (or, in the case of Hollander Canada, directors). From and after the Effective Date, the Plan Administrator shall be the sole representative of and shall act for the Post-Effective Date Debtors. For the avoidance of doubt, the foregoing shall not limit the authority of the Plan Administrator to continue the employment of any former manager, director, or officer, including pursuant to any transition services agreement or other agreement entered into on or after the Effective Date by and between the Plan Administrator and the Winning Bidder.

Among other things, the Plan Administrator shall be responsible for: (1) winding down the Debtors' businesses and affairs as expeditiously as reasonably possible and administering the liquidation of the Post-Effective Date Debtors and any assets held by the Wind-Down Trust (including any assets held on its behalf by the Post-Effective Date Debtors while the Post-Effective Date Debtors are being wound down and any remaining Canadian Assets held by Hollander Canada) after the Effective Date and after consummation of the Sale Transaction, (2) resolving any Disputed Claims, (3) paying Allowed Claims, (5) performing pursuant to the Asset Purchase Agreement, including satisfying any liabilities owed to the Winning Bidder in accordance with the Asset Purchase Agreement, (6) filing appropriate tax returns, and (7) administering the Plan, and the Plan Administrator shall consult with the Information Officer in respect of any matters relating to the foregoing as such matters also relate to Canada. Without limiting the foregoing, the Plan Administrator shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (a) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court or Canadian Court, and (b) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court or Canadian Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

The Plan Administrator shall be named prior to Confirmation. The Plan Administrator shall represent the Wind-Down Trust and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion, are necessary to assist the Plan Administrator in performing his or her duties. The Plan Administrator shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator. The Plan Administrator shall also pay the reasonable fees and disbursements of the Information Officer and its counsel upon the submission of invoices on a monthly basis to the Plan Administrator. The payment of the reasonable fees and expenses of the Plan Administrator's retained professionals and of the Information Officer and its counsel shall be made promptly and shall not be subject to the approval of the Bankruptcy Court. The fees and expenses of the Information Officer and its counsel shall remain subject to the approval of the Canadian Court in the Recognition Proceedings.

E. ~~Sale Transaction~~Wind-Down

~~Continuing after the Petition Date, the Debtors will conduct a marketing and Auction process of some or all of the Debtors' assets in accordance with the Bidding Procedures to determine the Winning Bidder. The Bidding Procedures will set forth the terms of an Initial Minimum Overbid, will provide that all bids for the ABL Priority Collateral must be in cash unless otherwise agreed by the DIP ABL Agent (with respect to the ABL Priority Collateral), and will provide that any bids placed by any of the DIP Agents or the Prepetition Agents must be in accordance with the DIP Intercreditor Agreement. The Debtors will seek to elicit a higher or better Sale Transaction offer, if any, pursuant to the process set forth in the Bidding Procedures. If no Entity submits an Initial Minimum Overbid, the Term Loan Lenders will be deemed the Winning Bidder for purposes of the Plan, and the Debtors will seek Confirmation of the Plan as contemplated herein. If the Debtors are able to secure a higher or otherwise better offer in accordance with the Bidding Procedures, and the Winning Bidder is an Entity other than the Term Loan Lenders, Holders of Term Loan Claims will be paid the Term Loan Distributable Cash as set forth in Article III of the Plan and the Sale Transaction will be consummated pursuant to the Plan in accordance with terms to be set forth in the Confirmation Order and Plan Supplement, as applicable. If the Debtors are unable to secure such higher or otherwise better offer at the conclusion of the marketing and Auction process contemplated by the Bidding Procedures, the Term Loan Lenders will be deemed to be the Winning Bidder for purposes of the Plan, and the Debtors will seek Confirmation of the Plan as contemplated herein.~~

On and after the Effective Date, the Plan Administrator will be authorized to implement the Plan and any applicable orders of the Bankruptcy Court and Canadian Court, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Estates.

On and after the Effective Date, the Plan Administrator shall cause the Debtors to comply with, and abide by, the terms of the Asset Purchase Agreement and take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Except to the extent necessary to complete the liquidation and wind-down of any remaining assets or operations, from and after the Effective Date, the Debtors (1) for all purposes, shall be deemed to have withdrawn their business operations from any state or province in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action to effectuate such withdrawal, (2) shall be deemed to have cancelled pursuant to this Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date.

The filing of the final monthly operating or disbursement report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator, and copies of all such reports shall be provided to the Information Officer as soon as reasonably practicable following their preparation and upon their filing. The Plan Administrator shall respond promptly to any reasonable information requests of the Information Officer in order to ensure the Information Officer can carry out its mandate pursuant to the orders of the Canadian Court in the Recognition Proceedings.

1. Wind-Down Trust and Distribution of Assets of Hollander Canada

On the Effective Date, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement and immediately after the consummation of the Sale Transaction to receive all of the assets of the Post-Effective Date Debtors other than Hollander Canada. Any proceeds received in the Sale Transactions in respect of the Canadian Assets and distributed to Holders of Claims against Hollander Canada shall be treated as distributed to such Holders on behalf of Hollander Canada. Until final dissolution of Hollander Canada, (a) the shares of Hollander Canada shall be owned by the Wind-Down Trust and (b) any remaining Canadian Assets shall be continued to be owned by Hollander Canada until recovered by the Plan Administrator and shall be distributed by Hollander Canada to the Wind-Down Trust in respect of such shares as part of a plan of liquidation of Hollander Canada (within the meaning of section 331 of the Internal Revenue Code of 1986, as amended), subject to any withholding requirements in accordance with Article VI.G of the Plan; *provided that* the Plan Administrator shall have authority to take any and all necessary actions to transfer or close the Debtors' existing bank accounts or open new bank accounts, subject to the documentation with the applicable bank, as necessary, *for the benefit of the* Wind-Down Trust; *provided, further,* that any such assets of the Post-Effective Date Debtors not transferred to the Wind-Down Trust on the Effective Date, other than the remaining Canadian Assets, shall be deemed transferred to and beneficially owned by the Wind-Down Trust for U.S. federal and all other applicable tax purposes as of the Effective Date and, to *the fullest extent permitted by* U.S. federal and other applicable income tax law, each of the Post-Effective Date Debtors other than Hollander Canada shall be treated as liquidated on the Effective Date. All Canadian Assets will be distributed to Holders of Claims in each case in accordance with their respective entitlements under the Plan.

The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Estates, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust. The Debtors or Post-Effective Date Debtors will have no reversionary or further interest in or with respect to the Wind-Down Trust Assets upon the transfer of the Wind-Down Trust Assets as more fully set forth in the Wind-Down Trust Agreement. For all U.S. federal income tax purposes, the beneficiaries of the Wind-Down Trust will be treated as grantors and owners thereof, and it is intended that the Wind-Down Trust be classified as a liquidating trust under section 301.7701-4 of the Treasury Regulations. Accordingly, it is intended for federal income tax purposes that the beneficiaries of the Wind-Down Trust be treated as if they had received an interest in the Wind-Down Trust's assets and then contributed such interests to the Wind-Down Trust. As soon as possible after the transfer of the Wind-Down Trust Assets to the Wind-Down Trust, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets. This valuation will be made available from time to time as may be relevant for tax reporting purposes. Each of the

Debtors, the trustee(s) of the Wind-Down Trust, the Plan Administrator, and the Holders of Claims receiving interests in the Wind-Down Trust shall take consistent positions with respect to the valuation of the Wind-Down Trust Assets, and such valuation shall be utilized for all U.S. federal income tax purposes. The Wind-Down Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Wind-Down Trusts Assets, satisfy the Debtors' or the Post-Effective Date Debtors' obligations under the Asset Purchase Agreement, make timely distributions to the beneficiaries of the Wind-Down Trust pursuant to the Plan and the Confirmation Order, and not unduly prolong its duration.

The Debtors expect that the Disputed Claims Reserve will be treated as a "disputed ownership fund" governed pursuant to section 1.468B-9 of the Treasury Regulation, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate U.S. federal income tax return shall be filed with the U.S. Internal Revenue Service for the Disputed Claims Reserve, and the Disputed Claims Reserve will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the Disputed Claims Reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

On the Effective Date, any Estate non-Cash assets remaining after the Sale Transaction is consummated shall vest in the Wind-Down Trust, other than any Canadian Assets, for the purpose of facilitating the above tasks. Such assets shall be held free and clear of all Liens, Claims, and Interests, except as otherwise provided in the Plan. The Post-Effective Date Debtors, the Plan Administrator, and the Wind-Down Trust shall be deemed to be fully bound to the terms of the Plan, the Confirmation Order, and the Wind-Down Trust Agreement.

On the Effective Date or as soon as reasonably practicable thereafter, the Wind-Down Trust shall be funded with \$1.0 million pursuant to the Wind-Down Trust Agreement for the purpose of (a) satisfying all fees, expenses, and disbursements that the Plan Administrator may incur in connection with the wind down and dissolution of the Estates and the Post-Effective Date Debtors, each as applicable, (b) paying fees and expenses that any attorney, accountant, or other professional that the Plan Administrator has retained to facilitate its duties, (c) compensating the Plan Administrator, each in accordance with Article IV.D and Article IV.E of the Plan and the Wind-Down Trust Agreement, and (d) paying the reasonable fees and disbursements of the Information Officer and its counsel in accordance with Article IV.D of the Plan.

2. Tax Returns

After the Effective Date, the Plan Administrator shall complete and file all final or otherwise required federal, state, provincial, and local tax returns for each of the Debtors and the Wind-Down Trust.

3. Dissolution of the Post-Effective Date Debtors

Upon a certification to be Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made and completion of all its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Wind-Down Trust shall be deemed to be dissolved without any further action by the Plan Administrator, including the filing of any documents with the secretary of state for the state in which the Post-Effective Date Debtors are formed or any other jurisdiction. Notwithstanding the foregoing, the Plan Administrator shall retain the authority to take all necessary actions to dissolve the Post-Effective Date Debtors in, and withdraw the Post-Effective Date Debtors from applicable states and provinces to the extent required by applicable law.

4. Termination of Recognition Proceedings

The Plan Administrator shall deliver a certified copy of each of the following to the Information Officer prior to the Information Officer seeking an order of the Canadian Court terminating the Recognition Proceedings, discharging and releasing the Information Officer and granting related relief: (a) the Plan Administrator's Certificate, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the filing thereof by the Plan Administrator with the Bankruptcy Court, and (b) the final decree of the Bankruptcy Court

closing the last of the Chapter 11 Cases, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the entry thereof by the Bankruptcy Court.

F. *Term Loan Deficiency Claim Waiver*

The Holders of Term Loan Deficiency Claims shall not receive any distribution on account of such Claims and, subject to the occurrence of the Effective Date, such Term Loan Deficiency Claims shall be deemed waived.

G. *Avoidance Actions Waiver*

The Debtors and the ~~Reorganized~~Post-Effective Date Debtors waive all Avoidance Actions.

~~H. Corporate Existence~~

~~Except as otherwise provided in the Plan, on and after the Effective Date, each Debtor shall continue to exist as a Reorganized Debtors and as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other similar formation and governance documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other similar formation and governance documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal law).~~

~~I. Vesting of Assets in the Reorganized Debtors~~

~~Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan, on the Effective Date, all property in each Estate (including Interests held by the Debtors in non Debtor subsidiaries), all Causes of Action (other than Avoidance Actions), all Executory Contracts and Unexpired Leases assumed by any of the Debtors, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.~~

H. ~~J.~~ *Cancellation of Existing Securities and Agreements*

On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the ABL Credit Agreement, the Term Loan Credit Agreement, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors and their Affiliates, and the ~~Reorganized~~Post-Effective Date Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors and their Affiliates pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released ~~and discharged~~. Notwithstanding the foregoing, no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, except that (a) the ABL Credit Agreement

and Term Loan Credit Agreement shall continue in effect solely for the purpose of (I) allowing Holders of the ABL Claims and Term Loan Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the ABL Agent and Term Loan Agent to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in ~~Article VI.A~~ Article VI.A of the Plan, and (III) preserving the ABL Agent's and Term Loan Agent's right to indemnification pursuant and subject to the terms of the ABL Credit Agreement and Term Loan Credit Agreement in respect of any Claim or Cause of Action asserted against the ABL Agent or Term Loan Agent, as applicable, *provided* that any Claim or right to payment on account of such indemnification shall be an Administrative Claim, and (b) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in ~~Article III.B.8~~ Article III.B.7.

I. ~~K.~~ *Corporate Action*

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the ~~directors and officers for the Reorganized Debtors, if applicable; (2) the issuance of the New Interests, if applicable; (3) Plan Administrator; (2)~~ implementation of the Restructuring Transactions, ~~if applicable; (43)~~ consummation of the Sale Transaction, ~~if applicable; (4) performance under the Asset Purchase Agreement and related documentation;~~ (5) execution of the ~~Exit ABL Credit Agreement, Exit Term Loan Credit~~ Asset Purchase Agreement, and any and all other agreements, documents, securities, and instruments relating thereto, if applicable; (6) the entry into the Payoff Letter with respect to the DIP ABL Claims; and (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the ~~Reorganized~~ Post-Effective Date Debtors, and any corporate action required by the Debtors or the ~~Reorganized~~ Post-Effective Date Debtors in connection with the Plan or corporate structure of the Debtors or ~~Reorganized~~ Post-Effective Date Debtors shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the ~~Reorganized Debtors~~ Plan Administrator. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the ~~Reorganized Debtors~~ Plan Administrator, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the ~~Reorganized~~ Post-Effective Date Debtors, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.I shall be effective notwithstanding any requirements under non-bankruptcy law.

~~L.~~ *New Organizational Documents*

~~On or immediately prior to the Effective Date, the New Organizational Documents shall be amended as necessary to effectuate the transactions contemplated by the Plan in a manner reasonably acceptable to the Term Loan Agent and the Required Term Lenders. Each of the Reorganized Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state, province, or country of incorporation in accordance with the corporate laws of the respective state, province, or country of incorporation. The New Organizational Documents will prohibit the issuance of non-voting equity securities, to the extent required under section 1123(a)(6) of the Bankruptcy Code.~~

~~M.~~ *Directors, Managers, and Officers of the Reorganized Debtors*

~~As of the Effective Date, the term of the current members of the board of managers of the Debtors shall expire, and the initial boards of directors, including the New Board, and the officers of each of the Reorganized Debtors shall be appointed in accordance with the respective New Organizational Documents. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in advance of the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the initial board of directors or be an officer of any of the Reorganized Debtors. To the extent any such director or officer of the Reorganized Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors.~~

J. ~~N~~-Effectuating Documents; Further Transactions

On and after the Effective Date, the ~~Reorganized Debtors, and the officers and members of the boards of directors or managers thereof, are authorized to and~~ Plan Administrator may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Sale Transaction, and the Securities issued pursuant to the Plan in the name of and on behalf of the ~~Reorganized~~ Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

K. ~~O~~-Exemption from Securities Act Registration

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act, ~~the and/or the regulations promulgated thereunder, the offering, issuance of the New Interests as contemplated by, exchange, or distribution of any securities pursuant to the Plan is or shall be conducted in a manner that~~ is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security. ~~As long as the exemption to registration under section 1145 of the Bankruptcy Code is applicable, the New Interests are not "restricted securities" (as defined in rule 144(a)(3) under the Securities Act) and are freely tradable and transferable by any initial recipient thereof that (1) is not an "affiliate" of the Reorganized Debtors (as defined in rule 144(a)(1) under the Securities Act), (2) has not been such an "affiliate" within 90 days of such transfer, and (3) is not an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.~~

L. ~~P~~-Exemption from Certain Taxes and Fees

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers (whether from a Debtor to a ~~Reorganized~~ Post-Effective Date Debtor or to any other Person) of property under the Plan (including pursuant to the Asset Purchase Agreement) or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the ~~Reorganized~~ Post-Effective Date Debtors, including in accordance with the Asset Purchase Agreement, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, or (5) the ~~grant of collateral as security for any or all of the Exit Facilities, as applicable, or (6) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction, if applicable), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, sale or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.~~

M. ~~O~~-Preservation of Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this ~~Article IV and Article VIII hereof, the Reorganized Debtors~~ Article IV and Article VIII hereof and the Asset Purchase Agreement, the Plan Administrator shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory

Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, ~~and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date,~~ other than Avoidance Actions and the Causes of Action (a) acquired by the Winning Bidder in accordance with the Sale Transaction or (b) released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in ~~Article VIII~~Article VIII, which shall be deemed released and waived by the Debtors ~~and Reorganized, the Post-Effective Date Debtors, and the Wind-Down Trust~~ as of the Effective Date, ~~provided that Commercial Tort Claims shall be preserved for the sole benefit of the Holders of General Unsecured Claims and only the Plan Administrator shall have an obligation to commence, prosecute, or settle such Commercial Tort Claims, if any.~~

The ~~Reorganized Debtors~~Plan Administrator may pursue such Causes of Action, as appropriate, in accordance with the best interests of the ~~Reorganized Debtors. The applicable Reorganized Debtors, through their authorized agents or representatives,~~Wind-Down Trust. The Plan Administrator shall retain and may exclusively enforce any and all such Causes of Action. The ~~Reorganized Debtors~~Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, will not pursue any and all available Causes of Action against it, except as assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement or otherwise expressly provided in the Plan, including this ~~Article IV and Article VIII of the Plan. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan, including this Article IV and Article VIII~~Article IV and Article VIII of the Plan. Unless any such Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement, or settled in the Plan or a Final Order, the ~~Reorganized Debtors~~Plan Administrator expressly reserves all such Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

ARTICLE V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

On the Effective Date, except as otherwise provided herein, each Executory Contract or Unexpired Lease not previously assumed, assumed and assigned, or rejected shall be deemed automatically ~~assumed~~rejected by the applicable ~~Reorganized~~Post-Effective Date Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the ~~Rejected~~Schedule of Assumed Executory Contracts and Unexpired Leases ~~Schedule~~; (2) ~~previously expired or terminated pursuant to its own terms;~~ (3) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy Court order; (4) ~~are the subject of a Filed motion to~~ assume, assume and assign, or reject such Executory Contracts or Unexpired Leases (or of a Filed objection with respect to the proposed assumption and assignment of such contract) 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.~~ 4) are a contract, release, or other agreement or document entered into in connection with the Plan.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving, subject to and upon the occurrence of the Effective Date, the assumptions, assumptions and assignments, or rejections of the Executory Contracts and Unexpired Leases assumed, assumed and assigned, or rejected pursuant to the Plan. ~~Any and in accordance with the Asset Purchase Agreement. Any Filed motions to assume, assume and assign, or reject any~~ Executory Contracts or Unexpired Leases (or Filed objection with respect to the proposed assumption and

assignment of such contract) that is pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order but may be withdrawn, settled, or otherwise prosecuted by the ~~Reorganized Debtors~~ Plan Administrator, with any such disposition to be deemed to effect an assumption, assumption and assignment, or rejection, as applicable, as of the Effective Date, *provided, however*, that with respect to any such Filed objection to an Executory Contract assumed and assigned to the Winning Bidder in accordance with the Asset Purchase Agreement, the Winning Bidder may revoke the proposed assumption and assignment of the subject Executory Contract prior to 10 days after entry of an Order by the Bankruptcy Court adjudicating the objection with respect to such Executory Contract, with such revocation to be accomplished by filing a notice with the Bankruptcy Court and serving a copy on the counterparty(ies) to such Executory Contract, and any such Executory Contract shall be deemed rejected as of the Effective Date.

Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party on or prior to the Effective Date, shall revert in and be fully enforceable by the ~~Reorganized Debtors~~ Plan Administrator in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assignment and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. *Claims Based on Rejection of Executory Contracts or Unexpired Leases*

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within 30 days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the ~~Reorganized~~ Post-Effective Date Debtors, the Estates, ~~or their~~ the Plan Administrator, the Winning Bidder, or the property of any of the foregoing parties Entities without the need for any objection by the ~~Reorganized Debtors~~ Plan Administrator or further notice to, or action, order, or approval of the Bankruptcy 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, and 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 and 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.

C. *Cure of Defaults for Assumed Executory Contracts and Unexpired Leases*

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment ~~of the default amount~~ in Cash, on the Effective Date or as soon as reasonably practicable thereafter, of the applicable cure amount identified on the Schedule of Assumed Executory Contracts or Unexpired Leases or other applicable Filed motion, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the ~~Reorganized~~ Post-Effective Date 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, ~~the~~ any such dispute shall be resolved as set forth in Article V.A above with any related cure payments required by section 365(b)(1) of

the Bankruptcy Code ~~shall to~~ be made following the entry of a Final Order ~~or orders~~ resolving the dispute and approving the assumption. ~~At least 21 days prior to the Confirmation Hearing, the Debtors shall provide for notices of proposed assumption and proposed cure amounts to be sent to applicable third parties and for procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an~~ For any Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors at least seven days prior to the Confirmation Hearing being assumed, the applicable cure payment shall be made, in full in Cash, by the Winning Bidder if so provided by the Asset Purchase Agreement or otherwise by the Debtors or the Post-Effective Date Debtors. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any 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 prior to the effective date of assumption. **Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. *Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases*

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the ~~Reorganized~~ Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the ~~Reorganized~~ Post-Effective Date Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases, and, to the extent that such rights are Acquired Assets, such rights shall be assigned to and enforceable by the Winning Bidder.

E. *Insurance Policies and Surety Bonds*

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Debtors shall be deemed to have assumed or assumed and assigned to the Winning Bidder, solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases, all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; provided that any insurance policies that are not assumed and assigned to the Winning Bidder shall be assumed by the Debtors for the sole purpose of resolving any Claims covered by such insurance policies, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

Except as set forth in Article V.F of the Plan, nothing in this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any other order of the Bankruptcy Court (including any other provision that purports to be preemptory or supervening), (1) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any of such insurance policies or (2) alters or modifies the duty, if any, that the insurers or third party administrators have to pay claims covered by such insurance policies and their right to seek payment or reimbursement from the Debtors ~~(or after the Effective Date, the Reorganized Debtors or the Plan Administrator (or the Winning Bidder, solely to the extent assumed and assigned to the Winning Bidder under the Asset Purchase Agreement)~~ or draw on any collateral or security therefor. For the avoidance of doubt, insurers and third party administrators shall not need to nor be required to file or serve a cure objection or a request, application, claim, Proof of Claim, or motion for payment and shall not be subject to any claims bar date or similar deadline governing cure amounts or Claims.

~~Notwithstanding any other provision of the Plan~~Without limiting the foregoing, on the Effective Date, (1) all of the Debtors' obligations and commitments to any surety bond providers shall be deemed reaffirmed by the ~~Reorganized Debtors~~Plan Administrator or the Winning Bidder, as applicable, (2) surety bonds and related indemnification and collateral agreements entered into by any Debtor will be vested and performed by the applicable ~~Reorganized Debtor~~Post-Effective Date Debtor or the Winning Bidder, as applicable, and will survive and remain unaffected by entry of the Confirmation Order, and (3) the ~~Reorganized Debtors~~Plan Administrator shall be authorized to enter into new surety bond agreements and related indemnification and collateral agreements, or to modify any such existing agreements, ~~in the ordinary course of business. The applicable Reorganized Debtors will continue to pay all premiums and other amounts due, including loss adjustment expenses, on the existing surety bonds as they become due prior to the execution and issuance of new surety bonds. Surety bond providers shall have the discretion to replace (or issue name change riders with respect to) any existing surety bonds or related general agreements of indemnity with new surety bonds and related general agreements of indemnity on the same terms and conditions provided in the applicable existing surety bonds or related general agreements of indemnity to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.~~

F. *Director, Officer, Manager, and Employee Liability Insurance*

On or before the Effective Date, the Debtors, on behalf of the ~~Reorganized~~Post-Effective Date Debtors, shall be authorized to and shall purchase and maintain directors, officers, managers, and employee liability tail coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies.

After the Effective Date, none of the Debtors or the ~~Reorganized~~Post-Effective Date Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

~~On and after the Effective Date, each of the Reorganized Debtors shall be authorized to purchase a directors' and officers' liability insurance policy for the benefit of their respective directors, members, trustees, officers, and managers in the ordinary course of business.~~

G. *Indemnification Obligations*

On and as of the Effective Date, the Indemnification Provisions ~~will be assumed and irrevocable and will survive the effectiveness of the Plan, and the Reorganized Debtors' governance documents will provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtors' and the Reorganized Debtors' current and former directors, officers, employees, and agents to the fullest extent permitted by law and at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted.~~ None of the ~~Reorganized~~Post-Effective Date Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any of the ~~Reorganized~~Post-Effective Date Debtors' obligations to provide such indemnification rights or such directors,' officers,' employees,' or agents' indemnification right.

On and as of the Effective Date, any of the Debtors' indemnification obligations with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or ~~Reorganized~~Post-Effective Date Debtors, as applicable, shall be assumed by the ~~Reorganized~~Post-Effective Date Debtors and otherwise remain unaffected by the Chapter 11 Cases.

H. *Employee and Retiree Benefits*

Unless otherwise provided herein, all employee wages, compensation, and benefit programs in place as of the Effective Date with the Debtors shall be assumed ~~by the Reorganized Debtors~~ and shall remain in place as of the Effective Date and, without limiting any authority provided to the board of directors or managers or members of the ~~Reorganized~~ Post-Effective Date Debtors under the ~~Reorganized~~ Post-Effective Date Debtors' respective formation and constituent documents, the ~~Reorganized~~ Post-Effective Date Debtors will continue to honor such agreements, arrangements, programs, and plans in the ordinary course of business. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law. For the avoidance of doubt and without limiting the foregoing, the liabilities described in this Article V.H are not being assigned to or otherwise assumed by the Winning Bidder, except to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases.

I. *Collective Bargaining Agreements*

~~The~~ Unless otherwise provided in the Plan, the Collective Bargaining Agreements and any agreements, documents, or instruments relating thereto, ~~is~~ are treated as and deemed to be an Executory Contract under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed the Collective Bargaining Agreements and any agreements, documents, and instruments related thereto or assumed and assigned such contracts to the Winning Bidder solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreements shall be considered satisfied by the ~~agreement and obligation to assume~~ assumption (and assignment, as applicable) and cure in the ordinary course as provided herein. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreements shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

J. *Workers Compensation Program*

~~As~~ Unless otherwise provided in the Plan, as of the Effective Date, the ~~Reorganized Debtors~~ Plan Administrator shall continue to honor ~~their~~ obligations under ~~(1)~~ all applicable workers' compensation laws in states and provinces in which the ~~Reorganized Debtors~~ operated, ~~and (2), as applicable, and the Plan Administrator shall honor obligations under~~ the Debtors' ~~(a)~~ 1 written contracts, agreements, and agreements of indemnity, in each case relating to workers' compensation, ~~(b)~~ 2 self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation, and ~~(c)~~ 3 workers' compensation insurance. for the sole purpose of resolving any Claims covered by such workers' compensation insurance, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' ~~or Reorganized~~ the Post-Effective Date Debtors', the Plan Administrator's, or the Winning Bidder's defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans.

K. *Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

L. *Reservation of Rights*

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the ~~Reorganized~~Post-Effective Date Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory at the time of assumption or rejection, the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

M. *Nonoccurrence of Effective Date*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

N. *Contracts and Leases Entered Into After the Petition Date*

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed or assumed and assigned by such Debtor, will be performed by the ~~applicable Debtor or the Reorganized Debtors liable thereunder~~Debtor, the Plan Administrator, or the Winning Bidder, as applicable, in the ordinary course of ~~their~~ business. Accordingly, such contracts and leases (including any assumed or assumed and assigned Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. *Timing and Calculation of Amounts to Be Distributed*

Unless otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim or Allowed Interest on the Initial Distribution Date, on the next Quarterly Distribution Date after such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Allowed Interests (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. *Distributions on Account of Obligations of Multiple Debtors*

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one

Debtor shall result in a single distribution under the Plan, *provided* that Claims held by a single entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released ~~and discharged~~ pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

C. *Disbursing Agent*

Except as otherwise provided herein, distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the ~~Reorganized Debtors~~ Wind-Down Trust.

D. *Rights and Powers of Disbursing Agent*

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash ~~by from the Reorganized Debtors~~ Wind-Down Trust.

E. *Delivery of Distributions and Undeliverable or Unclaimed Distributions*

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions

(a) Initial Distribution Date

Except as otherwise provided herein, on the Initial Distribution Date, the Disbursing Agent shall make distributions to ~~H~~ Holders of Allowed Claims and Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' books and records or the register or related document maintained by, as applicable, the DIP Agents, the ABL Agent, or the Term Loan Agent as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Disbursing Agent; *provided, further*, that the address for each Holder of an Allowed Claim or Interest shall be deemed to be the address set forth in, as applicable, any Proof of Claim or Proof of Interest Filed by such Holder, or, if no Proof of Claim or Proof of Interest has been Filed, the address set forth in the Schedules. If a Holder holds more than one Claim in any one Class, all Claims of the Holder may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

(b) Quarterly Distribution Date

Except as otherwise determined by the ~~Reorganized Debtors in their~~ Plan Administrator in its sole discretion, on each Quarterly Distribution Date or as soon thereafter as is reasonably practicable, the Disbursing Agent shall make the distributions required to be made on account of Allowed Claims and Interests under the Plan on such date. Any distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that distribution is not an Allowed Claim or Interest on such date, shall be distributed on the first Quarterly Distribution Date after such Claim or Interest is Allowed. No interest shall accrue or be paid on the unpaid amount of any distribution paid on a Quarterly Distribution Date in accordance with Article VI.I of the Plan.

(c) Distributions to Holders of Term Loan Claims

Except as set forth in this Article VI.E.2(c), the Term Loan Agent shall be deemed to be the Holder of all Term Loan Claims for purposes of distributions to be made hereunder, and all distributions on account of such Term Loan Claims shall be made to or on behalf of the Term Loan Agent. The Term Loan Agent shall hold or direct such distributions for the benefit of the Holders of Term Loan Claims. As soon as practicable following compliance with the requirements set forth in this Article VI, the Term Loan Agent shall arrange to deliver or direct the delivery of such distributions for which it is the deemed Holder to or on behalf of such Holders of Allowed Term Loan Claims.

Notwithstanding anything to the contrary herein, the Term Loan Agent shall be entitled to maintain a record of Holders of Term Loan Claims in the ordinary course of business and shall be entitled without regard to the general occurrence of the Distribution Record Date, to make distributions that it receives under the Plan to Holders of Term Loan Claims based upon its books and records. The Term Loan Agent shall not be held liable to any person with respect to distributions made or directed to be made by the Term Loan Agent except for liability arising from gross negligence, willful misconduct, or actual fraud of the Term Loan Agent.

3. Minimum Distributions

Notwithstanding any other provision of the Plan, the Disbursing Agent will not be required to make distributions of Cash less than \$100 in value (whether cash or otherwise), and each such Claim to which this limitation applies shall be ~~discharged~~ released pursuant to Article VIII and its Holder is forever barred pursuant to Article VIII from asserting such Claim against the Debtors, the ~~Reorganized~~ Post-Effective Date Debtors, the Plan Administrator, or their property.

~~4. No Fractional Shares~~

~~No fractional shares or units of the New Interests shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest, as applicable, would otherwise result in the issuance of a number of shares or units of the New Interests that is not a whole number, the actual distribution of shares of the New Interests shall be rounded as follows: (a) fractions of one half or greater shall be rounded to the next higher whole number and (b) fractions of less than one half shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares or units of the New Interests to be distributed pursuant to the Plan shall be adjusted as necessary to account for the foregoing rounding.~~

~~4.~~ 5-Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the ~~Reorganized Debtors~~ Wind-Down Trust automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws

to the contrary), and the Claim of any Holder to such property or Interest in property shall be ~~discharged~~released and forever barred.

A distribution shall be deemed unclaimed if a ~~H~~Holder has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the ~~Reorganized Debtors~~Plan Administrator of an intent to accept a particular distribution; (c) responded to the Debtors' or ~~Reorganized Debtors~~Plan Administrator's requests for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

F. *Distributions on Account of Claims or Interests Allowed After the Effective Date*

1. Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims or Interests that are not Allowed Claims or Interests as of the Effective Date, but which later become Allowed Claims or Interests, as applicable, shall be deemed to have been made on the applicable Quarterly Distribution Date after they have actually been made, unless the ~~Reorganized Debtors~~Plan Administrator and the applicable Holder of such Claim or Interest agree otherwise. No interest shall accrue or be paid on a Disputed Claim before it becomes and Allowed Claim in accordance with Article VI.I of the Plan.

2. Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the ~~Reorganized Debtors~~Plan Administrator, on the one hand, and the Holder of a Disputed Claim or Interest, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim or Interest until the Disputed Claim or Interest has become an Allowed Claim or Interest, as applicable, or has otherwise been resolved by settlement or Final Order; *provided* that if the Debtors do not dispute a portion of an amount asserted pursuant to an otherwise Disputed Claim, the Holder of such Disputed Claim shall be entitled to a distribution on account of that portion of such Claim, if any, that is not disputed at the time and in the manner that the Disbursing Agent makes distributions to similarly-situated ~~H~~Holders of Allowed Claims pursuant to the Plan.

G. *Compliance with Tax Requirements*

In connection with the Plan, to the extent applicable, the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and ~~Reorganized Debtors~~Plan Administrator, as applicable, reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

H. *Allocations Between Principal and Accrued Interest*

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. *No Postpetition Interest on Claims*

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims

against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim.

J. *Foreign Currency Exchange Rate*

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

K. *Setoffs and Recoupment*

Except as expressly provided in this Plan, each ~~Reorganized~~Post-Effective Date Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such ~~Reorganized~~Post-Effective Date Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant ~~Reorganized~~Post-Effective Date Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided, however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a ~~Reorganized~~Post-Effective Date Debtor or its successor of any and all claims, rights, and Causes of Action that such ~~Reorganized~~Post-Effective Date Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in, the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, all rights of counterparties to unexpired leases of nonresidential real property (~~whether assumed or that have been~~ rejected) for setoff, recoupment, and subrogation are preserved and shall continue unaffected by Confirmation or the occurrence of the Effective Date.

L. *Claims Paid or Payable by Third Parties*

1. Claims Paid by Third Parties

The Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the ~~Reorganized Debtors~~Plan Administrator. To the extent that such Claim payment was made by the Winning Bidder to satisfy an obligation of the Debtors or the Post-Effective Date Debtors under the Asset Purchase Agreement, the Winning Bidder shall be promptly reimbursed for such payment in full in Cash from the Sale Proceeds or Wind-Down Trust Assets (other than the Wind-Down Trust Assets that constitute the GUC Sales Transaction Recovery Pool or the Last Out Loan Turnover Amount under the terms of this Plan), as applicable. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or the ~~Reorganized Debtors~~Plan Administrator on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the applicable Debtor or the ~~Reorganized Debtors~~Plan Administrator, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. If the Debtors or the ~~Reorganized Debtors~~Plan Administrator, as applicable, become aware of any payment of a Claim by a third party, the Debtors or ~~Reorganized Debtors~~Plan Administrator, as applicable, will send a notice of wrongful payment to the Holder of such Claim requesting the return of any excess payments and advising the recipient of the provisions of the Plan requesting turnover of excess estate funds. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or the ~~Reorganized Debtors~~Plan Administrator annualized

interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED, AND DISPUTED CLAIMS**

A. *Allowance of Claims*

After the Effective Date, the ~~Reorganized Debtors and the~~ Plan Administrator shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately before the Effective Date as long as such rights or defenses are not Avoidance Actions waived pursuant to Article IV.G hereof; except for such rights and defenses assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement.

B. *Claims Administration Responsibilities*

After the Effective Date, the Plan Administrator will (a) oversee the Claim administration process and (b) administer Commercial Tort Claims and Commercial Tort Proceeds, if any, for the benefit of Holders of General Unsecured Claims. Except as otherwise specifically provided in the Plan, the Plan Administrator shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests and Commercial Tort Claims; (2) to settle or compromise any Disputed Claim or Commercial Tort Claims without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

~~C. Plan Administrator Budget~~

~~All fees, expenses, and distributions of the Plan Administrator shall be subject to the Plan Administrator Budget. For the avoidance of doubt, the Plan Administrator's compensation and the payment of fees and expenses of any attorneys, accountants, and other professionals engaged by the Plan Administrator shall be subject to the Plan Administrator Budget.~~

C. ~~D.~~ *Estimation of Claims*

Before or after the Effective Date, the Plan Administrator and the Debtors ~~or Reorganized Debtors~~, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether

any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant ~~Reorganized~~Post-Effective Date Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any ~~h~~Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such ~~h~~Holder has Filed a motion requesting the right to seek such reconsideration on or before fourteen days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. ~~E.~~ *Adjustment to Claims Without Objection*

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, cancelled or otherwise expunged (including pursuant to the Plan), may be adjusted or expunged (including on the Claims Register, to the extent applicable) by the ~~Reorganized~~Post-Effective Date Debtors without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim against or Interest in the same Debtor or another Debtor may be adjusted or expunged on the Claims Register by the ~~Reorganized Debtors~~Plan Administrator without the ~~Reorganized Debtors~~Plan Administrator having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. ~~F.~~ *Time to File Objections to Claims*

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

F. ~~G.~~ *Disallowance of Claims*

Any Claims or Interests held by Entities from which property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, but solely to the extent that any such Cause of Action is not an Avoidance Action waived pursuant to Article IV.G hereof, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the ~~Reorganized Debtors~~Wind-Down Trust. All Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. ~~H.~~ *Amendments to Claims*

On or after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the ~~Reorganized Debtors~~Plan Administrator. Absent such authorization, any new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

H. ~~I.~~ *No Distributions Pending Allowance*

If an objection to a Claim or portion thereof is Filed as set forth in Article VII.B, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

I. ~~J.~~ *Distributions After Allowance*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest (as applicable) in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. ~~Discharge~~Settlement, Compromise, and Release of Claims and ~~Termination of~~ Interests

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, ~~discharge~~compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the ~~Reorganized Debtors~~Plan Administrator), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the ~~discharge~~settlement, compromise, and release of all Claims and Interests subject to the occurrence of the Effective Date.

B. *Release of Liens*

On the Effective Date, concurrently with the consummation of the Sale Transaction and to the extent required by the Asset Purchase Agreement, the Acquired Assets shall be transferred to and vest in the

Winning Bidder free and clear of all Liens, Claims, charges, interests, or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. Without limiting the foregoing, Except as otherwise provided in the ~~Exit Facility Documents, the Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims (other than any Claim secured by the Administration Charge) that the Debtors elect to reinstate in accordance with Article III.B.1 Article III.B.2~~ hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, ~~and discharged,~~ and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the ~~Reorganized Debtors~~ Plan Administrator to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases, and the Debtors and their successors and assigns shall be authorized to file and record such terminations or releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. *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~~ Post-Effective Date 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~~ Post-Effective Date 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~~ Post-Effective Date 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~~ Post-Effective Date 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~~ Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, 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 liabilities or obligations of the Winning Bidder to the Debtors relating to the Asset Purchase Agreement, (2) 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~~ Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan, and (23) any Causes of Action listed on the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or ~~Reorganized~~ Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

D. *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~~ Post-Effective Date 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~~ Post-Effective Date 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~~ Post-Effective Date 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~~ Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, 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 Asset Purchase Agreement, 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 liabilities or obligations of any Entity to the Winning Bidder relating to the Asset Purchase Agreement or 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~~ Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or ~~Reorganized~~Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

E. *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, or created or entered into in connection with the RSA, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the Recognition Proceedings, 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 relating to the Asset Purchase Agreement or 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.

F. *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~~released pursuant to Error! Reference source not found. 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~~Post-Effective Date 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.

Upon entry of the Confirmation Order and ~~recognition~~granting by the Canadian Court of the Confirmation Recognition Order in the Recognition Proceedings, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.F of the Plan.

G. *Protections Against Discriminatory Treatment*

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the ~~Reorganized~~Post-Effective Date Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the ~~Reorganized~~Post-Effective Date Debtors, or another Entity with whom the ~~Reorganized~~Post-Effective Date Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. *Document Retention*

On and after the Effective Date, the ~~Reorganized~~Post-Effective Date Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the ~~Reorganized Debtors~~Plan Administrator.

I. *Reimbursement or Contribution*

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

J. *Term of Injunctions or Stays*

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

K. *Subordination Rights*

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest ~~H~~Holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the

Plan shall be ~~discharged and~~ terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a ~~H~~Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Estates, the ~~Reorganized~~Post-Effective Date Debtors, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

ARTICLE IX. CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN

A. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Recognition Order shall have been ~~recognized by an order of~~granted by the Canadian Court in the Recognition Proceedings, and such orders shall not have been stayed, modified, or vacated on appeal;

2. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;

3. the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;

4. ~~if applicable, the Exit Facility Documents shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent (other than any conditions related to the occurrence of the Effective Date) to the consummation of the Exit Facilities shall have been waived or satisfied in accordance with the terms thereof, and the closing of the Exit Facilities (and the payment in full of the DIP ABL Claims pursuant to the Payoff Letter) shall be deemed to occur concurrently with the occurrence of the Effective Date; and~~

~~5. if applicable, the New Organizational Documents shall have been executed and delivered by each Entity party thereto and shall be in full force and effect, and the issuance of the New Interests shall be deemed to occur concurrently with the occurrence of the Effective Date; and~~

5. ~~6. if applicable,~~ all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

B. *Waiver of Conditions*

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX may be waived by the Debtors with the reasonable consent of the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), ~~and~~ the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), and the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

C. *Substantial Consummation*

The “~~S~~ubstantial ~~C~~onsummation” of the Plan, as defined in section 1102~~1~~(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

D. *Effect of Failure of Conditions*

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. *Modification and Amendments*

Except as otherwise specifically provided in the Plan, the Debtors, with the reasonable consent of the Term Loan Agent, Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), ~~or~~ the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), or the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement), reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors expressly reserve their respective rights to revoke or withdraw, to alter, amend, or modify the Plan with respect to each Debtor, one or more times, before or after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. The Debtors shall not consent to any amendment, modification or supplement of the Asset Purchase Agreement that is adverse in any material respect to the interest of (i) the DIP ABL Lenders, without the consent of the DIP ABL Agent, or (ii) the DIP Term Loan Lenders, without the consent of the DIP Term Loan Agent.

B. *Effect of Confirmation on Modifications*

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. *Revocation or Withdrawal of Plan*

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans, in each case subject to any applicable consent rights as set forth in the RSA, the DIP Orders, or the DIP Facilities. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Class of Claims or Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Causes of Action, or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, to the extent legally permissible, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;
2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals (including Accrued Professional Compensation Claims) authorized pursuant to the Bankruptcy Code or the Plan;
3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed (or assumed and assigned); (c) the ~~Reorganized Debtors~~ Plan Administrator amending, modifying or supplementing, after the Effective Date, pursuant to Article V, the Executory Contracts and Unexpired Leases to be assumed (or assumed and assigned) or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;
4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;
5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order;
8. enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, 1141, or 1146(a) of the Bankruptcy Code;
9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;
11. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the releases, injunctions and other provisions contained in Article VIII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;

12. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid in accordance with the Plan;

13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

14. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or, subject to any applicable forum selection clauses, any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

15. enter an order or Final Decree concluding or closing any of the Chapter 11 Cases;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;

17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order or any Entity's obligations incurred in connection with the Plan, including, subject to any applicable forum selection clauses, disputes arising under agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Restructuring Transactions, whether they occur before, on or after the Effective Date;

21. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

22. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, ~~discharges~~, injunctions, and releases granted in connection with and under the Plan, including under Article VIII;

23. enforce all orders previously entered by the Bankruptcy Court; and

24. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII. MISCELLANEOUS PROVISIONS

A. *Immediate Binding Effect*

Subject to Article IX.A and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the ~~Reorganized~~Post-Effective Date Debtors, the Plan Administrator, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, ~~discharges~~, and injunctions described in the Plan, each Entity acquiring property under the Plan and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. *Additional Documents*

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or ~~Reorganized Debtors~~the Plan Administrator, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. *Payment of Statutory Fees*

Each of the Debtors (or the Disbursing Agent on behalf of each of the Debtors) shall pay all fees payable pursuant to section 1930(a)(6) of the Judicial Code, together with any interest thereon pursuant to 31 U.S.C. § 3717, on or before the Effective Date in Cash, based on disbursements in and outside the ordinary course of the Debtors' business and Plan payments. Thereafter, such fees and any applicable interest shall be paid by each of the ~~Reorganized~~Post-Effective Date Debtors (or the Disbursing Agent on behalf of each of the ~~Reorganized~~Post-Effective Date Debtors) until the earlier of entry of a final decree closing such Chapter 11 Case or an order of dismissal or conversion, whichever occurs first.

D. *Statutory Committee and Cessation of Fee and Expense Payment*

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, responsibilities, and liabilities arising on or prior to the Effective Date, from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Committee and its Professionals. The ~~Reorganized~~Post-Effective Date Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

E. *Reservation of Rights*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders unless and until the Effective Date has occurred.

F. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. *Notices*

To be effective, all notices, requests, and demands to or upon the Debtors shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered by courier or registered or certified mail (return receipt requested) or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to the following:

1. If to the Debtors, to:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
E-mail: mpfefferle@carlmarks.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
E-mail: joshua.sussberg@kirkland.com
christopher.greco@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attention: Joseph M. Graham
Laura Krucks
E-mail: joe.graham@kirkland.com
laura.krucks@kirkland.com

2. If to the ABL Agent or DIP ABL Agent, to:

Goldberg Kohn Ltd.
55 East Monroe, Suite 3300
Chicago, Illinois 60603
Attention: Randall Klein
E-mail address: Randall.Klein@goldbergkohn.com

3. If to the Term Loan Agent or the DIP Term Agent, to:

King & Spalding LLP
1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attention: W. Austin Jowers
E-mail address: ajowers@kslaw.com

-and -

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Attention: Christopher G. Boies
Stephen M. Blank
E-mail address: cboies@kslaw.com
sblank@kslaw.com

4. If to the Committee, to:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, Suite 3400
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

After the Effective Date, the ~~Reorganized Debtors~~ Plan Administrator may notify Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. *Entire Agreement*

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan. If the Effective Date does not occur, nothing herein shall be construed as a waiver by any party in interest of any or all of such party's rights, remedies, claims, and defenses, and such parties expressly reserve any and all of their respective rights, remedies, claims and defenses. This Plan and the documents comprising the Plan Supplement, including any drafts thereof (and any discussions, correspondence, or negotiations regarding any of the foregoing) shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any party in interest of any claim or fault or liability or damages whatsoever. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations, discussions, agreements, settlements, and compromises reflected in or related to Plan and the documents comprising the Plan Supplement is part of a proposed settlement of matters that could otherwise be the subject of litigation among various parties in interest, and such negotiations, discussions, agreements, settlements, and compromises shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of the Plan and the documents comprising the Plan Supplement.

I. *Exhibits*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits

and documents from the website of the Notice and Claims Agent at www.omnimgt.com/cases/hollander or (for a fee) the Bankruptcy Court's website at <http://www.ecf.nysb.uscourts.gov/>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order. For the avoidance of doubt, no provisions of the Plan Supplement may contradict the provisions under the Plan that require payment in full (in accordance with Section 1.4 of the DIP ABL Credit Agreement) of the DIP ABL Claims. Notwithstanding anything to the contrary in this Plan, in the event of any inconsistency between the Asset Purchase Agreement and this Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, the Asset Purchase Agreement shall control solely with respect to the assumption and assignment of Executory Contracts and Unexpired Leases, the Causes of Action listed on the Schedule of Retained Causes of Action, the Acquired Assets, the Assumed Liabilities (as defined in the Asset Purchase Agreement), and any other matter between or among the Winning Bidder and the Debtors or the Plan Administrator, their successors and permitted assigns, or any other Entity, relating to the Asset Purchase Agreement.

J. *Non-Severability of Plan Provisions*

The provisions of the Plan, including its release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, consistent with the terms set forth herein; and (3) non-severable and mutually dependent.

K. *Votes Solicited in Good Faith*

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan and, therefore, no such parties will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan or any previous plan.

L. *Closing of Chapter 11 Cases*

The ~~Reorganized Debtors~~Plan Administrator shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

M. *Conflicts*

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

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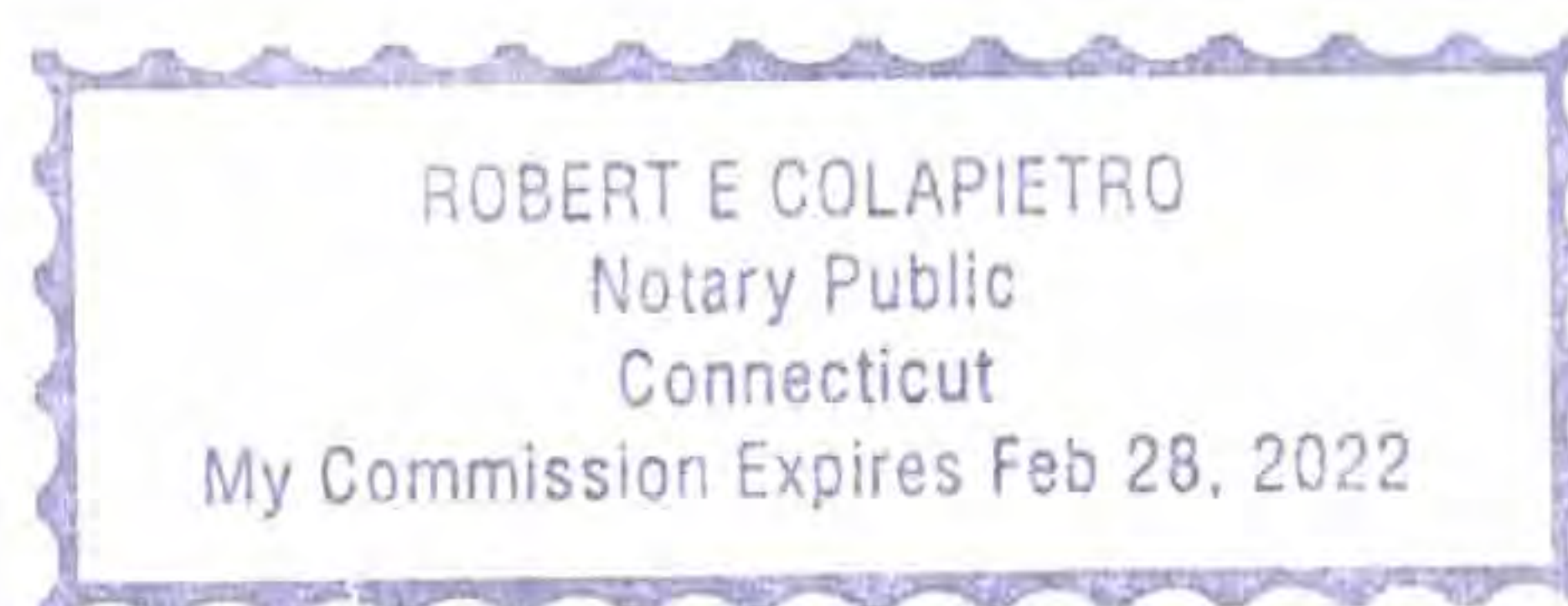
Hollander Sleep Products, LLC

By: /s/ Marc L. Pfefferle
Name: Marc L. Pfefferle
Title: Chief Executive Officer

TAB L

THIS IS EXHIBIT "L" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 4, 2019





contained in the Second Amended Plan Supplement will be approved by the Bankruptcy Court pursuant to the Confirmation Order.

On August 21, 2019, the Debtors filed the *Plan Supplement for the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 308] (the "Initial Plan Supplement"). On September 2, 2019, the Debtors filed the *First Amended Plan Supplement for the Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 308] (the "First Amended Plan Supplement").

Contents

This Second Amended Plan Supplement contains the following documents, as may be amended, modified, or supplemented from time to time by the Debtors in accordance with the Plan.²

Exhibit A	Amended Schedule of Assumed Executory Contracts and Unexpired Leases
Exhibit A-1	Changed Pages Only Redline of Exhibit A to <u>Exhibit A</u> of the First Amended Plan Supplement
Exhibit E	Payoff Letter
Exhibit E-1	Redline of Exhibit E to <u>Exhibit E</u> of the Initial Plan Supplement
Exhibit F	Identity and Terms of Compensation of Plan Administrator
Exhibit G	Wind-Down Trust Agreement

The Debtors reserve all rights to amend, modify, or supplement the Plan Supplement, and any of the documents contained therein, in accordance with the terms of the Plan.

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² If a redline is not included herein, the document included in this Second Amended Plan Supplement is the first time such document has been filed in any Plan Supplement.

Exhibit A

Amended Schedule of Assumed Executory Contracts and Unexpired Leases

Exhibit A - Schedule of Assumed Executory Contracts and Unexpired Leases

COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
3CLOGIC INC.	PACIFIC COAST FEATHER, LLC	SOFTWARE SUBSCRIPTION SERVICES - MASTER SERVICES AGREEMENT	5/21/2013	9210 CORPORATE BLVD, SUITE 360 ROCKVILLE, MD 20850	\$0.00	BEDDING ACQUISITION, LLC
420-450 BRITANNIA ROAD EAST LIMITED	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - TORONTO SALES OFFICE	1/17/2011	303-156 FRONT STREET WEST TORONTO, ON M5J 2L6	\$0.00	BEDDING ACQUISITION, LLC
420-450 BRITANNIA ROAD EAST LIMITED	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE AMENDMENT - TORONTO SALES OFFICE	4/1/2011	303-156 FRONT STREET WEST TORONTO, ON M5J 2L6	\$0.00	BEDDING ACQUISITION, LLC
420-450 BRITANNIA ROAD EAST LIMITED	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE EXTENSION AND AMENDMENT - TORONTO SALES OFFICE	3/30/2016	303-156 FRONT STREET WEST TORONTO, ON M5J 2L6	\$5,034.49	BEDDING ACQUISITION, LLC
440 REALTY ASSOCIATES	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - NY SHOWROOM	10/19/2011	116 EAST 27 TH STREET NEW YORK, NY 10016	\$26,973.70	BEDDING ACQUISITION, LLC
171570 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - MONTREAL CANADA PLANT	6/1/1993	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$10,064.00	BEDDING ACQUISITION, LLC
171570 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	ASSIGNMENT - MONTREAL CANADA PLANT	5/13/2008	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC

Exhibit A - Schedule of Assumed Executory Contracts and Unexpired Leases

COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
6879616 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	MONTREAL CANADA PLANT	6/1/1993		\$0.00	BEDDING ACQUISITION, LLC
6879616 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	AMENDMENT – MONTREAL CANADA PLANT	10/23/2012	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC
3153193 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE – MONTREAL 5435 SPACE	9/17/2003	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC
3153193 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE – MONTREAL 5435 SPACE AMENDMENT	9/3/2008	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC

Exhibit A - Schedule of Assumed Executory Contracts and Unexpired Leases

COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
3153193 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE – MONTREAL 5435 SPACE AMENDMENT	9/8/2008	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC
3153193 CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE – MONTREAL 5445 AND 5455 + AMENDMENT TO 5435	11/22/2007	306 BARTON AVENUE MOUNT ROYAL, QC H3P 1N1 ATTENTION: JOSEPH INY COPY TO: MUND REAL ESTATE GROUP ATTENTION: EDWARD MUND 53 RANEE AVE, TORONTO, ON M6A 1M8	\$0.00	BEDDING ACQUISITION, LLC
ACCESS SERVICED OFFICES PVT. LTD.	HOLLANDER SLEEP PRODUCTS, LLC	WORKSPACE SERVICE AGREEMENT - INDIA OFFICE	6/12/2018	LEVEL 4 MBC PARK, SAL NAGAR THANE WEST, MAHARASTRA 400515,INDIA	\$0.00	BEDDING ACQUISITION, LLC
ACCESS SERVICED OFFICES PVT. LTD.	HOLLANDER SLEEP PRODUCTS, LLC	WORKSPACE SERVICE AGREEMENT - INDIA OFFICE - AMENDMENT	6/17/2019	LEVEL 4 MBC PARK, SAL NAGAR THANE WEST, MAHARASTRA 400515,INDIA	\$0.00	BEDDING ACQUISITION, LLC
ADP CANADA CO.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	SERVICES - MASTER SERVICES AGREEMENT	12/20/2012	3250 BLOOR STREET WEST, 16 TH FLOOR ETOBICOKE, ON M8X 2X9	\$0.00	BEDDING ACQUISITION, LLC
ADVANTAGE SALES & MARKETING LLC DBA SAGETREE	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE AGREEMENT - AGENCY AGREEMENT	5/1/2018	18100 VON KARMAN AVENUE, SUITE 1000 IRVINE, CA 92612	\$17,088.87	BEDDING ACQUISITION, LLC

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AEON IT, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - MANAGED SERVICES AGREEMENT		P.O. BOX 1161 JUPITER, FL 33468	\$7,008.06	BEDDING ACQUISITION, LLC
AEON IT, INC.	HOLLANDER SLEEP PRODUCTS, LLC	E-MAIL AMENDMENT FROM JIM D'AMICO	6/11/2019		\$0.00	BEDDING ACQUISITION, LLC
AFLAC	HOLLANDER SLEEP PRODUCTS LLC	ALL AFLAC POLICIES COMMENCING 4/1/2019 FOR WHICH HOLLANDER SLEEP PRODUCTS, LLC IS POLICYHOLDER PROVIDING CRITICAL ILLNESS, VOLUNTARY ACCIDENT, AND HOSPITAL INDEMNITY BENEFITS	04/01/2019	1932 WYNNTON RD COLUMBUS, GA 31999-0001	\$0.00	BEDDING ACQUISITION, LLC
ALLIANT CREDIT UNION (AND HOLLANDER NC IA, LLC)	HOLLANDER SLEEP PRODUCTS, LLC	SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT	12/28/2017	11545 WEST TOUHY AVE CHICAGO, IL 60666	\$0.00	BEDDING ACQUISITION, LLC
AMOS, JESSICA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/28/2016		\$0.00	BEDDING ACQUISITION, LLC
ARAG LEGAL	HOLLANDER SLEEP PRODUCTS	AGREEMENT (PRE-PAID LEGAL SERVICES)		500 GRAND AVE, STE 100 DES MOINES, IA 50309	\$0.00	BEDDING ACQUISITION, LLC
ASHWINI PRASHANT ADURE	HOLLANDER SLEEP PRODUCTS, LLC	BUYING AGENCY AGREEMENT	09/1/2013		\$0.00	BEDDING ACQUISITION, LLC
ASTHMA AND ALLERGY FOUNDATION OF AMERICA AND ALLERGY STANDARDS LTD.	HOLLANDER SLEEP PRODUCTS, LLC	JOINT SEAL LICENSING AGREEMENT (AS AMENDED)	7/1/2006	4259 SWAMP ROAD DOYLESTOWN, PA 18902	\$0.00	BEDDING ACQUISITION, LLC
ASTHMA SOCIETY OF CANADA AND ALLERGY STANDARDS LTD.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	CANADIAN CERTIFICATION MARK AGREEMENT - SIXTH AMENDMENT TO ORIGINAL AGREEMENT DATED 1/1/2007	12/31/2018	124 MERTON STREET, SUITE 401 TORONTO, ONTARIO M4S 2Z2 CANADA THE TOWER, TRINITY ENTERPRISE CAMPUS, GRAND CANAL QUAY, DUBLIN 2 IRELAND	\$0.00	BEDDING ACQUISITION, LLC

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COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
AUXIS MANAGED SOLUTIONS, LLC	HOLLANDER SLEEP PRODUCTS, LLC	MASTER SERVICES AGREEMENT - BUSINESS PROCESS AND IT OUTSOURCING SERVICES	4/5/2012	7901 SW 6 TH COURT PLANTATION, FL 33324 ATTENTION: RAUL A. VEGA	\$117,647.88	BEDDING ACQUISITION, LLC
AUXIS MANAGED SOLUTIONS, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - CHANGE ORDER #48	4/16/2012	7901 SW 6 TH COURT PLANTATION, FL 33324 ATTENTION: RAUL A. VEGA	\$0.00	BEDDING ACQUISITION, LLC
AUXIS MANAGED SOLUTIONS, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - CHANGE ORDER #52	8/1/2019	7901 SW 6 TH COURT PLANTATION, FL 33324 ATTENTION: RAUL A. VEGA	\$0.00	BEDDING ACQUISITION, LLC
AUXIS MANAGED SOLUTIONS, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - CHANGE ORDER #50	11/1/2017	7901 SW 6 TH COURT PLANTATION, FL 33324 ATTENTION: RAUL A. VEGA	\$0.00	BEDDING ACQUISITION, LLC
AVALARA	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES	7/21/2015	100 RAVINE LANE NE, SUITE 220 BAINBRIDGE ISLAND, WA 98110	\$0.00	BEDDING ACQUISITION, LLC
AVENDRA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SUPPLY	9/1/2017	540 GAITHER ROAD, SUITE 200 ROCKVILLE, MD 20850 ATTENTION: DEEPAK MURALEEDHARAN	\$41,139.93	BEDDING ACQUISITION, LLC
AVENDRA, LLC	PACIFIC COAST FEATHER, LLC	SUPPLY AGREEMENT, AS AMENDED	2/1/2010		\$0.00	BEDDING ACQUISITION, LLC
BELL CANADA	HOLLANDER SLEEP PRODUCTS CANADA, LIMITED	MASTER COMMUNICATIONS AGREEMENT (RETAIL)	2/20/2018	1 CARREFOUR ALEXANDER GRAHAM BELL, BUILDING A7, VERDUN, QUEBEC H3E 3B3	\$0.00	BEDDING ACQUISITION, LLC
BELL CANADA	HOLLANDER SLEEP PRODUCTS CANADA, LIMITED	BELL BUSINESS INTERNET DEDICATED (BID) SERVICE SCHEDULE TO MASTER COMMUNICATIONS AGREEMENT (TORONTO)	N/A	1 CARREFOUR ALEXANDER GRAHAM BELL, BUILDING A7, VERDUN, QUEBEC H3E 3B3	\$0.00	BEDDING ACQUISITION, LLC

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BELL CANADA	HOLLANDER SLEEP PRODUCTS CANADA, LIMITED	BELL BUSINESS INTERNET DEDICATED (BID) SERVICE SCHEDULE TO MASTER COMMUNICATIONS AGREEMENT (MONTREAL)	N/A	1 CARREFOUR ALEXANDER GRAHAM BELL, BUILDING A7, VERDUN, QUEBEC H3E 3B3	\$0.00	BEDDING ACQUISITION, LLC
BELLO, CARLOS	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/12/2016		\$0.00	BEDDING ACQUISITION, LLC
BENSON, RUSSELL	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/14/2019		\$0.00	BEDDING ACQUISITION, LLC
BISKUPEK, CHRIS	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/19/2010		\$0.00	BEDDING ACQUISITION, LLC
BLUEGROSS AND BLUESHIELD OF SOUTH CAROLINA	HOLLANDER SLEEP PRODUCTS	ADMINISTRATIVE SERVICES AGREEMENT	04/01/2019	P.O. BOX 100300 COLUMBIA, SC 29202-3300	\$0.00	BEDDING ACQUISITION, LLC
BOUNCEx EXCHANGE, INC.	HOLLANDER SLEEP PRODUCTS, LLC	MASTER PLATFORM AGREEMENT - SERVICE AGREEMENT	2/6/2018	620 8 TH AVENUE, FLOOR 21 NEW YORK, NY 10018	\$15,100.00	BEDDING ACQUISITION, LLC
BOUNCEx EXCHANGE, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE AGREEMENT - ORDER FORM #1	2/6/2018	620 8 TH AVENUE, FLOOR 21 NEW YORK, NY 10018	\$0.00	BEDDING ACQUISITION, LLC
BOUNCEx EXCHANGE, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE AGREEMENT - ORDER FORM #2	2/6/2018	620 8 TH AVENUE, FLOOR 21 NEW YORK, NY 10018	\$0.00	BEDDING ACQUISITION, LLC
CALVIN KLEIN, INC	PACIFIC COAST FEATHER, LLC AND HOLLANDER SLEEP PRODUCTS, LLC	LICENSE AGREEMENT - AMENDMENT #5	5/1/2018	205 WEST 39 TH STREET NEW YORK, NY 10018	\$0.00	BEDDING ACQUISITION, LLC
CALVIN KLEIN, INC.	PACIFIC COAST FEATHER, LLC	LICENSE AGREEMENT - AMENDMENT #4	1/1/2009	205 WEST 39 TH STREET NEW YORK, NY 10018	\$0.00	BEDDING ACQUISITION, LLC
CALVIN KLEIN, INC.	PACIFIC COAST FEATHER, LLC	LICENSE AGREEMENT	11/11/1998	205 WEST 39 TH STREET NEW YORK, NY 10018	\$0.00	BEDDING ACQUISITION, LLC
CANCEL, LYNISIE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/11/2019		\$0.00	BEDDING ACQUISITION, LLC

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CANON CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE (MISSISSAUGA)	6/8/2018	BUSINESS SOLUTIONS DIVISION 8801 TRANS-CANADA HIGHWAY SAINT-LAURENT, QUEBEC H4S 1Z6	\$4,522.20	BEDDING ACQUISITION, LLC
CANON CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE (MONTREAL)	4/8/2017	BUSINESS SOLUTIONS DIVISION 8801 TRANS-CANADA HIGHWAY SAINT-LAURENT, QUEBEC H4S 1Z6	\$0.00	BEDDING ACQUISITION, LLC
CANON CANADA INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE (TORONTO)	5/3/2017	BUSINESS SOLUTIONS DIVISION 8801 TRANS-CANADA HIGHWAY SAINT-LAURENT, QUEBEC H4S 1Z6	\$0.00	BEDDING ACQUISITION, LLC
CANON SOLUTIONS AMERICA	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - OFFICE EQUIPMENT LEASE - SCHEDULE 5	5/17/2017	ONE CANON PARK MELVILLE, NY 11747	\$31,258.04	BEDDING ACQUISITION, LLC
CANON SOLUTIONS AMERICA	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - OFFICE EQUIPMENT LEASE - SCHEDULE 6	11/17/2017	ONE CANON PARK MELVILLE, NY 11747	\$0.00	BEDDING ACQUISITION, LLC
CANON SOLUTIONS AMERICA	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - OFFICE EQUIPMENT LEASE - SCHEDULE 7	4/19/2018	ONE CANON PARK MELVILLE, NY 11747	\$0.00	BEDDING ACQUISITION, LLC
CARL MARKS ADVISORY GROUP, LLC	DREAM II HOLDINGS, LLC	ENGAGEMENT LETTER AS AMENDED - ADVISORY SERVICES		900 THIRD AVENUE, 33 RD FLOOR NEW YORK, NY 10022	\$0.00	
CARLSON, SCOTT	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/29/2018		\$0.00	BEDDING ACQUISITION, LLC
CARROLL, MASON	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/19/2010		\$0.00	BEDDING ACQUISITION, LLC
CARROLL, MASON	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	09/30/2014		\$0.00	BEDDING ACQUISITION, LLC
CBSC CAPITAL INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - OFFICE EQUIPMENT LEASE - MISSISSAUGA	6/8/2018	8000 MISSISSAUGA ROAD BRAMPTON, ON L6Y 5Z7 CANADA	\$5,416.70	BEDDING ACQUISITION, LLC
CBSC CAPITAL INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - OFFICE EQUIPMENT LEASE - MONTREAL	4/8/2017	8000 MISSISSAUGA ROAD BRAMPTON, ON L6Y 5Z7 CANADA	\$0.00	BEDDING ACQUISITION, LLC

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CBSC CAPITAL INC.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - OFFICE EQUIPMENT LEASE - TORONTO	7/8/2017	8000 MISSISSAUGA ROAD BRAMPTON, ON L6Y 5Z7 CANADA	\$0.00	BEDDING ACQUISITION, LLC
CERTIPAY AMERICA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - PAYROLL SERVICES AGREEMENT	1/23/18	130 BATES AVENUE SW WINTER HAVEN, FL 33880	\$0.00	BEDDING ACQUISITION, LLC
CERTIPAY AMERICA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - PAYROLL SERVICES AGREEMENT - ADDENDUM	2/9/2018	130 BATES AVENUE SW WINTER HAVEN, FL 33880	\$0.00	BEDDING ACQUISITION, LLC
CHANNELADVISOR CORPORATION	HOLLANDER SLEEP PRODUCTS, LLC	MASTER SERVICE AGREEMENT - SERVICE AGREEMENT		3025 CARRINGTON MILL BLVD, SUITE 500 MORRISVILLE, NC 27560	\$11,369.36	BEDDING ACQUISITION, LLC
CHANNELADVISOR CORPORATION	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE AGREEMENT - SOW #1	6/30/2018	3025 CARRINGTON MILL BLVD, SUITE 500 MORRISVILLE, NC 27560	\$0.00	BEDDING ACQUISITION, LLC
CICCO JENNIFER	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/24/2012		\$0.00	BEDDING ACQUISITION, LLC
CLOUD CONSULTING PARTNERS, INC.	HOLLANDER SLEEP PRODUCTS, LLC	MASTER CONSULTING SERVICES AGREEMENT	1/13/2015	37 DARTMOUTH DRIVE, RANCHO MIRAGE, CA 92270	\$0.00	BEDDING ACQUISITION, LLC
CIT BANK (AVAYA)	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - MITEL PHONE SYSTEM	3/18/2018	10201 CENTURION PARKWAY NORTH, SUITE 100 JACKSONVILLE, FL 32256	\$852.00	BEDDING ACQUISITION, LLC
COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - MASTER SERVICES AGREEMENT	1/24/2018	P.O. BOX 3001 SOUTHEASTERN, PA 19398	\$0.00	BEDDING ACQUISITION, LLC
COMMISSION JUNCTION LLC	PACIFIC COAST FEATHER, LLC	MASTER AGREEMENT - ADVERTISING AGREEMENT	4/1/2006	530 EAST MONTECITO STREET SANTA BARBARA, CA 93103	\$0.00	BEDDING ACQUISITION, LLC
COMMISSION JUNCTION LLC	PACIFIC COAST FEATHER, LLC	SERVICE AGREEMENT - SERVICE AGREEMENT AMENDMENT	6/2/2017	530 EAST MONTECITO STREET SANTA BARBARA, CA 93103	\$0.00	BEDDING ACQUISITION, LLC

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COMRES	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - MANAGED VOICE SERVICES AGREEMENT	8/14/2018	424 SW 12 TH AVENUE DEERFIELD BEACH, FL 33442 ATTENTION: HQ LEGAL - B2B CONTRACT ADMINISTRATION	\$13,578.69	BEDDING ACQUISITION, LLC
COMRES	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - CLOUD TALK	4/3/2018	424 SW 12 TH AVENUE DEERFIELD BEACH, FL 33442 ATTENTION: HQ LEGAL - B2B CONTRACT ADMINISTRATION	\$0.00	BEDDING ACQUISITION, LLC
CONCUR TECHNOLOGIES, INC.	HOLLANDER SLEEP PRODUCTS, LLC	BUSINESS SERVICE AGREEMENT - SALES ORDER FORM	5/15/2014	18400 NE UNION HILL ROAD REDMOND, WA 98052	\$0.00	BEDDING ACQUISITION, LLC
CORVEL ENTERPRISE COMP, INC.	DREAM II HOLDINGS, LLC	SERVICES	1/1/2019	C/O CORVEL CORPORATION 2010 MAIN STREET, SUITE 600 IRVINE, CA 92614 ATTENTION: DIRECTOR, LEGAL SERVICES	\$0.00	BEDDING ACQUISITION, LLC
CRESTPOINT ACQUISITION CORPORATION	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	TENANT ACKNOWLEDGEMENT - TORONTO	1/10/2018	C/O JEFFREY M. HOLLANDER 3985 NW 53 RD STREET BOCA RATON, FL 33496 WITH COPY TO: WERTZ MCDADE WALLACE MOOT AND BROWER 945 FOURTH AVENUE SAN DIEGO, CA 92101 ATTENTION: EVAN S. RAVITCH	\$23,844.75	BEDDING ACQUISITION, LLC

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CROWN CRAFTS DESIGNER, INC.	PACIFIC COAST FEATHER, LLC	SUB LICENSE AGREEMENT	11/1/1999	1600 RIVEREDGE PARKWAY ATLANTA, GA 30328 ATTENTION: RUDOLPH SCHMATZ, CHAIRMAN WITH COPY TO: CROWN CRAFTS DESIGNER, INC. 1185 AVENUE OF THE AMERICAS NEW YORK, NY 10036 ATTENTION: PRESIDENT	\$0.00	BEDDING ACQUISITION, LLC
CROWN CRAFTS DESIGNER, INC.	PACIFIC COAST FEATHER, LLC	SUB LICENSE AGREEMENT - AMENDMENT (CALVIN KLEIN, INC.)	10/1/2001		\$0.00	BEDDING ACQUISITION, LLC
CROWN CRAFTS DESIGNER, INC.	PACIFIC COAST FEATHER, LLC	SUB LICENSE AGREEMENT - AMENDMENT (HOLLANDER SLEEP PRODUCTS LLC)	5/1/2018		\$0.00	BEDDING ACQUISITION, LLC
CT CORPORATION SYSTEM	HOLLANDER SLEEP PRODUCTS, LLC	SUB LICENSE AGREEMENT - AMENDMENT (HOLLANDER SLEEP PRODUCTS LLC)	1/11/2018	111 EIGHTH AVENUE, 13 TH FLOOR NEW YORK, NY 10011	\$1,591.76	BEDDING ACQUISITION, LLC
CTMI	HOLLANDER SLEEP PRODUCTS, LLC	ENGAGEMENT LETTER	1/29/2018	12720 HILLCREST ROAD, SUITE 1010 DALLAS, TX 75230	\$0.00	BEDDING ACQUISITION, LLC
CYBERSOURCE CORPORATION	HOLLANDER SLEEP PRODUCTS, LLC	BUSINESS SERVICE AGREEMENT	7/14/2015	PO BOX 8999 SAN FRANCISCO, CA 94128	\$2,077.26	BEDDING ACQUISITION, LLC
DAIGLE, THAD	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/26/2018		\$0.00	BEDDING ACQUISITION, LLC
DELTA DENTAL GROUP		DENTAL INSURANCE POLICY #19307		P.O. BOX 84885 SEATTLE, WA 98124-6185	\$0.00	BEDDING ACQUISITION, LLC
DEMARTINO, MARIA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/28/2014		\$0.00	BEDDING ACQUISITION, LLC
DIAZ, MARY	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	05/02/2016		\$0.00	BEDDING ACQUISITION, LLC

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DISCOVERY BENEFITS, INC.	HOLLANDER SLEEP PRODUCTS LLC	ADMINISTRATIVE SERVICES AGREEMENT	04/01/2019	4321 20TH AVE S FARGO, ND 58103-7194	\$0.00	BEDDING ACQUISITION, LLC
DODGEN, TINA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/28/2017		\$0.00	BEDDING ACQUISITION, LLC
DREAMWELL, LTD.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE - TRADEMARK	5/24/2013	2215-B RENAISSANCE DRIVE, SUITE 12 LAS VEGAS, NV 89119 FACSIMILE: 720-966-4247 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328 FACSIMILE: 770-206-2669 ATTENTION: LEGAL DEPT.	\$0.00	BEDDING ACQUISITION, LLC
DREAMWELL, LTD.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE - TRADEMARK - AMENDMENT #4	9/19/2018	2215-B RENAISSANCE DRIVE, SUITE 12 LAS VEGAS, NV 89119 FACSIMILE: 720-966-4247 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328 FACSIMILE: 770-206-2669 ATTENTION: LEGAL DEPT.	\$551,940.82	BEDDING ACQUISITION, LLC

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DREAMWELL, LTD.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE – TRADEMARK – AMENDMENT #3	11/20/2017	2215-B RENAISSANCE DRIVE, SUITE 12 LAS VEGAS, NV 89119 FACSIMILE: 720-966-4247 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328 FACSIMILE: 770-206-2669 ATTENTION: LEGAL DEPT.	\$0.00	BEDDING ACQUISITION, LLC
DREAMWELL, LTD.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE – TRADEMARK – AMENDMENT #2	12/31/2016	2215-B RENAISSANCE DRIVE, SUITE 12 LAS VEGAS, NV 89119 FACSIMILE: 720-966-4247 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328 FACSIMILE: 770-206-2669 ATTENTION: LEGAL DEPT.	\$0.00	BEDDING ACQUISITION, LLC
DREAMWELL, LTD.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE – TRADEMARK – AMENDMENT #1	DECEMBER 2015	2215-B RENAISSANCE DRIVE, SUITE 12 LAS VEGAS, NV 89119 FACSIMILE: 720-966-4247 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328 FACSIMILE: 770-206-2669 ATTENTION: LEGAL DEPT.	\$0.00	BEDDING ACQUISITION, LLC

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DUNIGAN, KEVIN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/20/2018		\$0.00	BEDDING ACQUISITION, LLC
DUNLEA, CAROLIN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/19/2010		\$0.00	BEDDING ACQUISITION, LLC
EARLEY LIMITED PARTNERSHIP D/B/A EFP PARTNERS-1, LTD	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - LOUISVILLE WHSE	4/11/16	P.O. BOX 1492 LOUISVILLE, KY 40201	\$0.00	BEDDING ACQUISITION, LLC
EFP PARTNERS-1, LTD	HOLLANDER SLEEP PRODUCTS, LLC	MEMORANDUM OF UNDERSTANDING	5/23/18	P.O. BOX 1492 LOUISVILLE, KY 40201	\$8,864.52	BEDDING ACQUISITION, LLC
ELNATHAN, JAMES	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/12/2017		\$0.00	BEDDING ACQUISITION, LLC
ERLIN, EUGENIO	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/11/2017		\$0.00	BEDDING ACQUISITION, LLC
EQUINIX LLC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - MASTER COUNTRY AGREEMENT	11/20/17	ONE LAGOON DRIVE, 4 TH FLOOR REDWOOD CITY, CA 94065	\$28,383.25	BEDDING ACQUISITION, LLC
EQUINIX LLC	HOLLANDER SLEEP PRODUCTS, LLC	GLOBAL TERMS AND CONDITIONS	N/A		\$0.00	BEDDING ACQUISITION, LLC
ESPINOZA, ALEJANDRA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
ESPINOZA, ALEJANDRA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/29/2019		\$0.00	BEDDING ACQUISITION, LLC
EXETER 25 KEYSTONE, LLC	HOLLANDER SLEEP PRODUCTS LLC	LEASE - POTTSVILLE PLANT	3/17/17	101 WEST ELM STREET, SUITE 600 CONSHOHOCKEN, PA 19428	\$218,566.72	BEDDING ACQUISITION, LLC
EXETER 25 KEYSTONE, LLC	HOLLANDER SLEEP PRODUCTS LLC	POTTSVILLE PLANT - FIRST AMENDMENT TO INDUSTRIAL LEASE	10/13/2017		\$0.00	BEDDING ACQUISITION, LLC
FALLON, PAUL	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	11/18/2018		\$0.00	BEDDING ACQUISITION, LLC
FIFTH THIRD BANK (AND NP POTTSVILLE INDUSTRIAL, LLC)	HOLLANDER SLEEP PRODUCTS, LLC	SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT	3/17/2017	38 FOUNTAIN SQUARE PLAZA CINCINNATI, OH 45202	\$0.00	BEDDING ACQUISITION, LLC

Exhibit A - Schedule of Assumed Executory Contracts and Unexpired Leases

COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
FIGUEROA, RAMON	HOLLANDER SLEEP PRODUCTS, LLC	INDEPENDENT CONTRACTOR AGREEMENT	09/14/2015		\$0.00	BEDDING ACQUISITION, LLC
FISHER, DENA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/22/2010		\$0.00	BEDDING ACQUISITION, LLC
FLORIDA BLUE	HOLLANDER SLEEP PRODUCTS, LLC	STOP LOSS INSURANCE POLICY #407162-A.		P. O. BOX 1798 JACKSONVILLE, FL 32231-0014	\$0.00	BEDDING ACQUISITION, LLC
FTS BROADBAND	PACIFIC COAST FEATHER CUSHION, LLC	SERVICE AGREEMENT	10/2/2017	350 S CRENSHAW BLVD #A201 TORRANCE, CA 90503-1741	\$0.00	BEDDING ACQUISITION, LLC
GARCIA, AUGUSTO	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/17/2010		\$0.00	BEDDING ACQUISITION, LLC
GARZA, RODOLFO	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT			\$0.00	BEDDING ACQUISITION, LLC
GEISINGER GROUP	HOLLANDER SLEEP PRODUCTS, LLC	MEDICAL/RX POLICY PLAN POLICY #104183 (PA UNION).	03/1/2019	11140 HWY 55 A PLYMOUTH, MN 55441	\$0.00	BEDDING ACQUISITION, LLC
GIPKO-PURDY, MELISSA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/16/2016		\$0.00	BEDDING ACQUISITION, LLC
GOOGLE LLC	HOLLANDER SLEEP PRODUCTS, LLC PACIFIC COAST FEATHER, LLC	GOOGLE ADWORDS MASTER SERVICE AGREEMENT 1000000000217371	4/16/2018	1600 AMPHITHEATRE PKWY MOUNTAIN VIEW, CA 94043 UNITED STATES	\$202,832.87	BEDDING ACQUISITION, LLC
GUARDIAN	HOLLANDER SLEEP PRODUCTS, LLC	GROUP INSURANCE POLICY, POLICY #00488487 (DENTAL, VISION, LIFE, DEPENDENT LIFE, HOSPITAL INDEMNITY FOR PA UNION)		P.O. BOX 95101CHICAGO, IL 60694-5101	\$0.00	BEDDING ACQUISITION, LLC
HEALTH ADVOCATE	HOLLANDER SLEEP PRODUCTS LLC	CALL CENTER SUPPORT SERVICES SERVICE AGREEMENT FOR BENEFIT PARTICIPANTS	04/01/2019	P.O. BOX 561509 DENVER, CO 80256-1509	\$0.00	BEDDING ACQUISITION, LLC

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A. DARRELL HARRIS AND STELLA S. HARRIS (PREDECESSORS IN INTEREST TO H.I.P. III, LLC)	PACIFIC COAST FEATHER CUSHION LLC	LEASE – HIGH POINT	11/28/2012, AMENDED 5/20/2015		\$0.00	BEDDING ACQUISITION, LLC
H.I.P. III, LLC	PACIFIC COAST FEATHER CUSHION, LLC	LEASE – HIGH POINT	9/11/17	5635 RIVERDALE DRIVE JAMESTOWN, NC 27282	\$0.00	BEDDING ACQUISITION, LLC
HAGER PACIFIC PROPERTIES, LLC	PACIFIC COAST FEATHER CUSHION, LLC	LEASE - PICO	9/28/17	4100 NEWPORT PLACE DRIVE, SUITE 820 NEWPORT BEACH, CA 92660	\$0.00	BEDDING ACQUISITION, LLC
HAGER PACIFIC PROPERTIES, LLC	PACIFIC COAST FEATHER CUSHION, LLC	LEASE – FIRST AMENDMENT - PICO	10/12/18	4100 NEWPORT PLACE DRIVE, SUITE 820 NEWPORT BEACH, CA 92660	\$0.00	BEDDING ACQUISITION, LLC
HANSEN, STEPHANIE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	06/14/2013		\$0.00	BEDDING ACQUISITION, LLC
HEAD, HOWARD	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/20/2016		\$0.00	BEDDING ACQUISITION, LLC
HELANDER, TODD	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/01/2016		\$0.00	BEDDING ACQUISITION, LLC
HICKMAN, ROBERT	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/30/2018		\$0.00	BEDDING ACQUISITION, LLC
HIGGINS, HEIDI	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/23/2010		\$0.00	BEDDING ACQUISITION, LLC
HOLLANDER NC IA, LLC (AND ALLIANT CREDIT UNION)	HOLLANDER SLEEP PRODUCTS, LLC	SUBORDINATION, NON-DISTURBANCE AND ATTORNEY AGREEMENT,	12/28/2017		\$0.00	BEDDING ACQUISITION, LLC
HOLLANDER NC IA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE- MAQUOKETA PLANT AS MODIFIED ¹	11/10/17	600 EAST AVENUE, SUITE 200 ROCHESTER, NY 14607	\$0.00	BEDDING ACQUISITION, LLC

¹ Modifications to this unexpired lease are in process. If such modifications are not finalized, this unexpired lease may be rejected.

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HOLLANDER NC IA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE- HENDERSON PLANT AS MODIFIED ²	11/10/17	600 EAST AVENUE, SUITE 200 ROCHESTER, NY 14607	\$152,275.21 TO BE PAID TO CAROLINA COOLING & HEATING, INC.	BEDDING ACQUISITION, LLC
	HOLLANDER SLEEP PRODUCTS, LLC	RETIREMENT SAVINGS PLAN			\$0.00	BEDDING ACQUISITION, LLC
HOULIHAN LOKEY CAPITAL INC.	DREAM II HOLDINGS, LLC	LETTER AGREEMENT - INVESTMENT BANKING SERVICES		10250 CONSTELLATION BLVD, 5TH FL LOS ANGELES, CA 90067	\$0.00	
HSA BANK	HOLLANDER SLEEP PRODUCTS LLC	AGREEMENT	04/01/2019	P.O. BOX 939 SHEBOYGAN, WI 53082-0939	\$0.00	BEDDING ACQUISITION, LLC
HUDSON, ALLISON	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/28/2017		\$0.00	BEDDING ACQUISITION, LLC
HUNDVEN, JONATHAN	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/11/2017		\$0.00	BEDDING ACQUISITION, LLC
HUNEIDI, MAY	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/9/2019		\$0.00	BEDDING ACQUISITION, LLC
HYG FINANCIAL SERVICES, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	8/22/18	5000 RIVERSIDE DRIVE, SUITE 300 EAST IRVING, TX 75039	\$918.40	BEDDING ACQUISITION, LLC
HYG FINANCIAL SERVICES, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	8/23/18	5000 RIVERSIDE DRIVE, SUITE 300 EAST IRVING, TX 75039	\$0.00	BEDDING ACQUISITION, LLC
IBARRA, JOSUE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
IBARRA, JOSUE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/18/2019		\$0.00	BEDDING ACQUISITION, LLC
IMPERIAL REALTY COMPANY AS AGENT FOR THE KLAIRMONT FAMILY LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - SKOKIE SALES OFFICE	11/27/17	4747 WEST PETERSEN AVENUE, SUITE 200 CHICAGO, IL 60646	\$1,414.87	BEDDING ACQUISITION, LLC

² Modifications to this unexpired lease are in process. If such modifications are not finalized, this unexpired lease may be rejected.

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INFOARMOR, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES	4/18/19	7001 N. SCOTTSDALE ROAD SCOTTSDALE, AZ 85253	\$0.00	BEDDING ACQUISITION, LLC
INFORMATICA LLC	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE AND SERVICE AGREEMENT	2/14/19	2100 SEAPORT BOULEVARD REDWOOD CITY, CA 94063	\$20,680.00	BEDDING ACQUISITION, LLC
INFORMATICA LLC	HOLLANDER SLEEP PRODUCTS, LLC	EXHIBIT A	2/14/2019			
INVISTA S.A R.L.	HOLLANDER SLEEP PRODUCTS, LLC	PURCHASE ORDER - FIBER (SIX SHIPMENTS, ALL ORDERED ON 8/7/2019) FOR: CUSTOMER PART NO. 04-BL-MEMORELECOOLFX (390,000 LBS); CUSTOMER PART NO. 04-BL-MEMORELECOOLFX (640,000 LBS); CUSTOMER PART NO. 04-BL-SSG33 (1,560,000 LBS); CUSTOMER PART NO. 04-BL-SSG33 (2,310,000 LBS); CUSTOMER PART NO. 04-MEMORELLE-LB (62,400 LBS); CUSTOMER PART NO. 04-MEMORELLE-LB (72,000 LBS)	8/7/2019	4123 EAST 37TH STREET NORTH WICHITA, KS 67220	\$0.00	BEDDING ACQUISITION, LLC
KAUL, ABHISHEK	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	10/15/2013		\$0.00	BEDDING ACQUISITION, LLC
KABAT SCHERTZER DE LA TORRE TARABOULOS & CO		ENGAGEMENT LETTER - 2018 401(K) PLAN AUDIT SERVICES		9300 S DADELAND BLVD MIAMI, FL 33156	\$0.00	BEDDING ACQUISITION, LLC
KAISER PERMANENTE GROUP	HOLLANDER SLEEP PRODUCTS, LLC	MEDICAL/RX POLICY #101697 (CA UNION)	03/01/2019		\$0.00	BEDDING ACQUISITION, LLC
KAUSTUBH DATTATRAYA MARATHE	HOLLANDER SLEEP PRODUCTS, LLC	BUYING AGENCY AGREEMENT	10/14/2013	NANDAN ENCLAVESHRI GOVINDRAOJI MARATHE RD MIRAJ MH 416410 IN	\$0.00	BEDDING ACQUISITION, LLC

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KINDSCHI, JAMES	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	08/30/2017		\$0.00	BEDDING ACQUISITION, LLC
KINDSCHI, JIM	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/14/2019		\$0.00	BEDDING ACQUISITION, LLC
KIRKLAND & ELLIS LLP AND KIRKLAND & ELLIS INTERNATIONAL LLP	DREAM II HOLDINGS, LLC	RETENTION LETTER AGREEMENT - LEGAL SERVICES		601 LEXINGTON AVENUE NEW YORK, NY 10022	\$0.00	
KONSTANTELOS, KOSTANTINOS	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	08/17/2013		\$0.00	BEDDING ACQUISITION, LLC
KOPECKY, CRISTINA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
KOPECKY, CRISTINA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/30/2019		\$0.00	BEDDING ACQUISITION, LLC
LAMOUREUX, MELANIE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT			\$0.00	BEDDING ACQUISITION, LLC
LAMPON, SANTIAGO	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/14/2019		\$0.00	BEDDING ACQUISITION, LLC
L AND C REAL ESTATE HOLDINGS CORP.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - TORONTO	7/21/09	C/O JEFFREY M. HOLLANDER 3985 NW 53 RD STREET BOCA RATON, FL 33496 WITH COPY TO: WERTZ MCDADE WALLACE MOOT AND BROWER 945 FOURTH AVENUE SAN DIEGO, CA 92101 ATTENTION: EVAN S. RAVITCH	\$0.00	BEDDING ACQUISITION, LLC

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L AND C REAL ESTATE HOLDINGS CORP.	HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LEASE - TORONTO AMENDMENT	4/2/12	C/O JEFFREY M. HOLLANDER 3985 NW 53 RD STREET BOCA RATON, FL 33496 WITH COPY TO: WERTZ MCDADE WALLACE MOOT AND BROWER 945 FOURTH AVENUE SAN DIEGO, CA 92101 ATTENTION: EVAN S. RAVITCH	\$0.00	BEDDING ACQUISITION, LLC
LACZ, CAROLINA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/28/2014		\$0.00	BEDDING ACQUISITION, LLC
LIBERTY PROPERTY LIMITED PARTNERSHIP	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - GRAND PRAIRIE	2/9/18	650 EAST SWEDES FORD ROAD, SUITE 400 WAYNE, PA 19087	\$89,856.42	BEDDING ACQUISITION, LLC
LOFTWARE	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - SUPPORT AND MAINTENANCE	12/18/18	249 CORPORATE DRIVE PORTSMOUTH, NH 03801	\$0.00	BEDDING ACQUISITION, LLC
LOPARDO, DARREN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/09/2019		\$0.00	BEDDING ACQUISITION, LLC
MACK, BETH	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/17/2010		\$0.00	BEDDING ACQUISITION, LLC
MACK, BETH	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	09/30/2014		\$0.00	BEDDING ACQUISITION, LLC
MADRIGAL, MARTIN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/18/2011		\$0.00	BEDDING ACQUISITION, LLC
MAERSK AGENCY U.S.A., INC.	HOLLANDER SLEEP PRODUCTS, LLC	FREIGHT CREDIT AGREEMENT	5/17/2019	9300 ARROWPOINT BLVD CHARLOTTE, NC 28273	\$0.00	BEDDING ACQUISITION, LLC

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MAINSTREET CV NORTH 40, LLC	HOLLANDER SLEEP PRODUCTS LLC	LEASE - BOCA CORP HQ	10/31/17	C/O MAINSTREET REAL ESTATE SERVICES INC. 2101 WEST COMMERCIAL BLVD, SUITE 1200 FORT LAUDERDALE, FL 33309 WITH COPY TO: BROAD AND CASSEL 7777 GLADES ROAD, SUITE 300 BOCA RATON, FL 33434 ATTENTION: JAMES J. WHEELER, ESQ.	\$2,676.66	BEDDING ACQUISITION, LLC
MAJESTIC/AMB PICO RIVERA ASSOCIATES, LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE- PICO BEDDING	6/26/18	13191 CROSSROADS PARKWAY NORTH, 6 TH FLOOR CITY OF INDUSTRY, CA 91746	\$186,333.83	BEDDING ACQUISITION, LLC
THE MANUFACTURERS LIFE INSURANCE COMPANY	HOLLANDER SLEEP PRODUCTS, LTD.	HEALTH SERVICE NAVIGATOR SERVICES AGREEMENT	02/06/2019	865 S FIGUEROA ST # 3320 LOS ANGELES, CA 90017	\$0.00	BEDDING ACQUISITION, LLC
THE MANUFACTURERS LIFE INSURANCE COMPANY	HOLLANDER SLEEP PRODUCTS CANADA LTD.	ELECTRONIC ADMINISTRATION OF POLICY AGREEMENT	01/23/2019	865 S FIGUEROA ST # 3320 LOS ANGELES, CA 90017	\$0.00	BEDDING ACQUISITION, LLC
MANULIFE	HOLLANDER SLEEP PRODUCTS LLC	LETTER OF UNDERSTANDING	01/13/2019	200 BLOOR STREET EAST TORONTO, ONTARIO	\$0.00	BEDDING ACQUISITION, LLC
MANULIFE	HOLLANDER SLEEP PRODUCTS CANADA LTD.	GROUP BENEFITS PLAN - POLICY #G0114826		200 BLOOR STREET EAST TORONTO, ONTARIO	\$0.00	BEDDING ACQUISITION, LLC
MATUKAS, CHRISTOPHER	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/14/2013		\$0.00	BEDDING ACQUISITION, LLC
MCKENZIE, MARK	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	08/11/2011		\$0.00	BEDDING ACQUISITION, LLC
MCNEIL, SANDY	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	08/22/2019		\$0.00	BEDDING ACQUISITION, LLC
MENDOZA, GEORGE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC

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MENDOZA, GEORGE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/07/2019		\$0.00	BEDDING ACQUISITION, LLC
MERCER HEALTH & BENEFITS LLC	DREAM II HOLDINGS, LLC	SERVICES - ENGAGEMENT LETTER AGREEMENT	1/9/19	1560 SAWGRASS CORPORATE PARKWAY, SUITE 300 SUNRISE, FL 33323	\$0.00	BEDDING ACQUISITION, LLC
MERCER INVESTMENT MANAGEMENT, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICES - INVESTMENT AND ADMINISTRATIVE SERVICES	10/26/17	90 HIGH STREET BOSTON, MA 02110	\$0.00	BEDDING ACQUISITION, LLC
METLIFE	HOLLANDER SLEEP PRODUCTS, LLC	GROUP LIFE AND DISABILITY INSURANCE POLICY #214528 (NON-UNION AND TX UNION)		P.O. BOX 951321 DALLAS, TX 75395-1321	\$0.00	BEDDING ACQUISITION, LLC
METROPOLITAN LIFE INSURANCE COMPANY	HOLLANDER SLEEP PRODUCTS, LLC	ADMINISTRATIVE SERVICES AGREEMENT, LEAVE ADMINISTRATION AND EAP BENEFITS	4/1/2019	P.O. BOX 951321 DALLAS, TX 75395-1321	\$0.00	BEDDING ACQUISITION, LLC
MID-ATLANTIC JOINT BOARD OF WORKERS UNITED	HOLLANDER SLEEP PRODUCTS, LLC	UNION AGREEMENT - CBA	5/1/19	5735 INDUSTRY LANE BUILDING C, SUITE 101 FREDERICK, MD 21704	\$0.00	BEDDING ACQUISITION, LLC
MILLS-PORTER, NANCY	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT			\$0.00	BEDDING ACQUISITION, LLC
MMCS BOSTONIAN GROUP	HOLLANDER SLEEP PRODUCTS LLC	AGREEMENT - INVESTMENT CONSULTING SERVICES (RETIREMENT SAVINGS PLAN)			\$0.00	BEDDING ACQUISITION, LLC
MOSES, MATT	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/29/2019		\$0.00	BEDDING ACQUISITION, LLC
MYERS, CHRISTOPHER	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	07/10/2017		\$0.00	BEDDING ACQUISITION, LLC
NATIONWIDE	HOLLANDER SLEEP PRODUCTS	PET INSURANCE POLICY - ALL PET INSURANCE POLICIES TO THE EXTENT HOLLANDER SLEEP PRODUCTS LLC IS THE POLICYHOLDER	1 NATIONWIDE PLAZA COLUMBUS, OH 43215		\$0.00	BEDDING ACQUISITION, LLC

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NATIONWIDE LIFT TRUCKS, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	6/10/13	3900 NORTH 28 TH TERRACE HOLLYWOOD, FL 33020	\$108,867.41	BEDDING ACQUISITION, LLC
NICHOLSON, LINDA	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/11/2017		\$0.00	BEDDING ACQUISITION, LLC
NP POTTSVILLE INDUSTRIAL, LLC (AND FIFTH THIRD BANK)	HOLLANDER SLEEP PRODUCTS, LLC	SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT	3/17/2017		\$0.00	BEDDING ACQUISITION, LLC
OMNI MANAGEMENT GROUP	DREAM II HOLDINGS, LLC	LETTER AGREEMENT - CLAIMS AND NOTICING SERVICES		5955 DESOTO AVENUE WOODLAND HILLS, CA 91364	\$0.00	
OPTUMRX, INC.	HOLLANDER SLEEP PRODUCTS LLC	CLIENT ADDENDUM AGREEMENT	04/01/2018	2300 MAIN ST IRVINE, CA 92614	\$0.00	BEDDING ACQUISITION, LLC
ORACLE AMERICA, INC.	HOLLANDER SLEEP PRODUCTS, LLC	ALL CONTRACTS WITH ORACLE AMERICA, INC. WITH THE EXCEPTION OF THOSE ENUMERATED IN THE SCHEDULE OF REJECTED CONTRACTS		500 ORACLE PARKWAY REDWOOD SHORES, CA 94065	\$363,213.26	BEDDING ACQUISITION, LLC
OWENS, AARON	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	3/28/2011		\$0.00	BEDDING ACQUISITION, LLC
PACIFIC COAST FEATHER COMPANY	HOLLANDER SLEEP PRODUCTS, LLC	STOCK PURCHASE AGREEMENT	6/9/17		\$0.00	
PENA, PEDRO	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
PENA, PEDRO	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/30/2019		\$0.00	BEDDING ACQUISITION, LLC
PERLA, MONICA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
PERLA, MONICA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/04/2019		\$0.00	BEDDING ACQUISITION, LLC
PETERSON, MARC	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/28/2014		\$0.00	BEDDING ACQUISITION, LLC

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PND ENGINEERS, INC.	PACIFIC COAST FEATHER, LLC	LEASE - SEATTLE ADMIN OFFICE	5/29/18	19500 TX-249, STE 655 HOUSTON, TX 77070	\$7,281.80	BEDDING ACQUISITION, LLC
PROLOGIS L.P.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - COMPTON	6/1/12	17777 CENTER COURT DRIVE NORTH, SUITE 100 CERRITOS, CA 90703	\$81,061.64	BEDDING ACQUISITION, LLC
RAMIREZ, RUBEN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
RAMIREZ, RUBEN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/08/2019		\$0.00	BEDDING ACQUISITION, LLC
RBC	HOLLANDER SLEEP PRODUCTS CANADA LTD	GROUP RRSP POLICY #011637		TOWER 49, 12 E 49TH ST, STE 35 NEW YORK, NY 10017	\$0.00	BEDDING ACQUISITION, LLC
RESOURCE NAVIGATION, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - LICENSE AND SUPPORT AGREEMENT	11/4/09	26 FOX ROAD WALTHAM, MA 02452	\$806.45	BEDDING ACQUISITION, LLC
RESOURCE NAVIGATION, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SOFTWARE LICENSE AGREEMENT - SERVICES AGREEMENT	11/4/09	26 FOX ROAD WALTHAM, MA 02452	\$0.00	BEDDING ACQUISITION, LLC
RIMINI STREET, INC.	PACIFIC COAST FEATHER, LLC	SERVICE - MASTER SERVICES AGREEMENT	04/26/16	3993 HOWARD HUGHES PARKWAY, SUITE 500 LAS VEGAS, NV 98134	\$0.00	BEDDING ACQUISITION, LLC
RIMINI STREET, INC.	PACIFIC COAST FEATHER, LLC	SERVICE - SOW #1	04/26/16	3993 HOWARD HUGHES PARKWAY, SUITE 500 LAS VEGAS, NV 98134	\$0.00	BEDDING ACQUISITION, LLC
RIMINI STREET, INC.	PACIFIC COAST FEATHER, LLC	SERVICE - SOW #1 AMENDMENT 3	3/15/17	3993 HOWARD HUGHES PARKWAY, SUITE 500 LAS VEGAS, NV 98134	\$0.00	BEDDING ACQUISITION, LLC
RIMINI STREET, INC.	PACIFIC COAST FEATHER, LLC	SERVICE - SOW #2	4/26/16	3993 HOWARD HUGHES PARKWAY, SUITE 500 LAS VEGAS, NV 98134	\$0.00	BEDDING ACQUISITION, LLC
RISKIFIED INC.	HOLLANDER SLEEP PRODUCTS, LLC	SOFTWARE LICENSE AGREEMENT - SERVICES	2/19/18	34 WEST 27 TH STREET, 5 TH FLOOR NEW YORK, NY 10001	\$0.00	BEDDING ACQUISITION, LLC
RODRIGUEZ, MANUEL	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
RODRIGUEZ, MANUEL	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/24/2019		\$0.00	BEDDING ACQUISITION, LLC

Exhibit A - Schedule of Assumed Executory Contracts and Unexpired Leases

COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
ROYAL BANK OF CANADA	HOLLANDER SLEEP PRODUCTS CANADA LTD.	SERVICES AND AGENCY AGREEMENT	10/17/2013	TOWER 49, 12 E 49TH ST, STE 35 NEW YORK, NY 10017	\$0.00	BEDDING ACQUISITION, LLC
ROYAL BANK OF CANADA	HOLLANDER SLEEP PRODUCTS CANADA LTD.	GROUP SOLUTIONS PACKAGE AGREEMENT	10/17/2013	TOWER 49, 12 E 49TH ST, STE 35 NEW YORK, NY 10017	\$0.00	BEDDING ACQUISITION, LLC
ROYAL OAK ACQUISITIONS LLC	PACIFIC COAST FEATHER, LLC	SALE AGREEMENT	11/10/17	600 EAST AVENUE, SUITE 200 ROCHESTER, NY 14607	\$0.00	BEDDING ACQUISITION, LLC
RUIZ, ROSE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/15/2012		\$0.00	BEDDING ACQUISITION, LLC
RYDER TRUCK RENTAL, INC. DBA RYDER TRANSPORTATION SERVICES	HOLLANDER SLEEP PRODUCTS, LLC	EQUIPMENT LEASE - GA	2/7/2017	P.O. BOX 402366 ATLANTA, GA 30384 P.O. BOX 96723 CHICAGO, IL 60693	\$0.00	BEDDING ACQUISITION, LLC
RYDER TRUCK RENTAL, INC. DBA RYDER TRANSPORTATION SERVICES	HOLLANDER SLEEP PRODUCTS, LLC	EQUIPMENT LEASE - SCHEDULE A - PA	11/15/16	P.O. BOX 402366 ATLANTA, GA 30384 P.O. BOX 96723 CHICAGO, IL 60693	\$9,402.73	BEDDING ACQUISITION, LLC
SALESFORCE.COM INC	PACIFIC COAST FEATHER, LLC	MASTER SUBSCRIPTION AND SERVICE AGREEMENT - MASTER AGREEMENT	4/25/2014	5 WALL STREET BURLINGTON, MA 01803	\$94,056.04	BEDDING ACQUISITION, LLC
SALESFORCE.COM INC	PACIFIC COAST FEATHER, LLC	SERVICE AGREEMENT - COMMERCE CLOUD	12/1/2017	5 WALL STREET BURLINGTON, MA 01803		BEDDING ACQUISITION, LLC
SALESFORCE.COM INC	PACIFIC COAST FEATHER, LLC	ORDER FORM Q-01182471	5/28/2017	5 WALL STREET BURLINGTON, MA 01803		BEDDING ACQUISITION, LLC
SALESFORCE.COM INC	PACIFIC COAST FEATHER, LLC	ORDER FORM Q-02098094	9/28/2018	5 WALL STREET BURLINGTON, MA 01803		BEDDING ACQUISITION, LLC
SALSIFY	HOLLANDER SLEEP PRODUCTS, LLC	SOFTWARE LICENSE AGREEMENT - SOFTWARE LICENSE AGREEMENT	12/15/18	101 FEDERAL STREET, SUITE 2600 BOSTON, MA 02110	\$0.00	BEDDING ACQUISITION, LLC
SAND, ROBERT	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/23/2018		\$0.00	BEDDING ACQUISITION, LLC
SAND, ROBERT	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/28/2017		\$0.00	BEDDING ACQUISITION, LLC

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SAP AMERICA, INC.	PACIFIC COAST FEATHER, LLC	R/3 SOFTWARE INDIVIDUAL END-USER LICENSE AGREEMENT, AS SUPPLEMENTED AND AMENDED	3/8/1995	3999 WEST CHESTER PIKE NEWTOWN SQUARE, PA 19073	\$0.00	BEDDING ACQUISITION, LLC
SAP CONCUR	HOLLANDER SLEEP PRODUCTS LLC	SALES ORDER FORM	3/28/2018	601 108TH AVE NE, STE 1000 BELLEVUE, WA 98004	\$0.00	BEDDING ACQUISITION, LLC
SCHMUDDE, STEVE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/24/2018		\$0.00	BEDDING ACQUISITION, LLC
SECHARAN, CAROLYN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/09/2019		\$0.00	BEDDING ACQUISITION, LLC
SEDGWICK, MARK	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
SEDGWICK, MARK	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/19/2018		\$0.00	BEDDING ACQUISITION, LLC
SEFEROGLOU, MARIA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/19/2018		\$0.00	BEDDING ACQUISITION, LLC
SH&S LIMITED PARTNERSHIP II LLLP	HOLLANDER SLEEP PRODUCTS LLC	LEASE - ARKANSAS SALES OFFICE	2/1/2003		\$0.00	BEDDING ACQUISITION, LLC
SH&S LIMITED PARTNERSHIP II LLLP	HOLLANDER SLEEP PRODUCTS LLC	LEASE - ARKANSAS SALES OFFICE - 6 TH AMENDMENT	12/21/16	C/O CAPSTONE MANAGEMENT GROUP 210 NORTH WALTON BOULEVARD, SUITE 30 BENTONVILLE, AR 72712	\$3,281.45	BEDDING ACQUISITION, LLC
SIMMONS CANADA, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE AGREEMENT	5/24/2013	2550 MEADOWVALE BLVD., UNIT #1 MISSISSAUGA, ON CANADA L5N 8C2 FAX: 905-817-1516 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328	\$50,671.27	BEDDING ACQUISITION, LLC

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SIMMONS CANADA, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE AGREEMENT - AMENDMENT #1	1/1/2017	2550 MEADOWVALE BLVD., UNIT #1 MISSISSAUGA, ON CANADA L5N 8C2 FAX: 905-817-1516 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328	\$0.00	BEDDING ACQUISITION, LLC
SIMON, JEFF	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/30/2011		\$0.00	BEDDING ACQUISITION, LLC
SOUTHERN REGIONAL JOINT BOARD OF WORKERS UNITED, SEIU ON BEHALF OF LOCAL 2420	HOLLANDER SLEEP PRODUCTS, LLC	UNION AGREEMENT - CBA	1/1/17	4405 MALL BOULEVARD #600 UNION CITY, GA 30291	\$0.00	
SOUTHERN REGIONAL JOINT BOARD OF WORKERS UNITED, SEIU ON BEHALF OF LOCAL 2420	HOLLANDER SLEEP PRODUCTS, LLC	MEMORANDUM OF AGREEMENT	10/17/2018	4405 MALL BOULEVARD #600 UNION CITY, GA 30291	\$0.00	
SOUTHERN REGIONAL JOINT BOARD OF WORKERS UNITED, SEIU ON BEHALF OF LOCAL 2420	HOLLANDER SLEEP PRODUCTS, LLC	MEMORANDUM OF AGREEMENT	6/14/2019	4405 MALL BOULEVARD #600 UNION CITY, GA 30291	\$0.00	
SOUTHWEST INTERNATIONAL TRUCKS DBA IDEALEASE	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	3/4/13	3722 IRVING BLD. DALLAS, TX 75220	\$40,345.12	BEDDING ACQUISITION, LLC
SOUTHWEST REGIONAL JOINT BOARD WORKERS UNITED	HOLLANDER SLEEP PRODUCTS, LLC	UNION AGREEMENT - CBA	2/1/17	2639 WALNUT HILL, SUITE 203 DALLAS, TX 75229	\$0.00	BEDDING ACQUISITION, LLC
SPIEGEL FAMILY REALTY COMPANY IOWA, LLC	PACIFIC COAST FEATHER, LLC	LEASE - MAQUOKETA WHSE	2/3/16	50 MI-T-M DRIVE PEOSTA, IA 52068	\$0.00	BEDDING ACQUISITION, LLC
SPIEGEL FAMILY REALTY COMPANY IOWA, LLC	PACIFIC COAST FEATHER, LLC	LEASE 1 ST AMENDMENT - MAQUOKETA WHSE	2/3/17	50 MI-T-M DRIVE PEOSTA, IA 52068	\$20,229.64	BEDDING ACQUISITION, LLC

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COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
SSH BEDDING CANADA CO.	HOLLANDER SLEEP PRODUCTS, LLC	LICENSE AGREEMENT – AMENDMENT #1	1/1/2017	2550 MEADOWVALE BLVD., UNIT #1 MISSISSAUGA, ON CANADA L5N 8C2 FAX: 905-817-1516 COPY TO: SIMMONS BEDDING COMPANY ONE CONCOURSE PARKWAY SUITE 800 ATLANTA, GA 30328	\$0.00	BEDDING ACQUISITION, LLC
SUCCESSFACTORS, INC.	HOLLANDER SLEEP PRODUCTS, LLC	MASTER CONSULTING SERVICES AGREEMENT	5/8/17	1 TOWER PLACE, SUITE 1100 SOUTH SAN FRANCISCO, CA 94080	\$26,350.31	BEDDING ACQUISITION, LLC
SWINIARSKI, KEITH	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/23/2018		\$0.00	BEDDING ACQUISITION, LLC
TAYLOR, DEBRA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	05/02/2017		\$0.00	BEDDING ACQUISITION, LLC
TERREMARK NORTH AMERICA, LLC (VERIZON TERREMARK)	HOLLANDER HOME FASHIONS HOLDINGS, LLC	COLOCATION SERVICE ORDER	6/8/2018	2 BISCAYNE BLVD, STE 2800 MIAMI, FL 33131	\$2,466.00	BEDDING ACQUISITION, LLC
THE POLO/LAUREN COMPANY, L.P. AND RALPH LAUREN HOME COLLECTION, INC.	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	LICENSE AGREEMENT - CHAPS	4/1/2019	625 MADISON AVENUE 9TH FLOOR NEW YORK, NY 10022 ATTENTION: PRESIDENT HOME COLLECTION COPY TO: RALPH LAUREN CORPORATION 625 MADISON AVENUE 5TH FLOOR NEW YORK, NY 10022 ATTENTION: VICE PRESIDENT LICENSING & TRANSACTION COUNSEL	\$0.00	BEDDING ACQUISITION, LLC

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COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
THE POLO/LAUREN COMPANY, L.P. AND RALPH LAUREN HOME COLLECTION, INC.	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	AMENDED AND RESTATED LICENSE AGREEMENT – LAUREN/RALPH LAUREN	4/1/2019	625 MADISON AVENUE 9TH FLOOR NEW YORK, NY 10022 ATTENTION: PRESIDENT HOME COLLECTION COPY TO: RALPH LAUREN CORPORATION 625 MADISON AVENUE 5TH FLOOR NEW YORK, NY 10022 ATTENTION: VICE PRESIDENT LICENSING & TRANSACTION COUNSEL	\$99,501.00	BEDDING ACQUISITION, LLC
THER A PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	PACIFIC COAST FEATHER, LLC	IP LICENSE AGREEMENT	1/1/2017	103 COLLEGE ROAD EAST, 2ND FLOOR PRINCETON, NJ 08540	\$0.00	BEDDING ACQUISITION, LLC
THER A PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	PACIFIC COAST FEATHER, LLC	IP LICENSE TERMINATION AGREEMENT	12/1/2017	103 COLLEGE ROAD EAST, 2ND FLOOR PRINCETON, NJ 08540	\$0.00	BEDDING ACQUISITION, LLC
THER A PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	IP LICENSE AGREEMENT	12/1/2011	103 COLLEGE ROAD EAST, 2ND FLOOR PRINCETON, NJ 08540	\$0.00	BEDDING ACQUISITION, LLC
THER A PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	IP LICENSE 1ST AMENDMENT	5/1/2013	103 COLLEGE ROAD EAST, 2ND FLOOR PRINCETON, NJ 08540	\$0.00	BEDDING ACQUISITION, LLC
THER A PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	IP LICENSE 2ND AMENDMENT	12/1/2014	103 COLLEGE ROAD EAST, 2ND FLOOR PRINCETON, NJ 08540	\$0.00	BEDDING ACQUISITION, LLC

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THERA PEDIC ASSOCIATES, INC. T/A THERAPEDIC INTERNATIONAL	HOLLANDER SLEEP PRODUCTS, LLC AND HOLLANDER SLEEP PRODUCTS CANADA LIMITED	IP LICENSE 3 RD AMENDMENT	12/1/2017	103 COLLEGE ROAD EAST, 2 ND FLOOR PRINCETON, NJ 08540	\$34,286.45	BEDDING ACQUISITION, LLC
TIERPOINT, LLC	PACIFIC COAST FEATHER, LLC	SERVICE - MASTER SERVICES AGREEMENT	4/8/19	12444 POWERSCOURT DRIVE, SUITE 450 ST. LOUIS, MO 63131	\$6,808.75	BEDDING ACQUISITION, LLC
TOPOCEAN CONSOLIDATION, INC	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - NVOCC SERVICE AGREEMENT	5/1/19	2727 WORKMAN MILL ROAD CITY OF INDUSTRY, CA 90601	\$240.00	BEDDING ACQUISITION, LLC
TRANSAMERICA RETIREMENT SOLUTIONS	HOLLANDER SLEEP PRODUCTS LLC	SERVICES AGREEMENT - RECORDKEEPING SERVICES FOR RETIREMENT SAVINGS PLAN		440 MAMARONECK AVENUE HARRISON, NY 10528	\$0.00	BEDDING ACQUISITION, LLC
TROUSDALE, JOHN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	05/28/2013		\$0.00	BEDDING ACQUISITION, LLC
VARS	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - KY SALES OFFICE	5/8/15	2309 WATTERSON TRAIL #200 LOUISVILLE, KY 40299	\$0.00	BEDDING ACQUISITION, LLC
VARS	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - KY SALES OFFICE	6/16/18	2309 WATTERSON TRAIL #200 LOUISVILLE, KY 40299	\$634.97	BEDDING ACQUISITION, LLC
VERREX LLC	HOLLANDER SLEEP PRODUCTS, LLC	AGREEMENT	09/20/2018	1130 ROUTE 22 WEST MOUNTAINSIDE, NJ 07092	\$0.00	BEDDING ACQUISITION, LLC
VERIZON	HOLLANDER SLEEP PRODUCTS, LLC	VERIZON RAPID DELIVERY ATTACHMENT TO THE VERIZON BUSINESS SERVICE AGREEMENT	N/A		\$0.00	BEDDING ACQUISITION, LLC
VERIZON BUSINESS NETWORK SERVICES INC.	HOLLANDER HOME FASHIONS HOLDINGS, LLC	SERVICE - SERVICES AGREEMENT	12/01/17		\$63,495.46	BEDDING ACQUISITION, LLC
VERIZON ENTERPRISE	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - MPLS INTERNET SERVICE AGREEMENT	6/11/17	ONE VERIZON WAY, BASKING RIDGE, NJ USA 07920 13100 COLUMBIA PIKE SILVER SPRING, MD 20904	\$0.00	BEDDING ACQUISITION, LLC

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COUNTERPARTY	COMPANY ENTITIES	CONTRACT DESCRIPTION	CONTRACT DATE	COUNTERPARTY ADDRESS	CURE AMOUNT	ASSIGNEE (IF APPLICABLE)
VERIZON WIRELESS	HOLLANDER SLEEP PRODUCTS, LLC	SERVICE - SERVICES AGREEMENT	12/18/18	LEGAL & EXTERNAL AFFAIRS DEPT. ONE VERIZON WAY BASKING RIDGE, NJ 07920 ATTENTION: HQ LEGAL - B2B CONTRACT ADMINISTRATION	\$10,914.49	BEDDING ACQUISITION, LLC
VIRAL, GHANDI	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/09/2012		\$0.00	BEDDING ACQUISITION, LLC
VOGEL, KIM	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	03/18/2016		\$0.00	BEDDING ACQUISITION, LLC
VSP	HOLLANDER SLEEP PRODUCTS, LLC	GROUP VISION INSURANCE POLICY #30082398.	4/1/2018	3333 QUALITY DR RANCHO CORDOVA, CA 95670	\$0.00	BEDDING ACQUISITION, LLC
WALSH, BRIANA	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	01/25/2018		\$0.00	BEDDING ACQUISITION, LLC
WELLS FARGO BANK, NATIONAL ASSOCIATION	HOLLANDER SLEEP PRODUCTS, LLC AND JOSEPH T. CRAWFORD AS AGENT FOR SELLERS	ESCROW AGREEMENT	6/9/17	1700 LINCOLN STREET, 10 TH FLOOR DENVER, CO 80203 ATTENTION: MICHAEL W. MCGUIRE, CORPORATE, MUNICIPAL AND ESCROW SOLUTION	\$0.00	
WHITLOW, SCOTT	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	08/06/2019		\$0.00	BEDDING ACQUISITION, LLC
WILSON, BONNIE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	04/29/2011		\$0.00	BEDDING ACQUISITION, LLC
WISE, SHERRI	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	02/26/2010		\$0.00	BEDDING ACQUISITION, LLC
WOFFORD, BRIAN	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	06/30/2012		\$0.00	BEDDING ACQUISITION, LLC
WORKERS UNITED, WESTERN STATES REGIONAL JOINT BOARD	HOLLANDER SLEEP PRODUCTS, LLC	UNION AGREEMENT - CBA	2/28/19	920 SOUTH ALVARADO STREET LOS ANGELES, CA 90057	\$0.00	BEDDING ACQUISITION, LLC
YOTPO, INC.	HOLLANDER SLEEP PRODUCTS, LLC	SUBSCRIPTION AGREEMENT - SERVICE AGREEMENT	11/10/18	33 WEST 19 TH STREET, 5 TH FLOOR NEW YORK, NY 10011	\$0.00	BEDDING ACQUISITION, LLC

Exhibit A-1

**Changed Pages Only Redline of Exhibit A
to Exhibit A of the First Amended Plan Supplement**

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HOLLANDER NC IA, LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE- HENDERSON PLANT AS MODIFIED ²	11/10/17	600 EAST AVENUE, SUITE 200 ROCHESTER, NY 14607	\$152,275.21 TO BE PAID TO NORTH-CAROLINA HEATING-AND COOLING & HEATING, INC.	BEDDING ACQUISITION, LLC
	HOLLANDER SLEEP PRODUCTS, LLC	RETIREMENT SAVINGS PLAN			\$0.00	BEDDING ACQUISITION, LLC
HOULIHAN LOKEY CAPITAL INC.	DREAM II HOLDINGS, LLC	LETTER AGREEMENT - INVESTMENT BANKING SERVICES		10250 CONSTELLATION BLVD, 5TH FL LOS ANGELES, CA 90067	\$0.00	
HSA BANK	HOLLANDER SLEEP PRODUCTS LLC	AGREEMENT	04/01/2019	P.O. BOX 939 SHEBOYGAN, WI 53082-0939	\$0.00	BEDDING ACQUISITION, LLC
HUDSON, ALLISON	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/28/2017		\$0.00	BEDDING ACQUISITION, LLC
HUNDVEN, JONATHAN	HOLLANDER SLEEP PRODUCTS, LLC	OFFER LETTER	07/11/2017		\$0.00	BEDDING ACQUISITION, LLC
HUNEIDI, MAY	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/9/2019		\$0.00	BEDDING ACQUISITION, LLC
HYG FINANCIAL SERVICES, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	8/22/18	5000 RIVERSIDE DRIVE, SUITE 300 EAST IRVING, TX 75039	\$918.40	BEDDING ACQUISITION, LLC
HYG FINANCIAL SERVICES, INC.	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - EQUIPMENT LEASE	8/23/18	5000 RIVERSIDE DRIVE, SUITE 300 EAST IRVING, TX 75039	\$0.00	BEDDING ACQUISITION, LLC
IBARRA, JOSUE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS LETTER	1/14/2019		\$0.00	BEDDING ACQUISITION, LLC
IBARRA, JOSUE	HOLLANDER SLEEP PRODUCTS, LLC	BONUS AGREEMENT	1/18/2019		\$0.00	BEDDING ACQUISITION, LLC
IMPERIAL REALTY COMPANY AS AGENT FOR THE KLAIRMONT FAMILY LLC	HOLLANDER SLEEP PRODUCTS, LLC	LEASE - SKOKIE SALES OFFICE	11/27/17	4747 WEST PETERSEN AVENUE, SUITE 200 CHICAGO, IL 60646	\$1,414.87	BEDDING ACQUISITION, LLC

² Modifications to this unexpired lease are in process. If such modifications are not finalized, this unexpired lease may be rejected.

Exhibit E

Payoff Letter

September [], 2019

Dream II Holdings, LLC
Hollander Home Fashions Holdings, LLC
Hollander Sleep Products, LLC
Hollander Sleep Products Kentucky, LLC
Hollander Sleep Products Canada Limited
Pacific Coast Feather, LLC
Pacific Coast Feather Cushion, LLC
c/o Hollander Sleep Products, LLC
6501 Congress Avenue Suite 300
Boca Raton, Florida 33487
Attn: Marc Pfefferle

Re: DREAM II HOLDINGS, LLC, a Delaware limited liability company ("Parent"), HOLLANDER HOME FASHIONS HOLDINGS, LLC, a Delaware limited liability company ("HHFH"), HOLLANDER SLEEP PRODUCTS, LLC (formerly known as Hollander Home Fashions, LLC), a Delaware limited liability company ("HSP"), HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC, a Delaware limited liability company ("Hollander Kentucky"), PACIFIC COAST FEATHER, LLC, a Delaware limited liability company ("PCF"), and PACIFIC COAST FEATHER CUSHION, LLC, a Delaware limited liability company ("Cushion"; HHFH, HSP, Hollander Kentucky, PCF and Cushion, are collectively, the "US Borrowers" and each individually a "US Borrower"), and HOLLANDER SLEEP PRODUCTS CANADA LIMITED (formerly known as Hollander Canada Home Fashions Limited), a British Columbia corporation ("Canadian Borrower"; US Borrowers and Canadian Borrower are collectively, the "Borrowers" and each individually a "Borrower"; Parent and Borrowers, are collectively, the "Loan Parties" and each individually a "Loan Party")

Ladies and Gentlemen:

Reference is hereby made to that certain (a) Third Amended and Restated Credit Agreement dated as of June 9, 2017 (as amended, restated, supplemented or otherwise modified to date, the "Prepetition Credit Agreement") by and among the Loan Parties, Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent (in such capacity, the "Prepetition Agent") for the Prepetition Lenders (as defined below), and the lenders party thereto (the "Prepetition Lenders"), (b) Debtor-in-Possession Credit Agreement dated as of May 23, 2019 (as amended, restated, supplemented or otherwise modified to date, the "DIP Credit Agreement"; together with the Prepetition Credit Agreement, the "Credit Agreements") by and among the Loan Parties, Wells Fargo, as administrative agent (in such capacity, the "DIP Agent"; together with the Prepetition Agent, the "Administrative Agent") for the DIP Lenders (as defined below), and the lenders party thereto (the "DIP Lenders"; collectively with the Prepetition Lenders, the "Lenders"), pursuant to which the DIP Lenders have provided certain loans and other financial accommodations to the Borrowers, and (c) First Amended Joint Plan of Reorganization of

Hollander Sleep Products, LLC, Et Al., Pursuant to Chapter 11 of the Bankruptcy Code, dated as of July 21, 2019 with respect to jointly administered Chapter 11 Case No. 19-11608-mew (Docket No. 233) (as further amended, restated, supplemented or otherwise modified to date, the "Plan"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the DIP Credit Agreement. In the event of any inconsistency between the Plan and this letter with respect to the matters contemplated hereby, the terms of this letter shall control.

Administrative Agent has been informed by the Loan Parties that the Loan Parties will be selling substantially all of their assets (other than certain excluded assets) to Bedding Acquisition, LLC, and in connection therewith all of the liabilities, obligations and indebtedness owing by the Loan Parties to Administrative Agent and the Lenders under the Credit Agreements, other than the "Letter of Credit Obligations" (as defined below), the "Surviving Obligations" (as defined below), and the "Bank Product Obligations" (as defined below), will be paid in full in cash. If received by 1:00 p.m. (Pacific time) on September [___], 2019, the amount necessary pursuant to the Plan to pay all of the liabilities, obligations and indebtedness owing by Loan Parties to Administrative Agent and the Lenders under the Credit Agreements (other than the Letter of Credit Obligations, Surviving Obligations, Bank Product Obligations) is \$[_____] (the "Payoff Amount"). "Letter of Credit Obligations" means the obligations of the Loan Parties under the DIP Credit Agreement and other Loan Documents in respect of Letters of Credit issued and outstanding on the date hereof (the "Specified Letters of Credit") set forth on Schedule I hereto, including the reimbursement obligations with respect to future honored drawings and fees, charges, costs and expenses, in each case arising after the Payoff Date, in respect of the Specified Letters of Credit required to be paid under the provisions of the DIP Credit Agreement. "Surviving Obligations" means the obligations of the Loan Parties under the Credit Agreements, the Loan Documents, and the Existing Loan Documents (including, in each case, indemnification obligations) that by the express terms of the Credit Agreements, the Loan Documents, and the Existing Loan Documents survive the termination of the Prepetition Credit Agreement or the DIP Credit Agreement, as applicable, and other obligations of the Loan Parties under this letter to reimburse the Administrative Agent and the Lenders for costs and expenses that may become due and payable after the date hereof. "Bank Product Obligations" means, collectively, the obligations of the Loan Parties under (i) the Prepetition Credit Agreement, the Existing Loan Documents and the Bank Product Agreements (as defined in the Prepetition Credit Agreement) in respect of Bank Product Obligations (as such term is defined in the Prepetition Credit Agreement), excluding any Hedge Obligations (as such term is defined in the Prepetition Credit Agreement), and (ii) the DIP Credit Agreement, the Loan Documents and the Bank Product Agreements in respect of Bank Product Obligations, excluding any Hedge Obligations.

It is acknowledged and agreed that the Payoff Amount includes \$[_____] in the aggregate (the "Sentinel Amount") in respect of principal and accrued interest in respect of the Last Out Loans (which amount is net of the Last Out Loans Reduction Amount (as defined in the Plan), it being agreed by the parties hereto (including Agent on behalf of Lenders and by each of the Participants (as defined in the Participation Agreement) by their acknowledgment of this Letter) that the amount of principal and interest due and payable in respect of the Last Out Loans has been reduced with the consent of Agent, Lenders and Participants by the \$350,000 Last Out Loans Reduction Amount pursuant to the Plan) together with reasonable and documented fees and expenses of the Participants. By their acknowledgment of this letter, each Participant agrees that, upon DIP Agent's receipt of the Payoff Amount and payment of the Sentinel Amount pursuant to

the wire instructions set forth on Exhibit C attached hereto, all of the obligations of DIP Agent and the DIP Lenders to each Participant under the Participation Agreement shall have been satisfied and the Participation Agreement shall be deemed to be terminated (except for such provisions of the Participation Agreement that expressly survive the termination of the Participation Agreement pursuant to the terms thereof).

The Loan Parties hereby represent and warrant that since July 21, 2019, the release provisions set forth in Article VIII.C of the Plan have not been amended, restated, or otherwise modified in a manner adverse to the rights and interests of the DIP Agent, Prepetition Agent, or any of the Lenders without their prior consent. The Loan Parties hereby agree that such release provisions set forth in Article VIII.C of the Plan are incorporated herein by reference, *mutatis mutandis*, and upon release by Administrative Agent of its signature hereto and the occurrence of the Payoff Date, the Loan Parties are bound by the terms of such release provisions with respect to Administrative Agent and the Lenders.

This letter will confirm that upon (A) receipt by DIP Agent by wire transfer of (i) the Payoff Amount, and (ii) \$ _____ in respect of the Expense Reserve (as hereinafter defined), to the following account of Administrative Agent:

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street,
San Francisco, CA
ABA Number: 121-000-248
Account Name: Wells Fargo Bank, N.A.
A/C Number: 37235547964504506
Reference: Hollander Sleep Products LLC-DIP

; (B) receipt by DIP Agent by wire transfer of immediately available funds in the aggregate amount of \$ _____ in respect of the Letter of Credit Obligations (such funds, the "Letter of Credit Cash Collateral") as cash collateral to be held by DIP Agent for the benefit of DIP Lenders (which amount is equal to 105% of the Letter of Credit Usage (as defined in each Credit Agreement) existing on the Payoff Date), to the following account:

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street, San
Francisco, CA
ABA Number: 121-000-248
Account Name: Hollander Sleep
Products, LLC
A/C Number: 4879331007

; (C) receipt by DIP Agent by wire transfer of immediately available funds in the aggregate amount of \$ _____ (the "Bank Product Cash Collateral") as cash collateral to be held by Administrative Agent for the benefit of the Bank Product Providers with respect to Bank Products, to the following account:

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street, San
Francisco, CA
ABA Number: 121-000-248
Account Name: Hollander Sleep
Products, LLC
A/C Number: 4275529162

; (D) a fully-executed Control Agreement with respect to the Deposit Account holding the Letter of Credit Cash Collateral (the "L/C Deposit Account"), in the form circulated by DIP Agent to Borrowers prior to the date hereof; and (E) a fully-executed Control Agreement with respect to the Deposit Account holding the Bank Product Cash Collateral (the "Bank Product Deposit Account"), in the form circulated by DIP Agent to Borrowers prior to the date hereof (the conditions described in the foregoing clauses (A), (B), (C), (D), and (E), collectively the "Payoff Conditions") **[NTD: TBD if any amendments to Bank Product Agreements or any other items will be required; WF believes one will be needed but may be done before the letter is issued]**, (1) the liens and security interests of Administrative Agent in any and all of the real, mixed and personal property of Loan Parties granted under each of the Prepetition Credit Agreement, the DIP Credit Agreement, the Loan Documents, or the Existing Loan Documents shall automatically, irrevocably and immediately be deemed to be released and terminated, (2) all liabilities, obligations, guaranties and indebtedness owing by Loan Parties or any of their affiliates to Administrative Agent and the Lenders under the each of Credit Agreements, the Loan Documents, and the Existing Loan Documents (other than the Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations), shall automatically, irrevocably and immediately be deemed to have been satisfied in full and discharged, and (3) all Loan Documents and Existing Loan Documents shall automatically, irrevocably and immediately terminate and have no further force or effect, other than with respect to the Surviving Obligations; provided, that (i) Section 12 of each Credit Agreement relating to governing law, consent to jurisdiction and jury trial waiver, shall remain in full force and effect, (ii) all provisions of the DIP Credit Agreement regarding Specified Letters of Credit shall remain full force and effect with respect to Specified Letters of Credit, including, without limitation, reimbursement obligations of any Loan Party (and/or any guaranties thereof by the Loan Parties) under any Loan Document or Existing Loan Document in connection with any Specified Letters of Credit (including, without limitation, (y) the Letter of Credit fee set forth in Section 2.6(b) of each Loan Agreement, and (z) any and all other charges, commissions, fees and/or costs incurred in connection therewith pursuant to the terms of any Loan Document and Existing Loan Document) shall (as the same may be expressly modified by the provisions of this letter agreement) remain in full force and effect, (iii) any Bank Product Agreements (as defined in each Credit Agreement) that are allowed by the respective Bank Product Provider to remain outstanding after the Payoff Date shall remain in full force and effect, (iv) the security interest granted to Administrative Agent in the Letter of Credit Cash Collateral and the L/C Deposit Account pursuant to this Payoff Letter shall continue in full force and effect on and after the date of this Payoff Letter until the unapplied amount of the Letter of Credit Cash Collateral is returned by Administrative Agent to Borrowers (or the Wind-Down Trust (as defined in the Plan) (the "Wind-Down Trust")), and (v) the security interest granted to Administrative Agent in the Bank Product Cash Collateral and the Bank Product Deposit Account pursuant to this Payoff Letter shall continue in full force and effect on and after the date of this Payoff Letter until the unapplied

amount of the Bank Product Cash Collateral is returned by Administrative Agent to Borrowers or the Wind-Down Trust.

The Business Day upon which all of the Payoff Conditions have been satisfied is the "Payoff Date".

Each Loan Party understands, acknowledges and agrees that the Payoff Conditions includes a fee, cost, and expense reserve in the amount of \$_____ (the "Expense Reserve"), which will be used to satisfy the fees, costs, expenses and any other amounts that are in each case Surviving Obligations or payable by the Loan Parties to Administrative Agent and/or any other member of the Lender Group (as such term is defined in each Credit Agreement, collectively the "Specified Lender Group") in connection with the Loan Documents, the Existing Documents, the termination of the Loan Documents and the Existing Documents, or the performance of the parties under this Payoff Letter, and will be held by Administrative Agent for such purpose until the date that is 120 days after the Payoff Date, upon which date Administrative Agent shall remit the unused portion of the Expense Reserve to Borrowers (or the Wind-Down Trust). For the avoidance of doubt, it is acknowledged and agreed that any amounts that Administrative Agent is required to (or otherwise determines to) to remit or return to the Borrowers or any other Loan Party pursuant to the terms of this letter, the Loan Documents, the Existing Loan Documents, or any Bank Product Agreements may instead be remitted or returned to the Wind-Down Trust and that Administrative Agent may treat any request, instruction or notice received from the Wind-Down Trust as though it were a request, instruction or notice from the applicable Loan Party and is authorized by the Loan Parties to act in accordance therewith at Administrative Agent's discretion. If the Specified Lender Group incurs fees, costs, expenses or other amounts with respect to the Loan Documents, the Existing Loan Documents, the termination of the Loan Documents and the Existing Loan Documents, any Specified Letter of Credit, any Bank Product Agreements or the performance of the parties under this Payoff Letter that exceed the Expense Reserve after the Expense Reserve has been applied to pay such obligations, or if the Specified Lender Group incurs fees, costs, expenses or other amounts described above or otherwise constituting Surviving Obligations after the balance of the Expense Reserve has been remitted to Borrowers (or the Wind-Down Trust), the Loan Parties shall reimburse the Administrative Agent and the other members of the Specified Lender Group, promptly after receipt of a demand therefor (and in any event within five (5) Business Days of the date of such demand by Administrative Agent), for the full amount of all such fees, costs, expenses or other amounts.

Each Loan Party understands, acknowledges and agrees that the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement will continue to accrue with respect to any Specified Letter of Credit, so long as such Specified Letter of Credit remains outstanding after the Payoff Date. Additionally, other charges, commissions, fees and/or costs relating to the Specified Letters of Credit and payable in accordance with the terms of the DIP Credit Agreement will continue to accrue while any Specified Letter of Credit remains outstanding after the Payoff Date. Each Loan Party understands, acknowledges and agrees that all of such charges, commissions, fees and/or costs (including, without limitation, the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement) shall be reimbursed to the DIP Agent and/or the applicable Issuing Lender promptly after receipt of a written demand therefor by DIP Agent (and in any event within five Business Days of the date of such written demand by Administrative Agent). In addition to the foregoing, each Loan Party understands, acknowledges and agrees that any such charges,

commissions, fees and/or costs (including, without limitation, the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement) may be satisfied (i) by Administrative Agent utilizing the Expense Reserve, and/or (ii) by DIP Agent drawing such amount from the Letter of Credit Cash Collateral, and if Borrowers (or the Wind-Down Trust) direct the payment of such amounts owed from the amounts described in clause (ii), DIP Agent shall apply such amounts from the Letter of Credit Cash Collateral to pay or reimburse such owed amounts. Each Borrower hereby grants to DIP Agent a security interest in the Letter of Credit Cash Collateral and the L/C Deposit Account to secure the obligations of such Borrower to DIP Agent and/or the applicable Issuing Lender in respect of any Specified Letters of Credit and any other amounts described in this paragraph. Each Loan Party understands, acknowledges and agrees that the Letter of Credit Cash Collateral shall be held by DIP Agent for such purpose until all of the amounts in respect of any Specified Letters of Credit and any other obligations described in this paragraph with respect to the Specified Letters of Credit have been satisfied. If, as of any date of determination, one or more Specified Letters of Credit has expired by its terms, has been received by the applicable Issuing Lender for cancellation in accordance with its procedures, or has been fully drawn with no remaining future potential draws thereunder, and in each case is of no further force and effect (any such Specified Letter of Credit, a "Cancelled Specified Letter of Credit"), and all reimbursement obligations of the Loan Parties in respect of any draws thereunder and all accrued and unpaid fees and expenses with respect thereto have been fully paid and satisfied (including by virtue of the application of Letter of Credit Cash Collateral thereto), and the remaining amount of Letter of Credit Cash Collateral then exceeds 105% of the undrawn amount of the Specified Letters of Credit that are not Cancelled Specified Letters of Credit (any such excess, the "Excess Letter of Credit Cash Collateral Balance"), DIP Agent shall promptly direct that the Excess Letter of Credit Cash Collateral Balance be remitted to a deposit account of the Borrowers (or the Wind-Down Trust) that is not the L/C Deposit Account or the Bank Product Deposit Account promptly following Borrowers' (or the Wind-Down Trust's) detailed written request therefor.

Each Borrower hereby grants to DIP Agent a security interest in the Bank Product Cash Collateral and the Bank Product Deposit Account to secure the obligations of such Borrower to DIP Agent and/or any other member of the Specified Lender Group in respect of any Bank Products (as such term is defined in each Credit Agreement) that will remain outstanding after the Payoff Date, and agrees that DIP Agent may apply the Bank Product Cash Collateral to satisfy any Bank Product Obligations, and if Borrowers (or the Wind-Down Trust) direct the DIP Agent to make payment of such Bank Product Obligations owed from the Bank Product Cash Collateral (except in the case of Bank Product Obligations related to purchase cards or credit cards, unless the line of credit under such purchase cards or credit cards has been closed and no further borrowings may be made thereunder), Administrative Agent shall apply such amounts from the Bank Product Cash Collateral to pay or reimburse such owed Bank Product Obligations. Each Loan Party understands, acknowledges and agrees that the Bank Product Cash Collateral shall be held by DIP Agent for such purpose until all of the Bank Product Obligations described in this paragraph have been satisfied, no Bank Products remain outstanding and DIP Agent has determined in its reasonable discretion that DIP Agent does not expect any further Bank Product Obligations to arise with respect to such terminated Bank Products, or otherwise determines in its reasonable discretion that such Bank Product Cash Collateral is no longer required to secure any such Bank Product Obligations. Thereafter, any remaining Bank Product Cash Collateral shall be remitted by DIP Agent to a deposit account of the Borrowers (or the Wind-Down Trust) that is not

the L/C Deposit Account or the Bank Product Deposit Account promptly following the Borrowers' (or the Wind-Down Trust's) detailed written request therefor.

This letter shall not be effective if all of the Payoff Conditions have not been satisfied on or before 1:00 p.m. (Pacific time) on September [], 2019 (the "Termination Time"). **[to be the date of the letter is issued on payoff date, or the next day if issued the night before the payoff date]** Subject to the timely satisfaction of all of the Payoff Conditions, (i) Administrative Agent authorizes Loan Parties or their designees to terminate the UCC Financing Statements listed on Exhibit A attached hereto, (ii) Administrative Agent authorizes Loan Parties or their designees to terminate the PPSA and RPMRR Financing Statements listed on Exhibit B attached hereto, (iii) on the Payoff Date, Administrative Agent shall execute and electronically deliver to Borrowers trademark releases and patent releases in the forms circulated by Administrative Agent to the Loan Parties prior to the date hereof with respect to filings against trademarks of the Loan Parties filed by Administrative Agent under the Existing Loan Documents with the United States Patent and Trademark Office and the Canadian Intellectual Property Office (and the Loan Parties and their designees are on such date and thereafter authorized to file such Trademark Release with the applicable intellectual property office, (iv) on the Payoff Date Administrative Agent shall execute and electronically deliver a deed of trust release with respect to the deed of trust executed by Pacific Coast Feather, LLC under the Existing Loan Documents with respect to real property owned by it and located in Henderson County, North Carolina in the form circulated by Administrative Agent to the Loan Parties prior to the date hereof, and the Loan Parties and their designees are on such date and thereafter authorized to file such deed of trust release in the applicable real estate records, (v) the Administrative Agent shall execute and deliver the terminations of deposit account control agreements with respect to deposit accounts (other than the L/C Deposit Account and the Bank Product Deposit Account) in the forms delivered by Administrative Agent to the Loan Parties prior to the date hereof (it being understood that Administrative Agent is not responsible for causing Term Loan Agent to countersign such terminations), (vi) the Loan Parties are authorized to deliver this letter to any landlord or bailee to evidence the repayment in full of the Obligations and the termination of any landlord waiver or other collateral access agreement executed in connection with the Loan Documents or the Existing Loan Documents, and (vii) Administrative Agent shall subsequently deliver to Borrowers (or the Wind-Down Trust), without recourse, representation or warranty, and at the sole cost and expense of Borrowers (or the Wind-Down Trust, as applicable), any other lien releases, terminations or further instruments pertaining to the liens and security interests of Administrative Agent (or any Lender) in any of the property of the Loan Parties, as Borrowers (or the Wind-Down Trust) may reasonably request, in connection with Administrative Agent's above-described release and termination of its security interests and liens in the property of the Loan Parties (and the Loan Parties and their designees are thereafter authorized to file or deliver to the applicable third party such lien releases or further instruments).

Loan Parties agree to jointly and severally reimburse Administrative Agent, promptly upon demand (and in any event within ten (10) Business Days after such demand), for any reasonable and documented out-of-pocket costs and expenses incurred by Administrative Agent in connection with the release and termination of its liens (including without limitation reasonable and documented attorneys' fees and expenses). Subject to the terms and conditions of this letter, Loan Parties shall continue to be obligated with respect to the Letter of Credit Obligations, Surviving Obligations and Bank Product Obligations. Notwithstanding anything

contained herein to the contrary, (x) the terms of the Prepetition Credit Agreement and the Existing Loan Documents that expressly survive the repayment of the Prepetition Obligations (defined below) and termination of the Prepetition Credit Agreement shall remain in full force and effect, and (y) the terms of the DIP Credit Agreement and the Loan Documents that expressly survive the repayment of the DIP Obligations (defined below) and termination of the DIP Credit Agreement shall remain in full force and effect.

Each Loan Party acknowledges and agrees that:

(i) the amounts referred to in this letter as monetary obligations of the Loan Parties are enforceable obligations of the Loan Parties payable to Administrative Agent and the Lenders pursuant to the provisions of the Credit Agreements, the Loan Documents, and the Existing Loan Documents without any deduction, offset, defense or counterclaim;

(ii) prior to the Payoff Date, nothing contained herein shall constitute a waiver of any (x) Default or Event of Default or of Administrative Agent's and the Lenders' rights and remedies under the DIP Credit Agreement or any other Loan Document or (y) Default (as defined in the Prepetition Credit Agreement) or Event of Default (as defined in the Prepetition Credit Agreement) or of Administrative Agent's and the Lenders' rights and remedies under the Prepetition Credit Agreement or any other Existing Loan Document; and

(iii) as of the Payoff Date, the Administrative Agent, the Lenders, the Issuing Lenders (as such term is defined in each Credit Agreement, collectively the "Specified Issuing Lenders") and their respective participants, if any, shall have no further (A) commitment to provide loans or letters of credit or other financial accommodations under the Credit Agreements, the Loan Documents, the Existing Loan Documents, or the Plan or (B) obligation, duty or responsibility under the Credit Agreements, any Loan Document, any Existing Loan Document, the Plan or any other document or agreement executed and/or deliver in connection therewith.

In the event that in calculating the Payoff Amount, Administrative Agent gave credit to any check or other item of payment received from the Loan Parties or constituting proceeds of Collateral (as defined in the Prepetition Credit Agreement) or Collateral by applying the amount thereof to the Obligations (as defined in the Prepetition Credit Agreement, the "Prepetition Obligations") or the Obligations (the "DIP Obligations") and such check or other item of payment is subject to a claim or refund, or is reversed or returned for any reason (including insufficient funds or non-payment), the Loan Parties jointly and severally agree to reimburse and pay, on demand, to Administrative Agent the amount of any such check or other item of payment, together with any losses, liabilities, charges, expenses and fees associated therewith. The Loan Parties jointly and severally further agree to reimburse and pay, on demand, to Administrative Agent any amounts required to be paid by Administrative Agent, whether as an indemnification payment or otherwise, under any lockbox, blocked account or account control arrangement entered into by Administrative Agent in connection with the Credit Agreements, the Loan Documents, or the Existing Loan Documents, together with any losses, liabilities, charges, expenses and fees associated therewith. Loan Parties jointly and severally further agree to reimburse and pay, on demand, to Administrative Agent (i) any amounts which Administrative Agent and the Lenders may have incurred or may now or hereafter incur in connection with the transactions contemplated hereby which have not as yet been reflected in the Loan Parties' loan accounts which the Loan Parties are, or may be, required to bear pursuant to the Credit Agreements, the Loan Documents,

or the Existing Loan Documents and/or (ii) any amounts which Administrative Agent and the Lenders may incur as a result of errors in calculation of any amounts due Administrative Agent and the Lenders by the Loan Parties.

The parties hereto agree that no further Revolving Loans or other extension of credit may be made or requested, and no further Letters of Credit may be requested or issued, on or after the date hereof, unless and until this letter agreement expires by its terms at the Termination Time prior to the Payoff Date.

All of the Specified Letters of Credit contain terms regarding the automatic extension of the expiration dates set forth therein. Each Loan Party understands, acknowledges and agrees that (a) it is not Administrative Agent's intention to extend any expiration date in any Specified Letter of Credit, and (b) that Administrative Agent intends to provide to each beneficiary under each Specified Letter of Credit that contains such automatic extension language written notice that Administrative Agent elects not to extend the expiration date in such Specified Letter of Credit. Each Loan Party understands, acknowledges and agrees that the outstanding obligations owing to Administrative Agent with respect to any Specified Letter of Credit that have not been satisfied in full on the expiration date set forth in such Specified Letter of Credit (plus any charges, commissions, fees and/or costs that have accrued and are unpaid with respect to such Specified Letter of Credit on such date) may be satisfied from the Letter of Credit Cash Collateral and/or the Expense Reserve, and if the Borrowers (or the Wind-Down Trust) direct the payment of such amounts owed from the Letter of Credit Cash Collateral, Administrative Agent shall apply such amounts from the Letter of Credit Cash Collateral to pay or reimburse such owed amounts.

Notwithstanding anything herein to the contrary, if any payment or transfer (or any portion thereof) to Administrative Agent, any Lender, any Specified Issuing Lender or any of their respective participants shall be subsequently invalidated, declared to be fraudulent or a fraudulent conveyance or preferential, avoided, rescinded, set aside or otherwise required to be return or repaid, whether in bankruptcy, reorganization, insolvency or similar proceedings involving any Loan Party or otherwise, then the obligations purportedly satisfied with such payment or transfer shall immediately be reinstated, without need for any action by any Person, and shall be enforceable against the Loan Parties and their successors and assigns as if such payment had never been made (in which case this letter agreement shall in no way impair the claims of Administrative Agent, the Lenders, Specified Issuing Lenders and their respective participants with respect to such payment or transfer).

Notwithstanding anything contained herein to the contrary, nothing contained herein shall affect the liabilities, obligations or indebtedness of any of the Loan Parties to Wells Fargo or any of its Affiliates with respect to any deposit accounts or cash management arrangements.

THIS LETTER SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE AND JURY TRIAL WAIVER SET FORTH IN ARTICLE 12 OF THE DIP CREDIT AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[signature pages follow]

This letter may be signed in multiple counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument. One or more counterparts of this letter may be delivered by facsimile, electronic mail or other electronic transmission, with the intention that they shall have the same effect as an original counterpart thereof.

Very truly yours,

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**, a national banking association, in its
capacity as Administrative Agent

By: _____
Name: _____
Its: _____

Accepted and agreed as of the date first written above
by:

DREAM II HOLDINGS, LLC, a Delaware limited
liability company

By: _____
Name: _____
Title: _____

HOLLANDER HOME FASHIONS HOLDINGS, a
Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS, LLC, a
Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS KENTUCKY,
LLC, a Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS CANADA
LIMITED, a British Columbia corporation,
PACIFIC COAST FEATHER, LLC, a Delaware
limited liability company,
PACIFIC COAST FEATHER CUSHION, LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____

Acknowledged as of the date first written above by:

SENTINEL CAPITAL PARTNERS V, L.P.

By: Sentinel Partners V, L.P.
Its: General Partner

By: Sentinel Managing Company V, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

SENTINEL DREAM BLOCKER, INC.

By: _____
Name: _____
Title: _____

SENTINEL CAPITAL INVESTORS V, L.P.

By: Sentinel Partners V, L.P.
Its: General Partner

By: Sentinel Managing Company V, Inc.
Its: General Partner

By: _____
Name: _____
Title: _____

SCHEDULE I

Specified Letters of Credit

[To come]

EXHIBIT A

UCC Financing Statements

Debtor	Jurisdiction	File Number	File Date
DREAM II HOLDINGS, LLC	Delaware SOS	20144234886	10/21/2014
DREAM II HOLDINGS, LLC	Delaware SOS	20193566903	05/23/2019
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20131190488	03/28/2013
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20144234878	10/21/2014
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20193566952	05/23/2019
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20131190496	03/28/2013
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20144235099	10/21/2014
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20193566978	05/23/2019
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20134024700	10/14/2013
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20144235107	10/21/2014
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20193566994	05/23/2019
Pacific Coast Feather Cushion, LLC	Delaware SOS	20173960934	06/16/2017
Pacific Coast Feather Cushion, LLC	Delaware SOS	20174808371	07/20/2017
Pacific Coast Feather Cushion, LLC	Delaware SOS	20193566986	05/23/2019
Pacific Coast Feather, LLC	Delaware SOS	20173960918	06/16/2017
Pacific Coast Feather, LLC	Delaware SOS	20174808280	07/20/2017
Pacific Coast Feather, LLC	Delaware SOS	20193566960	05/23/2019

Debtor	Jurisdiction	File Number	File Date
Pacific Coast Feather, LLC	Vance County, North Carolina	BK 1336 PG 0698	12/07/2017
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2013037075	03/29/2013
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2014096924	10/22/2014
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2019054282	05/23/2019
PACIFIC COAST FEATHER CUSHION CO.	Washington SOS	2017-160-6404-5	06/09/2017
Pacific Coast Feather, LLC	Washington SOS	2017-160-6405-2	06/09/2017

EXHIBIT B

PPSA and RPMRR Financing Statements

I. ONTARIO

1. *PERSONAL PROPERTY SECURITY ACT (Ontario)*

(a) Hollander Sleep Products Canada Limited

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	751354866 - 20190517 1654 1590 7032 (2 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	700434072 – 20141006 1036 1590 1471 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	687069954- 20130521 1613 1590 0908 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	687069963- 20130521 1614 1590 0909 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	685559898 – 20130326 1416 1590 7686 (7 years)

(b) Hollander Sleep Products, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products, LLC	751354902 - 20190517 1655 1590 7034 (2 years)

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products, LLC	685559871- 20130326 1415 1590 7685 (7 years)

(c) Pacific Coast Feather, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Pacific Coast Feather, LLC	751354884 – 20190517 1655 1590 7033 (2 years)

(d) Dream II Holdings, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Dream II Holdings, LLC	751354911 – 20190517 1655 1590 7035 (2 years)
Wells Fargo Bank, National Association, as Administrative Agent	Dream II Holdings, LLC	700465698 – 20141006 1522 1590 1510 (6 years)

II. BRITISH COLUMBIA

1. *PERSONAL PROPERTY SECURITY ACT* (British Columbia)

(a) Hollander Sleep Products Canada Limited

Secured Party(ies)	Debtor(s)	Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	Regn No.: 218436I Regn Date: October 6, 2014 Expiry Date: October 6, 2024
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	Regn No.: 508604L Regn Date: May 17, 2019 Expiry Date: May 17, 2021

III. QUEBEC

1. REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS (QUÉBEC)

(a) Hollander Sleep Products Canada Limited

Registration No. Reg. Date & Time Expiry Date Date: YY/MM/D D	Parties	Nature of Registration Amount (Cdn \$) Interest Rate
13-0434421-0001 2013- 05-24 14:10 2023-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum
13-0434421-0002 2013- 05-24 14:10 2023-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum
14-0984645-0001 2014- 10-21 14:28 2024-10-21	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum
19-0551273-0001 2019-05-24 9:00 2029-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$200,000,000 25% per annum

EXHIBIT C

Participant Wire Instructions and Amounts

Sentinel Capital Partners V, L.P. Wire Amount: \$[] (amount includes out-of-pocket expenses)

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4986248667
Account Name: Sentinel Capital Partners V, L.P. Attention Mike Ferrante 212-559-1596

Sentinel Capital Partners V-A, L.P. Wire Amount: \$[]

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4987276600
Account Name: Sentinel Capital Partners V-A, L.P. Attention Mike Ferrante 212-559-1596

Sentinel Capital Investors V, L.P. Wire Amount: \$[]

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4986248624
Account Name: Sentinel Capital Investors V, L.P. Attention Mike Ferrante 212-559-1596

Exhibit E-1

Redline of Exhibit E to Exhibit E of the Initial Plan Supplement

[*SUBJECT TO REVIEW AND NEGOTIATION*]

[September [], 2019

Dream II Holdings, LLC
 Hollander Home Fashions Holdings, LLC
 Hollander Sleep Products, LLC
 Hollander Sleep Products Kentucky, LLC
 Hollander Sleep Products Canada Limited
 Pacific Coast Feather, LLC
 Pacific Coast Feather Cushion, LLC
 c/o Hollander Sleep Products, LLC
 6501 Congress Avenue Suite 300
 Boca Raton, Florida 33487
 Attn: Marc Pfefferle

Re: DREAM II HOLDINGS, LLC, a Delaware limited liability company ("Parent"), HOLLANDER HOME FASHIONS HOLDINGS, LLC, a Delaware limited liability company ("HHFH"), HOLLANDER SLEEP PRODUCTS, LLC (formerly known as Hollander Home Fashions, LLC), a Delaware limited liability company ("HSP"), HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC, a Delaware limited liability company ("Hollander Kentucky"), PACIFIC COAST FEATHER, LLC, a Delaware limited liability company ("PCF"), and PACIFIC COAST FEATHER CUSHION, LLC, a Delaware limited liability company ("Cushion"; HHFH, HSP, Hollander Kentucky, PCF and Cushion, are collectively, the "US Borrowers" and each individually a "US Borrower"), and HOLLANDER SLEEP PRODUCTS CANADA LIMITED (formerly known as Hollander Canada Home Fashions Limited), a British Columbia corporation ("Canadian Borrower"; US Borrowers and Canadian Borrower are collectively, the "Borrowers" and each individually a "Borrower"; Parent and Borrowers, are collectively, the "Loan Parties" and each individually a "Loan Party")

Ladies and Gentlemen:

Reference is hereby made to that certain (a) Third Amended and Restated Credit Agreement dated as of June 9, 2017 (as amended, restated, supplemented or otherwise modified to date, the "Prepetition Credit Agreement") by and among the Loan Parties, Wells Fargo Bank, National Association (~~"Wells Fargo"~~), as administrative agent (in such capacity, the "Prepetition Agent") for the Prepetition Lenders (as defined below), and the lenders party thereto (the "Prepetition Lenders"), ~~Wells Fargo Bank, as sole lead arranger (in such capacity, the "Sole Lead Arranger"), and Wells Fargo Bank, as sole book runner (in such capacity, the "Sole Book Runner"),~~ (b) Debtor-in-Possession Credit Agreement dated as of May 23, 2019 (as amended, restated, supplemented or otherwise modified to date, the "DIP Credit Agreement"; together with the Prepetition Credit Agreement, the "Credit Agreements") by and among the Loan Parties, Wells Fargo, as administrative agent (in such capacity, the "DIP Agent"; together with the Prepetition Agent, the "Administrative Agent") for the DIP Lenders (as defined below), and the

lenders party thereto (the "DIP Lenders"; collectively with the Prepetition Lenders, the "Lenders"), pursuant to which the DIP Lenders have provided certain loans and other financial accommodations to the Borrowers, and (c) First Amended Joint Plan of Reorganization of Hollander Sleep Products, LLC, Et Al., Pursuant to Chapter 11 of the Bankruptcy Code, dated as of July 21, 2019 with respect to jointly administered Chapter 11 Case No. 19-11608-mew (Docket No. 233) (as further amended, restated, supplemented or otherwise modified to date, the "Plan"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the DIP Credit Agreement ~~or the Plan, as the context requires.~~ In the event of any inconsistency between the Plan and this letter with respect to the matters contemplated hereby, the terms of this letter shall control.

~~The~~ Administrative Agent has been informed by the Loan Parties that the Loan Parties will be selling substantially all of their assets (other than certain excluded assets) to Bedding Acquisition, LLC, and in connection therewith all of the liabilities, obligations and indebtedness owing by the Loan Parties to Administrative Agent and the Lenders under the Credit Agreements, other than the "Letter of Credit Obligations" (as defined below), the "Surviving Obligations" (as defined below), and the "Bank Product Obligations" (as defined below), will be paid in full in cash. If received by 1:30 p.m. (Pacific time) on September [___], 2019, the amount necessary pursuant to the Plan to pay all of the liabilities, obligations and indebtedness owing by Loan Parties to Administrative Agent and the Lenders under the Credit Agreements (other than the Letter of Credit Obligations, Surviving Obligations, Bank Product Obligations) is \$[_____] (the "Payoff Amount") ~~(provided, that such Payoff Amount shall be increased by a per diem amount of \$[_____] (the "Per Diem") for each day after 1:30 p.m. (Pacific time) on September [___], 2019 until the Payoff Date (as defined below); in respect of daily accruals of interest and fees).~~ "Letter of Credit Obligations" means the ~~contingent reimbursement~~ obligations of the Loan Parties under the DIP Credit Agreement and other Loan Documents in respect of Letters of Credit issued and outstanding on the date hereof[†] (the "Specified Letters of Credit") ~~and set forth on Schedule I hereto, including~~ the reimbursement obligations with respect to future honored drawings; and fees, charges, costs and expenses, in each case; arising after the Payoff Date, in respect of the Specified Letters of Credit required to be paid under the provisions of the DIP Credit Agreement ~~with respect thereto.~~ "Surviving Obligations" means the obligations of the Loan Parties under the Credit Agreements, the Loan Documents, and the Existing Loan Documents (including, in each case, indemnification obligations) that by the express terms of the Credit Agreements, the Loan Documents, and the Existing Loan Documents survive the termination of the Prepetition Credit Agreement or the DIP Credit Agreement, as applicable, and other obligations of the Loan Parties under this letter to reimburse the Administrative Agent and the Lenders for costs and expenses that may become due and payable after the date hereof, ~~in each case other than Letter of Credit Obligations and Bank Product Obligations.~~ "Bank Product Obligations" means, collectively, the obligations of the Loan Parties under (i) the Prepetition Credit Agreement, the Existing Loan Documents and the Bank Product Agreements (as defined in the Prepetition Credit Agreement) in respect of Bank Product Obligations (as such term is defined in the Prepetition Credit Agreement), excluding any Hedge Obligations (as such term is defined in the Prepetition Credit Agreement), and (ii) the DIP Credit Agreement, the Loan Documents and the Bank Product Agreements in respect of Bank Product Obligations, excluding any Hedge Obligations.

[†] ~~NTD: change made because all LCs rolled into the ABL DIP.~~

It is acknowledged and agreed that the Payoff Amount includes \$[] in the aggregate (the "Sentinel Amount") in respect of principal and accrued interest in respect of the Last Out Loans (which amount is net of the Last Out Loans Reduction Amount (as defined in the Plan), it being agreed by the parties hereto (including Agent on behalf of Lenders and by each of the Participants (as defined in the Participation Agreement) by their acknowledgment of this Letter) that the amount of principal and interest due and payable in respect of the Last Out Loans has been reduced with the consent of Agent, Lenders and Participants by the \$350,000 Last Out Loans Reduction Amount pursuant to the Plan) together with reasonable and documented fees and expenses of the Participants. By their acknowledgment of this letter, each Participant agrees that, upon DIP Agent's receipt of the Payoff Amount and payment of the Sentinel Amount pursuant to the wire instructions set forth on Exhibit C attached hereto, all of the obligations of DIP Agent and the DIP Lenders to each Participant under the Participation Agreement shall have been satisfied and the Participation Agreement shall be deemed to be terminated (except for such provisions of the Participation Agreement that expressly survive the termination of the Participation Agreement pursuant to the terms thereof).

The Loan Parties hereby represent and warrant that since July 21, 2019, the release provisions set forth in Article VIII.C of the Plan have not been amended, restated, or otherwise modified in a manner adverse to the rights and interests of the DIP Agent, Prepetition Agent, or any of the Lenders without their prior consent. The Loan Parties hereby agree that such release provisions set forth in Article VIII.C of the Plan are incorporated herein by reference, *mutatis mutandis*, and upon release by Administrative Agent of its signature hereto and the occurrence of the Payoff Date, the Loan Parties are bound by the terms of such release provisions with respect to Administrative Agent and the Lenders.

This letter will confirm that upon (A) receipt by ~~Administrative~~DIP Agent by wire transfer of (i) the Payoff Amount²~~plus the Per Diem, if any,~~ and (ii) \$ _____ in respect of the Expense Reserve (as hereinafter defined), to the following account of Administrative Agent:

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street,
San Francisco, CA
ABA Number: 121-000-248
Account Name: [] Wells Fargo
Bank, N.A.
A/C Number: []
37235547964504506
Reference: [] ~~[WF to confirm]~~
Hollander Sleep Products LLC-DIP

; (B) receipt by DIP Agent by wire transfer of immediately available funds in the aggregate amount of \$ _____ in respect of the Letter of Credit Obligations (such funds, the "Letter of Credit Cash Collateral") as cash collateral to be held by DIP Agent for the benefit of DIP

². ~~NTD: This should include expenses accrued up to the Closing Date or the day before.~~

Lenders (which amount is equal to 105% of the Letter of Credit Usage (as defined in each Credit Agreement) existing on the Payoff Date), to the following account ~~of Administrative Agent:~~

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street, San
Francisco, CA
ABA Number: 121-000-248
Account Name: {
Hollander Sleep Products, LLC
A/C Number: {
4879331007

Reference: [] [NTD:
**this will be a new account opened
in the name of a Hollander entity
to hold the LC cash collateral**]

; (C) receipt by ~~Administrative~~DIP Agent by wire transfer of immediately available funds in the aggregate amount of \$ _____ (the "Bank Product Cash Collateral") as cash collateral to be held by Administrative Agent for the benefit of the Bank Product Providers (~~as such term is defined in each Credit Agreement, collectively the "Specified Bank Product Providers"~~) with respect to Bank Products (~~as such term is defined in each Credit Agreement~~), to the following account ~~of Administrative Agent:~~

Bank: Wells Fargo Bank, N.A.
420 Montgomery Street, San
Francisco, CA
ABA Number: 121-000-248
Account Name: {
Hollander Sleep Products, LLC
A/C Number: []
4275529162

Reference: [] [NTD: **to
be a new account (or the previously
opened treasury cash collateral
account) opened in the name of a
Hollander entity to hold treasury
cash collateral**]

; (D) a fully-executed Control Agreement with respect to the Deposit Account holding the Letter of Credit Cash Collateral (the "L/C Deposit Account"), in the form ~~and substance reasonably satisfactory to Administrative Agent~~circulated by DIP Agent to Borrowers prior to the date hereof; and (E) a fully-executed Control Agreement with respect to the Deposit Account holding the Bank Product Cash Collateral (the "Bank Product Deposit Account"), in the form ~~and substance reasonably satisfactory to Administrative Agent~~ (circulated by DIP Agent to Borrowers prior to the date hereof) (the conditions described in the foregoing clauses (A), (B), (C), (D), and (E), collectively the "Payoff Conditions") [NTD: **TBD if any amendments to**

Bank Product Agreements or any other items will be required; WF believes one will be needed but may be done before the letter is issued], (1) the liens and security interests of Administrative Agent in any and all of the real, mixed and personal property of Loan Parties granted under each of the Prepetition Credit Agreement, the DIP Credit Agreement, the Loan Documents, or the Existing Loan Documents shall automatically, irrevocably and immediately be deemed to be released and terminated, (2) all liabilities, obligations, guaranties and indebtedness owing by Loan Parties or any of their affiliates to Administrative Agent and the Lenders under the each of ~~the~~ Credit Agreements, the Loan Documents, and the Existing Loan Documents (other than the Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations), shall automatically, irrevocably and immediately be deemed to have been satisfied in full and discharged, and (3) all Loan Documents and Existing Loan Documents shall automatically, irrevocably and immediately terminate and have no further force or effect, other than with respect to the Surviving Obligations; provided, that (i) Section 12 of each Credit Agreement relating to governing law, consent to jurisdiction and jury trial waiver, shall remain in full force and effect, (ii) all ~~obligations of the Borrowers with respect to any Specified Letter of Credit under~~ provisions of the DIP Credit Agreement regarding Specified Letters of Credit shall remain full force and effect with respect to Specified Letters of Credit ~~that remain outstanding after the Payoff Date (such remaining Specified Letters of Credit, each a "Remaining Letter of Credit", and collectively, the "Remaining Letters of Credit")~~, including, without limitation, reimbursement obligations of ~~Borrowers under the DIP Credit Agreement~~ any Loan Party (and/or any guaranties thereof by the Loan Parties) under any Loan Document or Existing Loan Document in connection with any ~~such Remaining~~ Specified Letters of Credit (including, without limitation, (y) the Letter of Credit fee set forth in Section 2.6(b) of each Loan Agreement, and (z) any and all other charges, commissions, fees and/or costs incurred in connection therewith pursuant to the terms of any Loan Document and Existing Loan Document) shall (~~subject to~~ as the same may be expressly modified by the provisions of this letter agreement) remain in full force and effect ~~until such time as such Remaining Letter of Credit is received by the issuer thereof for cancellation or expires by its own terms~~, (iii) any Bank Product Agreements (as defined in each Credit Agreement) that are allowed by the respective ~~Specified~~ Bank Product Provider to remain outstanding after the Payoff Date shall remain in full force and effect, (iv) the security interest granted to Administrative Agent in the Letter of Credit Cash Collateral and the L/C Deposit Account pursuant to this Payoff Letter shall continue in full force and effect on and after the date of this Payoff Letter until the unapplied amount of the Letter of Credit Cash Collateral is returned by ~~(or required to be returned by)~~ Administrative Agent to Borrowers (or the Wind-Down Trust (as defined in the Plan) (the "Wind-Down Trust")), and (v) the security interest granted to Administrative Agent in the Bank Product Cash Collateral and the Bank Product Deposit Account pursuant to this Payoff Letter shall continue in full force and effect on and after the date of this Payoff Letter until the unapplied amount of the Bank Product Cash Collateral is returned by ~~(or required to be returned by)~~ Administrative Agent to Borrowers or the Wind-Down Trust.

The Business Day upon which all of the Payoff Conditions have been satisfied is the "Payoff Date".

Each Loan Party understands, acknowledges and agrees that the Payoff Conditions includes a ~~payment fee, cost, and expense reserve~~ in the amount of \$ _____ ~~for a fee, cost, and expense reserve~~ (the "Expense Reserve"), which will be used to satisfy the fees,

costs, expenses and any other amounts that are in each case Surviving Obligations ~~from time to time after the date hereof due and~~ payable by the Loan Parties to Administrative Agent and/or any other member of the Lender Group (as such term is defined in each Credit Agreement, collectively the "Specified Lender Group") ~~pursuant to the terms of~~ in connection with the Loan Documents, the Existing Documents, ~~or are costs and expenses owed by the Borrowers~~ the termination of the Loan Documents and the Existing Documents, or the performance of the parties under this Payoff Letter, and will be held by Administrative Agent for such purpose until the ~~earlier of (i) the date on which all of such fees, costs, expenses and other amounts payable in connection with the Loan Documents the Existing Documents or under this Payoff Letter have been paid, and (ii) the date that is ninety (9120)~~ days after the Payoff Date, upon which ~~earlier~~ date Administrative Agent shall remit the unused portion of the Expense Reserve to Borrowers (or the Wind-Down Trust). For the avoidance of doubt, it is acknowledged and agreed that any amounts that Administrative Agent is required to (or otherwise determines to) to remit or return to the Borrowers or any other Loan Party ~~pursuant to the terms of this letter, the Loan Documents, the Existing Loan Documents, or any Bank Product Agreements may instead be remitted or returned to the Wind-Down Trust and that Administrative Agent may treat any request, instruction or notice received from the Wind-Down Trust as though it were a request, instruction or notice from the applicable Loan Party and is authorized by the Loan Parties to act in accordance therewith at Administrative Agent's discretion.~~ If the Specified Lender Group incurs fees, costs, expenses or other amounts ~~constituting Surviving Obligations or~~ with respect to the Loan Documents, the Existing Loan Documents, the termination of the Loan Documents and the Existing Loan Documents, any Specified Letter of Credit, any Bank Product Agreements or the performance of the parties under this Payoff Letter that exceed the Expense Reserve after the Expense Reserve has been applied to pay such obligations, or if the Specified Lender Group incurs fees, costs, expenses or other amounts described above or otherwise constituting Surviving Obligations ~~or with respect to the performance of the parties under this Payoff Letter~~ after the balance of the Expense Reserve has been remitted to Borrowers (or the Wind-Down Trust), the Loan Parties shall reimburse the Administrative Agent and the other members of the Specified Lender Group, promptly after receipt of a demand therefor (and in any event within five (5) Business Days of the date of such demand by Administrative Agent), for the full amount of all such fees, costs, expenses or other amounts.

Each ~~Borrower~~ Loan Party understands, acknowledges and agrees that the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement will continue to accrue with respect to any ~~Remaining Specified~~ Letter of Credit, so long as such ~~Remaining Specified~~ Letter of Credit remains outstanding after the Payoff Date ~~(i.e., until such time as such Remaining Letter of Credit is received by the issuer thereof for cancellation or expires by its own terms)~~. Additionally, other charges, commissions, fees and/or costs relating to the ~~Remaining Specified~~ Letters of Credit and payable in accordance with the terms of the DIP Credit Agreement will continue to accrue while any ~~Remaining Specified~~ Letter of Credit remains outstanding after the Payoff Date. Each ~~Borrower~~ Loan Party understands, acknowledges and agrees that all of such charges, commissions, fees and/or costs (including, without limitation, the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement) shall be reimbursed to the DIP Agent³ and/or the applicable Issuing Lender promptly after receipt of a written demand therefor by DIP Agent (and in any event within five Business Days of the date of such written demand by Administrative Agent). In addition to the foregoing, each ~~Borrower~~ Loan Party understands,

³. ~~NTD: would expect no other Lenders are incurring expenses related to the LCs other than the issuer.~~

acknowledges and agrees that any such charges, commissions, fees and/or costs (including, without limitation, the Letter of Credit fee set forth in Section 2.6(b) of each Credit Agreement) may be satisfied (i) by Administrative Agent utilizing the Expense Reserve, and/or (ii) by DIP Agent drawing such amount from the Letter of Credit Cash Collateral, and if Borrowers (or the Wind-Down Trust) direct the payment of such amounts owed from the amounts described in clause (i) or (ii), ~~Administrative Agent or DIP Agent, as applicable, Administrative Agent or DIP Agent, as applicable, shall immediately~~ shall apply such amounts from ~~the Expense Reserve or from~~ the Letter of Credit Cash Collateral to pay or reimburse such owed amounts. Each Borrower hereby grants to DIP Agent a security interest in the Letter of Credit Cash Collateral and the L/C Deposit Account to secure the obligations of such Borrower to DIP Agent and/or the applicable Issuing Lender in respect of any Remaining Specified Letters of Credit and any other amounts described in this paragraph. Each ~~Borrower~~ Loan Party understands, acknowledges and agrees that the Letter of Credit Cash Collateral shall be held by DIP Agent for such purpose until all of the amounts in respect of any Remaining Specified Letters of Credit and any other obligations ~~of the Borrowers~~ described in this paragraph with respect to the Remaining Specified Letters of Credit have been satisfied. ~~Thereafter If, as of any remaining Letter of Credit Cash Collateral shall be promptly returned by the Administrative Agent to the Borrowers, date of determination, one or more Specified Letters of Credit has expired by its terms, has been received by the applicable Issuing Lender for cancellation in accordance with its procedures, or has been fully drawn with no remaining future potential draws thereunder, and in each case is of no further force and effect (any such Specified Letter of Credit, a "Cancelled Specified Letter of Credit"), and all reimbursement obligations of the Loan Parties in respect of any draws thereunder and all accrued and unpaid fees and expenses with respect thereto have been fully paid and satisfied (including by virtue of the application of Letter of Credit Cash Collateral thereto), and the remaining amount of Letter of Credit Cash Collateral then exceeds 105% of the undrawn amount of the Specified Letters of Credit that are not Cancelled Specified Letters of Credit (any such excess, the "Excess Letter of Credit Cash Collateral Balance"), DIP Agent shall promptly direct that the Excess Letter of Credit Cash Collateral Balance be remitted to a deposit account of the Borrowers (or the Wind-Down Trust) that is not the L/C Deposit Account or the Bank Product Deposit Account promptly following Borrowers' (or the Wind-Down Trust's) detailed written request therefor.~~

Each Borrower hereby grants to ~~Administrative~~ DIP Agent a security interest in the Bank Product Cash Collateral and the Bank Product Deposit Account to secure the obligations of such Borrower to ~~Administrative~~ DIP Agent and/or any other member of the Specified Lender Group in respect of any Bank Products (as such term is defined in each Credit Agreement) that will remain outstanding after the Payoff Date, and agrees that ~~Administrative~~ DIP Agent may apply the Bank Product Cash Collateral to satisfy any Bank Product Obligations, and if Borrowers (or the Wind-Down Trust) direct the ~~Administrative~~ DIP Agent to make payment of such Bank Product Obligations owed from the Bank Product Cash Collateral (except in the case of Bank Product Obligations related to purchase cards or credit cards, unless the line of credit under such purchase cards or credit cards has been closed and no further borrowings may be made thereunder), Administrative Agent shall ~~immediately~~ apply such amounts from the Bank Product Cash Collateral to pay or reimburse such owed Bank Product Obligations. Each Loan Party understands, acknowledges and agrees that the Bank Product Cash Collateral shall be held by ~~Administrative~~ DIP Agent for such purpose until all of the Bank Product Obligations described in this paragraph have been satisfied, no Bank Products

remain outstanding and DIP Agent has determined in its reasonable discretion that DIP Agent does not expect any further Bank Product Obligations to arise with respect to such terminated Bank Products, or otherwise determines in its reasonable discretion that such Bank Product Cash Collateral is no longer required to secure any such Bank Product Obligations. Thereafter, any remaining Bank Product Cash Collateral shall be ~~promptly—remit~~ returned by ~~the Administrative~~DIP Agent to a deposit account of the Borrowers (or the Wind-Down Trust) that is not the L/C Deposit Account or the Bank Product Deposit Account promptly following the Borrowers' (or the Wind-Down Trust's) detailed written request therefor.

This letter shall not be effective if all of the Payoff Conditions have not been satisfied on or before 1:30 p.m. (Pacific time) on September [___], 2019 (the ~~“Termination Date”~~). ~~Upon the Time”).~~ [to be the date of the letter is issued on payoff date, or the next day if issued the night before the payoff date] Subject to the timely satisfaction of all of the Payoff Conditions, (i) Administrative Agent authorizes Loan Parties or their designees to terminate the UCC Financing Statements listed on Exhibit A attached hereto, (ii) Administrative Agent authorizes Loan Parties or their designees to terminate the PPSA and RPMRR Financing Statements listed on Exhibit B attached hereto, (iii) on the Payoff Date, Administrative Agent shall execute and electronically deliver to Borrowers trademark releases and patent releases in the forms and substance satisfactory to circulated by Administrative Agent to the Loan Parties prior to the date hereof with respect to filings against trademarks of the Loan Parties filed by Administrative Agent under the Existing Loan Documents with the United States Patent and Trademark Office and the Canadian Intellectual Property Office; (and the Loan Parties and their designees are on such date and thereafter authorized to file such Trademark Release with the applicable intellectual property office, (iv) on the Payoff Date Administrative Agent shall execute and electronically deliver a deed of trust release with respect to the deed of trust executed by Pacific Coast Feather, LLC under the Existing Loan Documents with respect to real property owned by it and located in Henderson County, North Carolina in the form circulated by Administrative Agent to the Loan Parties prior to the date hereof, and the Loan Parties and their designees are on such date and thereafter authorized to file such deed of trust release in the applicable real estate records, (v) the Administrative Agent ~~authorizes the Loan Parties or their designees to~~ shall execute and deliver the ~~terminations any and all of~~ deposits or securities ~~account control agreements, landlord waivers or collateral access agreements in effect,~~ (vi) ~~on the Payoff Date, the~~ with respect to deposit accounts (other than the L/C Deposit Account and the Bank Product Deposit Account) in the forms delivered by Administrative Agent ~~shall return all original stock certificates, promissory notes or other possessory collateral and any instruments of assignment or transfer in connection therewith to the Loan Parties or the designees prior to the date hereof (it being understood that Administrative Agent is not responsible for causing Term Loan Agent to countersign such terminations),~~ (vi) the Loan Parties are authorized to deliver this letter to any landlord or bailee to evidence the repayment in full of the Obligations and the termination of any landlord waiver or other collateral access agreement executed in connection with the Loan Documents or the Existing Loan Documents, and (vii) Administrative Agent shall subsequently deliver to Borrowers (or the Wind-Down Trust), without recourse, representation or warranty, and at the sole cost and expense of Borrowers (or the Wind-Down Trust, as applicable), any other lien releases, terminations or further instruments pertaining to the liens and security interests of Administrative Agent (or any Lender) in any of the property of the Loan Parties, as Borrowers (or the Wind-Down Trust) may reasonably request, in connection with Administrative Agent's above-described release and

termination of its security interests and liens in the property of the Loan Parties (and the Loan Parties and their designees are thereafter authorized to file or deliver to the applicable third party such lien releases or further instruments).

~~Borrowers~~ Loan Parties agree to jointly and severally reimburse Administrative Agent, promptly upon demand (and in any event within ten (10) Business Days after such demand), for any reasonable and documented out-of-pocket costs and expenses incurred by Administrative Agent in connection with the release and termination of its liens (including without limitation reasonable and documented attorneys' fees and expenses). Subject to the terms and ~~provisions~~ conditions of this ~~Payoff Letter~~, ~~Borrowers~~, Loan Parties shall continue to be obligated with respect to the Letter of Credit Obligations, Surviving Obligations and Bank Product Obligations. ⁴Notwithstanding anything contained herein to the contrary, (x) the terms of the Prepetition Credit Agreement and the Existing Loan Documents that expressly survive the repayment of the Prepetition Obligations (defined below) and termination of the Prepetition Credit Agreement shall remain in full force and effect, and (y) the terms of the DIP Credit Agreement and the Loan Documents that expressly survive the repayment of the DIP Obligations (defined below) and termination of the DIP Credit Agreement shall remain in full force and effect.

Each Loan Party acknowledges and agrees that:

(i) the amounts referred to in ~~the fourth paragraph of this Payoff Letter~~ as monetary obligations of the Loan Parties are enforceable obligations of the Loan Parties payable to Administrative Agent and the Lenders pursuant to the provisions of the Credit Agreements, the Loan Documents, and the Existing Loan Documents without any deduction, offset, defense or counterclaim;

(ii) prior to the Payoff Date, nothing contained herein shall constitute a waiver of any (x) Default or Event of Default or of Administrative Agent's and the Lenders' rights and remedies under the DIP Credit Agreement or any other Loan Document or (y) Default (as defined in the Prepetition Credit Agreement) or Event of Default (as defined in the Prepetition Credit Agreement) or of Administrative Agent's and the Lenders' rights and remedies under the Prepetition Credit Agreement or any other Existing Loan Document; and

(iii) as of the Payoff Date, the Administrative Agent, the Lenders, the Issuing Lenders (as such term is defined in each Credit Agreement, collectively the "Specified Issuing Lenders") and their respective participants, if any, shall have no further (A) commitment to provide loans or letters of credit or other financial accommodations under the Credit Agreements, the Loan Documents, the Existing Loan Documents, or the Plan or (B) obligation, duty or responsibility under the Credit Agreements, any Loan Document, any Existing Loan Document, the Plan or any other document or agreement executed and/or deliver in connection therewith.

In the event that in calculating the Payoff Amount, Administrative Agent gave credit to any check or other item of payment received from the Loan Parties or constituting proceeds of Collateral (as defined in the Prepetition Credit Agreement) or Collateral by applying

⁴ ~~NTD: Duplicative of definition of Surviving Obligations and therefore covered by the preceding sentence.~~

the amount thereof to the Obligations (as defined in the Prepetition Credit Agreement, the "Prepetition Obligations") or the Obligations (the "DIP Obligations") and such check or other item of payment is subject to a claim or refund, or is reversed or returned for any reason (including insufficient funds or non-payment), the Borrowers Loan Parties jointly and severally agree to reimburse and pay, on demand, to Administrative Agent the amount of any such check or other item of payment, together with any losses, liabilities, charges, expenses and fees associated therewith. The Borrowers Loan Parties jointly and severally further agree to reimburse and pay, on demand, to Administrative Agent any amounts required to be paid by Administrative Agent, whether as an indemnification payment or otherwise, under any lockbox, blocked account or account control arrangement entered into by Administrative Agent in connection with the Credit Agreements, the Loan Documents, or the Existing Loan Documents, together with any losses, liabilities, charges, expenses and fees associated therewith. Borrowers Loan Parties jointly and severally further agree to reimburse and pay, on demand, to Administrative Agent (i) any amounts which Administrative Agent and the Lenders may have incurred or may now or hereafter incur in connection with the transactions contemplated hereby which have not as yet been reflected in the Loan Parties' loan accounts which the Loan Parties are, or may be, required to bear pursuant to the Credit Agreements, the Loan Documents, or the Existing Loan Documents and/or (ii) any amounts which Administrative Agent and the Lenders may incur as a result of errors in calculation of any amounts due Administrative Agent and the Lenders by the Loan Parties.

{The parties hereto agree that no further Revolving Loans or other extension of credit may be made or requested, and no further Letters of Credit may be requested or issued, on or after the date hereof, unless and until this letter agreement expires by its terms at the Termination Time prior to the Payoff Date.}

All of the Remaining Specified Letters of Credit contain terms regarding the automatic extension of the expiration dates set forth therein. Each Loan Party understands, acknowledges and agrees that (a) it is not Administrative Agent's intention to extend any expiration date in any Remaining Specified Letter of Credit, and (b) that Administrative Agent intends to provide to each beneficiary under each Remaining Specified Letter of Credit that contains such automatic extension language written notice that Administrative Agent elects not to extend the expiration date in such Remaining Specified Letter of Credit. Each Loan Party understands, acknowledges and agrees that the outstanding obligations owing to Administrative Agent with respect to any Remaining Specified Letter of Credit that have not been satisfied in full on the expiration date set forth in such Remaining Specified Letter of Credit (plus any charges, commissions, fees and/or costs that have accrued and are unpaid with respect to such Remaining Specified Letter of Credit on such date) may be satisfied from the Letter of Credit Cash Collateral and/or the Expense Reserve, and if the Borrowers (or the Wind-Down Trust) direct the payment of such amounts owed from the ~~the~~ Letter of Credit Cash Collateral ~~and/or the Expense Reserve~~, Administrative Agent shall ~~immediately~~ apply such amounts ~~from the Expense Reserve or~~ from the Letter of Credit Cash Collateral to pay or reimburse such owed amounts.

H Notwithstanding anything herein to the contrary, if any payment or transfer (or any portion thereof) to Administrative Agent, any Lender, any Specified Issuing Lender or any of their respective participants shall be subsequently invalidated, declared to be fraudulent or a

fraudulent conveyance or preferential, avoided, rescinded, set aside or otherwise required to be return or repaid, whether in bankruptcy, reorganization, insolvency or similar proceedings involving any Loan Party or otherwise, then the obligations purportedly satisfied with such payment or transfer shall immediately be reinstated, without need for any action by any Person, and shall be enforceable against the Loan Parties and their successors and assigns as if such payment had never been made (in which case this letter agreement shall in no way impair the claims of Administrative Agent, the Lenders, Specified Issuing Lenders and their respective participants with respect to such payment or transfer).

Notwithstanding anything contained herein to the contrary, nothing contained herein shall affect the liabilities, obligations or indebtedness of any of the Loan Parties to Wells Fargo ~~Bank~~ or any of its Affiliates with respect to any deposit accounts or cash management arrangements.

THIS LETTER SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE AND JURY TRIAL WAIVER SET FORTH IN ARTICLE 12 OF THE DIP CREDIT AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[signature pages follow]

This letter may be signed in multiple counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument. One or more counterparts of this letter may be delivered by facsimile, electronic mail or other electronic transmission, with the intention that they shall have the same effect as an original counterpart thereof.

Very truly yours,

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**, a national banking association, in its
capacity as Administrative Agent

By:_____

Name:_____

Its:_____

Accepted and agreed as of the date first written above
by:

DREAM II HOLDINGS, LLC, a Delaware limited
liability company

By: _____
Name: _____
Title: _____

HOLLANDER HOME FASHIONS HOLDINGS, a
Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS, LLC, a
Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS KENTUCKY,
LLC, a Delaware limited liability company,
HOLLANDER SLEEP PRODUCTS CANADA
LIMITED, a British Columbia corporation,
PACIFIC COAST FEATHER, LLC, a Delaware
limited liability company,
PACIFIC COAST FEATHER CUSHION, LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____

Acknowledged as of the date first written above by:

SENTINEL CAPITAL PARTNERS V, L.P.

By: Sentinel Partners V, L.P.

Its: General Partner

By: Sentinel Managing Company V, Inc.

Its: General Partner

By: _____

Name: _____

Title: _____

SENTINEL DREAM BLOCKER, INC.

By: _____

Name: _____

Title: _____

SENTINEL CAPITAL INVESTORS V, L.P.

By: Sentinel Partners V, L.P.

Its: General Partner

By: Sentinel Managing Company V, Inc.

Its: General Partner

By: _____

Name: _____

Title: _____

SCHEDULE I

Specified Letters of Credit

[To come]

EXHIBIT A

UCC Financing Statements

Debtor	Jurisdiction	File Number	File Date
DREAM II HOLDINGS, LLC	Delaware SOS	20144234886	10/21/2014
DREAM II HOLDINGS, LLC	Delaware SOS	20193566903	05/23/2019
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20131190488	03/28/2013
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20144234878	10/21/2014
HOLLANDER HOME FASHIONS HOLDINGS, LLC	Delaware SOS	20193566952	05/23/2019
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20131190496	03/28/2013
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20144235099	10/21/2014
HOLLANDER SLEEP PRODUCTS, LLC	Delaware SOS	20193566978	05/23/2019
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20134024700	10/14/2013
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20144235107	10/21/2014
HOLLANDER SLEEP PRODUCTS KENTUCKY, LLC	Delaware SOS	20193566994	05/23/2019
Pacific Coast Feather Cushion, LLC	Delaware SOS	20173960934	06/16/2017
Pacific Coast Feather Cushion, LLC	Delaware SOS	20174808371	07/20/2017
Pacific Coast Feather Cushion, LLC	Delaware SOS	20193566986	05/23/2019
Pacific Coast Feather, LLC	Delaware SOS	20173960918	06/16/2017
Pacific Coast Feather, LLC	Delaware SOS	20174808280	07/20/2017
Pacific Coast Feather, LLC	Delaware SOS	20193566960	05/23/2019

Debtor	Jurisdiction	File Number	File Date
Pacific Coast Feather, LLC	Vance County, North Carolina	BK 1336 PG 0698	12/07/2017
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2013037075	03/29/2013
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2014096924	10/22/2014
HOLLANDER SLEEP PRODUCTS CANADA LIMITED	District of Columbia	2019054282	05/23/2019
PACIFIC COAST FEATHER CUSHION CO.	Washington SOS	2017-160-6404-5	06/09/2017
Pacific Coast Feather, LLC	Washington SOS	2017-160-6405-2	06/09/2017

EXHIBIT B

PPSA and RPMRR Financing Statements

I. ONTARIO

1. *PERSONAL PROPERTY SECURITY ACT* (Ontario)

(a) Hollander Sleep Products Canada Limited

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Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	751354866 - 20190517 1654 1590 7032 (2 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	700434072 – 20141006 1036 1590 1471 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	687069954- 20130521 1613 1590 0908 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	687069963- 20130521 1614 1590 0909 (7 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	685559898 – 20130326 1416 1590 7686 (7 years)

(b) Hollander Sleep Products, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products, LLC	751354902 - 20190517 1655 1590 7034 (2 years)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products, LLC	685559871- 20130326 1415 1590 7685 (7 years)

(c) Pacific Coast Feather, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Pacific Coast Feather, LLC	751354884 – 20190517 1655 1590 7033 (2 years)

(d) Dream II Holdings, LLC

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Dream II Holdings, LLC	751354911 – 20190517 1655 1590 7035 (2 years)
Wells Fargo Bank, National Association, as Administrative Agent	Dream II Holdings, LLC	700465698 – 20141006 1522 1590 1510 (6 years)

II. BRITISH COLUMBIA

1. *PERSONAL PROPERTY SECURITY ACT* (British Columbia)

(a) Hollander Sleep Products Canada Limited

Secured Party(ies)	Debtor(s)	Registration Number (Registration Period)
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	Regn No.: 218436I Regn Date: October 6, 2014 Expiry Date: October 6, 2024
Wells Fargo Bank, National Association, as Administrative Agent	Hollander Sleep Products Canada Limited	Regn No.: 508604L Regn Date: May 17, 2019 Expiry Date: May 17, 2021

III. QUEBEC

1. REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS (QUÉBEC)

(a) Hollander Sleep Products Canada Limited

Registration No. Reg. Date & Time Expiry Date Date: YY/MM/D D	Parties	Nature of Registration Amount (Cdn \$) Interest Rate
13-0434421-0001 2013- 05-24 14:10 2023-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum
13-0434421-0002 2013- 05-24 14:10 2023-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum
14-0984645-0001 2014- 10-21 14:28 2024-10-21	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$64,000,000 25% per annum

Registration No. Reg. Date & Time Expiry Date Date: YY/MM/DD	Parties	Nature of Registration Amount (Cdn \$) Interest Rate
19-0551273-0001 2019-05-24 9:00 2029-05-24	Holder: Wells Fargo Bank, National Association Grantor: Hollander Sleep Products Canada Limited	Conventional hypothec without delivery \$200,000,000 25% per annum

EXHIBIT C

Participant Wire Instructions and Amounts

Sentinel Capital Partners V, L.P. Wire Amount: \$[] (amount includes out-of-pocket expenses)

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4986248667
Account Name: Sentinel Capital Partners V, L.P. Attention Mike Ferrante 212-559-1596

Sentinel Capital Partners V-A, L.P. Wire Amount: \$[]

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4987276600
Account Name: Sentinel Capital Partners V-A, L.P. Attention Mike Ferrante 212-559-1596

Sentinel Capital Investors V, L.P. Wire Amount: \$[]

Citibank, N.A.
ABA #021000089
153 E. 53rd St., 24th Fl.
New York, NY 10103
Account #: 4986248624
Account Name: Sentinel Capital Investors V, L.P. Attention Mike Ferrante 212-559-1596

Exhibit F

Identity and Terms of Compensation of Plan Administrator

The UCC, in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), have designated Drivetrain, LLC ("Drivetrain") as the Plan Administrator. As of the date hereof, the proposed engagement terms are as follows:

- Fee Structure: Drivetrain's fees will be based on a flat monthly fee as follows: \$25,000 per month for the first six months and \$20,000 per month thereafter; *provided* that, in the event Drivetrain has to expend more than five hours any given month on matters related to the Debtors' operations in Canada, Drivetrain shall charge standard hourly rates which are in effect when the services are rendered beginning at the sixth hour; *provided, further*, that such hourly rates shall be charged in addition to the monthly fee charged for any such month and solely for such work expended on matters related to the Debtors' operations in Canada.
- Expenses: Drivetrain will also be reimbursed for reasonable out-of-pocket expenses including, but not limited to, costs of travel, reproduction, legal counsel, any applicable state sales or excise taxes, and other direct expenses.

Exhibit G

Wind-Down Trust Agreement

WIND-DOWN TRUST AGREEMENT

This Wind-Down Trust Agreement (the “Agreement”) is made this [●]st day of September, 2019, by and among Hollander Sleep Products, LLC, Dream II Holdings, LLC, Hollander Home Fashions Holdings, LLC, Pacific Coast Feather, LLC, Hollander Sleep Products Kentucky, LLC, and Pacific Coast Feather Cushion, LLC (each a “Debtor” and collectively, the “Debtors”), and [●], as the trustee and administrator of the Wind-Down Trust (the “Plan Administrator”). Capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to them in the Plan (as defined below).

RECITALS

WHEREAS, on May 12, 2019, each of the Debtors and Hollander Sleep Products Canada Limited (“Hollander Canada”) filed a voluntary chapter 11 petition with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”); and

WHEREAS, on September [●], 2019, the Bankruptcy Court entered an order [Docket No. [●]] (the “Confirmation Order”) confirming the *Debtors’ Modified First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”);¹ and

WHEREAS, the Plan contemplates, on the Effective Date, (a) the creation of a wind-down trust (the “Wind-Down Trust”) and the creation of the beneficial interests in the Wind-Down Trust of certain parties identified herein and in accordance with the Plan (collectively, the “Beneficiaries”), and (b) that the Wind-Down Trust will be vested with the Wind-Down Trust Assets, to be liquidated and distributed to the Beneficiaries, as set forth herein and in accordance with the Plan; and

WHEREAS, the Plan contemplates that, for U.S. federal income tax purposes, pursuant to Treasury Regulation Section 301.7701-4(d), the Wind-Down Trust shall be created for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Debtors’ Estates in an expeditious but orderly manner for the benefit of the Beneficiaries, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust and the Plan; and

WHEREAS, the Wind-Down Trust is intended to qualify as a “grantor trust” for U.S. federal income tax purposes, pursuant to Sections 671–677 of the Internal Revenue Code of 1986, as amended (the “IRC”), with the Beneficiaries to be treated as the grantors of the Wind-Down Trust and deemed to be the owners of the Wind-Down Trust Assets, and, consequently, the transfer of the Wind-Down Trust Assets to the Wind-Down Trust shall be treated as a deemed transfer of those assets from the Debtors and the Estates to the Beneficiaries (to the extent of the value of their respective interests in such assets) followed by a deemed transfer by such Beneficiaries (to the extent of the value of their respective interests in such assets) to the Wind-Down Trust for U.S. federal income tax purposes.

¹ Unless otherwise noted, capitalized terms used herein but not yet defined have the meanings given to them elsewhere in this Agreement, in the Plan, or in the Confirmation Order, as applicable.

NOW, THEREFORE, pursuant to the Plan and the Confirmation Order, in consideration of the mutual agreements of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the parties hereby agree as follows:

ARTICLE I DECLARATION OF TRUST

1.1 Creation and Purpose of the Wind-Down Trust. The Debtors and the Plan Administrator hereby create the Wind-Down Trust for the primary purpose of liquidating and distributing the Wind-Down Trust Assets and winding down the Debtors' Estates to the Beneficiaries in accordance with their respective entitlements under the Plan, the Confirmation Order, and applicable tax statutes, rules, and regulations, and in an expeditious but orderly manner, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust and the Plan. In particular, the Plan Administrator shall (a) make continuing efforts to collect and convert the Wind-Down Trust Assets to Cash, and (b) make timely distributions and not unduly prolong the duration of the Wind-Down Trust.

1.2 Declaration of Trust. To declare the terms and conditions hereof, and in consideration of the confirmation of the Plan, the Debtors and the Plan Administrator have executed this Agreement and, effective on the Effective Date, the Debtors hereby irrevocably transfer to the Wind-Down Trust, all of the right, title, and interests of the Debtors in and to the Wind-Down Trust Assets, to have and to hold unto the Wind-Down Trust and its successors and assigns forever, under and subject to the terms of the Plan and the Confirmation Order, for the benefit of the Beneficiaries (to the extent of their respective legal entitlements) and their successors and assigns as provided for in this Agreement and in the Plan and Confirmation Order.

1.3 Vesting of Wind-Down Trust Assets. On the Effective Date, pursuant to the terms of the Plan, all Wind-Down Trust Assets shall be vested in the Wind-Down Trust, which also shall be authorized to obtain, liquidate, and collect all of the Wind-Down Trust Assets not in its possession. Subject to the provisions of the Plan, all Wind-Down Trust Assets shall be delivered to the Wind-Down Trust free and clear of Liens, Claims, and Interests of any kind.

1.4 Funding of the Trust. The Wind-Down Trust shall be funded, on the Effective Date, with the Wind-Down Trust Assets, as provided for in the Plan and in the Confirmation Order.

1.5 Acceptance by Plan Administrator. The Plan Administrator hereby accepts the trust imposed on it by this Agreement and agrees to observe and perform that trust on and subject to the terms and conditions set forth in this Agreement, the Plan, and the Confirmation Order. In connection with and in furtherance of the purposes of the Wind-Down Trust, the Plan Administrator hereby accepts the transfer of the Wind-Down Trust Assets.

1.6 Name of the Wind-Down Trust. The Wind-Down Trust established hereby shall be known as the "Hollander Wind-Down Trust."

ARTICLE II THE PLAN ADMINISTRATOR

2.1 Appointment. The Plan Administrator has been selected pursuant to the provisions of the Plan and has been appointed as of the Effective Date. The Plan Administrator's appointment shall continue until the earlier of (a) the termination of the Wind-Down Trust or (b) the Plan Administrator's resignation, death, disability, dissolution, or removal. To effectuate an orderly and efficient transition of the administration of the Wind-Down Trust Assets from the Debtors to the Plan Administrator, the Plan Administrator may perform certain services in connection with its duties and obligations under this Agreement prior to the Effective Date.

2.2 General Powers. The Plan Administrator shall have all duties, obligations, rights, and benefits assumed by, assigned to, or vested in the Wind-Down Trust or the Post-Effective Date Debtors under the Plan, the Confirmation Order, this Agreement, and any other agreement entered into pursuant to or in connection with the Plan. For the avoidance of doubt, the Plan Administrator's exercise of all of the powers, duties, obligations, rights, and benefits of the Plan Administrator vested herein shall be subject in all respects to the availability of and reasonable likelihood of recovery of sufficient Wind-Down Trust Assets and cash proceeds thereof. Except as otherwise provided in this Agreement, the Plan, or the Confirmation Order, the Plan Administrator may control and exercise authority over the Wind-Down Trust Assets, over the acquisition, management, and disposition thereof, and over the management and conduct of the business of the Wind-Down Trust. No person dealing with the Wind-Down Trust shall be obligated to inquire into the Plan Administrator's authority in connection with the acquisition, management, or disposition of Wind-Down Trust Assets. Without limiting the generality of the foregoing, but subject to the Plan, the Confirmation Order, and other provisions of this Agreement, the Plan Administrator shall be expressly authorized to, with respect to the Wind-Down Trust and the Wind-Down Trust Assets:

(a) exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced, and take all actions that may be or could have been taken with respect to the Wind-Down Trust Assets, by any officer, director, shareholder, or other party acting in the name of the Debtors or their Estates with like effect as if duly authorized, exercised, and taken by action of such officers, directors, shareholders, or other party;

(b) open and maintain bank accounts on behalf of or in the name of the Wind-Down Trust and designate additional authorized signers on bank accounts as may be necessary, calculate and make distributions, and take other actions consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment, and maintenance of appropriate reserves, in the name of the Wind-Down Trust;

(c) receive, manage, invest, supervise, and protect the Wind-Down Trust Assets, subject to the limitations provided herein;

(d) hold legal title to any and all Wind-Down Trust Assets;

(e) subject to the applicable provisions of the Plan, collect and liquidate or abandon all Wind-Down Trust Assets;

(f) review and, where appropriate, object to claims payable pursuant to the Plan or the Bankruptcy Code, and, subject to the terms of the Plan, supervise and administer the resolution, settlement, and payment of claims payable pursuant to the Plan or the Bankruptcy Code, and the distribution to the Beneficiaries and creditors of the Wind-Down Trust, in accordance with this Agreement, the Plan, and the Confirmation Order;

(g) preserve any Wind-Down Trust Assets that are the Last Out Loans Turnover Amount, the Commercial Tort Proceeds, the GUC Sale Transaction Recovery Pool, or the Excess Distributable Cash for the sole benefit of the Holders of General Unsecured Claims and commence, prosecute, or settle Commercial Tort Claims, if any, in accordance with the Plan and Confirmation Order;

(h) as applicable, (i) seek a determination of tax liability under section 505 of the Bankruptcy Code; (ii) file if necessary, any and all tax and information returns required with respect to the Wind-Down Trust; (iii) make tax elections for and on behalf of the Wind-Down Trust; and (iv) pay taxes, if any, payable for and on behalf of the Wind-Down Trust;

(i) pay all lawful expenses, debts, charges, taxes, and liabilities of the Wind-Down Trust;

(j) make distributions to the Beneficiaries, and to creditors of the Wind-Down Trust, including Holders of Claims in Class 4, Holders of Claims in Class 5, and Holders of DIP Term Loan Claims, as provided for, or contemplated by the Plan, the Confirmation Order, and this Agreement;

(k) withhold from the amount distributable to any person such amount as may be sufficient to pay any tax or other charge which the Plan Administrator has determined, in its sole discretion, may be required to be withheld therefrom under the income tax laws of the United States, any foreign country, or of any state, local, or political subdivision of either;

(l) enter into any agreement or execute any document or instrument required by or consistent with the Plan, the Confirmation Order, or this Agreement and perform all obligations thereunder;

(m) if any of the Wind-Down Trust Assets are situated in any state or other jurisdiction in which the Plan Administrator is not qualified to act as trustee, nominate and appoint a person duly qualified to act as trustee in such state or jurisdiction and require from each such trustee such security as may be designated by the Plan Administrator in its discretion; confer on such trustee all the rights, powers, privileges, and duties of the Plan Administrator hereunder, subject to the conditions and limitations of this Agreement, except as modified or limited by the Plan Administrator and except where the conditions and limitations may be modified by the laws of such state or other jurisdiction (in which case, the laws of the state or other jurisdiction in which such trustee is acting shall prevail to the extent necessary); require such trustee to be answerable to the Plan Administrator for all monies, assets, and other property that may be received in connection with the administration of all property; and, remove such trustee, with or without cause,

and appoint a successor trustee at any time by the execution by the Plan Administrator of a written instrument declaring such trustee removed from office, and specifying the effective date and time of removal;

(n) purchase and carry all insurance policies and pay all insurance premiums and costs it deems reasonably necessary or advisable;

(o) retain and compensate, without further order of the Bankruptcy Court, the services of employees, professionals, and consultants to advise and assist in the administration, prosecution, and distribution of the Wind-Down Trust Assets in accordance with the Plan and Confirmation Order;

(p) implement, enforce, or discharge all of the terms, conditions, and all other provisions of, and all duties and obligations under, the Plan, the Confirmation Order, and this Agreement relating to the Wind-Down Trust, the Wind-Down Trust Assets, or the Plan Administrator;

(q) invest in demand and time deposits in banks or savings institutions, or temporary investments such as short term certificates of deposit or Treasury bills or other investments that a “Wind-Down Trust” within the meaning of Treasury Regulation Section 301.7701-4(d) may be permitted to hold, pursuant to the Treasury Regulations or any modification in the Internal Revenue Services (“IRS”) guidelines, whether set forth in IRS rulings, revenue procedures, other IRS pronouncements or otherwise; and

(r) take all other actions consistent with the provisions of the Plan that the Plan Administrator deems reasonably necessary or desirable to administer the Wind-Down Trust in accordance with the Plan, the Confirmation Order, and this Agreement.

2.3 Limitations on the Plan Administrator. Notwithstanding anything under applicable law, this Agreement, or the Plan to the contrary, the Plan Administrator shall not do or undertake any of the following:

(a) take any action that would jeopardize treatment of the Wind-Down Trust as a “liquidating trust” for U.S. federal income tax purposes;

(b) receive transfers of any listed stocks or securities, or any readily marketable securities, except as is absolutely necessary or required under the Plan and the Confirmation Order; *provided, however*, that in no event shall the Plan Administrator receive any such investment that would jeopardize treatment of the Wind-Down Trust as a “liquidating trust” for U.S. federal income tax purposes;

(c) receive or retain cash or cash equivalents in excess of a reasonable amount necessary to (i) fulfill obligations related to the Plan, or (ii) make applicable distributions to Beneficiaries and satisfy any liabilities of the Wind-Down Trust and to establish and maintain the reserves contemplated by the Plan;

(d) exercise any investment power other than the power to invest in demand and time deposits in banks or savings institutions, or other temporary liquid investments, such as

short-term certificates of deposit or Treasury bills or other investments that a “Wind-Down Trust” within the meaning of Treasury Regulation Section 301.7701-4(d) may be permitted to hold, pursuant to the Treasury Regulations or any IRS guidelines, whether set forth in IRS rulings, IRS revenue procedures, other IRS pronouncements, or otherwise;

(e) receive or retain any operating assets of an ongoing business, a partnership interest in a partnership that holds operating assets, or fifty percent (50%) or more of the stock of a corporation with operating assets, except for the new equity interests in each of the Post-Effective Date Debtors (if applicable);

(f) accept or take on, directly or indirectly, any obligation or other liability, monetary or otherwise, on behalf of the Wind-Down Trust, including but not limited to the assumption or assignment of any Executory Contract or Unexpired Lease, as provided in the Plan unless such obligation or other liability would not jeopardize treatment of the Wind-Down Trust as a “liquidating trust” for U.S. federal income tax purposes; or

(g) notwithstanding any of the foregoing, the Plan Administrator shall not be prohibited from engaging in any trade or business on its own account, provided that such activity does not interfere with the Plan Administrator’s administration of the Wind-Down Trust.

2.4 Compensation of Plan Administrator and Its Professionals.

(a) The initial Plan Administrator shall receive fair and reasonable compensation for his or her services equal to \$[●] per month, which compensation shall be a charge against and paid in accordance with the Plan and Confirmation Order. The reimbursement of reasonable out-of-pocket expenses shall be paid in arrears on or before the last Business Day of each month. Any successor to the Plan Administrator shall also be entitled to reasonable compensation in connection with the performance of its duties, which compensation may be different from the terms provided herein.

(b) The Plan Administrator shall be entitled to pay for reasonable compensation, plus the reimbursement of reasonable out-of-pocket expenses, to each of its professionals in accordance with the Plan and Confirmation Order. In the event that a dispute arises between the parties regarding payment of any such compensation or expense reimbursement, the professionals may seek payment of such fees and costs by filing a motion with the Bankruptcy Court and providing notice to the Plan Administrator.

(c) Any fees, expenses, and disbursements of the Plan Administrator in excess of the Wind-Down Budget, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any, may be paid out of the GUC Sale Transaction Recovery Pool or Commercial Tort Proceeds in accordance with the Plan and Confirmation Order.

2.5 Wind-Down Trust Operational Reserve. The Plan Administrator may establish, fund, and administer a reserve (the “Wind-Down Trust Operational Reserve”) to hold the amount of Cash deemed necessary to satisfy its anticipated future operating expenses.

2.6 Replacement of the Plan Administrator. The Plan Administrator may resign at any time upon thirty days’ written notice delivered to the Bankruptcy Court, *provided*, that such

resignation shall only become effective upon the appointment of a permanent or interim successor Plan Administrator, unless (i) the Insurance Coverages (as defined below) terminate for any reason other than the Plan Administrator's unreasonable refusal to renew such Insurance Coverages; or (ii) the Plan Administrator determines in his or her reasonable judgment that the Wind-Down Trust lacks sufficient assets and financial resources, after reasonable collection efforts, to complete the duties and powers assigned to him or her under the Plan, the Confirmation Order, and/or this Agreement, in which case such resignation may become effective without appointment of a successor Plan Administrator. The Plan Administrator may be removed by the Bankruptcy Court upon motion and after notice and a hearing, which motion may be brought by any party in interest. In the event of the resignation, death, disability (as defined below), dissolution, or removal of the Plan Administrator, counsel to the Committee, in consultation with counsel to the Debtors, may appoint a replacement (or, if a replacement is not promptly appointed within thirty (30) days after a triggering event, the Bankruptcy Court may appoint a replacement sua sponte or upon motion of any interested Person). Upon its appointment, the successor Plan Administrator, without any further act, shall become fully vested with all of the rights, powers, duties, and obligations of its predecessor and all responsibilities of the predecessor Plan Administrator relating to the Wind-Down Trust shall be terminated; *provided, however*, that the original Plan Administrator's right to indemnification shall survive termination and is subject to Sections 3.2 and 3.3 hereof. In the event the Plan Administrator's appointment terminates by reason of termination without cause, death, or disability (meaning herein, incapacity resulting in the inability to perform services for three consecutive months or in the aggregate of 180 days during any twelve month period, in which event, the Plan Administrator may resign upon immediate written notice delivered to the Bankruptcy Court, to be immediately effective), amounts owed (including on account of any incentive fee compensation) to the original Plan Administrator (or its estate or representative) on the one hand and any successor Plan Administrator on the other shall be allocated between them to reflect their respective periods of service; *provided, however*, that the original Plan Administrator shall be compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced and shall be paid the portion of the incentive fee compensation that may be earned by, or which would be earned as a result of claims objections in progress at, the time of his termination. In the event of the removal or resignation of any Plan Administrator with cause, such Plan Administrator (or his estate or representatives) shall be immediately compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced.

2.7 Wind-Down Trust Continuance. The death, dissolution, resignation, or removal of the Plan Administrator shall not terminate the Wind-Down Trust or revoke any existing agency created by the Plan Administrator pursuant to this Agreement or invalidate any action theretofore taken by the Plan Administrator, and the successor Plan Administrator agrees that the provisions of this Agreement shall be binding upon and inure to the benefit of the successor Plan Administrator and all its successors or assigns.

ARTICLE III LIABILITY OF PLAN ADMINISTRATOR

3.1 Standard of Care; Exculpation. Neither the Plan Administrator nor any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator shall be liable for losses, claims, damages, liabilities, or expenses in connection with

the affairs or property of the Wind-Down Trust to any Beneficiary of the Wind-Down Trust, or any other person, for the acts or omissions of the Plan Administrator; *provided, however*, that the foregoing limitation shall not apply as to any losses, claims, damages, liabilities, or expenses suffered or incurred by any Beneficiary that are found by a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from the fraud, gross negligence, or willful misconduct of such person or entity. Every act done, power exercised, or obligation assumed by the Wind-Down Trust, the Plan Administrator, or any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator pursuant to the provisions of this Agreement shall be held to be done, exercised, or assumed, as the case may be, by the Wind-Down Trust, the Plan Administrator, or any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator acting for and on behalf of the Wind-Down Trust and not otherwise; *provided, however*, that none of the foregoing Entities or Persons are deemed to be responsible for any other such Entities' or Persons' actions or inactions outside of the scope of the authority provided by the Wind-Down Trust. Except as provided in the proviso of the first sentence of this Section 3.1, every Beneficiary, Person, firm, corporation or other Entity contracting or otherwise dealing with or having any relationship with the Wind-Down Trust, the Plan Administrator, or any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator shall have recourse only to the Wind-Down Trust Assets for payment of any liabilities or other obligations arising in connection with such contracts, dealings, or relationships and the Wind-Down Trust, the Plan Administrator, any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator shall not be individually liable therefor. For the avoidance of doubt, the Plan Administrator, in its capacity as such, shall have no liability whatsoever to any party for the liabilities and/or obligations, however created, whether direct or indirect, in tort, contract, or otherwise, of the Debtors, the Post-Effective Date Debtors, or the Wind-Down Trust.

3.2 Indemnification.

(a) Except as otherwise set forth in the Plan or Confirmation Order, the Plan Administrator and any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator (collectively, the "Indemnified Parties") shall be defended, held harmless, and indemnified from time to time by the Wind-Down Trust against any and all losses, claims, damages, liabilities, penalties, obligations, and expenses, including the costs for counsel or others in investigating, preparing, or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing this Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based on, or arising out of (directly or indirectly) the Plan Administrator's acceptance of or the performance or nonperformance of its obligations under this Agreement, the Plan, or the Confirmation Order; *provided, however*, such indemnity shall not apply to any such loss, claim, damage, liability, or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to be a liability for which recourse is not limited pursuant to Section 3.1 above. Satisfaction of any obligation of the Wind-Down Trust arising pursuant to the terms of this Section shall be payable only from the Wind-Down Trust Assets, may be advanced prior to the conclusion of such matter, and such right to payment shall be prior and superior to any other rights to receive a distribution of the Wind-Down Trust Assets.

(b) Subject to the available Wind-Down Trust Assets and outstanding liabilities and expenses of the Wind-Down Trust, the Wind-Down Trust shall promptly pay expenses reasonably incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding, or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in connection with the Agreement or the duties, acts, or omissions of the Plan Administrator, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each Indemnified Party hereby undertakes, and the Wind-Down Trust hereby accepts its undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefor under this Agreement.

3.3 No Liability for Acts of Successor/Predecessor Plan Administrators. Upon the appointment of a successor Plan Administrator and the delivery of the Wind-Down Trust Assets to the successor Plan Administrator, the predecessor Plan Administrator and any director, officer, affiliate, employee, employer, professional, agent, or representative of the predecessor Plan Administrator shall have no further liability or responsibility with respect thereto. A successor Plan Administrator shall have no duty to examine or inquire into the acts or omissions of its immediate or remote predecessor and no successor Plan Administrator shall be in any way liable for the acts or omissions of any predecessor Plan Administrator, unless a successor Plan Administrator expressly assumes such responsibility. A predecessor Plan Administrator shall have no liability for the acts or omissions of any immediate or subsequent successor Plan Administrator for any events or occurrences subsequent to the cessation of its role as Plan Administrator.

3.4 Reliance by Plan Administrator on Documents or Advice of Counsel. Except as otherwise provided in this Agreement, the Plan Administrator, any director, officer, affiliate, employee, employer, professional, agent, or representative of the Plan Administrator may rely, and shall be protected from liability for acting, on any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, or other paper or document reasonably believed by the Plan Administrator to be genuine and to have been presented by an authorized party. The Plan Administrator shall not be liable for any action taken or suffered by the Plan Administrator in reasonable reliance upon the advice of counsel or other professionals engaged by the Plan Administrator in accordance with this Agreement and the Plan.

3.5 Insurance. The Plan Administrator may obtain commercially reasonable liability or other appropriate insurance with respect to the indemnification obligations set forth herein (the “Insurance Coverages”). Any such costs incurred by the Debtors in obtaining the Insurance Coverages on the Effective Date shall be paid in accordance with Section 2.4 hereof.

3.6 Survival. The provisions of this Article III shall survive the termination of this Wind-Down Trust Agreement and the resignation, death, dissolution, removal, liquidation, or replacement of the Plan Administrator.

ARTICLE IV
GENERAL PROVISIONS CONCERNING
ADMINISTRATION OF THE WIND-DOWN TRUST

4.1 Register of Beneficiaries. The Wind-Down Trust shall maintain at all times a register of the names, mailing addresses, amounts of outstanding Allowed Claims, and the Pro Rata interests in the Wind-Down Trust of the Beneficiaries (the “Register”) (which Pro Rata determination may be made in any good faith rational manner, including by using a good faith estimate of each Beneficiary’s recovery from the Wind-Down Trust based on its asserted Claim). The Register shall be limited to those Beneficiaries who are determined by the Plan Administrator as of the Effective Date to be entitled to Distributions under the Plan. The Plan Administrator shall cause the Register to be kept at its office or at such other place or places as may be designated by the Plan Administrator from time to time. The initial Register shall be delivered to the Plan Administrator by the Debtors and shall be based on the best available information at the time of the Effective Date and prepared in accordance with the provisions of the Plan and the Confirmation Order. All references in this Wind-Down Trust Agreement to holders of beneficial interests in the Wind-Down Trust shall be read to mean holders of record as set forth in the Register maintained by the Plan Administrator and shall exclude any beneficial owner not recorded on such Register.

4.2 Books and Records. The Wind-Down Trust also shall maintain in respect of the Wind-Down Trust and the Beneficiaries books and records relating to the Wind-Down Trust Assets and any income realized therefrom and the payment of expenses of and claims against or assumed by the Wind-Down Trust in such detail and for such period of time as may be necessary to enable it to make full and proper reports in respect thereof. Except as expressly provided in this Agreement, the Plan, or the Confirmation Order, or as may be required by applicable law (including securities law), nothing in this Agreement is intended to require the Wind-Down Trust to file any accounting or seek approval of any court with respect to the administration of the Wind-Down Trust, or as a condition for making any payment or distribution out of the Wind-Down Trust Assets. Beneficiaries shall have the right upon thirty (30) days’ prior written notice delivered to the Plan Administrator to inspect the Wind-Down Trust’s books and records, including the Register, provided such Beneficiary shall have entered into a confidentiality agreement in form and substance reasonably satisfactory to the Plan Administrator. Satisfaction of the foregoing condition notwithstanding, if (a) the Plan Administrator determines in good faith that the inspection of the Wind-Down Trust’s books and records, including the Register, by any Beneficiary would be detrimental to the Wind-Down Trust or (b) such Beneficiary is a defendant (or potential defendant) in a pending (or potential) action or contested matter brought by or against the Wind-Down Trust, the Wind-Down Trust may deny such request for inspection. The Bankruptcy Court shall resolve any dispute between any Beneficiary and the Plan Administrator under this Section 4.2.

4.3 Filing of Interim Reports. The Wind-Down Trust shall file with the Bankruptcy Court a report regarding the wind-down or other administration of the Wind-Down Trust Assets by 180 days following the Effective Date and annually thereafter.

4.4 Final Accounting of Plan Administrator. The Plan Administrator (or any such successor Plan Administrator) shall within ninety (90) days after the termination of the

Wind-Down Trust or the death, dissolution, resignation, or removal of the Plan Administrator, render an accounting containing at least the following information:

- (a) a description of the Wind-Down Trust Assets;
- (b) a summarized accounting in sufficient detail of all gains, losses, receipts, disbursements, and other transactions in connection with the Wind-Down Trust and the Wind-Down Trust Assets during the Plan Administrator's term of service, including their source and nature;
- (c) separate entries for all receipts of principal and income (*e.g.*, by type);
- (d) the ending balance of all Wind-Down Trust Assets as of the date of the accounting, including the Cash balance on hand and the name(s) and location(s) of the depository or depositories where the Cash is kept;
- (e) all known liabilities of the Wind-Down Trust; and
- (f) all pending actions.

4.5 Filing of Accounting. The accounting described in Section 4.4 shall be filed with the Bankruptcy Court and all Beneficiaries shall thereby have notice that the final accounting has been filed and an opportunity to have a hearing on the approval of the accounting and, to the extent applicable, the discharge and release of the Plan Administrator.

4.6 Filing of Tax Returns. The Wind-Down Trust shall be responsible for filing all federal, state, local, and foreign tax returns for the Wind-Down Trust.

ARTICLE V BENEFICIAL INTERESTS AND BENEFICIARIES

5.1 Trust Beneficial Interests. Any Party with right to payment under the Plan who has not been paid, or with a right to payment that has not been otherwise resolved, shall be entitled to distributions as Beneficiaries as set herein and in the Plan.

5.2 Interest Beneficial Only. Ownership of a beneficial interest in the Wind-Down Trust shall not entitle any Beneficiary to any title in or to the Wind-Down Trust Assets or to any right to call for a partition or division of the Wind-Down Trust Assets or to require an accounting.

5.3 Evidence of Beneficial Interest. Ownership of a beneficial interest in the Wind-Down Trust shall not be evidenced by any certificate, security, or receipt or in any other form or manner whatsoever, except as maintained on the books and records of the Wind-Down Trust by the Plan Administrator, which may be the Register.

5.4 Exemption from Registration. The parties hereto intend that the rights of the holders of the beneficial interests arising under this Wind-Down Trust Agreement shall not be "securities" under applicable laws, but none of the parties hereto represents or warrants that such rights shall not be securities or shall be entitled to exemption from registration under applicable

securities laws. If such rights constitute securities, the parties hereto intend for the exemption from registration provided by section 1145 of the Bankruptcy Code and by other applicable law to apply to their issuance under the Plan.

5.5 Transfers of Beneficial Interests. Beneficial interests in the Wind-Down Trust may not be assigned or otherwise transferred by any holder of Beneficial interests other than (a) by operation of law, (b) upon death of the Beneficial interest holder, or (c) to an affiliate of such holder; *provided* that any such transfer or assignment will not be effective until and unless the Plan Administrator receives written notice of such transfer or assignment.. Other than the foregoing, the Wind-Down Trust shall not have any obligation to recognize any transfer of Claims or Interests occurring after the Effective Date, and only those Holders of Claims stated on the Register, and their transferee affiliates upon written notice, shall be entitled to be recognized for all purposes hereunder.

5.6 Absolute Owners. The Plan Administrator may deem and treat the Beneficiary reflected as the owner of a beneficial interest on the Register as the absolute owner thereof for the purposes of receiving distributions and payments on account thereof for federal and state income tax purposes and for all other purposes whatsoever.

5.7 Change of Address. A Beneficiary may, after the Effective Date, select an alternative mailing address by notifying the Plan Administrator in writing of such alternative Distribution Address. Absent such notice, the Plan Administrator shall not recognize any such change of address. Such notification shall be effective only upon receipt by the Plan Administrator.

5.8 Effect of Death, Dissolution, Incapacity, or Bankruptcy of Beneficiary. The death, dissolution, incapacity, or bankruptcy of a Beneficiary during the term of the Wind-Down Trust shall not operate to terminate the Wind-Down Trust during the term of the Wind-Down Trust nor shall it entitle the representative or creditors of the deceased, dissolved, incapacitated, or bankrupt Beneficiary to an accounting or to take any action in any court or elsewhere for the distribution of the Wind-Down Trust Assets or for a partition thereof, nor shall it otherwise affect the rights and obligations of the Beneficiary under this Agreement or in the Wind-Down Trust.

5.9 Standing. Except as expressly provided in this Agreement, the Plan, or the Confirmation Order, a Beneficiary does not have standing to direct the Plan Administrator to do or not to do any act or to institute any action or proceeding at law or in equity against any party (other than against the Plan Administrator to the extent provided in this Agreement) with respect to the Wind-Down Trust Assets.

ARTICLE VI DISTRIBUTIONS

6.1 Distributions to Beneficiaries from Wind-Down Trust Assets. All payments to be made by the Plan Administrator on account of obligations under the Plan to any Beneficiary shall be made only in accordance with the Plan, the Confirmation Order, and this Agreement.

6.2 Distributions; Withholding. The Plan Administrator shall make initial distributions with respect to each Class of Allowed Claims as provided in the Plan and, following

the initial distributions required under the Plan, the Plan Administrator shall make distributions to each Class of Allowed Claims (including distributions of all net Cash (including net Cash proceeds)) on Quarterly Distribution Dates in accordance with the Plan. All such distributions shall be made as provided, and subject to any withholding or reserve, in this Agreement, the Plan, or the Confirmation Order. The Plan Administrator may withhold from amounts distributable to any Beneficiary any and all amounts, determined in the Plan Administrator's sole discretion, to be required by any law, regulation, rule, ruling, directive, or other governmental requirement. The Plan Administrator shall make payments for Administrative Claims and Priority Claims as soon as such payments come due. To the extent the DIP Term Loan Claims have not been paid in full in cash, the Plan Administrator shall make cash payments to the Holders of DIP Term Loan Claims promptly after any cash becomes available in accordance with the terms of the Plan, Confirmation Order, and this Agreement.

6.3 No Distribution Pending Allowance. No payment or distribution shall be made with respect to any Claim to the extent it is a Disputed Claim unless and until such Disputed Claim becomes an Allowed Claim or in accordance with Article VI.F.2 of the Plan.

6.4 Distributions After Allowance. Distributions to each Holder of a Disputed Claim, to the extent that such Claim ultimately becomes an Allowed Claim, shall be made in accordance with the provisions of the Plan governing the Class of Claims to which such Holder of a Claim belongs.

6.5 Undeliverable Distributions. If any Distribution is returned as undeliverable, the Plan Administrator may, in its sole discretion, make such efforts to determine the current address of the Holder of the Claim with respect to which the Distribution was made as the Wind-Down Trust deems appropriate, but no Distribution to any Holder shall be made unless and until the Plan Administrator has determined the then-current address of the Holder, at which time the Distribution to such Holder shall be made to the Holder without interest. Amounts in respect of any undeliverable Distributions made by the Wind-Down Trust shall be returned to, and held in trust by, the Plan Administrator until the Distributions are claimed or are deemed to be unclaimed property under section 347(b) of the Bankruptcy Code and the Plan at the expiration of six months from the date the distribution is made ("Unclaimed Property").

6.6 Unclaimed Property. In the event that any distribution to any Beneficiary becomes Unclaimed Property, such distributions will revert to the Wind-Down Trust as an asset of the Wind-Down Trust; *provided, however*, that, pursuant to the Plan, the Plan Administrator shall not be required to make distributions of less than \$100.00 (a "Minimum Distribution") and if after administering all Wind-Down Trust Assets and collecting all amounts which may be payable to and for the benefit of Holders of DIP Term Loan Claims, Term Loan Claims, and General Unsecured Claims in accordance with the terms of the Plan, the Confirmation Order, and this Agreement, the amount held by the Wind-Down Trust for the benefit of Holders of General Unsecured Claims is less than \$10,000.00, the Plan Administrator, in its sole discretion, may donate the remaining funds to a 501(c)(3) charitable institution. Neither available Cash nor any Claim or any Unclaimed Property attributable to such Claim, shall escheat to any federal, state, or local government or other entity.

6.7 Time Bar to Cash Payments by Check. Checks issued by the Plan Administrator on account of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for the reissuance of any check that becomes null and void pursuant to the Plan and this Section 6.7 shall be made directly to the Plan Administrator by the Holder of the Allowed Claim to whom the check was originally issued. Any Claim in respect of such voided check shall be made in writing on or before the earlier of: (a) sixty (60) days prior to the termination of the Wind-Down Trust; and (b) the later of the first anniversary of the Effective Date or the first anniversary of the date on which the Claim at issue became an Allowed Claim. After that date, all Claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall revert in and become property of the Wind-Down Trust as Unclaimed Property.

6.8 Withholding Taxes. Any federal, state, or local withholding taxes or other amounts required to be withheld under applicable law shall be deducted from distributions hereunder and to the extent of knowledge and records available to the Wind-Down Trust. All Beneficiaries shall, on receipt of any applicable request from the Plan Administrator, be required to provide the Plan Administrator with any information necessary in connection with the withholding of such taxes. In addition, all distributions under the Plan shall be net of the actual and reasonable costs of making such distributions. For the avoidance of doubt, any income taxes, penalties, and interest payable by the Wind-Down Trust shall be treated as specifically attributable to the Beneficiaries and shall be allocated among the Beneficiaries such that the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties, or interest is borne by those Beneficiaries to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions, or otherwise), in each case as reasonably determined by the Plan Administrator.

6.9 Distributions on Non-Business Days. Any distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day.

6.10 No Distribution in Excess of Allowed Amount of Claim. Notwithstanding anything to the contrary in the Plan, no Beneficiary shall receive in respect of such Claims held by the Beneficiary any distribution in excess of the Allowed amount of such Claim, plus postpetition interest thereon to the extent allowed by the Plan. Upon a Beneficiary's recovering the full amount of its Allowed Claim from another source, it thereafter shall no longer have any entitlement to receive distributions under the Plan.

6.11 Setoff and Recoupment. The Wind-Down Trust may, but shall not be required to, setoff against, or recoup from, any Claim and the Distribution to be made pursuant to the Plan in respect thereof, any claims or defenses of any nature whatsoever that the Debtor, the Estates or the Wind-Down Trust may have against the Holder of such Claim, but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor, the Estates, or the Wind-Down Trust of any claim, defense, right of setoff, or recoupment that any of them may have against the Holder of any Claim.

ARTICLE VII TAXES

7.1 Income Tax Status. Consistent with Revenue Procedure 94-45, 1994-2 C. B. 684, for U.S. federal income tax purposes, the Wind-Down Trust shall be treated as a liquidating trust pursuant to Treasury Regulation Section 301.7701-4(d) and as a grantor trust pursuant to IRC Sections 671–677. As such, the Beneficiaries will be treated as both the grantors and the deemed owners of the Wind-Down Trust, for U.S. federal income tax purposes, except with respect to the Disputed Claims Reserves. Any items of income, deduction, credit, and loss of the Wind-Down Trust, except with respect to the Disputed Claims Reserves, shall be allocated for U.S. federal income tax purposes to the Beneficiaries.

7.2 Tax Treatment of Transfer of Assets to the Wind-Down Trust. For U.S. federal income tax purposes, all parties (including, without limitation, the Debtors, the Plan Administrator, and the Beneficiaries) shall treat the transfer of Wind-Down Trust Assets to the Wind-Down Trust as a transfer of such Wind-Down Trust Assets (net of any applicable liabilities) to the Beneficiaries (to the extent of the value of their respective interests in such Wind-Down Trust Assets) and a transfer of such Wind-Down Trust Assets (net of any applicable liabilities) by the Beneficiaries (to the extent of the value of their respective interests in such Wind-Down Trust Assets) to the Wind-Down Trust.

7.3 Tax Returns. In accordance with Treasury Regulation Section 1.671-4(a), the Plan Administrator shall file with the IRS annual U.S. federal income tax returns for the Wind-Down Trust as a grantor trust on IRS Form 1041. In addition, the Plan Administrator shall file in a timely manner such other tax returns, including any state and local tax returns, as are required by applicable law and pay any taxes shown as due thereon. The Plan Administrator shall send to each Holder of a beneficial interest appearing on the Register who is a Minimum Distributee during such year, a separate statement setting forth such Holder's share of items of income, gain, loss, deduction, or credit and each such Holder shall report such items on their federal income tax returns; *provided, however*, that no such statement need be sent to any Beneficiaries that are not expected to receive any distribution from the Wind-Down Trust as a Minimum Distributee. The Plan Administrator shall provide each such Holder of a beneficial interest with a copy of the Form 1041 for the Wind-Down Trust (without attaching any other Holder's Schedule K-1 or other applicable information form) along with such Holder's Schedule K-1 or other applicable information form in order to satisfy the foregoing requirement.

7.4 Allocation. For U.S. federal income tax purposes, the Wind-Down Trust shall allocate the taxable income, gain, loss, deduction, or credit of the Wind-Down Trust with respect to each Holder of a beneficial interest to the extent required by applicable law.

7.5 Withholding of Taxes and Reporting Related to Wind-Down Trust Operations. In connection with the Plan and all distributions thereunder, the Plan Administrator shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing authority, and all distributions thereunder shall be subject to any such withholding and reporting requirements. The Plan Administrator is authorized by the Plan to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. The Plan Administrator may require any

Beneficiary to furnish to the Plan Administrator its social security number or employer or taxpayer identification number as assigned by the IRS and the Plan Administrator may condition any distribution to any Beneficiary upon the receipt of such identification number. The Debtors shall provide a form W-9 and request other applicable withholding information and give notice (in form reasonably acceptable to Plan Administrator) of this provision, its requirements, and this Agreement to Beneficiaries, together with the notice of the Effective Date. If the Post-Effective Date Debtors do not receive a completed copy of the W-9 or other necessary information, the Plan Administrator may request such information from the Beneficiaries.

7.6 Valuations. As soon as possible after the Effective Date, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets, and such valuation shall be used consistently by all parties (including, without limitation, the Wind-Down Trust, the Debtors, the Plan Administrator, and the Beneficiaries) for all federal income tax purposes. This valuation will be made available from time to time, as relevant for tax reporting purposes. The Plan Administrator also shall file (or cause to be filed) any other statements, returns, or disclosures relating to the Wind-Down Trust that are required by any governmental unit.

7.7 Treatment of Disputed Claims Reserves. The Plan Administrator shall (i) treat the Disputed Claims Reserve as a “disputed ownership fund” governed by Treasury Regulations Section 1.468B-9 for U.S. federal income tax purposes by timely making an election, (ii) file all U.S. federal income tax returns with respect to any income attributable to the Disputed Claims Reserves consistent with such treatment, and (iii) shall pay the U.S. federal, state, and local income taxes attributable to the Disputed Claims Reserves, based on the items of income, deduction, credit, or loss allocable thereto. All Beneficiaries shall report, for U.S. federal income tax purposes, consistent with the foregoing. In the event, and to the extent, any Cash retained on account of Disputed Claims in the Disputed Claims Reserves is insufficient to pay the portion of any such taxes attributable to the taxable income arising from the assets allocable to, or retained on account of, Disputed Claims, such taxes shall be (i) reimbursed from any subsequent Cash amounts retained on account of Disputed Claims, or (ii) to the extent such Disputed Claims have subsequently been resolved, deducted from any amounts distributable by the Plan Administrator as a result of the resolutions of such Disputed Claims.

7.8 Expedited Determination of Taxes. The Plan Administrator may request an expedited determination of taxes of the Debtors and of the Wind-Down Trust, including the Disputed Claims Reserves, under Bankruptcy Code Section 505(b) for all returns filed for, or on behalf of, the Debtors and the Wind-Down Trust for all taxable periods through the termination of the Wind-Down Trust.

ARTICLE VIII TERMINATION OF WIND-DOWN TRUST

8.1 Termination of Wind-Down Trust. The Plan Administrator shall be discharged and the Wind-Down Trust shall be terminated, at such time as: (A) (i) all of the Wind-Down Trust Assets have been liquidated or abandoned, (ii) all duties and obligations of the Plan Administrator hereunder have been fulfilled, (iii) all distributions required to be made by the Plan Administrator under the Plan and this Agreement have been made, and (iv) the Chapter 11 Cases of the Debtors

have been closed; or (B) Plan Administrator determines in its reasonable judgment that the Wind-Down Trust lacks sufficient assets and financial resources, after reasonable collection efforts, to complete the duties and powers assigned to it under the Plan, the Confirmation Order and/or this Agreement.

8.2 Maximum Term. The Plan Administrator shall take such actions consistent with the prompt and orderly liquidation of the Wind-Down Trust Assets as required by applicable law and consistent with the treatment of the Wind-Down Trust as a “liquidating trust” pursuant to Treasury Regulation Section 301.7701-4(d) and as a “grantor trust” for federal income tax purposes, pursuant to Sections 671 through 679 of the IRC to the extent such actions are permitted by this Agreement. The Wind-Down Trust shall in no event be dissolved later than three (3) years after the date hereof (the “Initial Wind-Down Trust Term”); *provided, however*, that the Plan Administrator may, subject to the further provisions of this Section 8.2, extend the term of the Wind-Down Trust for such additional fixed period of time as is necessary to facilitate or complete the recovery and liquidation of the Wind-Down Trust Assets as follows: within the six (6) month period prior to the termination of the Initial Wind-Down Trust Term, the Plan Administrator may file a notice of intent to extend the term of the Wind-Down Trust with the Bankruptcy Court and upon approval of the Bankruptcy Court of such extension, the term of the Wind-Down Trust shall be so extended. The Plan Administrator may file one or more such extension notices, each notice to be filed within the six (6) month period prior to the termination of the extended term of the Wind-Down Trust (all such extensions, collectively, the “Supplemental Wind-Down Trust Term”). Notwithstanding anything to the contrary in this Section 8.2, however, the Supplemental Wind-Down Trust Term may not exceed six (6) years after the date hereof without a favorable letter ruling from the IRS or a favorable opinion from counsel satisfactory to the Plan Administrator that any further extension would not adversely affect the status of the Wind-Down Trust as a “liquidating trust” for U.S. federal income tax purposes. In addition, the provisions of this Section 8.2 shall be without prejudice to the right of any party in interest under Bankruptcy Code Section 1109 to petition the Bankruptcy Court, for cause shown, to shorten the Supplemental Wind-Down Trust Term.

8.3 Winding Up and Discharge of the Plan Administrator. For the purposes of winding up the affairs of the Wind-Down Trust at the conclusion of its term, the Plan Administrator shall continue to act as Plan Administrator until its duties under this Agreement have been fully discharged or its role as Plan Administrator is otherwise terminated under this Agreement and the Plan. Upon a motion by the Plan Administrator, the Bankruptcy Court may enter an order relieving the Plan Administrator, its agents, and employees of any further duties, discharging the Plan Administrator and releasing its bond, if any.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Amendments. The Plan Administrator may modify, supplement, or amend this Agreement but only to clarify any ambiguity or inconsistency, or render the Agreement in compliance with its stated purposes, and only if such amendment does not materially and adversely affect the interests, rights, treatment, or distributions of any Beneficiaries. The Plan Administrator may modify, supplement, or amend this Agreement in any way that is not inconsistent with the Plan or the Confirmation Order.

9.2 Waiver. No failure by the Wind-Down Trust or the Plan Administrator to exercise or delay in exercising any right, power, or privilege hereunder shall operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any further exercise thereof, or of any other right, power, or privilege.

9.3 Cumulative Rights and Remedies. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights under law or in equity.

9.4 No Bond Required. Notwithstanding any state law to the contrary, the Plan Administrator (including any successor Plan Administrator) shall be exempt from giving any bond or other security in any jurisdiction.

9.5 Irrevocability. This Agreement and the Wind-Down Trust created hereunder shall be irrevocable, except as otherwise expressly provided in this Agreement.

9.6 Relationship to the Plan. The principal purpose of this Agreement is to aid in the implementation of the Plan and, therefore, this Agreement incorporates and is subject to the provisions of the Plan and the Confirmation Order. In the event that any provision of this Agreement is found to be inconsistent with a provision of the Plan or the Confirmation Order, the provisions of the Plan or the Confirmation Order, as applicable, shall control. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, the Plan, or the Confirmation Order, and consistent with Article IV.E of the Plan, the Plan Administrator shall have the right to review and, where appropriate, object to any amounts payable under the Plan, and, subject to the terms of the Plan, supervise and administer the resolution, settlement, and payment of such disputed amounts, and the distribution to the Beneficiaries and creditors of the Wind-Down Trust, in accordance with this Agreement, the Plan, and the Confirmation Order.

9.7 Division of Wind-Down Trust. Under no circumstances shall the Plan Administrator have the right or power to divide the Wind-Down Trust unless authorized to do so by the Bankruptcy Court.

9.8 Applicable Law. The Wind-Down Trust is made in the State of Delaware, and the Wind-Down Trust and this Agreement, and the rights and obligations of the Plan Administrator is to be governed by and construed and administered according to the laws of the State of Delaware; *provided, however*, that, except as expressly provided in this Agreement, there shall not be applicable to the Wind-Down Trust or this Agreement (a) the provisions of Section 3540 of Title 12 of the Delaware Code, or (b) any provisions of the laws (statutory or common) of the State of Delaware pertaining to trusts which relate to or regulate: (i) the filing with any court or governmental body or agency of trustee accounts or schedules of trustee fees and charges; (ii) affirmative requirements to post bonds for trustees, officers, agents, or employees of a trust; (iii) the necessity for obtaining court or other governmental approval concerning the acquisition, holding, or disposition of real or personal property; (iv) fees or other sums payable to trustees, officers, agents, or employees of a trust; (v) the allocation of receipts and expenditures to income or principal; (vi) restrictions or limitations on the permissible nature, amount, or concentration of trust investments or requirements relating to the titling, storage, or other manner of holding of trust assets; or (vii) the establishment of fiduciary or other standards or responsibilities or limitations

on the acts or powers of trustees, which are inconsistent with the limitations or liabilities or authorities and powers of the Plan Administrator set forth or referenced in this Agreement.

9.9 Retention of Jurisdiction. Notwithstanding the Effective Date, and to the fullest extent permitted by law, the Bankruptcy Court shall retain exclusive jurisdiction over the Wind-Down Trust after the Effective Date, including, without limitation, jurisdiction to resolve any and all controversies, suits, and issues that may arise in connection therewith, including, without limitation, this Agreement, or any Entity's obligations incurred in connection herewith, including, without limitation, any action against the Plan Administrator or any professional retained by the Plan Administrator. Each party to this Agreement and each Beneficiary of the Wind-Down Trust hereby irrevocably consents to the exclusive jurisdiction of the Bankruptcy Court in any action to enforce, interpret, or construe any provision of this Agreement or of any other agreement or document delivered in connection with this Agreement, and also hereby irrevocably waives any defense of improper venue, forum *non conveniens*, or lack of personal jurisdiction to any such action brought in the Bankruptcy Court. Each party further irrevocably agrees that any action to enforce, interpret, or construe any provision of this Agreement will be brought only in the Bankruptcy Court. Each party hereby irrevocably consents to the service by certified or registered mail, return receipt requested, of any process in any action to enforce, interpret, or construe any provision of this Agreement.

9.10 Severability. In the event that any provision of this Agreement or the application thereof to any person or circumstance shall be determined by the Bankruptcy Court to be invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such provision to persons or circumstances, other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

9.11 Limitation of Benefits. Except as otherwise specifically provided in this Agreement, the Plan, or the Confirmation Order, nothing herein is intended or shall be construed to confer on or to give any person other than the parties hereto and the Beneficiaries any rights or remedies under or by reason of this Agreement.

9.12 Notices. All notices, requests, demands, consents, and other communication hereunder shall be in writing and shall be deemed to have been duly given to a person, if delivered in person or if sent by overnight mail, registered mail, certified mail or regular mail, with postage prepaid, to the following addresses:

If to the Plan Administrator:

[_____]
c/o [_____]
[_____]
[_____] XXXXX
Tel: (XXX) XXX-XXXX
Email: [_____]@[_____] .com

If to a Beneficiary:

To the name and mailing address set forth in the Register with respect to such Beneficiary.

The parties may designate in writing from time to time other and additional places to which notices may be sent.

9.13 Integration. This Agreement, the Plan, and the Confirmation Order constitute the entire agreement with, by, and among the parties thereto, and there are no representations, warranties, covenants, or obligations except as set forth herein, in the Plan, and in the Confirmation Order. This Agreement, together with the Plan and the Confirmation Order, supersede all prior and contemporaneous agreements, understandings, negotiations, and discussions, written or oral, of the parties hereto, relating to any transaction contemplated hereunder. Except as otherwise provided in this Agreement, the Plan, or the Confirmation Order, nothing herein is intended or shall be construed to confer upon or give any person other than the parties hereto and the Beneficiaries any rights or remedies under or by reason of this Agreement. To the extent there is an inconsistency between the Plan and this Agreement, the Plan shall control.

9.14 Interpretation. The enumeration and Section headings contained in this Wind-Down Trust Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Wind-Down Trust Agreement or of any term or provision hereof. Unless context otherwise requires, whenever used in this Wind-Down Trust Agreement the singular shall include the plural and the plural shall include the singular, and words importing the masculine gender shall include the feminine and the neuter, if appropriate, and vice versa, and words importing persons shall include partnerships, associations, and corporations. The words herein, hereby, and hereunder and words with similar import, refer to this Wind-Down Trust Agreement as a whole and not to any particular Section or subsection hereof unless the context requires otherwise. Any reference to the "Plan Administrator" shall be deemed to include a reference to the "Wind-Down Trust" and any reference to the "Wind-Down Trust" shall be deemed to include a reference to the "Plan Administrator" except for the references in Sections 3.1 and 3.2, and such other provisions in which the context otherwise requires.

9.15 Counterparts. This Agreement may be signed by the parties hereto in counterparts, which, when taken together, shall constitute one and the same document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have either executed and acknowledged this Agreement, or caused it to be executed and acknowledged on their behalf by their duly authorized officers or representatives, all as of the date first above written.

[SIGNATURE PAGES FOLLOW]

DREAM II HOLDINGS, LLC,
Sole Member of Hollander Home Fashions
Holdings, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER HOME FASHIONS
HOLDINGS, LLC,**
Sole Member of Hollander Sleep Products,
LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP
PRODUCTS, LLC,**
Sole Member of Hollander Sleep Products
Kentucky, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP
PRODUCTS, LLC**
Sole Member of Pacific Coast Feather, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

PACIFIC COAST FEATHER, LLC
Sole Member of Pacific Coast Feather
Cushion, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

DREAM II HOLDINGS, LLC

Name: Eric D. Bommer
Title: Director

Name: Michael J. Fabian
Title: Director

Name: Steve Cumbow
Title: Director

Name: Chris Baker
Title: Director

Name: Matthew Kahn
Title: Director

**HOLLANDER SLEEP
PRODUCTS CANADA LIMITED**

Name: Eric D. Bommer
Title: Director

Name: Michael J. Fabian
Title: Director

Name: Matthew Kahn
Title: Director

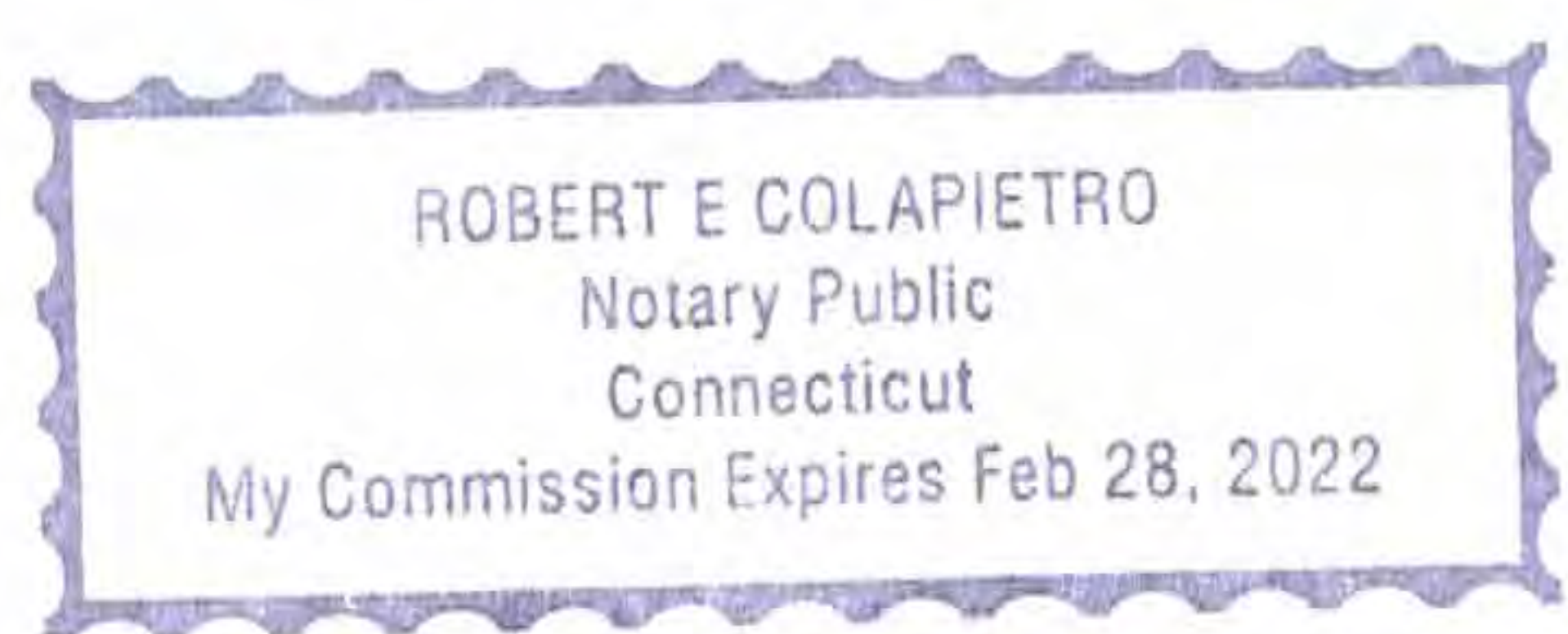
THE PLAN ADMINISTRATOR

By: _____
Name:

TAB M

THIS IS EXHIBIT "M" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6, 2019





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.

opinions, I believe that I am qualified to offer such opinions. If called upon as a witness, I could and would competently testify as to all of the matters stated herein.

3. I submit this Declaration in connection with the tabulation of votes to accept or reject the *Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 248] (as modified, amended, or supplemented from time to time, the "Plan").²

4. On May 30, 2019, the above-captioned debtors and debtors in possession (the "Debtors") filed the *Debtors' Application for Entry of an Order Authorizing and Approving the Employment and Retention of Omni Management Group as Administrative Advisor for the Debtors and Debtors in Possession Nunc Pro Tunc to the Petition Date* [Docket No. 66] (the "Retention Motion"). On July 2, 2019, the United States Bankruptcy Court for the Southern District of New York (the "Court") entered an order granting the Retention Motion [Docket No. 170].

5. On July 25, 2019, the Court entered the *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. 247] (the "Disclosure Statement Order"). Pursuant to the Disclosure Statement Order, the Court established procedures for soliciting, receiving, and tabulating votes to accept or reject the Plan and for filing objections to the Plan (the "Solicitation Procedures").

6. In accordance with the Solicitation Procedures, Omni worked closely with counsel to the Debtors to identify the holders of claims entitled to vote on the Plan. Omni subsequently

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement Order (as defined herein), as applicable.

transmitted the Solicitation Package to the Holders of Claims in Classes 4 and 5, the only Classes entitled to vote on the Plan.

7. For a Ballot to be counted as valid, the Ballot must have been properly completed in accordance with the Disclosure Statement Order. Specifically, the Ballot must have been marked to either accept or reject the plan and must have been executed by the party, or such party's representative, that holds a Claim in a Class that is entitled to vote on the Plan.

8. All completed, signed, and dated Ballots were required to be submitted via the "Submit E-Ballot" section of the Debtors' case administration website at www.omnimgt.com/hollander, electronic mail service to hollanderballots@omnimgt.com, or by 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, which address was listed on the Ballots, respectively, so as to be actually received by Omni on or before August 28, 2019, at 4:00 p.m., prevailing Eastern Time (the "Voting Deadline").

9. I hereby certify that attached hereto as **Exhibit A** and **Exhibit B** are detailed ballot tabulation reports (the "Ballot Reports") of all Ballots received by the Voting Deadline from Holders of Claims in Classes 4 and 5 (the "Counted Ballots"), which were the only Classes entitled to vote on the Plan. Copies of all the Counted Ballots are available for inspection upon request. The chart below is the final tabulation of votes cast by timely and properly completed Ballots.

Class 4 – Term Loan Claims		Result
Ballots Received	24 votes accepting the Plan 0 votes rejecting the Plan	Accept
Acceptance	100.00% in number of votes accepting the Plan 100.00% in dollar amount accepting the Plan (\$173,920,002.61)	
Rejection	0.00% in number of votes rejecting the Plan 0.00% in dollar amount rejecting Plan (\$0.00)	
Class 5 – General Unsecured Claims		Result
Ballots Received	66 votes accepting the Plan 11 votes rejecting the Plan	Accept
Acceptance	85.71% in number of votes accepting the Plan 95.74% in dollar amount accepting the Plan (\$38,496,885.01)	
Rejection	14.29% in number of votes rejecting the Plan 4.26% in dollar amount rejecting Plan (\$1,712,936.54)	

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge. Executed on this 3rd day of September 2019 at New York.

September 3, 2019

/s/ Paul Deutch
Paul Deutch

Exhibit A

Debtor: Hollander Sleep Products, LLC.

Case No. 19-11608

Claims Ballot Detail Results

Class 4 - Term Loan Claims

Class Summary Voting Outcome: **Accepted**

# Votes:	Total Received	Total Valid	Accepted	Rejected	Invalid
Vote %:	24	24	24	0	0
Amt:			100.00%	0.00%	
Amt %:		\$173,920,002.61	\$173,920,002.61	\$0.00	
			100.00%	0.00%	

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
ALLSTATE INSURANCE COMPANY	10612	S20545	8/28/2019	\$9,735,769.49	\$9,611,368.57	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
ALLSTATE LIFE INSURANCE COMPANY	10613	S20546	8/28/2019	\$9,735,769.49	\$9,611,368.57	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
BARINGS GLOBAL PRIVATE LOANS 1 S.A.R.L.	10614	S20547	8/27/2019	\$9,792,599.89	\$9,667,472.81	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
BARINGS GLOBAL PRIVATE LOANS 2 S.A.R.L.	10615	S20548	8/27/2019	\$18,544,322.82	\$18,307,368.69	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
BCF SENIOR FUNDING I LLC	10616	S20549	8/27/2019	\$4,636,080.70	\$4,576,842.17	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
C.M. LIFE INSURANCE COMPANY	10617	S20550	8/27/2019	\$3,746,700.80	\$3,698,826.52	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
DIAMOND CLO 2018-1 LTD.	10618	S20551	8/27/2019	\$10,582,598.61	\$10,447,377.15	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
FIRST EAGLE BERKELEY FUND CLO LLC	10619	S20552	8/28/2019	\$2,967,091.65	\$2,929,178.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
FIRST EAGLE DARTMOUTH HOLDING LLC	20986	S20583	8/28/2019	\$5,934,183.31	\$5,858,357.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
GSO DIAMOND PORTFOLIO BORROWER LLC	10621	S20554	8/27/2019	\$1,322,856.65	\$1,305,953.56	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
ING CAPITAL LLC	10622	S20555	8/23/2019	\$15,762,674.39	\$15,561,263.39	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY	10623	S20556	8/27/2019	\$21,231,304.59	\$20,960,016.97	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NAPLF (CAYMAN) SENIOR FUNDING I LLC	10624	S20557	8/27/2019	\$2,318,040.36	\$2,288,421.09	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NAPLF (CAYMAN)-A SENIOR FUNDING I LLC	10625	S20558	8/27/2019	\$2,318,040.36	\$2,288,421.09	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NAPLF SENIOR FUNDING I LLC	10626	S20559	8/27/2019	\$2,318,040.36	\$2,288,421.09	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes

Wednesday, August 28, 2019

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WOODLAND HILLS, CA 91367

Visit us on the Web at www.omnimgt.com
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PHONE: (818) 906-8300
FAX: (818) 783-2737

Debtor: Hollander Sleep Products, LLC.

Case No. 19-11608

Claims Ballot Detail Results

Class 4 - Term Loan Claims

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
NEWSTAR ARLINGTON SENIOR LOAN PROGRAM LLC	20987	S20584	8/28/2019	\$2,967,091.65	\$2,929,178.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NEWSTAR CLARENDON FUND CLO LLC	20988	S20585	8/28/2019	\$5,934,183.31	\$5,858,357.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NEWSTAR COMMERCIAL LOAN FUNDING 2016-1 LLC	20989	S20586	8/28/2019	\$1,650,444.73	\$1,629,355.81	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NEWSTAR COMMERCIAL LOAN FUNDING 2017-1 LLC	20990	S20587	8/28/2019	\$1,650,444.73	\$1,629,355.81	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NEWSTAR EXETER FUND CLO LLC	20991	S20588	8/28/2019	\$2,967,091.65	\$2,929,178.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
NEWSTAR FAIRFIELD FUND CLO LTD.	20992	S20589	8/28/2019	\$2,967,091.65	\$2,929,178.99	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
PENNANTPARK CREDIT OPPORTUNITIES FUND II, LP	10633	S20566	8/28/2019	\$4,636,080.70	\$4,576,842.17	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
PENNANTPARK FLOATING RATE FUNDING I, LLC	10634	S20567	8/28/2019	\$11,590,201.76	\$11,442,105.43	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes
PENNANTPARK SBIC II LP	10635	S20568	8/28/2019	\$20,862,363.17	\$20,595,789.78	Accept	<input type="checkbox"/>	Amount provided by attorney for tabulation purposes

Wednesday, August 28, 2019

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Exhibit B

Debtor: Hollander Sleep Products, LLC, et. al.
Case No. 19-11608
Claims Ballot Detail Results
Class 5 - General Unsecured Claims

Class Summary Voting Outcome: **Accepted**

# Votes:	Total Received	Total Valid	Accepted	Rejected	Invalid
Vote %:	86	77	66	11	9
Amt:			85.71%	14.29%	
Amt %:		\$40,209,821.55	\$38,496,885.01	\$1,712,936.54	
			95.74%	4.26%	

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
10401 BUNSEN WAY, LLC	20600	C308	8/27/2019	\$35,236.13	\$0.00	Invalid	<input type="checkbox"/>	Amount was aggregated on Ballot ID 20596
10401 BUNSEN WAY, LLC	20596	C21	8/27/2019	\$35,236.13	\$70,472.26	Reject	<input type="checkbox"/>	Ballot amount has been aggregated.
440 REALTY ASSOCIATES LLC	20134	C4	8/12/2019	\$40,749.75	\$40,749.75	Accept	<input type="checkbox"/>	Claimant wrote in \$25,458.71 as ballot amount, tabulated at filed claim amount.
660 NATIONAL TURNPIKE, LLC	20599	C20	8/27/2019	\$48,409.02	\$0.00	Invalid	<input type="checkbox"/>	Amount was aggregated on Ballot ID 20594
660 NATIONAL TURNPIKE, LLC	20594	C307	8/27/2019	\$48,409.02	\$96,818.04	Reject	<input type="checkbox"/>	Ballot amount has been aggregated
ADVANSA MARKETING GMBH	20145	C129	8/22/2019	\$3,069.80	\$3,069.80	Accept	<input type="checkbox"/>	
ARCHIVE SOLUTION PROVIDERS, LLC	20726	C40	8/26/2019	\$133,604.16	\$133,604.16	Accept	<input type="checkbox"/>	
AUTOMATEX INC.	20299	C26	8/15/2019	\$2,077.73	\$2,077.73	Accept	<input type="checkbox"/>	
AV LOGISTICS	20556	C288	8/12/2019	\$374,384.68	\$374,384.68	Accept	<input type="checkbox"/>	
AVERITT EXPRESS	20128	C121	8/8/2019	\$1,085.70	\$1,085.70	Accept	<input type="checkbox"/>	
BOWMAN HOLLIS MFG INC	20380	C36	8/26/2019	\$5,885.42	\$5,885.42	Accept	<input type="checkbox"/>	
BURNS CONTROLS COMPANY	20262	C177	8/26/2019	\$3,027.92	\$3,027.92	Reject	<input type="checkbox"/>	Claimant wrote in \$3,395.36 as ballot amount, tabulated at scheduled amount. No claim has been filed.
CAB ASSIGNEE OF CIXI JIANGNAN CHEMICAL FIBER CO LTD.	20222	C32	8/28/2019	\$3,566,164.21	\$3,566,164.21	Accept	<input type="checkbox"/>	

Wednesday, August 28, 2019

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Debtor: Hollander Sleep Products, LLC, et. al.

Case No. 19-11608

Claims Ballot Detail Results

Class 5 - General Unsecured Claims

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
CAB ASSIGNEE OF FUNING JINCHENG HOME TEXTILE CO LTD	20608	C58	8/28/2019	\$6,023,288.09	\$7,316,502.94	Accept	<input type="checkbox"/>	Ballot amount has been aggregated
CAB ASSIGNEE OF FUNING JINCHENG HOME TEXTILE CO LTD.	20193	C20	8/28/2019	\$1,293,214.85	\$0.00	Invalid	<input type="checkbox"/>	Amount was aggregated on Ballot ID 20608.
CAB ASSIGNEE OF HANGZHOU HUOJU DOWN PRODUCTS CO LTD	20506	C277	8/28/2019	\$1,888,275.55	\$1,888,275.55	Accept	<input type="checkbox"/>	Ballot amount has been aggregated
CAB ASSIGNEE OF HANGZHOU XIAOSHAN XINTANG FEATHER CO LTD.	20189	C145	8/28/2019	\$1,743,086.01	\$1,743,086.01	Accept	<input type="checkbox"/>	
CAB ASSIGNEE OF NINGBO MEGAPEAT BEDDING CO LTD.	20200	C149	8/28/2019	\$177,212.00	\$177,212.00	Accept	<input type="checkbox"/>	Claimant wrote in \$142,787.00 as ballot amount, tabulated at filed claim amount.
CAB ASSIGNEE OF QINGDAO FUYUAN ARTS & CRAFTS CO LTD.	20203	C150	9/28/2019	\$971,151.81	\$971,151.81	Accept	<input type="checkbox"/>	
CAB ASSIGNEE OF THE SEA FEATHER LIMITED COMPANY LUAN	20530	C280	8/28/2019	\$808,564.65	\$808,564.65	Accept	<input type="checkbox"/>	Claimant wrote in \$2,393,758.09 as ballot amount, tabulated at filed claim amount.
CAB ASSIGNEE OF WUHU FINE TEXTILE INT'L TRADING CO LTD	20384	C227	8/28/2019	\$3,091,155.99	\$3,091,155.99	Accept	<input type="checkbox"/>	
CAB ASSIGNEE OF WUJIANG XINYI TEXTILE CO LTD	20628	C321	8/28/2019	\$1,698,473.82	\$1,698,473.82	Accept	<input type="checkbox"/>	Claimant wrote in \$1,724,710.44 as ballot amount, tabulated at filed claim amount.
CAB ASSIGNEE OF WUXI JIELONG TEXTILE CO LTD.	20759	C147	8/28/2019	\$1,966,006.24	\$1,966,006.24	Accept	<input type="checkbox"/>	Claimant wrote in \$2,387,148.84 as ballot amount, tabulated at filed claim amount.
CAB ASSIGNEE OF ZHEJIANG WANXIANG BEDDING CO LTD.	20226	C33	8/28/2019	\$2,462,924.67	\$2,462,924.67	Accept	<input type="checkbox"/>	Ballot amount has been aggregated.
CARTIER ET LELARGE INC. ATTN: HERBERT	20349	C33	8/21/2019	\$1,155.00	\$1,155.00	Accept	<input type="checkbox"/>	
CITY TIRE, INC	20239	C36	8/13/2019	\$807.02	\$807.02	Accept	<input type="checkbox"/>	
CONVEYOR & STORAGE SOLUTIONS	20218	C156	8/19/2019	\$4,776.24	\$4,776.24	Accept	<input type="checkbox"/>	
DELTA CUSTOMS BROKERS	20296	C25	8/13/2019	\$1,650.90	\$1,650.90	Accept	<input type="checkbox"/>	
DEMANDPDX, LLC	19957	C39	8/12/2019	\$27,144.60	\$27,144.60	Accept	<input type="checkbox"/>	
DESIGNER SIGN SYSTEMS, INC.	20059	C81	8/26/2019	\$367.40	\$367.40	Accept	<input type="checkbox"/>	
DREAMWELL, LTD	20568	C293	8/26/2019	\$551,940.82	\$551,940.82	Reject	<input type="checkbox"/>	

Wednesday, August 28, 2019

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Debtor: Hollander Sleep Products, LLC, et. al.
Case No. 19-11608
Claims Ballot Detail Results
Class 5 - General Unsecured Claims

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
EAN SERVICES LLC	20944	C312	8/14/2019	\$5,087.38	\$5,087.38	Accept	<input type="checkbox"/>	
ELITE COMFORT SOLUTIONS LLC	20559	C290	8/27/2019	\$572,685.84	\$572,685.84	Accept	<input type="checkbox"/>	
EULER HERMES N.A. INSURANCE CO. AGENT OF TOPOCEAN CONSOLIDATION SERVICE (LOS ANGELES) INC. CLAIM ID 000430710	20315	C204	8/28/2019	\$835,023.00	\$835,023.00	Reject	<input type="checkbox"/>	Claimant wrote in \$849,036.00 as ballot amount, tabulated at filed claim amount.
EXAIR CORPORATION	20104	C105	8/12/2019	\$2,674.52	\$2,674.52	Accept	<input type="checkbox"/>	
FANELLI BROTHERS LEASING	20437	C7	8/26/2019	\$1,472.98	\$1,472.98	Accept	<input type="checkbox"/>	
FINELINE TECHNOLOGIES, INC.	19930	C4	8/26/2019	\$9,865.99	\$9,865.99	Accept	<input type="checkbox"/>	Claimant did not enter a ballot amount, tabulated at filed claim amount.
FRENCH APRON & MANUFACTURING CO INC	20826	C238	8/27/2019	\$6,594.50	\$6,594.50	Accept	<input type="checkbox"/>	
GOULSTON TECHNOLOGIES, INC.	19950	C34	8/13/2019	\$948.15	\$948.15	Accept	<input type="checkbox"/>	
GRAF METALLIC OF AMERICA, LLC	20030	C69	8/28/2019	\$47,190.52	\$0.00	Invalid	<input type="checkbox"/>	Vote not indicated
GUPTON SERVICES INC	20092	C97	8/12/2019	\$7,396.26	\$7,396.26	Reject	<input type="checkbox"/>	
HARVEST CONSUMER INSULATION, LLC	19955	C38	8/13/2019	\$132,377.90	\$132,377.90	Reject	<input type="checkbox"/>	
HAWKEYE ELECTRIC DUBUQUE INC	20291	C43	8/26/2019	\$921.56	\$921.56	Accept	<input type="checkbox"/>	
IDFL LABORATORY AND INSTITUTE	19920	C20	8/14/2019	\$17,657.23	\$0.00	Invalid	<input type="checkbox"/>	Ballot amount has been aggregated with Ballot ID 19984
IDFL LABORATORY AND INSTITUTE	19984	C9	8/14/2019	\$17,657.23	\$17,657.23	Accept	<input type="checkbox"/>	
INDO COUNT INDUSTRIES LIMITED	20372	C223	8/28/2019	\$48,804.00	\$48,804.00	Accept	<input type="checkbox"/>	
INNOVATIVE CONTROL SOLUTIONS	20309	C27	8/14/2019	\$887.27	\$887.27	Accept	<input type="checkbox"/>	Claimant wrote in 1,957.84, (Canadian dollars), as ballot amount, tabulated at filed claim amount.
INVISTA (CANADA) COMPANY	20438	C41	8/26/2019	\$3,074.70	\$3,074.70	Accept	<input type="checkbox"/>	
INVISTA S.A.R.L.	20440	C62	8/26/2019	\$4,003,165.24	\$4,003,165.24	Accept	<input type="checkbox"/>	
KUEHNE + NAGEL	20046	C75	8/15/2019	\$710,409.26	\$710,409.26	Accept	<input type="checkbox"/>	
LERNER, DAVID, LITTENBERG, KRUMHOLZ & MENTLIK, LLP	20459	C261	8/9/2019	\$267,065.96	\$267,065.96	Accept	<input type="checkbox"/>	
MARATHON PRESS, INC.	20552	C284	8/23/2019	\$15,413.87	\$15,413.87	Accept	<input type="checkbox"/>	

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Debtor: Hollander Sleep Products, LLC, et. al.
Case No. 19-11608
Claims Ballot Detail Results
Class 5 - General Unsecured Claims

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
MILBERG FACTORS INC.	20319	C203	8/19/2019	\$166,106.04	\$166,106.04	Accept	<input type="checkbox"/>	Ballot amount has been aggregated
MITCHEL-LINCOLN PACKAGING LTD.	20215	C153	8/26/2019	\$152,574.12	\$152,574.12	Accept	<input type="checkbox"/>	
MODEL DESIGN, INC. FEN 74-3049574	20276	C186	8/9/2019	\$8,495.75	\$8,495.75	Reject	<input type="checkbox"/>	
MODERN WELDING COMPANY OF KENTUCKY, INC.	20027	C68	8/12/2019	\$1,796.22	\$1,796.22	Accept	<input type="checkbox"/>	
NAP INDUSTRIES, INC.	20965	C61	8/26/2019	\$1,767,080.06	\$1.00	Accept	<input type="checkbox"/>	Ballot amount has been aggregated
NAP INDUSTRIES, INC.	20964	C333	8/26/2019	\$1,767,080.06	\$1,767,079.06	Accept	<input type="checkbox"/>	Ballot amount has been aggregated
NAP INDUSTRIES, INC.	20997		8/26/2019		\$0.00	Invalid	<input type="checkbox"/>	Amount was aggregated on Ballot ID 20964
NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA	20984	C31	8/15/2019	\$1,037,371.22	\$1,037,371.22	Accept	<input type="checkbox"/>	
NORTH AMERICAN SCALES CO.	20159	C137	8/26/2019	\$4,336.13	\$0.00	Invalid	<input type="checkbox"/>	Vote not indicated
OHIO VALLEY BAG & BURLAP CO. DBA OVASCO INDUSTRIES	19912	C13	8/22/2019	\$17,050.00	\$0.00	Invalid	<input type="checkbox"/>	Vote not indicated
OLD DOMINION FREIGHT LINE, INC.	20336	C214	8/23/2019	\$7,382.59	\$7,382.59	Reject	<input type="checkbox"/>	
OXFORD PUBLIC LEDGER	20274	C39	8/9/2019	\$312.00	\$312.00	Accept	<input type="checkbox"/>	
PACKAGING CORPORATION OF AMERICA	20295	C44	8/27/2019	\$2,292,477.59	\$2,292,477.59	Accept	<input type="checkbox"/>	Ballot amount has been aggregated.
PEOPLESARE	19908	C11	8/12/2019	\$4,064.21	\$4,064.21	Accept	<input type="checkbox"/>	Claimant wrote in \$4,064.00 as ballot amount, tabulated at filed claim amount.
PORTCO PACKAGING	20415	C59	8/12/2019	\$2,622.02	\$2,622.02	Accept	<input type="checkbox"/>	
POSDATA GROUP INC	20436	C251	8/19/2019	\$47,621.50	\$47,621.50	Accept	<input type="checkbox"/>	
PROGRESS CONTAINER	20047	C76	8/15/2019	\$318,306.59	\$318,306.59	Accept	<input type="checkbox"/>	
RAFAEL A. RODRIGUEZ	20404	C10	8/13/2019	\$330,938.33	\$330,938.33	Accept	<input type="checkbox"/>	
RAKEIDRA MCGHEE	20711	C192	8/15/2019	\$1.00	\$1.00	Reject	<input type="checkbox"/>	Claimant wrote in \$600,000. as ballot amount, tabulated as unliquidated claim.
RESTIVO CONTRACTING INC.	19913	C14	8/26/2019	\$3,368.00	\$3,368.00	Accept	<input type="checkbox"/>	
ROC TRUCKING INC	20298	C194	8/26/2019	\$32,945.00	\$32,945.00	Accept	<input type="checkbox"/>	

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Debtor: Hollander Sleep Products, LLC, et. al.

Case No. 19-11608

Claims Ballot Detail Results

Class 5 - General Unsecured Claims

Creditor	Ballot #	Clm Sch	Date Received	Printed Ballot Amount	Tabulated Vote Amount	Vote	Opt IN Election	Comment
ROSENTHAL & ROSENTHAL, INC.	20476	C64	8/16/2019	\$272,656.78	\$272,656.78	Accept	<input type="checkbox"/>	
SANDLER TRAVIS & ROSENBERG P A	20840	C263	8/8/2019	\$3,719.50	\$3,719.50	Accept	<input type="checkbox"/>	
SERVICORP	20605	C311	8/28/2019	\$17,116.81	\$17,116.81	Accept	<input type="checkbox"/>	
SOUTHWEST MOBILE STORAGE, INC.	20618	C318	8/26/2019	\$8,221.50	\$8,221.50	Accept	<input type="checkbox"/>	
SSH BEDDING CANADA CO.	20996		8/27/2019	\$1.00	\$1.00	Reject	<input type="checkbox"/>	Claimant wrote in \$95,445.04 as ballot amount, tabulated at \$1 for unliquidated claim
STEIN FIBERS LTD.	20995		8/27/2019	\$1,037,371.22	\$0.00	Invalid	<input type="checkbox"/>	
STEWARDSHIP ONTARIO	20305	C197	8/19/2019	\$18,930.12	\$18,930.12	Accept	<input type="checkbox"/>	Claimant wrote in \$12,620.08 as ballot amount, tabulated at filed claim amount.
TL COOK ELECTRIC LLC	20247	C168	8/16/2019	\$37,092.95	\$37,092.95	Accept	<input type="checkbox"/>	
ULINE, INC.	20154	C134	8/22/2019	\$6,891.71	\$6,891.71	Accept	<input type="checkbox"/>	Claimant wrote in \$21,633.54 as ballot amount, tabulated at filed claim amount.
UNWRAPPED, INC.	20106	C106	8/9/2019	\$15,103.80	\$15,103.80	Accept	<input type="checkbox"/>	
VALDESE PACKAGING & LABEL INC.	19906	C9	8/16/2019	\$135.29	\$135.29	Accept	<input type="checkbox"/>	
VANGUARD ENVIRONMENTAL INC	20450	C257	8/20/2019	\$5,523.91	\$5,523.91	Accept	<input type="checkbox"/>	
WEBTRANS LOGISTICS, INC.	20553	C285	8/27/2019	\$905.00	\$905.00	Accept	<input type="checkbox"/>	

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TAB N

THIS IS EXHIBIT "N" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 4 , 2019





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Counsel to the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

)	
In re:	)	Chapter 11
)	
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	

**DECLARATION OF MARC PFEFFERLE IN SUPPORT OF CONFIRMATION OF THE
DEBTORS' MODIFIED FIRST AMENDED JOINT PLAN PURSUANT TO
CHAPTER 11 OF THE BANKRUPTCY CODE**

I, Marc Pfefferle, hereby declare that the following is true to the best of my knowledge, information, and belief:²

1. I am the Chief Executive Officer of the above-captioned debtors and debtors in possession, (collectively, the “Debtors”). Additional information regarding my background and qualifications, as well as a description of my engagement with the Debtors (and a detailed description of the Debtors and their business, including the facts and circumstances supporting 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.

² Capitalized terms used but not defined herein have the meaning ascribed to such terms in the *Memorandum of Law in Support of Confirmation of the Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code*, filed contemporaneously herewith.

Debtors' chapter 11 cases), is set forth in 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], which is incorporated by reference herein.

2. In my capacity as Chief Executive Officer of the Debtors, I am familiar with the above-captioned Debtors day-to-day operations, business affairs, and books and records, as well as the Debtors' restructuring efforts. I have also played an active role in the formulation of the *Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 326] (as may be amended, modified, or supplemented from time to time, the "Plan"). Accordingly, I am familiar with the terms of the Plan as well as its negotiation and development.

3. Except as otherwise indicated, all matters set forth in this declaration (this "Declaration") are based on: (a) my personal knowledge of the Debtors' business operations, my review of relevant information provided to me by other members of the Debtors' management and the Debtors' professional advisors, including Kirkland & Ellis LLP, Carl Marks Advisory Group LLC, Houlihan Lokey Capital, Inc. ("Houlihan"), and Omni Management Group; (b) my opinion based upon my experience, knowledge, and information concerning the Debtors' operations; and (c) my review of relevant documents. If I were called upon to testify, I could and would testify competently to the facts set forth herein.

The Plan

I. Background.

4. The Plan is the product of extensive good faith, arm's-length negotiations between the Debtors and their major stakeholder constituencies. The Plan is premised on a sale of substantially all of the Debtors' assets to Bedding Acquisition, LLC (the "Purchaser"), which will maximize value for the estates and, in turn, the Debtors' stakeholders. The Debtors, with the assistance of Houlihan, engaged in an extensive marketing and sale process. As part of this

process, the Debtors and their professionals, reached out to prospective buyers for part or all of the Debtors' businesses and worked with the various interested parties, which efforts resulted in the Purchaser submitting the only qualified bid. The Debtors, in consultation with the consultation parties, entered into the Asset Purchase Agreement with the Purchaser with a bid of \$102 million in cash, subject to certain adjustments for net working capital similar transaction costs, and certain other consideration, including warrants that could be distributed to the Debtors' creditors. After receiving no other qualified bids, the Debtors determined that the Purchaser was the Winning Bidder under the Plan.

5. On August 21, 2019, the Debtors filed the Asset Purchase Agreement as part of the Plan Supplement [Docket No. 308]. I understand that, pursuant to the Sale Transaction, the Asset Purchase Agreement, and the Plan, the Purchaser will purchase substantially all of the Debtors' assets and will assume certain obligations for its go-forward business.

6. Additionally, the Plan provides for the global compromise reached with the Debtors' major stakeholders and approved by this Bankruptcy Court,³ the principal terms of which are as follows:

- the Debtors will fund a sale transaction recovery pool for the benefit of holders of General Unsecured Claims with cash in the amount of \$600,000;
- the Sponsor will fund up to \$650,000 for the benefit of holders of General Unsecured Claims;
- the Debtors will not initiate, prosecute, transfer, or otherwise attempt to collect upon any avoidance actions, and will cause all commercial tort proceeds and any commercial tort claims belonging to the Debtors to be assigned and transferred for the benefit of holders of General Unsecured Claims; and
- the Term Loan Lenders will forego any Term Loan Deficiency Claim.

³ On August 15, 2019, the Bankruptcy Court entered an order approving the settlements and compromises contained in the RSA.

7. I believe that the Plan and the Sale Transaction contemplated therein will provide sufficient liquidity to fund the Debtors' performance and distributions under the Plan. As a result, in light of the foregoing, and as discussed herein, I believe that the prompt confirmation and consummation of the Plan is in the best interest of the Debtors, their creditors, and all other parties in interest.

II. The Plan Satisfies the Bankruptcy Code's Requirements for Confirmation.

8. It is my understanding that the Bankruptcy Code sets forth certain requirements that any chapter 11 plan must comply with in order to be confirmed. For the reasons detailed below and with the assistance of the Debtors' advisors, I believe that the Plan satisfies the applicable Bankruptcy Code requirements for confirming a chapter 11 plan. The reasons for this belief are set forth herein, except where such compliance is apparent on the face of the Plan, the Plan Supplement, and the related documents or where it will be the subject of other testimony or evidence introduced at the Confirmation Hearing.

A. The Plan Fully Complies with the Applicable Provisions of the Bankruptcy Code — § 1129(a)(1).

9. I understand that section 1129(a)(1) of the Bankruptcy Code requires a chapter 11 plan to comply with all applicable provisions of the Bankruptcy Code.

1. Proper Classification of Claims and Interests — § 1122.

10. I understand that section 1122 of the Bankruptcy Code states that "a plan may place a claim or an interest in a particular class only if such claim or interest is substantially similar to the other claims or interests of such class." I understand that "substantially similar" does not require similar claims be grouped together but merely that the class be homogenous.

11. I believe that each of the Claims and Interests in each particular Class is substantially similar to the other Claims and Interests in such Class. Article III.A of the Plan

provides for the following Classes: Class 1 (Other Priority Claims); Class 2 (Other Secured Claims); Class 3 (Secured Tax Claims); Class 4 (Term Loan Claims); Class 5 (General Unsecured Claims); Class 6 (Intercompany Claims); Class 7 (Intercompany Interests); Class 8 (Interests in Dream II); and Class 9 (Section 510(b) Claims).

12. In general, the Plan's classification scheme follows the Debtors' capital structure and relates to the different legal or factual nature particular to each class. For example, debt and equity are classified separately, different types of debt or equity are also classified separately. In addition, Intercompany Interests (Class 7) are classified separately from Interests in Dream II (Class 8) held by third parties.

13. I believe that each of the Claims or Interests in a particular Class are substantially similar to the other Claims or Interests in such Class, and there is a reasonable basis for separately classifying the various classes of Claims and Interests created under the Plan. In each instance, the Plan classifies Claims and Interests based upon their different rights and attributes. Accordingly, I believe that the Plan fully complies with and satisfies section 1122 of the Bankruptcy Code.

2. Specification of Classes, Impairment, and Treatment — § 1123(a)(1 – 3).

14. It is my understanding that Article III of the Plan specifies in detail how Claims and Interests are classified, whether such Claims and Interests are impaired, and the treatment that each Class of Claims and Interests will receive under the Plan.

3. Equal Treatment of Similarly Situated Claims and Interests — § 1123(a)(4).

15. It is my understanding that the Plan provides for identical treatment within each Class of Claims or Interests. All holders of Allowed Claims or Interests will receive the same rights as other holders of Allowed Claims or Interests within such holders' respective class.

4. Adequate Means for Implementation — § 1123(a)(5).

16. I understand that section 1123(a)(5) of the Bankruptcy Code requires that a chapter 11 plan provide adequate means for a plan's implementation. I believe that the Plan provides adequate means for implementation as required under section 1123(a)(5) of the Bankruptcy Code. Article IV and various other provisions of the Plan detail (a) the consummation of the Sale Transaction in accordance with the Asset Purchase Agreement, (b) the sources for distributions under the Plan, including (i) Cash on hand, (ii) the Sale Proceeds, (iii) the Last Out Loans Turnover Amount, and (iv) the GUC Sale Transaction Recovery Pool, (c) the appointment of the Plan Administrator to act on behalf of the Wind-Down Trust and to take any action necessary to wind down and dissolve the Debtors' estates, (d) the waivers of Term Loan Deficiency Claims by the holders thereof and the Debtors' waiver of Avoidance Actions, (e) the cancellation of existing securities, the ABL Credit Agreement, the Term Loan Credit Agreement, and any other securities agreements to which the Debtors are parties, (f) the impairment of the DIP Term Loan Claims with the consent of such holders, and (g) the authorization for the Debtors or the Plan Administrator, as applicable, to take corporate actions necessary to effectuate the Plan.

17. As a result, I believe that the Plan satisfies section 1123(a)(5) of the Bankruptcy Code.

5. Prohibition of Issuance of Non-Voting Stock — § 1123(a)(6).

18. I am advised that section 1123(a)(6) of the Bankruptcy Code requires that a corporate debtor's chapter 11 plan provide that a reorganized debtor's charter is to include a prohibition against issuing non-voting equity securities and related protections for preferred shareholders. I believe that this provision is inapplicable to these chapter 11 cases. On the Effective Date, all remaining assets and the fiduciary duties, authority, power, and incumbency of any and all persons acting as directors and officers of the Debtors and the non-Debtor subsidiaries

shall be deemed to have been terminated, and vest in the Plan Administrator. The Plan Administrator shall be responsible for: (a) winding down the Debtors' businesses; (b) resolving Disputed Claims; (c) making all distributions to holders of Allowed Claims; (d) litigating any causes of action; (e) filing tax returns; and (f) administering the Plan. Accordingly, section 1123(a)(6) of the Bankruptcy Code is inapplicable to confirmation of the Plan.

6. Selection of Officers and Directors — § 1123(a)(7).

19. I understand that section 1123(a)(7) of the Bankruptcy Code requires that a chapter 11 plan contain only provisions related to selecting directors and officers that are consistent with the interests of creditors and equity security holders and with public policy. I believe that the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code. The Plan provides that, on the Effective Date, the term of the current members of the board of directors and officers of the Debtors and non-Debtor subsidiaries shall expire and the Plan Administrator will be appointed. The Plan Administrator has been selected by the UCC, in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders). I understand that the identity and compensation of the Plan Administrator will be disclosed prior to the Confirmation Hearing as part of the Plan Supplement.

7. Discretionary Contents of the Plan — § 1123(b).

20. It is my understanding that the Plan includes discretionary provisions that are consistent with the Debtors' authority under section 1123(b) of the Bankruptcy Code. For example, the Plan impairs certain Classes of Claims and Interests and leaves others unimpaired, proposes treatment for Executory Contracts and Unexpired Leases, provides a structure for Claim allowance and disallowance and establishes a distribution process for the satisfaction of Allowed Claims entitled to distributions under the Plan. To the extent not previously approved in connection with the order approving the settlements and compromises

contained in the RSA, the Plan also contains provisions implementing certain releases and exculpations, compromising claims and interests, and permanently enjoining certain causes of action. Additionally, the Plan provides for the sale of substantially all of the property of the Debtors' estates to the Purchaser pursuant to the Asset Purchase Agreement.

21. I submit that each of these provisions are appropriate because, among other things, they (a) are the product of arm's-length negotiations, (b) have been critical to obtaining the support of the various constituencies for the Plan, (c) are given for valuable consideration, (d) are fair and equitable and in the best interests of the Debtors, their estates, and these chapter 11 cases, and (e) are consistent with the relevant provisions of the Bankruptcy Code and Second Circuit law as explained to me.

a. Debtor Release.

22. It is my understanding that section 1123(b)(3)(A) specifically provides that a plan may provide for the settlement or adjustment of any claim or interest belonging to the debtor or the estate. Accordingly, pursuant to section 1123(b)(3)(A), the Debtors may release estate causes of action as consideration for concessions made by their various stakeholders pursuant to the Plan. Article VIII.C of the Plan provides for releases by the Debtors of any and all Claims and Causes of Action, including any derivative claims, the Debtors could assert against each of the Released Parties (the "Debtor Release").

23. I believe that the Debtor Release is in the best interests of the Debtors' estates and is a sound exercise of the Debtors' business judgment. The Debtor Release is the product of arm's-length negotiations, was critical to obtaining support for the Plan from various constituencies, and is in the best interests of the Debtors' estates. The Debtor Release was heavily negotiated in connection with other terms of the Plan and is an indispensable component to achieving final resolution of potentially extensive litigation that would otherwise negatively affect

these cases. Many of the claims and causes of action that would otherwise be covered by the Debtor Release have also already been released pursuant to the RSA and RSA Order.

24. In light of the contributions of the Released Parties, the Debtors believe that granting the Debtor Release is a valid exercise of their business judgment because it was a key aspect of the global settlement and is not a significant concession by the Debtors. First, the Debtor Release is a fundamental component of the global settlement effectuated by the Plan. As an initial matter, the releases in favor of the Sponsor, the Term Loan Agent, and the Consenting Term Loan Lenders have already been approved by this Bankruptcy Court pursuant to the RSA Order. Nevertheless, I submit that every Released Party has contributed to the results achieved under the Plan. For example, the (a) Sponsor has agreed to fund the Last Out Loans Turnover Amount, (b) the DIP Term Loan Lenders have agreed to the treatment of the DIP Term Loan Claims, which allows Claims senior in priority to the Term Loan Claims (other than the DIP Term Loan Claims) to recover ahead of the DIP Term Loan Claims, in addition to funding the Debtors' chapter 11 cases and sale process, (c) the Term Loan Lenders have agreed to (i) consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool and the \$1.0 million reserve to facilitate the wind-down of the Debtors' estates and (ii) forego their Term Loan Deficiency Claim, (d) the UCC has agreed to abide by a monthly fee cap, and (e) the DIP ABL Lenders have provided the Debtors with the liquidity necessary to fund these chapter 11 cases, in addition to other concessions made by Released Parties. Similarly, the Debtors' directors' and officers' actively participated in prepetition negotiations and throughout the course of these chapter 11 cases, which participation merits their inclusion as Released Parties for purposes of the Debtor Release. I believe that each contribution from a Released Party was critical to ensuring that the Debtors maximized the value of their assets.

25. I also understand that holders of Claims have overwhelmingly voted in favor of (and otherwise support) the Plan, including the Debtor Release, and no party in interest has objected to the Debtor Release.

26. Based on the foregoing, I believe that the Debtor Release represents a valid exercise of the Debtors' business judgment, represents a valid settlement of claims against the Released Parties, and should be approved.

b. The Consensual Third-Party Release.

27. In addition to the Debtor Release, Article VIII.D of the Plan includes a provision that releases certain non-debtor, third-party claims against other non-debtor, third parties (the "Third-Party Release"). The Third-Party Release applies only to parties who have played a significant role in these chapter 11 cases. As with the Debtor Release, I believe that the Third-Party Release was a material inducement for the support of the Plan and the concessions it contains. Notably, each holder of a Claim or Interest was provided with the opportunity to affirmatively opt into the Third-Party Release, and there was no requirement that holders of a Claim or Interest "opt out" of the Third-Party Release.

28. The Ballots distributed to holders of Claims entitled to vote on the Plan quoted the entirety of the Third-Party Release and related provisions and definitions of the Plan, clearly informing holders of Claims entitled to vote of the steps they should take if they disagreed with the scope of the Third-Party Release. Likewise, I understand that all parties not entitled to vote to accept or reject the Plan, including unimpaired creditors who are deemed to accept the Plan and holders of disputed Claims, were provided with a notice of non-voting status that provided instructions on how they could opt into the Third-Party Release. These notices also quoted the entirety of the Third-Party Release and related provisions and definitions of the Plan, clearly informing these holders of Claims and Interests of the steps they should take if they wished to

grant the Third-Party Release. I believe that all affected parties have thus been provided with more than adequate notice of the Third-Party Release and how to opt into such release. Accordingly, all holders of Claims and Interests providing a Third-Party Release will have affirmatively consented to provide such Third-Party Release.

29. I also submit that the Third-Party Release is substantively warranted. Prior to and throughout the pendency of these chapter 11 cases, the Released Parties worked constructively with the Debtors to negotiate and implement a value-maximizing transaction that would enable the Debtors to confirm a chapter 11 plan. As noted above, the Released Parties have been instrumental in supporting these chapter 11 cases and have made significant concessions in consideration for the releases provided under the Plan, without which confirmation would not be possible.

30. The Third-Party Release is an integral part of the Plan and a material inducement to the Released Parties pledging their support and making the value-maximizing transaction contemplated by the Plan possible. Accordingly, for all of the above reasons, I believe that the Debtors have a good-faith basis for including the Releases in the Plan. I further believe that the Third-Party Release is reasonable and appropriate in light of the unique circumstances of the chapter 11 cases and should be approved.

c. Exculpation.

31. Article VIII.E of the Plan provides that each Exculpated Party shall be released and exculpated from any Causes of Action arising out of acts or omissions in connection with these chapter 11 cases and certain related transactions, except for acts or omissions that are found to have been the product of actual fraud, willful misconduct, or gross negligence (the “Exculpation”). The Exculpation is an integral part of the Plan. I believe that this provision provides necessary and customary protections to those parties in interest (whether estate fiduciaries or otherwise) whose efforts were and continue to be vital to formulating and implementing the Plan, which has

garnered overwhelming support from the Debtors' creditors. The Debtors propose to exculpate the Exculpated Parties whose contributions and concessions have made the Plan possible. I believe that the chapter 11 cases could not have progressed as quickly and as productively absent the significant contributions of the Exculpated Parties, whose efforts were instrumental to the success of the Debtors' efforts to achieve a Plan supported by the vast majority of their stakeholders. Moreover, the Exculpation has been tailored to only provide such protections for acts or omissions in connection with the negotiation, execution, and implementation of any transactions approved by the Bankruptcy Court. Accordingly, I believe the protections afforded by the Exculpation are reasonable and appropriate.

d. Injunction.

32. It is my understanding that the Plan generally enjoins all persons or entities from commencing or continuing any suit, action, or other proceeding related to Claims, Interests, or Liens compromised by, released by, or subject to exculpation under the Plan (the "Injunction"). I believe that the Injunction is necessary to enforce the releases contained in the Plan and to protect the Released and Exculpation Parties from any potential litigation for issues covered by the Debtor Release, the Third-Party Release, or the Exculpation after the Effective Date. Without the Injunction, the Plan's release and exculpation provisions would be substantially weakened. In addition, pursuant to the Disclosure Statement Order, each holder of a Claim or Interest was provided with a notice that contained, in bold font, the express language of the Debtor Release, the Third-Party Release, the Exculpation, and the Injunction.

33. Accordingly, I submit that the Injunction is narrowly tailored and should be approved together with the Debtor Release, the Third-Party Release, and the Exculpation.

e. The Sale Transaction.

34. Under the Plan and pursuant to the Sale Transaction, the Debtors seek to sell substantially all of their assets to the Purchaser. I believe that the Debtors' sale of the purchased assets under the Sale Transaction is an essential component of the Debtors' Plan. I believe the sale represents the most efficient and appropriate means of maximizing the value of the Debtors' estates. The Debtors conducted a months-long marketing effort during which no other person or entity or group of entities offered to purchase the assets for greater overall value to the Debtors' estates than the Purchaser.

35. The Asset Purchase Agreement is the product of arm's-length negotiations. I believe, based on discussions with Houlihan, that the consideration to be provided by the Purchaser under the Asset Purchase Agreement is fair and reasonable for the purchased assets. Additionally, the Debtors, in consultation with the consultation parties, determined that the Sale Transaction provided the most efficient and appropriate mean at maximizing value. The Purchaser is not affiliated with the Debtors in any way and has proceeded in good faith during the entirety of the negotiation process. Thus, I believe that proceeding with the Sale Transaction under the Asset Purchase Agreement is in the best interest of the Debtors and their estates. Accordingly, I submit that the Debtors' sale of their assets under the Sale Transaction represents a sound exercise of the Debtors' business judgment.

* * * * *

36. Accordingly, I submit that the discretionary provisions of the Plan are consistent with and permissible under section 1123(b) of the Bankruptcy Code. In light of the foregoing, because the Plan fully complies with section 1122 and 1123 of the Bankruptcy Code, I submit that the Plan fully complies with and satisfies the requirements of section 1129(a)(1) of the Bankruptcy Code.

B. The Debtors Complied with the Solicitation Requirements of the Bankruptcy Code — § 1129(a)(2)

37. It is my understanding that the Bankruptcy Code requires that a party in interest receive the plan or a summary of the plan and a court approved disclosure statement prior to or at the time of the solicitation period. Bankruptcy Court filings show that the Disclosure Statement and the solicitation package were approved on July 25, 2019, as containing adequate information. In addition, I understand the Debtors mailed notices and ballots to the relevant interested parties in accordance with the Disclosure Statement Order.

38. Additionally, I understand that Bankruptcy Code provides that only holders of allowed claims and equity interests in impaired classes that will receive or retain property under a plan on account of such claims or equity interests may vote to accept or reject a plan. The Debtors did not solicit votes from holders of Claims in Classes 1, 2, or 3, which are unimpaired, and conclusively presumed to have accepted the Plan. The Debtors likewise did not solicit votes from holders of Claims or Interests in either Class 6 or Class 7, which are Intercompany Claims and Intercompany Interests, or Class 8 or 9, which are not entitled to any distributions under the Plan and are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. The Debtors only solicited votes from holders of Claims in Class 4 (Term Loan Claims) and Class 5 (General Unsecured Claims) (collectively, the “Voting Classes”) because each of the Voting Classes is impaired and entitled to receive a distribution under the Plan. I understand that no party has objected that any of the Voting Classes was not entitled to vote or that any of the non-voting classes was entitled to do so.

C. The Debtors Proposed the Plan in Good Faith — § 1129(a)(3).

39. I understand that section 1129(a)(3) of the Bankruptcy Code requires that a chapter 11 plan be proposed in good faith and not by any means forbidden by law. I believe that

the Plan was proposed with honesty, good intentions, and a desire to preserve the Debtors' business, while maximizing stakeholder recoveries. Throughout these cases, the Debtors, their board of managers, and the senior management team have upheld their fiduciary duties to stakeholders and protected the interests of all constituents. The Plan follows a marketing process to solicit interest in the Debtors' businesses and extensive negotiations with multiple parties, including the Purchaser. Additionally, I believe that the Asset Purchase Agreement was negotiated, proposed, and entered into by the Debtors and the Purchaser in good faith and from arm's-length bargaining positions, without collusion fraud, or attempt to take unfair advantage of any party, including any potential purchaser. The Plan also reflects the results of extensive arm's length negotiations among the Debtors and all of their major stakeholders, including the UCC, the ABL Lenders, the DIP ABL Lenders, the Term Loan Lenders, the DIP Term Loan Lenders, and the Sponsor, to resolve issues central to these chapter 11 cases and maximize the value of the Debtors' estates for the benefit of all stakeholders. As a result of these negotiations, the Plan incorporates a global compromise with the UCC and provides recoveries that were extensively negotiated by sophisticated parties, all of whom were represented by counsel. Importantly, to reach a global deal, many of the Debtors' senior stakeholders made concessions and forfeited recoveries for the benefit of other junior creditor constituencies.

40. I understand that the Plan will achieve a result consistent with the objectives and purposes of the Bankruptcy Code and can be implemented without violating applicable law.

D. Payment of Professional Fees and Expenses Are Subject to Court Approval — § 1129(a)(4).

41. I understand that section 1129(a)(4) of the Bankruptcy Code requires a Court to approve certain fees and expenses that either a plan proponent, debtor, or person receiving property distributions under the plan has paid as reasonable. It is my understanding that all previous

payments by the Debtors for services, costs, or expenses in connection with these chapter 11 cases, including all claims of retained professionals, are subject to Bankruptcy Court's approval as reasonable. In addition, Article II.B of the Plan provides that all final requests for payment of unpaid Professional Fee Claims must be filed no later than 30 days after the Effective Date, which will allow the Bankruptcy Court to review those fees as well. Because the Bankruptcy Court will determine the Allowed amounts of such Professional Fee Claims, I believe that the Plan complies fully with the requirements of section 1129(a)(4) of the Bankruptcy Code.

E. The Compliance with Governance Disclosure Requirements Does Not Apply to the Debtors — § 1129(a)(5).

42. I understand that section 1129(a)(5) of the Bankruptcy Code requires (a) that a plan proponent disclose the identity and affiliation of any individual proposed to serve as a director or officer of the debtor, or a successor thereto, under a chapter 11 plan, (b) that the appointment or continuance of such officers and directors be consistent with the interests of creditors and equity security holders and with public policy, and (c) that a plan proponent disclose the identities or affiliations of insiders to be employed or retained by the reorganized debtors as directors and officers and the nature of any compensation for such insider. Because the Plan provides for the liquidation of the estates' remaining assets and dissolution of the Debtors, I understand that section 1129(a)(5) of the Bankruptcy Code is not applicable to these chapter 11 cases. Nevertheless, I believe that Article IV.D of the Plan satisfies the requirements of section 1129(a)(5) of the Bankruptcy Code, to the extent applicable, by providing for the appointment of the Plan Administrator, whom the Debtors will identify in advance of the Confirmation Hearing.

F. The Plan Does Not Require the Government to Approve Rate Changes — § 1129(a)(6).

43. I have been advised that the Debtors are not subject to regulations that would invoke section 1129(a)(6)'s requirement that they seek regulatory approval for rate changes provided for under the Plan. The Plan does not propose any rate changes.

G. The Debtors' Liquidation Analysis Satisfies the Best Interests Test — § 1129(a)(7).

44. I understand that section 1129(a)(7) of the Bankruptcy Code requires that any chapter 11 plan must satisfy the "best interests of creditors" test, which provides that holders of claims or interests in impaired, non-accepting classes must receive under a chapter 11 plan at least as much as they would in a liquidation.

45. I believe that all holders of Claims and Interests in all Impaired Classes will recover at least as much under the Plan as they would in a hypothetical chapter 7 liquidation. Substantially all of the assets of the Debtors' assets will be sold through the Sale Transaction and the Plan effectively effectuates a liquidation of the Debtors' remaining assets. Although a chapter 7 liquidation would achieve the same goal, the Plan provides a greater and more timely recovery to holders of Claims and Interests. Specifically, a chapter 7 liquidation would trigger a termination event under the Asset Purchase Agreement. If terminated, it is unclear whether the Purchaser would continue to seek to own the Debtors' assets, especially in light of the substantial business disruption a chapter 7 conversion would create. Moreover, it is uncertain whether the Purchaser would offer the same purchase price in a chapter 7 proceeding. The chapter 7 trustee may have to either renegotiate the terms of the current Asset Purchase Agreement or run another sale process. The outcome of any additional sale process is uncertain, given that in the recent sale process the Debtors only received one qualified bid.

46. In addition, the estates likely would continue to be obligated to pay all unpaid expenses incurred by the Debtors during the chapter 11 cases. I understand that the conversion to chapter 7 would require entry of a new bar date for filing claims that would be more than 90 days following conversion of the case to chapter 7. Thus, the amount of Claims ultimately filed and allowed against the Debtors could materially increase, thereby further reducing creditor recoveries versus those available under the Plan.

47. Furthermore, I believe that the distributable proceeds will be lower in a chapter 7 liquidation because of the chapter 7 trustee's fees and expenses. I understand that under the Bankruptcy Code, a chapter 7 trustee could collect fees up to three percent of the value of the Debtors assets. The chapter 7 trustee will also have to retain additional professionals to assist with the liquidation of the Debtors' assets. These professionals, along with the chapter 7 trustee, will need time to become familiar with the Debtors' assets and these specific chapter 11 cases, in order to complete the administration of the estates. Therefore, the time and expense of a chapter 7 trustee will decrease the available distributable proceeds.

48. In light of the foregoing, I believe that a chapter 7 liquidation would result in materially reduced sale proceeds, increased expenses, delayed distributions, and the prospect of additional claims that were not asserted in the chapter 11 cases.

H. Acceptation by Impaired Classes — § 1129(a)(8).

49. It is my understanding that section 1129(a)(8) of the Bankruptcy Code requires that each class of claims or interests either accept a plan or be unimpaired under a plan. Class 4 (Term Loan Claims) and Class 5 (General Unsecured Claims), the only two impaired Classes that were eligible to vote on confirmation of the Plan, both voted to accept the Plan. No Class voted to reject the Plan, but I understand that Class 6, Class 8, and Class 9 are deemed to have rejected the Plan under section 1126(g) because holders of Claims and Interests in these Classes are impaired and

not entitled to receive or retain any property under the Plan. Nevertheless, I respectfully submit that the Plan is confirmable because it satisfies section 1129(b), as discussed below.

I. Priority Cash Payments — § 1129(a)(9).

50. I understand that the Bankruptcy Code generally requires that claims entitled to administrative priority must be repaid in full in cash or receive certain other specified treatment. I understand that the Plan contemplates that Allowed Administrative Claims will be paid in full in cash or receive other treatment rendering them unimpaired. In addition, Allowed Priority Tax Claims will be treated in accordance with the terms of section 1129(a)(9)(C) of the Bankruptcy Code.

J. At Least One Impaired Class Voted to Accept the Plan — § 1129(a)(10).

51. I understand that section 1129(a)(10) of the Bankruptcy Code requires that, if a class of claims is impaired under a plan, at least one impaired class of claims must accept the plan, excluding acceptance by any insider. I understand that, exclusive of any acceptances by insiders, the Plan has been accepted by a Voting Class at each Debtor, as detailed in the *Declaration of Paul Deutch Regarding Analysis of Ballots for Accepting or Rejecting the Debtors' First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code*, filed contemporaneously herewith.

K. The Plan Is Feasible — § 1129(a)(11).

52. I understand that section 1129(a)(11) of the Bankruptcy Code requires a court to determine that a chapter 11 plan is feasible and that confirmation of such plan is not likely to be followed by the liquidation or further financial reorganization of the Debtors.

53. I believe that the Plan is feasible. Through the Plan, the Term Loan Lenders will consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool, and the Sponsor will cause the Last Out Loans Turnover Amount to be funded, which (along with Commercial Tort Proceeds, if any) will be used by the Plan Administrator for distributions on account of General

Unsecured Claims. The Debtors will reserve funds in accordance with the Wind-Down Trust Agreement to cover the reasonable activities and expenses to be incurred by the Plan Administrator in winding down these chapter 11 cases. The Debtors will also establish and fund the Professional Fee Escrow to pay Professional Fee Claims. Additionally, certain of the Debtors' liabilities will be assumed by the Purchaser in accordance with the Asset Purchase Agreement. Most importantly, subject to the occurrence of the Effective Date, the DIP Term Loan Lenders have agreed that all Claims senior in priority to the Term Loan Claims (other than the DIP Term Loan Claims) will recover ahead of the holders of DIP Term Loan Claims. For these reasons, I believe the Debtors will be able to satisfy their obligations under the Plan, thereby making the Plan feasible.

54. Accordingly, I believe the Plan satisfies the feasibility requirements of section 1129(a)(11).

L. The Plan Provides for Payment of All Fees — § 1129(a)(12).

55. I understand that section 1129(a)(12) of the Bankruptcy Code requires the payment of all fees payable under 28 U.S.C. § 1930. Article XII.C of the Plan includes an express provision requiring payment of all fees in compliance with the Bankruptcy Code.

M. The Plan Complies with Section 1129(a)(13) of the Bankruptcy Code.

56. It is my understanding that section 1129(a)(13) of the Bankruptcy Code requires that retiree benefits are paid post-confirmation at any levels established in accordance with section 1114 of the Bankruptcy Code. I believe that Article V.H of the Plan satisfies this requirement by providing that "the Debtors' obligations, if any, to pay all 'retiree benefits' as defined in section 1114(a) of the Bankruptcy Code shall continue . . ."

N. Sections 1129(a)(14)–(16) Do Not Apply to the Chapter 11 Cases — § 1129(a)(13)–(16).

57. I understand that sections 1129(a)(14) and 1129(a)(15) of the Bankruptcy Code apply only to debtors that are individuals, and that section 1129(a)(16) of the Bankruptcy Code applies only to debtors that are nonprofit entities or trusts. The Debtors are not individuals or nonprofit entities or trusts.

O. The Plan Satisfies Cram-Down Requirements — § 1129(b).

58. I understand that in the event that less than all classes of claims or interests either accept a plan or are unimpaired, section 1129(b) of the Bankruptcy Code provides that a court may confirm a plan if it does not discriminate unfairly and provides fair and equitable treatment to each rejecting impaired class.

59. I believe that the Plan does not discriminate unfairly with respect to each Class of Claims or Interest that is impaired and has not accepted the Plan. The Plan's treatment of these Classes is proper because all similarly situated holders of Claims and Interests will receive substantially similar treatment and the Plan's classification scheme rests on a legally acceptable rationale. Further, the "fair and equitable" standard has been met. To the extent any impaired rejecting class of claims or interests is not paid in full, no class junior to the impaired rejecting class will receive any distribution under the Plan on account of its junior claim or interest.

III. The Plan Complies with the Other Provisions of Section 1129 of the Bankruptcy Code.

60. I believe that the Plan satisfies the remaining provisions of section 1129 of the Bankruptcy Code. Section 1129(c), prohibiting confirmation of multiple plans, is not implicated because there is only one proposed plan of reorganization.

61. The purpose of the Plan is not to avoid taxes or the application of section 5 of the Securities Act of 1933. Moreover, no governmental unit, nor any other party, has raised any

objection to the Plan on these grounds. I therefore submit that the Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

62. Lastly, section 1129(e) of the Bankruptcy Code is inapplicable because none of the Debtors' chapter 11 cases is a "small business case."

IV. The Modifications to the Plan Do Not Require Resolicitation and Should Be Approved.

63. I understand that Section 1127(a) of the Bankruptcy Code provides that a plan proponent may modify its plan at any time before confirmation as long as such modified plan meets the requirements of sections 1122 and 1123 of the Bankruptcy Code. I have also been advised that a proposed modification to a previously accepted plan will be deemed accepted where the proposed modification is not material or does not adversely affect the way creditors and stakeholders are treated, unless such affected creditors consent to the treatment.

64. The Debtors filed a modified version of the Plan on August 30, 2019, and expect to file a slightly modified version today. It is my understanding that the modifications to the Plan merely implement the toggle to the Sale Transaction always contemplated by the Debtors' RSA and prior plans (including the first amended plan for which the Debtors solicited votes to accept or reject [Docket No. 248] (the "Original Plan")) and do not adversely impact creditors who have not consented to such modified treatment. Specifically, while the Plan has been modified to impair the DIP Term Loan Lenders, the affected creditors have consented to such modifications through amendments to the DIP Term Loan Credit Agreement. I understand that all other creditors are receiving the exact same recovery contemplated by the Original Plan. Accordingly, while the plan modifications appear substantial in certain respects to implement the sale of substantially all of the Debtors' assets and the terms of the wind-down of the Debtors' estates, they do not impact creditors' recoveries without their consent, and ultimately the changes merely implement the

contemplated transactions that the Original Plan and Disclosure Statement expressly contemplated. Further, I understand that the Debtors' key stakeholders support the modifications.

65. Therefore, I submit that the modifications are immaterial or have been consented to after negotiation among sophisticated consenting parties.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: September 3, 2019

Respectfully submitted,

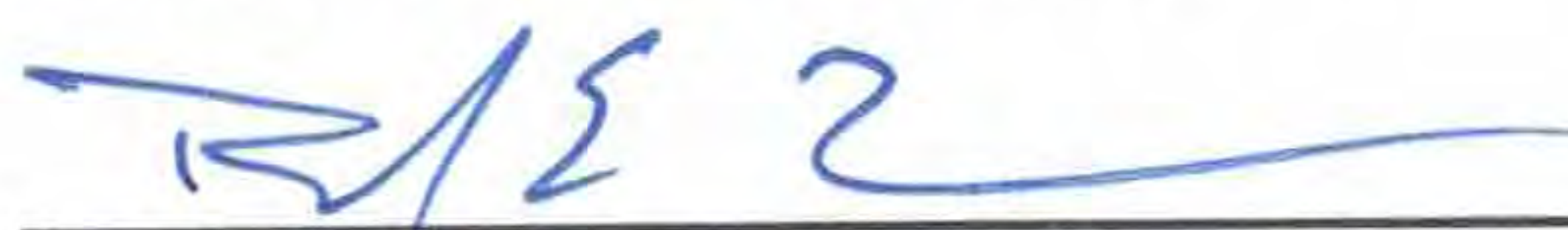
/s/ Marc Pfefferle

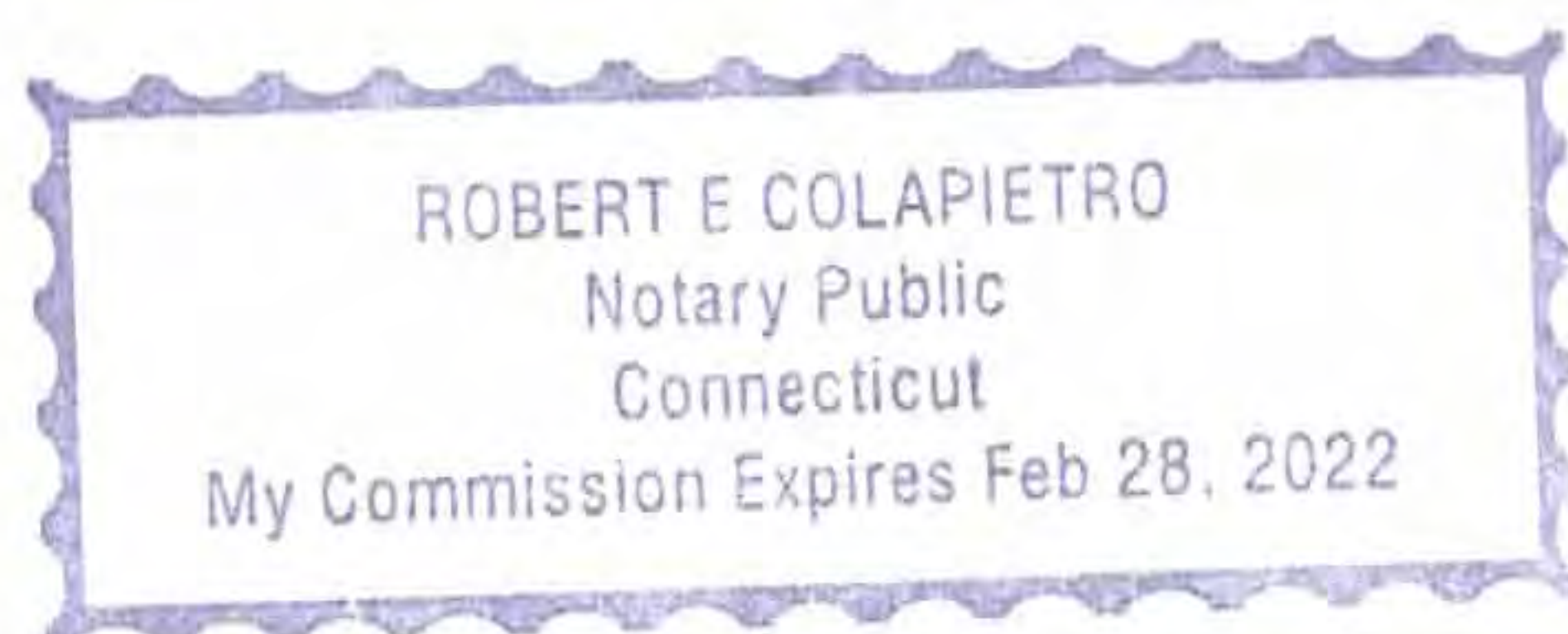
Marc Pfefferle

Chief Executive Officer of Hollander Sleep Products, LLC

TAB 0

THIS IS EXHIBIT "O" REFERRED TO IN THE
AFFIDAVIT OF MARC PFEFFERLE SWORN
ON SEPTEMBER 6 , 2019





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Counsel to the Debtors and Debtors in Possession

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

In re:)	
	)	Chapter 11
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
Debtors.	)	(Jointly Administered)
)	

**DECLARATION OF DAVID SALEMI IN
SUPPORT OF ENTRY OF AN ORDER APPROVING THE SALE OF
SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS TO THE WINNING BIDDER**

I, David Salemi, hereby declare under penalty of perjury:

1. I am above the age of 18 and competent to testify and make this declaration. I am a Director at Houlihan Lokey, Inc. ("Houlihan Lokey"), a financial advisory services firm with its principal office located at 10250 Constellation Boulevard, Los Angeles, California 90067. Houlihan Lokey has been engaged as the financial advisor to the above-captioned debtors and debtors in possession (collectively, the "Debtors") since May 2, 2019. I have been a financial advisor at Houlihan Lokey for 20 years. During that time, I have provided restructuring advice

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.

within the context of chapter 11 restructurings, out-of-court restructurings, and distressed transactions, including transactions involving the marketing and sale of assets in consumer-facing industries.

2. I submit this declaration to inform the Court of the Debtors' marketing and sale process, pursuant to the procedures (the "Bidding Procedures") approved by order [Docket No. 180] (the "Bidding Procedures Order") of the United States Bankruptcy Court for the Southern District of New York (the "Court"), in support of entry of an order approving the sale of certain of the Debtors' assets (the "Sale Transaction") to Bedding Acquisition, LLC ("Bedding Acquisition" or the "Winning Bidder"). The Sale Transaction is to be consummated in accordance with the *Debtors' Modified First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 326] (as may be amended, modified, or supplemented, the "Plan") and that certain asset purchase agreement dated as of August 15, 2019 (as may be amended, modified, or supplemented, the "APA"), executed by and between the Debtors and the Winning Bidder for the sale of certain acquired assets set forth in the APA to the Winning Bidder (the "Purchased Assets").²

3. Unless otherwise indicated, all facts set forth in this declaration are based upon (a) my attendance and oversight of the marketing and sale process, including work done by my team members at Houlihan Lokey which I discussed with them, (b) information learned from my review of relevant financial and operational data regarding the Debtors, (c) information received from members of the Debtors' management or their other advisors, and (d) my past experience advising both distressed companies and their stakeholders.

² Capitalized terms used in this declaration and not otherwise defined shall have the meanings ascribed to such terms in the Plan, the APA, or the Bidding Procedures Order, as applicable.

4. I am authorized to submit this declaration on behalf of the Debtors, and, if I were called upon to testify, I could and would testify competently to the facts set forth herein.

The Debtors' Postpetition Marketing Process

5. On May 19, 2019, the Debtors filed an initial version of the Plan laying out the intent to pursue a debt-for-equity exchange or otherwise toggle to an asset sale. The Court subsequently entered the Bidding Procedures Order approving the Bidding Procedures to be implemented in connection with the marketing and sale process of the Debtors' assets. As part of this process, the Debtors, with the assistance of Houlihan Lokey, reached out to more than 150 prospective buyers to gauge their interest in the Debtors' assets. Houlihan engaged both financial investors and strategic investors/industry participants. As a result of these efforts, more than fifty parties executed nondisclosure agreements with the Debtors. All parties subject to nondisclosure agreements were given access to a virtual data room containing detailed information regarding the assets in which each party expressed interest.

6. As a result of these efforts, the Debtors received ten preliminary, non-binding indications of interest for part or all of the business. The Debtors, Houlihan Lokey, and the Debtors' other advisors worked extensively with the various interested parties to progress diligence, management meetings, site visits, and provided other relevant information with the goal of receiving qualified bids in advance of, or on, the final bid deadline.

7. On August 7, 2019, the Debtors, in consultation with the Consultation Parties, modified the Bidding Procedures to extend the final bid deadline through and including August 15, 2019 (and the Auction, if any, to August 19, 2019, to further the goal of attaining the highest or otherwise best offer for their assets and to permit continued negotiations with potential bidders.

8. Following the final bid deadline, on August 15, 2019, after productive negotiations, the Debtors, in consultation with their advisors and the Consultation Parties, deemed Bedding Acquisition's proposed agreement to be a Qualified Bid and agreed to provide Bedding Acquisition with Bid Protections pursuant to the Bid Procedures. The Debtors did not receive any other bids at or after the final bid deadline.

9. Because Bedding Acquisition placed the only Qualified Bid, the Auction scheduled for August 19, 2019, was cancelled, and the Debtors declared Bedding Acquisition to be the Winning Bidder, with a bid of \$102 million cash and certain other consideration, subject to certain adjustments for net working capital and similar transaction costs, to acquire substantially all of the Debtors' assets and operate as a going concern (the "Successful Bid").³

10. It is my understanding that Bedding Acquisition was selected as the Winning Bidder without collusion or fraud of any kind, in good faith, and from arm's-length bargaining positions. I have no reason not to believe that the Winning Bidder has proceeded in good faith in all respects in connection with this proceeding. I am not aware of any side deals or other arrangements that would evidence a lack of good faith. Further, I have no knowledge of the Winning Bidder engaging in any improper action or inaction that would cause or permit the APA or the Sale Transaction to be avoided or justify the imposition of any costs or damages.

11. Further, to my knowledge the Winning Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Winning Bidder and the Debtors.

³ The Successful Bid contemplates the issuance of warrants to the Debtors granting the right to purchase up to 7.5% of Bedding Acquisition's post-closing fully diluted equity ownership after certain return thresholds on the equity capital committed/pledged are reached.

Conclusion

12. Based on the foregoing, I believe that the Debtors engaged in a robust marketing process and the Sale Transaction is an important step forward in the Debtors' restructuring. It is therefore my opinion that the Sale Transaction and the terms of the APA reflect the highest, best, and only available bid for the Purchased Assets. Accordingly, I respectfully submit that the Court should approve the Sale.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: September 3, 2019
New York, New York

/s/ David Salemi

David Salemi
Director
Houlihan Lokey, Inc.

TAB 3

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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.

APPLICANT

AFFIDAVIT OF EVAN BARZ

(Sworn September 6, 2019)

I, Evan Barz, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an associate lawyer with the law firm of Osler, Hoskin & Harcourt LLP, counsel to Hollander Sleep Products, LLC (the “**Foreign Representative**”) in its capacity as foreign representative of 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., that have filed voluntary petitions for relief

pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the “**U.S. Court**”). As such I have personal knowledge of the matters deposed to in this affidavit, except where indicated otherwise.

2. I swear this Affidavit in support of a motion by the Foreign Representative for an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”) recognizing and enforcing the following three (3) Orders recently entered by the U.S. Court: (i) the RSA Order; (ii) Confirmation Order; and (iii) DIP Term Loan Amendment Order (all as defined below).

A. The U.S. Orders

3. On August 15, September 5, and September 6, 2019, the U.S. Court entered the following three (3) Orders, which the Foreign Representative is seeking to have recognized through this motion by the Ontario Court:

- (a) *Order (I) Authorizing the Debtors to Assume the Restructuring Support and Settlement Agreement, (II) Approving the Settlements and Compromises Contained Therein, and (III) Granting Related Relief* (the “**RSA Order**”). A copy of the RSA Order is attached hereto as Exhibit “A”.
- (b) *Findings of Fact, Conclusions of Law, and Order Confirming Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Confirmation Order**”). A copy of the Confirmation Order is attached hereto as Exhibit “B”.
- (c) *Order Authorizing the Debtors to Enter into an Amendment to the DIP Term Loan Credit Facility* (the “**DIP Term Loan Amendment Order**”). A copy of the DIP Term Loan Amendment Order is attached hereto as Exhibit “C”.

4. I make this affidavit in support of the within Motion and for no other improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario on
September 6, 2019.



Commissioner for Taking Affidavits

CARY FIDLER


EVAN BARZ

TAB A

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF EVAN BARZ SWORN ON
SEPTEMBER 6, 2019.**

A handwritten signature in black ink, appearing to read "Cary Fidler", written above a horizontal line.

Commissioner for Taking Affidavits

CARY FIDLER

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

In re:	)	Chapter 11
)	
HOLLANDER SLEEP PRODUCTS, LLC., <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	
	)	Re: Docket No. 235

**ORDER (I) AUTHORIZING THE DEBTORS TO ASSUME THE RESTRUCTURING
SUPPORT AND SETTLEMENT AGREEMENT, (II) APPROVING THE
SETTLEMENTS AND COMPROMISES CONTAINED THEREIN,
AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for the entry of an order (this “Order”) (a) authorizing the Debtors to assume and perform under the RSA attached hereto as **Exhibit 1**, as amended by the *First Amendment to the Amended and Restated Restructuring Support and Settlement Agreement*, dated as of August 2, 2019, attached hereto as **Exhibit 2**, (b) approving the settlements and compromises contained therein, and (c) granting related relief, all as more fully set forth in the Motion; and the 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, 2019; 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 used but not defined herein shall have the meanings set forth 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 circumstance and no other notice need be provided; and this Court having found that the assumption of the RSA does not constitute a solicitation for purposes of sections 1125 and 1126 of the Bankruptcy Code; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing established 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. The Debtors are authorized to assume the RSA (as amended by the First Amendment) and perform thereunder. The Plan Settlement contained in the RSA is approved. The RSA, including the Plan Settlement and the releases contained therein, shall be binding and enforceable in accordance with its terms against each of the parties thereto and their successors and assigns, including a chapter 7 trustee.
3. The parties to the RSA are authorized, but not directed, to enter into further amendments to the RSA from time to time as necessary, subject to the terms and conditions set forth in the RSA and without further order of the Court, *provided* that the Court must approve any amendment that would change the funding or commitments of the Sponsor or the Consenting Term Loan Lenders or the releases set forth in the RSA or any other material provisions of the RSA.
4. The entry into the RSA shall not constitute a solicitation of votes in violation of section 1125(b) of the Bankruptcy Code.

5. To the extent the parties have agreed in the RSA that certain amounts will be paid to certain creditor groups upon confirmation of a chapter 11 plan, the RSA will be interpreted only as an agreement by the parties to support confirmation of a plan that achieves that result. The actual distribution of such amounts will depend upon the terms of a confirmed plan or further order of the Court.

6. To the extent the automatic stay provisions of section 362 of the Bankruptcy Code would otherwise apply, such provisions are vacated and modified to effectuate all terms and provisions of the RSA and this Order, including, without limitation, to permit any notices contemplated by and in accordance with the RSA, or to exercise any rights set forth in the RSA with respect to termination, in each case, without further order of the Court.

7. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Bankruptcy Rules and the Local Rules are satisfied by such notice.

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

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

10. Notwithstanding any provision of the RSA (including without limitation paragraph 27 thereof), this 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 15, 2019

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

Exhibit 1

RSA

**AMENDED AND RESTATED RESTRUCTURING
SUPPORT AND SETTLEMENT AGREEMENT**

This AMENDED AND RESTATED RESTRUCTURING SUPPORT AND SETTLEMENT AGREEMENT (as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, and including the exhibits hereto, this “Agreement”), dated as of July 21, 2019, is entered into by and among the following parties (each, a “Party” and, collectively, the “Parties”):

- i. Dream II Holdings, LLC together with certain of its direct and indirect subsidiaries (collectively, the “Company”);
- ii. the undersigned holders of claims (and together with their respective successors and permitted assigns, the “Consenting Term Loan Lenders”) under the Term Loan Credit Agreement (as defined herein);
- iii. the official committee of unsecured creditors appointed in the Chapter 11 Cases (as defined herein) (the “Committee”); and
- iv. Sentinel Capital Partners, LLC, on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its affiliates that directly or indirectly hold interests in the Company (collectively, the “Sponsor”).

RECITALS

WHEREAS, the Company, the Consenting Term Loan Lenders, and the Sponsor entered into that certain Restructuring Support Agreement, dated as of May 19, 2019 (the “Original RSA”).

WHEREAS, the Parties desire to amend and restate the Original RSA in its entirety to incorporate a global settlement among the Parties, the terms of which are reflected in the settlement term sheet attached hereto as **Exhibit D** and are more fully set forth herein (the “Settlement”).

WHEREAS, the Parties have engaged in good faith, arm’s-length negotiations regarding certain restructuring transactions (the “Restructuring Transactions”) pursuant to the terms and conditions set forth in this Agreement and the *Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* attached hereto as **Exhibit A** (including all exhibits thereto, and as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with its terms or to implement the Sale Transaction as contemplated by this Agreement, the “Plan”).

WHEREAS, the Restructuring Transactions will be implemented through the jointly administered voluntary cases commenced by the Company on May 19, 2019 (the “Chapter 11 Cases”), under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Southern District of

New York (the “Bankruptcy Court”), pursuant to the Plan filed by the Company in the Chapter 11 Cases.

WHEREAS, the Parties have agreed to support the Plan and the Restructuring Transactions contemplated by the Plan, including the conversion of all of the Term Loan Claims (as defined herein) into equity in the reorganized Company in full and final satisfaction of such Term Loan Claims, as provided for in the Plan.

WHEREAS, as part of the Settlement, the Parties also agreed to support alternatives to the Restructuring Transactions as set forth in this Agreement and the Plan.

WHEREAS, certain Consenting Term Loan Lenders, their affiliates, managed funds, or customer accounts (in their capacities as such, the “DIP Term Loan Lenders”) have committed to provide a debtor-in-possession term loan credit facility (the “DIP Term Loan Credit Facility”) and otherwise extend credit to the Company during the pendency of the Chapter 11 Cases and have agreed to the Company’s use of cash collateral, which DIP Term Loan Credit Facility and use of cash collateral shall be on terms consistent with the commitment letter that is attached hereto as **Exhibit B** (the “DIP Term Loan Commitment Letter”) and otherwise pursuant to the DIP Orders and the DIP Term Loan Credit Agreement (each as defined herein).

WHEREAS, certain Consenting Term Loan Lenders, their affiliates, managed funds, or customer accounts (in their capacities as such, the “Exit Term Loan Lenders”) have committed to provide a new money term loan credit facility (the “Exit Term Loan Credit Facility”) to the Company upon consummation of the Plan on terms consistent with, and in accordance with, the commitment letter attached hereto as **Exhibit C** (the “Exit Term Loan Commitment Letter”).

WHEREAS, as of the date hereof, the Sponsor, either directly or indirectly, is controlling equity holder of Dream II Holdings, LLC (the “Sponsor Prepetition Equity Interests”).

WHEREAS, Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P., as the Put Purchasers (as defined herein), entered into the Put Agreement (as defined herein) with the ABL Agent and SunTrust Bank (each as defined herein), pursuant to which the Put Purchasers agreed, upon the terms and conditions set forth therein, to purchase a participation in the Last Out Loans (as defined in the ABL Credit Agreement (as defined herein)) (the “Last Out Loans”).

WHEREAS, the Put Purchasers have agreed to “roll” their participation in the Last Out Loans into a participation in the Last Out Loans in the DIP ABL Credit Facility (as defined herein) (such Last Out Loans under the DIP ABL Credit Agreement, the “DIP Last Out Loans”), and further agreed that, upon the terms and conditions set forth in the Participation Agreement (as defined in the DIP ABL Credit Agreement), such participation in the DIP Last Out Loans would elevate into an assignment of such DIP Last Out Loans pursuant to which the Put Purchasers would become a direct lender of such DIP Last Out Loans, and further agreed that the amounts owed to them on account of their DIP Last Out Loan Claims will, upon the effective date of a Plan and subject to the terms of the Plan, become part of the Exit ABL Facility (as defined herein) on a last out basis (on terms reasonably acceptable to each holder of an allowed

DIP Last Out Loan Claim) and with the same priority with respect to the ABL Priority Collateral and the Term Loan Priority Collateral (each as defined herein) as existed under the Intercreditor Agreement (as defined herein).

WHEREAS, each Party has reviewed the Plan, has agreed to the terms of the Restructuring Transactions on the terms set forth therein, and agrees that the following sets forth the agreement among the Parties concerning their respective rights and obligations in respect of the Restructuring Transactions.

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

The Original RSA is hereby amended and restated in its entirety, effective as of the Agreement Effective Date (as defined below), as set forth below:

AGREEMENT

1. **Definitions.** The following terms shall have the following definitions:

“ABL Agent” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

“ABL Credit Agreement” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II Holdings, LLC, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

“ABL Lenders” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

“ABL Priority Collateral” has the meaning given to such term as defined in the Intercreditor Agreement.

“Agreement” has the meaning set forth in the preamble hereof and includes all of the exhibits attached hereto.

“Agreement Effective Date” means the date upon which this Agreement shall become effective and binding upon each of the Parties pursuant to the terms of Section 2 hereof.

“Alternative Transaction” means any dissolution, winding up, liquidation, reorganization, recapitalization, assignment for the benefit of creditors, merger, transaction, consolidation, business combination, joint venture, partnership, sale of assets (other than in ordinary course

sales or sales of *de minimis* assets), financing (debt or equity), plan proposal, or restructuring of the Company outside of the Plan (including any chapter 11 plan that is not the Plan, but not including (a) any amendments, modifications, or supplements to the Plan in accordance with its terms related to effectuating a Sale Transaction or liquidation of the Company's assets, each as contemplated by, and pursuant to, the Plan or (b) the conversion of any of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case as set forth more fully herein, each as applicable).

"Avoidance Actions" mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their estates under the Bankruptcy Code, CCAA, or BIA or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

"Bankruptcy Code" has the meaning set forth in the recitals hereof.

"Bankruptcy Court" has the meaning set forth in the recitals hereof.

"BIA" means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

"Canadian Court" means the Ontario Superior Court of Justice (Commercial List).

"CCAA" means Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

"Chapter 11 Cases" has the meaning set forth in the recitals hereof.

"Commercial Tort Claims" means any commercial tort claims or causes of action owned by the Company arising on or before the Petition Date that remained outstanding as of the Petition Date.

"Commercial Tort Proceeds" means the cash proceeds, if any, of any Commercial Tort Claims.

"Committee" has the meaning set forth in the preamble hereof.

"Committee Advisors" means, collectively, the Committee Counsel, Alvarez & Marsal North America, LLC, Gowling WLG, and any tax advisory firm whose retention by the Committee is approved by a Retention Order.

"Committee Counsel" means Pachulski Stang Ziehl & Jones LLP.

"Committee Monthly Fee Cap" means the sum of \$300,000 per month beginning on August 1, 2019, which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code; *provided* that any unused amounts from a prior month may be used for fees and expenses incurred in one or more subsequent months on a rolling basis.

“Committee Releasing Parties” has the meaning set forth in Section 18(c) hereof.

“Company” has the meaning set forth in the preamble hereof.

“Company Releasing Parties” has the meaning set forth in Section 18(c) hereof.

“Company Advisors” means, collectively, Kirkland & Ellis LLP, Houlihan Lokey Capital, Inc., and Carl Marks Advisors.

“Confirmation Order” means the order entered by the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

“Consenting Term Loan Lenders” has the meaning set forth in the preamble hereof.

“Consenting Term Loan Released Parties” has the meaning set forth in Section 18(b) hereof.

“Consenting Term Loan Releasing Parties” has the meaning set forth in Section 18(a) hereof.

“Debtors” means, collectively, (a) Dream II Holdings, LLC, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

“Definitive Documentation” means the definitive documents and agreements governing the Restructuring Transactions, including the documents listed in Section 4 hereof and any and all other documentation necessary to effectuate the Restructuring Transactions or that is contemplated by the Plan. “Definitive Document” shall have a correlative meaning.

“DIP ABL Agent” means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

“DIP ABL Credit Agreement” means that certain debtor-in-possession credit agreement by and among the Company, the administrative agent thereunder, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

“DIP ABL Credit Facility” means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

“DIP ABL Lenders” means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time.

“DIP Last Out Loan Claims” means any and all claims derived from or based upon the DIP Last Out Loans.

“DIP Last Out Loans” has the meaning set forth in the recitals hereof.

“DIP Orders” means, collectively, the interim and final orders authorizing the use of cash collateral and approving the DIP Term Loan Credit Facility and the DIP ABL Credit Facility, each on terms materially consistent with the DIP Term Loan Commitment Letter.

“DIP Term Loan Agent” means Barings Finance LLC, in its capacity as administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such, and any successor agent thereto.

“DIP Term Loan Claims” means any and all claims derived from or based upon the DIP Term Loan Credit Facility.

“DIP Term Loan Commitment Letter” has the meaning set forth in the recitals hereof.

“DIP Term Loan Credit Agreement” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time, the form of which is attached as **Exhibit A** to the DIP Term Loan Commitment Letter.

“DIP Term Loan Credit Facility” has the meaning set forth in the recitals hereof.

“DIP Term Loan Lenders” has the meaning set forth in the recitals hereof.

“Disclosure Statement” means the disclosure statement (and all exhibits thereto) with respect to the Plan.

“Exit ABL Agent” means the administrative agent under the Exit ABL Credit Agreement, solely in its capacity as such.

“Exit ABL Credit Agreement” means that certain credit agreement by and among the Reorganized Debtors, the Exit ABL Agent, and the Exit ABL Lenders.

“Exit ABL Documents” means the Exit ABL Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements.

“Exit ABL Facility” means the asset-based revolving credit facility provided for under the Exit ABL Credit Agreement.

“Exit ABL Lenders” means the banks, financial institutions, and other lenders party to the Exit ABL Credit Agreement from time to time, solely in their capacity as such.

“Exit Facility Documents” means, collectively, the Exit ABL Documents and the Exit Term Loan Documents.

“Exit Term Loan Agent” means the administrative agent under the Exit Term Loan Credit Agreement, solely in its capacity as such.

“Exit Term Loan Commitment Letter” has the meaning set forth in the recitals hereof.

“Exit Term Loan Credit Agreement” means that certain credit agreement by and among the Reorganized Debtors, the Exit Term Loan Agent, and the Exit Term Loan Lenders.

“Exit Term Loan Credit Facility” has the meaning set forth in the recitals hereof.

“Exit Term Loan Documents” means the Exit Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements.

“Exit Term Loan Lenders” has the meaning set forth in the recitals hereof.

“General Unsecured Claims” has the meaning set forth in the Plan.

“GUC Liquidation Recovery Pool” means the sum of \$250,000, payable from the first available proceeds of the Term Loan Priority Collateral for the benefit of holders of General Unsecured Claims in the event that each of the Chapter 11 Cases are converted to, or the occurrence of, a Liquidation Case.

“GUC Reorganization Recovery Pool” means a sum payable by the Company for the benefit of holders of General Unsecured Claims if the Term Loan Lenders are the Winning Bidder (as defined in the Plan) equal to: (a) cash in the amount of \$500,000 *plus* (b) if the Reorganized Debtors are sold within 24 months of the effective date of the Plan and the Term Loan Lenders receive more than a 30 percent recovery on account of their Term Loan Claims (based on the full amount of each such holder’s Term Loan Claim) (which shall be calculated after the repayment in full of the Exit ABL Facility and the Exit Term Loan Credit Facility (including, for the avoidance of doubt, the conversion of the DIP Term Loan Credit Facility into the Exit Term Loan Credit Facility), any claims (or interests) related to the foregoing and any replacement or additional money raised to fund the Reorganized Debtors, the sources and uses of such sale transaction, and any other obligations repaid as part of such transaction), 5 percent of each dollar in excess thereof *less* (c) any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget (as such terms are defined in the Plan), including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

“GUC Sale Transaction Recovery Pool” means, in a Sale Transaction, a sum payable by the Company from the first available proceeds of the Term Loan Priority Collateral for the benefit of holders of General Unsecured Claims equal to: (a) cash in the amount of \$600,000, *plus* (b) if the Term Loan Lenders receive more than a 30 percent recovery on account of their Term Loan Claims (based on the full amount of each such holder’s Term Loan Claim), 5 percent of each dollar in excess thereof, *plus* (c) if the Term Loan Lenders receive more than a 50 percent recovery on account of their Term Loan Claims (based on the full amount of each such holder’s Term Loan Claim), 7.5 percent of each dollar in excess thereof *less* (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget (as such terms are defined in the Plan), including any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

“Hollander Canada” means Hollander Sleep Products Canada Limited.

“Information Officer” means the information officer appointed by the Canadian Court in the proceedings commenced by the Debtors under Part IV of the CCAA to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.

“Intercreditor Agreement” means that certain Amended and Restated Intercreditor Agreement by and among the ABL Agent and the Term Loan Agent, as may be amended, modified, restated, or supplemented from time to time.

“Last Out Loans” has the meaning set forth in the recitals hereof.

“Last Out Loans Turnover Amount” means an amount up to \$650,000 in the aggregate to be paid for the benefit of holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to holders of DIP Last Out Loan Claims on account of such claims (including, after being rolled into any Exit ABL Facility, on account of any repayment as part of such Exit ABL Facility), plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the holders of DIP Last Out Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

“Liquidation Case” means a case under chapter 7 of the Bankruptcy Code or liquidation of the Company’s assets (other than as a going concern Sale Transaction) under chapter 11 of the Bankruptcy Code (including through a chapter 11 plan of liquidation), *provided* that, solely with respect to Hollander Canada, a “Liquidation Case” may also mean a proceeding under the BIA, and any such proceeding in respect of Hollander Canada, whether under chapter 7 or chapter 11 of the Bankruptcy Code or the BIA, shall require the prior consent of the Information Officer.

“Milestones” means the milestones set forth in the DIP Term Loan Credit Agreement and the DIP Orders, as applicable.

“Original RSA” has the meaning set forth in the recitals hereof.

“Participation Agreements” means the Existing Participation Agreement (as defined in the DIP ABL Credit Agreement) and the Participation Agreement (as defined in the DIP ABL Credit Agreement).

“Party” and “Parties” have the meanings set forth in the preamble hereof.

“Petition Date” means the date the Company commences the Chapter 11 Cases.

“Plan” has the meaning set forth in the recitals hereof.

“Plan Supplement” means the compilation of documents and forms of documents, schedules, and exhibits to the Plan that will be filed by the Company with the Bankruptcy Court, and which shall include the Exit Facility Documents and any other necessary documentation related to the Restructuring Transactions.

“Plan Support Period” means the period commencing on the date hereof and ending on the Termination Date.

“Put Agreement” means that certain put agreement, dated as of November 27, 2018, by and between the Put Purchasers, as purchasers, the ABL Agent, and SunTrust Bank.

“Put Purchasers” means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.

“Release” means the release of claims set forth in Section 18 hereof.

“Release Revocation Event” has the meaning set forth in Section 19(b) hereof.

“Release Revocation Notice” has the meaning set forth in Section 19(a) hereof.

“Releasing Parties” has the meaning set forth in Section 18(c) hereof.

“Reorganized Debtors” means the Debtors, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the effective date of the Plan, including reorganized Dream II Holdings, LLC.

“Required Consenting Term Loan Lenders” means the Consenting Term Loan Lenders who hold, in the aggregate, at least 66.67 percent in principal amount outstanding of all Term Loan Claims held by Consenting Term Loan Lenders.

“Required DIP Term Loan Lenders” means the DIP Term Loan Lenders who hold, in the aggregate, more than 50.0 percent in principal amount outstanding of all DIP Term Loan Claims held by DIP Term Loan Lenders.

“Restructuring Support Parties” means, collectively, the Consenting Term Loan Lenders, the Committee, and the Sponsor.

“Restructuring Transactions” has the meaning set forth in the recitals hereof.

“Retention Order” means an order of the Bankruptcy Court, consistent with (i) the engagement letter between the Company and the respective Company Advisor, authorizing the Company to retain and employ the respective Company Advisor, or (ii) the terms of the retention applications filed by the Committee to retain and employ the respective Committee Advisor, authorizing the Committee to retain and employ the respective Committee Advisor.

“Revocation Cure Period” has the meaning set forth in Section 19(a) hereof.

“Sale Transaction” has the meaning set forth in the Plan.

“Settlement” has the meaning set forth in the recitals hereof.

“Solicitation Materials” means the ballots and other related materials drafted in connection with the solicitation of acceptances of the Plan.

“Solicitation Order” means the order of the Bankruptcy Court approving the Disclosure Statement and the Solicitation Materials.

“Sponsor” has the meaning set forth in the preamble hereof.

“Sponsor Counsel” means Kramer Levin Naftalis & Frankel LLP.

“Sponsor Prepetition Equity Interests” has the meaning set forth in the recitals.

“Sponsor Released Parties” has the meaning set forth in Section 18(a) hereof.

“Sponsor Releasing Parties” has the meaning set forth in Section 18(b) hereof.

“Sponsor Termination Event” has the meaning set forth in Section 12 hereof.

“Term Loan Agent” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such, and any successor agent thereto.

“Term Loan Agent Counsel” means King & Spalding LLP.

“Term Loan Claims” means any and all claims derived from or based upon the term loan facility provided for under the Term Loan Credit Agreement.

“Term Loan Credit Agreement” means that certain term loan credit agreement dated as of June 9, 2017, by and among the Company, as borrower, Dream II Holdings, LLC and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

“Term Loan Lenders” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

“Term Loan Priority Collateral” has the meaning given to such term as defined in the Intercreditor Agreement.

“Termination Date” means the date on which termination of this Agreement in accordance with the terms herein is effective.

“Transfer” means to sell, transfer, assign, pledge, grant a participation interest in, or otherwise dispose of, directly or indirectly, in whole or in part, a Party’s right, title, or interest in respect of any of such Party’s claims (including Term Loan Claims) against, or interests in, the Company, or the deposit of any of such Party’s claims against or interests in the Company, as applicable, into a voting trust, or the grant of any proxies, or entry into a voting agreement with respect to any such claims or interests.

“Transferee Joinder” means a transferee joinder substantially in the form attached hereto as **Exhibit E**.

“Transferor” means the Restructuring Support Party making a Transfer.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the DIP Term Loan Commitment Letter or the Plan, as applicable. Unless otherwise specified, references in this Agreement to any Section or clause refer to such Section or clause as contained in this Agreement. The words “herein,” “hereof,” and “hereunder” and other words of similar import in this Agreement refer to this Agreement as a whole, and not to any particular Section or clause contained in this Agreement. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter genders. The words “including,” “includes,” and “include” shall each be deemed to be followed by the words “without limitation”. Wherever the consent or the written consent of a Party is required, the other Parties may rely on email correspondence from counsel to such Party.

2. **Agreement Effective Date.** The Agreement Effective Date of this amended and restated Agreement shall occur immediately upon (a) delivery to the Parties of executed and released signature pages for this Agreement from (i) the Company, (ii) the Required Consenting Term Loan Lenders, (iii) the Sponsor, and (iv) the Committee, and (b) approval of the Bankruptcy Court of the Company’s assumption of this Agreement and the Company’s and Committee’s releases set forth herein. Upon the Agreement Effective Date, this Agreement shall be deemed effective and thereafter the terms and conditions herein may only be amended, modified, waived, or otherwise supplemented as set forth in Section 33 hereof.

3. **Incorporation by Reference.** The DIP Term Loan Commitment Letter, the Exit Term Loan Commitment Letter, and the Plan, along with each of the exhibits attached hereto and any schedules to such exhibits, are expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include the DIP Term Loan Commitment Letter, the Exit Term Loan Commitment Letter, and the Plan and all other such exhibits and schedules to such exhibits. In the event of any inconsistency between this Agreement (excluding the DIP Term Loan Commitment Letter, the Exit Term Loan Commitment Letter, and the Plan) and the DIP Term Loan Commitment Letter, the Exit Term Loan Commitment Letter, or the Plan, the DIP Term Loan Commitment Letter, the Exit Term Loan Commitment Letter, or the Plan shall govern, as applicable.

4. **Definitive Documentation.**

(a) The Definitive Documentation shall include:

- (i) the Plan;
- (ii) the Plan Supplement and the documents contained therein;
- (iii) the Confirmation Order;
- (iv) the Disclosure Statement, the motion seeking approval of the Disclosure Statement, the Solicitation Materials (including a letter from the Committee in support of the Plan), and the Solicitation Order;

- (v) the DIP Orders, the DIP Term Loan Credit Agreement, and the DIP ABL Credit Agreement;
 - (vi) the Exit Facility Documents; and
 - (vii) organizational documents of the reorganized Company, including any stockholders' agreement, operating agreement, limited liability company agreement, or other similar agreement setting forth the rights and obligations of the holders of the equity of the reorganized Company following the effective date of the Plan.
- (b) Except as set forth herein, the Definitive Documentation (and any modifications, restatements, supplements, or amendments to any of them) will, after the Agreement Effective Date, remain subject to negotiation and shall, upon completion, contain terms, conditions, representations, warranties, and covenants consistent in all material respects with the terms of this Agreement and otherwise be in form and substance reasonably satisfactory in all material respects to each of the Company, the Required Consenting Term Loan Lenders, and the Sponsor, with reasonableness determined based on the economic and non-economic interest such Party has with respect to such Definitive Document, *except* that the DIP Orders and the DIP Term Loan Credit Agreement must be acceptable to the Required DIP Term Loan Lenders, the Exit Facility Documents must be acceptable to a majority of the Exit Term Loan Lenders by commitment amount, and the Plan, the Confirmation Order, and the Exit ABL Documents must be in form and substance reasonably acceptable to the Committee with respect to the provisions thereof that impact the interests of holders of General Unsecured Claims.

5. **Milestones.** The Company shall implement the Restructuring Transactions in accordance with the Milestones. The Company may extend a Milestone only with the express prior written consent of the Required Consenting Term Loan Lenders.

6. **Commitment of the Restructuring Support Parties.** Each Restructuring Support Party shall (severally and not jointly) during the Plan Support Period:

- (a) support the Restructuring Transactions in accordance with the terms and conditions of this Agreement and take all actions reasonably necessary to support consummation of the Restructuring Transactions, by: (i) when properly solicited to do so, voting all of its claims (including all of its Term Loan Claims) against, or interests in, as applicable, the Company now or hereafter owned by such Restructuring Support Party (or for which such Restructuring Support Party now or hereafter serves as the nominee, investment manager, or advisor for holders thereof) to accept the Plan (provided that this requirement is not applicable to the Committee); (ii) timely returning a duly-executed ballot in connection therewith (provided that this requirement is not applicable to the Committee);

(iii) supporting and not “opting out” of any releases under the Plan and affirmatively opting into such releases if required to do so (provided that this requirement is not applicable to the Committee); (iv) if applicable, negotiating in good faith the Exit Term Loan Documents in accordance with the Exit Term Loan Commitment Letter; (v) if applicable, negotiating in good faith the Exit ABL Documents by no later than 90 days following the Petition Date; and (vi) if applicable and to the extent there is a Sale Transaction, supporting, and not objecting to, or materially delaying or impeding, or taking any other action that would be reasonably expected to materially interfere, directly or indirectly, with such Sale Transaction, and at all times supporting the payment of all allowed administrative and priority claims pursuant to such Sale Transaction;

- (b) not seek, support, or solicit an Alternative Transaction;
- (c) not withdraw, amend, or revoke (or cause to be withdrawn, amended, or revoked) its tender, consent, and/or vote, as and if applicable, with respect to the Plan;
- (d) support, and not object to, or materially delay or impede, or take any other action that would be reasonably expected to materially interfere, directly or indirectly, with the Restructuring Transactions;
- (e) support, and not object to, or materially delay or impede, or take any other action that would be reasonably expected to materially interfere, directly or indirectly, with the entry by the Bankruptcy Court of any of the DIP Orders, and shall (a) not propose, support, or file a pleading with the Bankruptcy Court seeking entry of an order authorizing, directly or indirectly, any use of cash collateral or debtor-in-possession financing other than as proposed in each of the DIP Orders or (b) not direct the Term Loan Agent to propose, file, support, or file a pleading with the Bankruptcy Court seeking entry of an order authorizing, directly or indirectly, any use of cash collateral or debtor-in-possession financing other than as proposed in each of the DIP Orders and, to the extent the Term Loan Agent proposes, files, supports or files such a pleading, shall direct the Term Loan Agent to withdraw such proposal, support, or pleading;
- (f) not file or support, and not direct the Term Loan Agent to file or support, any motion or pleading with the Bankruptcy Court that is not materially consistent with this Agreement;
- (g) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions, negotiate in good faith appropriate additional or alternative provisions to address any such impediment;

- (h) not object to, or otherwise contest, any application filed with the Bankruptcy Court seeking: (i) entry of the Retention Orders, authorizing, as applicable, the Company or the Committee to retain and employ such Company Advisors or Committee Advisors who have entered into engagement letters with the Company or entered into agreements with the Committee that are in effect as of the Agreement Effective Date; or (ii) allowance of any monthly, interim, or final fee application or completion, transaction, or success fee (or similar fee) set forth in the respective Company Advisor's or Committee Advisor's engagement letter with the Company or the Committee, as applicable, so long as such application is consistent with the terms of the applicable Company Advisor's Retention Order or the Committee Monthly Fee Cap beginning August 1, 2019, as applicable; and
- (i) in the event the Plan cannot be confirmed and the Debtors determine in good faith (after consultation with the Parties) to proceed with a conversion of each of the Chapter 11 Cases to, or occurrence of, a Liquidation Case or dismissal, each Party agrees to abide by its obligations set forth in this Agreement, subject to the terms herein (including, for the avoidance of doubt, the releases set forth in Section 18 hereof and any payment obligations or consent obligations of the Consenting Term Loan Lenders or the Sponsor set forth in Section 7(d) and Section 8(b) hereof, respectively).

Notwithstanding the foregoing, nothing in this Agreement and neither a vote to accept the Plan by any Restructuring Support Party nor the acceptance of the Plan by any Restructuring Support Party shall (x) be construed to prohibit any Restructuring Support Party from contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or the Definitive Documentation, or exercising rights or remedies specifically reserved herein; (y) be construed to prohibit or limit any Restructuring Support Party from appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases, so long as, during the Plan Support Period, such appearance and the positions advocated in connection therewith are not materially inconsistent with this Agreement, are not prohibited by this Agreement and are not for the purpose of hindering, delaying, or preventing the consummation of the Restructuring Transactions; or (z) limit the ability of a Restructuring Support Party to sell or enter into any transactions in connection with its claims (including all of its Term Loan Claims) against, or interests in, as applicable, the Company now or hereafter owned by such Restructuring Support Party, subject to Section 21 of this Agreement. For the avoidance of doubt, each Party agrees to support modification of the Plan (in accordance with its terms and this Agreement) as necessary to implement the Settlement, including to permit the liquidation of the Company's assets; *provided, however*, that nothing herein shall obligate any Party to provide additional funding in any form to confirm such liquidating Plan or otherwise finance such liquidating Plan.

7. Term Loan Lender Commitments. In addition to the obligations set forth in Section 6 hereof, the Term Loan Agent and each Consenting Term Loan Lender shall, during the Plan Support Period:

- (a) as applicable, (i) subject to the occurrence of the effective date of the Plan, waive any deficiency claims on account of the Term Loan Claims pursuant to the Plan, and (ii) not assert any deficiency claims against the GUC Liquidation Recovery Pool;
- (b) consent to the Company's funding of the GUC Reorganization Recovery Pool through the Plan in the event there is no Sale Transaction in accordance with the terms of the Plan;
- (c) consent to the Company's funding of the GUC Sale Transaction Recovery Pool through the Plan in the event there is a Sale Transaction in accordance with the terms of the Plan (or other sale of all or substantially all assets under section 363 of the Bankruptcy Code); and
- (d) consent to the funding of the GUC Liquidation Recovery Pool from the first available proceeds of Term Loan Priority Collateral, solely to the extent that each Chapter 11 Case converts to, or the occurrence of, a Liquidation Case, and in the case of a conversion to chapter 7 or, solely with respect to Hollander Canada, a proceeding under the BIA, the applicable *pro rata* share of the GUC Liquidation Recovery Pool will be distributed to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA to be held, in trust, solely for the benefit of and distribution to the holders of General Unsecured Claims. The obligation to fund the GUC Liquidation Recovery Pool shall survive the termination of this Agreement by the Consenting Term Loan Lenders, unless this Agreement is terminated by the Consenting Term Loan Lenders due to a material breach of this Agreement by the Committee (subject to the conditions set forth in Section 19(c)(iii) hereof).

8. **Sponsor Commitments.** In addition to the obligations set forth in Section 6 hereof, the Sponsor shall, during the Plan Support Period:

- (a) not challenge, or support any party that challenges, the validity, enforceability, or priority of the Term Loan Credit Agreement or any portion of the Term Loan Claims; and
- (b) cause the Put Purchasers to (and, if applicable, direct the ABL Agent to)
 - (i) convert all revolving commitments under the Last Out Loans into commitments under the DIP ABL Credit Facility consistent with the terms of the DIP Term Loan Commitment Letter, (ii) upon the effective date of the Plan, convert all revolving commitments under the DIP ABL Credit Facility into commitments under the Exit ABL Facility on a last out basis (on terms reasonably acceptable to each holder of an allowed DIP Last Out Loan Claim) and with the same priority with respect to the ABL Priority Collateral and the Term Loan Priority Collateral as existed under the Intercreditor Agreement (or to the extent there is a Sale Transaction, support, and not object to, or materially delay or impede, or take any other

action that would be reasonably expected to materially interfere, directly or indirectly, with such Sale Transaction), (iii) support a Plan that provides that the Sponsor receives no distribution of any kind on account of the Sponsor Prepetition Equity Interests unless a Sale Transaction provides sufficient cash to repay all Claims (as defined in the Plan) in accordance with the Plan, and (iv) distribute the Last Out Loans Turnover Amount for the benefit of holders of General Unsecured Claims on the terms set forth in the Plan or, if applicable, funded from the cash proceeds, if any, received by the Put Purchasers on account of the DIP Last Out Loan Claims upon a conversion of each of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case and in the case of a conversion to chapter 7 or, solely with respect to Hollander Canada, a proceeding under the BIA, the applicable *pro rata* share of the Last Out Loans Turnover Amount will be distributed to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA to be held, in trust, solely for the benefit of and distribution to the holders of General Unsecured Claims. The obligation to distribute the Last Out Loans Turnover Amount upon a conversion of each of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case shall survive the termination of this Agreement by the Sponsor, unless this Agreement is terminated by the Sponsor due to a material breach of this Agreement by the Committee (subject to the conditions set forth in Section 19(c)(iii) hereof).

9. **Committee Commitments.** In addition to the obligations set forth in Section 6 hereof, the Committee shall, during the Plan Support Period:

- (a) support, and not directly or indirectly oppose, the Plan, including by encouraging holders of General Unsecured Claims to vote to approve the Plan and take any and all necessary or appropriate actions in furtherance of the transactions contemplated under the Plan;
- (b) not challenge, or support any party that challenges, the validity, enforceability, or priority of the Term Loan Credit Agreement, any portion of the Term Loan Claims, the ABL Credit Agreement, any portion of the ABL Claims (as defined in the Plan), the DIP ABL Credit Agreement, any portion of the DIP ABL Claims (as defined in the Plan), DIP Term Loan Credit Agreement, any portion of the DIP Term Loan Claims (as defined in the Plan), the Put Agreement and the Participation Agreements or the transactions contemplated thereby and/or any portion of the Last Out Loans or DIP Last Out Loans, the DIP Orders, and any liens related to or granted by any of the foregoing, which obligation shall survive the termination of this Agreement by the Consenting Term Loan Lenders or the Sponsor;
- (c) subject to its fiduciary duties, support, and not directly or indirectly oppose, any Sale Transaction supported by the Debtors and consummated

in accordance with the Plan and the Bidding Procedures (as defined in the Plan);

- (d) grant the releases by the Committee set forth in this Agreement and support, and not object to, the release and exculpation provisions of the Plan, including direct releases by the Committee of any claims that may be asserted by the Committee derivatively on behalf of its members or the Debtors against the Term Loan Lenders, the Term Loan Agent, the Consenting Term Loan Released Parties, the ABL Lenders, the ABL Agent, the DIP Term Loan Lenders, the DIP Term Loan Agent, the DIP ABL Agent, the DIP ABL Lenders, the Sponsor Released Parties, the Put Purchasers, the Debtors' current and former directors and officers, and the Company Advisors based on or relating to, or in any manner arising from, in whole or in part, the Debtors and Debtor transactions set forth in Article VIII.D of the Plan;
- (e) support, and not object to, or materially delay or impede, or take any other action that would be reasonably expected to materially interfere, directly or indirectly, with the entry by the Bankruptcy Court of the DIP Orders;
- (f) waive any enforcement rights that may be asserted by the Committee under section 506(c) of the Bankruptcy Code, and waive any ability to require the Debtors or any successor trustee to bring such enforcement rights;
- (g) support, and not directly or indirectly oppose, the Debtors' ordinary course cash management operations, including the flow of funds between the Debtors' Canadian and U.S. entities;
- (h) not seek any reimbursement of professional fees or expenses in excess of the Committee Monthly Fee Cap, *provided* that the Committee shall be entitled to seek reimbursement for all reasonable professional fees and expenses incurred by the Committee in the Chapter 11 Cases up to and including July 31, 2019;
- (i) subject to its fiduciary duties, not oppose any motions or other pleadings filed by the Debtors in the Chapter 11 Cases, so long as such motion or pleading does not materially and negatively affect the rights of holders of General Unsecured Claims, including any motion seeking approval of the DIP Term Loan Credit Facility, the Exit Term Loan Credit Facility, the Exit ABL Facility, and any documents or commitments related thereto; and
- (j) not seek or support any party in seeking to convert any of the Chapter 11 Cases to Liquidation Cases (other than as provided for in Section 6(i) hereof).

10. **Commitment of the Company.** Subject to Section 20 hereof, the Company shall, during the Plan Support Period:

- (a) timely (i) file the motion seeking entry, and seek entry by the Bankruptcy Court of each, of the DIP Orders, (ii) file the Disclosure Statement and the motion seeking entry of the Solicitation Order and seek entry by the Bankruptcy Court of the Solicitation Order, and (iii) file the Plan and seek entry by the Bankruptcy Court of the Confirmation Order;
- (b) (i) support and use commercially reasonable efforts to execute and complete the Restructuring Transactions set forth in the Plan and this Agreement, (ii) negotiate in good faith all Definitive Documentation that is subject to negotiation as of the Agreement Effective Date and take any and all necessary and appropriate actions in furtherance of the Plan and this Agreement, and (iii) consult in good faith with the Consenting Term Loan Lenders, the Committee, and the Sponsor on each of the foregoing provisos;
- (c) if applicable, take all reasonable actions necessary to consummate a sale of assets as contemplated by the Plan;
- (d) provide the Consenting Term Loan Lenders and their advisors with, and direct their employees, officers, advisors, and other representatives to provide the Consenting Term Loan Lenders and their advisors with, (i) reasonable access to the Company's books and records, (ii) reasonable access to the management and advisors of the Company (including Carl Marks and Houlihan Lokey Capital, Inc.) for the purposes of evaluating the Company's assets, liabilities, operations, businesses, finances, strategies, prospects, and affairs, and (iii) reasonable responses to all reasonable diligence requests within a reasonable timeline based on the applicable circumstances to such diligence requests;
- (e) timely file (and diligently prosecute) a formal objection to any motion filed with the Bankruptcy Court by a party-in-interest seeking the entry of an order (i) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code), (ii) converting any of the Chapter 11 Cases to a Liquidation Case (other than as provided for in Section 6(i) hereof), or (iii) dismissing any of the Chapter 11 Cases (other than as provided for in Section 6(i) hereof);
- (f) timely file (and diligently prosecute) a formal objection to any motion filed with the Bankruptcy Court by a party-in-interest seeking the entry of an order modifying or terminating the Company's exclusive right to file and/or solicit acceptances of a chapter 11 plan, as applicable;

- (g) timely file (and diligently prosecute) a formal objection to any motion, application, or adversary proceeding challenging the validity, enforceability, perfection, or priority of, or seeking avoidance or subordination of, (i) the Prepetition Term Loan Credit Agreement and any portion of the Term Loan Claims or (ii) the Put Agreement and the Participation Agreements or the transactions contemplated thereby and/or any portion of the Last Out Loans or DIP Last Out Loans;
- (h) not challenge, or support any party that challenges, the validity, enforceability, or priority of the (i) Prepetition Term Loan Credit Agreement or any portion of the Term Loan Claims or (ii) the Put Agreement and the Participation Agreements or the transactions contemplated thereby and/or any portion of the Last Out Loans or DIP Last Out Loans;
- (i) maintain their good standing under the laws of the states and, in the case of Hollander Canada, province in which they are incorporated or organized;
- (j) timely comply with all Milestones;
- (k) seek a Confirmation Order that becomes effective and enforceable immediately upon its entry and seek to have the period in which an appeal thereto must be filed commence immediately upon its entry;
- (l) use their commercially reasonable efforts to (i) preserve intact in all material respects their current business organizations, (ii) keep available the services of their current officers and material employees (in each case, other than voluntary resignations, terminations for cause, or terminations consistent with applicable fiduciary duties), and (iii) preserve in all material respects their relationships with customers, sales representatives, suppliers, distributors, and others, in each case, having material business dealings with the Company (other than terminations for cause or consistent with applicable fiduciary duties);
- (m) to the extent that any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the transactions contemplated in this Agreement or the Plan, negotiate in good faith appropriate additional or alternative provisions to address any such impediment, in consultation with the Sponsor and the Committee, and any such provisions to be reasonably acceptable to the Required Consenting Term Loan Lenders (and reasonably acceptable to the Sponsor with respect to the Last Out Loans, DIP Last Out Loans, and Last Out Loans Turnover);
- (n) as soon as reasonably practicable, notify the Consenting Term Loan Lenders, the Committee, and the Sponsor of any governmental or third

party complaints, litigations, investigations, or hearings (or communications indicating that the same may be contemplated or threatened) that would prevent, hinder, or delay the consummation of the transactions contemplated in this Agreement or the Plan of which the Company Advisors have actual knowledge by furnishing written notice to the Consenting Term Loan Lenders, the Committee, and the Sponsor within two business days of actual knowledge of such event;

- (o) as soon as reasonably practicable, notify the Consenting Term Loan Lenders, the Committee, and the Sponsor of any breach by the Company of which the Company Advisors have actual knowledge in respect of any of the obligations, representations, warranties, or covenants set forth in this Agreement by furnishing written notice to the Consenting Term Loan Lenders, the Committee, and the Sponsor promptly and, in any event, within two business days of actual knowledge of such breach;
- (p) pay in cash (i) prior to the Petition Date, all reasonable fees and expenses accrued prior to the Petition Date by the Term Loan Agent Counsel, (ii) after the Petition Date, all reasonable fees and expenses of the Term Loan Agent Counsel incurred on and after the Petition Date from time to time in accordance with the DIP Orders, and (iii) on and after the effective date of the Plan, all reasonable fees and expenses incurred by the Term Loan Agent Counsel in connection with the Restructuring Transactions;
- (q) comply with the terms and conditions of the DIP Orders in respect of the treatment of any claims the Sponsor has accrued for its reasonable and documented fees and expenses relating to the Last Out Loans or DIP Last Out Loans and the transactions contemplated thereby, including the Put Agreement and the Participation Agreements, whether arising before or after the Petition Date;
- (r) provide draft copies of all material pleadings, including “first day” and other motions (excluding retention applications) that the Company intends to file with the Bankruptcy Court in any of the Chapter 11 Cases or with the Canadian Court in any recognition proceedings of the Company under the CCAA to the Term Loan Agent Counsel, Committee Counsel, and Sponsor Counsel at least two business days (or as soon as is reasonably practicable under the circumstances) prior to the date when the Company intends to file such document, and shall consult in good faith with such counsel regarding the form and substance of any such proposed filing (provided that any of the foregoing relating to the DIP Term Loan Credit Facility, the Plan, and the Exit Term Loan Documents shall be deemed material);
- (s) not initiate, prosecute, transfer, or otherwise attempt to collect upon any Avoidance Actions;

- (t) subject to the occurrence of the effective date of the Plan, cause all Commercial Tort Proceeds and any Commercial Tort Claims belonging to the Company to be assigned and transferred to the Plan Administrator (as defined in the Plan) for the benefit of the holders of General Unsecured Claims; and
- (u) not seek, solicit, or support any Alternative Transaction; and
- (v) waive, pursuant to the DIP Orders, any enforcement rights that may be asserted by the Company or any successor thereto under section 506(c) of the Bankruptcy Code.

11. Consenting Term Loan Lenders Termination Events. The Required Consenting Term Loan Lenders shall have the right, but not the obligation, upon notice to the other Parties provided in accordance with Section 31 hereof, to terminate this Agreement as to all Parties upon the occurrence of any of the following events, unless waived, in writing, by the Required Consenting Term Loan Lenders on a prospective or retroactive basis:

- (a) the failure to meet any of the Milestones unless such Milestone is extended in accordance with Section 5 of this Agreement; *provided* that if such failure is the result of any act, omission, or delay on the part of a Consenting Term Loan Lender in violation of such Consenting Term Loan Lender's obligations under this Agreement, such Consenting Term Loan Lender may not be among the Required Consenting Term Loan Lenders exercising their termination right with respect thereto under this Section 11(a);
- (b) the occurrence of a breach of this Agreement (including any representation, warranty, or covenant contained herein) in any respect that adversely affects the Consenting Term Loan Lenders' interests in connection with the Restructuring Transactions, the Plan, or this Agreement, by the Company, by the Committee, or by the Sponsor that has not been cured (if susceptible to cure) before five business days after written notice to the Company, the Committee, and the Sponsor in accordance with Section 31(a) hereof, which notice must include a description of such breach from the Required Consenting Term Loan Lenders;
- (c) the conversion of one or more of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case other than as provided for herein;
- (d) the dismissal of one or more of the Chapter 11 Cases without the prior written consent of the Required Consenting Term Loan Lenders, which consent shall not be unreasonably withheld;
- (e) the appointment of a trustee, receiver, or examiner with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases;

- (f) notice of an “Event of Default” (as defined in the DIP Term Loan Credit Agreement or the DIP ABL Credit Agreement, as applicable) has been given or declared under either the DIP Term Loan Credit Facility or the DIP ABL Credit Facility and has not been waived or timely cured in accordance therewith;
- (g) the Definitive Documentation is not in form and substance satisfactory to the Required Consenting Term Loan Lenders in accordance with Section 4(b) hereof; *provided* that the Required Consenting Term Loan Lenders must provide five business days’ written notice to the Company and the Sponsor in accordance with Section 31(a) hereof of any such proposed termination and the Company shall have such time to amend or modify such Definitive Documentation such that the applicable Definitive Documentation shall be in form and substance reasonably satisfactory to the Required Consenting Term Loan Lenders;
- (h) the Company (i) files or announces that it will proceed with an Alternative Transaction or (ii) withdraws or announces its intention not to support the Plan;
- (i) the Company, the Committee, or the Sponsor supports any person or entity seeking to take, or that takes, any of the actions set forth in the foregoing subsections (c)–(h) of this Section 11;
- (j) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of any of the Restructuring Transactions or a final, non-appealable ruling or order preventing the consummation of a material portion of the Restructuring Transaction; *provided* that, only to the extent that such ruling or order may be reasonably remedied, the Company shall have five business days after the issuance of such ruling or order to obtain relief that would allow consummation of the applicable Restructuring Transactions in a manner that (i) does not reasonably prevent or diminish in a material way compliance with the terms of the Plan and this Agreement and (ii) is reasonably acceptable to the Required Consenting Term Loan Lenders;
- (k) the Bankruptcy Court enters a final order disallowing, invalidating, subordinating, recharacterizing, or declaring unenforceable the claims, liens, or interests held by the Consenting Term Loan Lenders, including any Term Loan Claims;
- (l) termination of the commitments or acceleration of the obligations under the DIP Term Loan Credit Facility or DIP ABL Credit Facility pursuant to their respective terms;

- (m) the Company files a motion seeking entry of an order approving any key employee incentive plan, employee retention plan, or comparable plan, except as provided in the Plan, without the prior written consent of the Required Consenting Term Loan Lenders, which shall not be unreasonably withheld, conditioned, or delayed; or
- (n) the Bankruptcy Court enters an order modifying or terminating the Company's exclusive right to file and/or solicit acceptances of a plan of reorganization (including the Plan) without the Term Loan Agent and Term Loan Lenders consent.

12. **Sponsor Termination Events.** The Sponsor shall have the right, but not the obligation, upon notice to the other Parties provided in accordance with Section 31 hereof, to terminate this Agreement as to all Parties upon the occurrence of any of the following events, unless waived, in writing, by the Sponsor on a prospective or retroactive basis:

- (a) the occurrence of a breach of this Agreement (including any representation, warranty, or covenant contained herein) in any respect that adversely affects the Sponsor's interests in connection with the Restructuring Transactions, the Plan, or this Agreement by the Company (unless such action has been caused by or otherwise supported by the Sponsor), by the Committee, or by one or more Consenting Term Loan Lenders holding Term Loan Claims in an aggregate outstanding principal amount such that non-breaching Consenting Term Loan Lenders (a) hold less than 66.67 percent of the aggregate outstanding principal amount of Term Loan Claims or (b) constitute less than 50 percent in number of the Term Loan Lenders that has not been cured (if susceptible to cure) before five business days after written notice to the Company in accordance with Section 31(a) hereof of such material breach by the Company, the Committee, or Consenting Term Loan Lender or Lenders, as applicable, asserting such termination, which notice must include a description of such breach;
- (b) the dismissal of one or more of the Chapter 11 Cases without the prior written consent of the Sponsor, which consent shall not be unreasonably withheld;
- (c) the appointment of a trustee, receiver, or examiner with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code in one or more of the Chapter 11 Cases;

- (d) notice of an “Event of Default” (as defined in the DIP Term Loan Credit Agreement or the DIP ABL Credit Agreement, as applicable) has been given or declared under either the DIP Term Loan Credit Facility or the DIP ABL Credit Facility and has not been waived or timely cured in accordance therewith;
- (e) the Definitive Documentation is not in form and substance reasonably satisfactory to the Sponsor in accordance with Section 4(b) hereof; *provided* that the Sponsor must provide five business days’ written notice to the Company in accordance with Section 31(a) hereof of any such proposed termination and the Company shall have such time to amend or modify such Definitive Documentation such that the applicable Definitive Documentation shall be in form and substance reasonably satisfactory to the Sponsor;
- (f) unless such action has been caused by or otherwise supported by the Sponsor, (i) the Company files or announces that it will proceed with an Alternative Transaction, (ii) withdraws or announces its intention not to support the Plan, or (iii) the conversion of one or more of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case other than as provided for herein;
- (g) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of any of the Restructuring Transactions; *provided* that the Company shall have five business days after the issuance of such ruling or order to obtain relief that would allow consummation of the applicable Restructuring Transactions in a manner that (i) does not prevent or diminish in a material way compliance with the terms of the Plan and this Agreement or (ii) is reasonably acceptable to the Sponsor; or
- (h) (i) the amendment or modification of the DIP Intercreditor Agreement (as defined in the Plan) in any respect that adversely affects the Sponsor’s interests in connection with the Restructuring Transactions, the Plan, or this Agreement without its consent (such consent not to be unreasonably withheld), or (ii) the DIP ABL Credit Agreement is amended or modified, or the DIP ABL Agent or DIP ABL Lenders take actions, in violation of the Participation Agreement (as defined in the DIP ABL Credit Agreement).

13. **Committee Termination Events.** The Committee shall have the right, but not the obligation, upon notice to the other Parties provided in accordance with Section 31 hereof, to terminate this Agreement as to all Parties upon the occurrence of any of the following events, unless waived, in writing, by the Committee on a prospective or retroactive basis:

- (a) the occurrence of a breach of this Agreement (including any representation, warranty, or covenant contained herein) in any respect that adversely affects, in any material respect, the interests of holders of General Unsecured Claims in connection with the Restructuring Transactions, the Plan, or this Agreement, by the Company, by the Sponsor, or by Consenting Term Loan Lenders holding Term Loan Claims in an aggregate outstanding principal amount such that non-breaching Consenting Term Loan Lenders (a) hold less than 66.67 percent of the aggregate outstanding principal amount of Term Loan Claims, or (b) constitute less than 50 percent in number of the Term Loan Lenders, that has not been cured (to the extent curable) before five business days after notice to all Restructuring Support Parties given in accordance with Section 31 hereof of such material breach by the Company, the Sponsor, or Consenting Term Loan Lender or Lenders, as applicable, asserting such termination, which notice must include a description of such breach;
- (b) the Plan and the Confirmation Order are not in form and substance reasonably satisfactory to the Committee with respect to the provisions thereof that impact the interests of holders of General Unsecured Claims in accordance with Section 4(b) hereof; *provided* that the Committee must provide five business days' written notice to the Company in accordance with Section 31(a) hereof of any such proposed termination and the Company shall have such time to amend or modify the Plan and Confirmation Order such that they shall be in form and substance reasonably satisfactory to the Committee;
- (c) following the Committee determining, upon advice of outside counsel, that proceeding with the Restructuring Transactions contemplated by this Agreement would be inconsistent with the continued exercise of its fiduciary duties as set forth in Section 20 hereof; *provided* that notwithstanding any provision of this Agreement to the contrary, upon such determination, the Committee shall be entitled, but not required, to terminate this Agreement immediately upon written notice to each Restructuring Support Party delivered in accordance with Section 31 hereof; *provided, further*, that notwithstanding the foregoing, the Settlement, including the payment obligations and the releases as set forth herein, shall survive termination of this Agreement and remain binding on the Committee; or
- (d) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of any of the Restructuring Transactions; *provided* that the Company shall have five business days after the issuance of such ruling or order to obtain relief that would allow consummation of the applicable Restructuring Transactions in a manner that (i) does not prevent or diminish in a material

way compliance with the terms of the Plan and this Agreement or (ii) is reasonably acceptable to the Committee.

14. **The Company's Termination Events.** The Company may, upon notice to the Restructuring Support Parties, terminate this Agreement as to all Parties upon the occurrence of any of the following events, unless waived, in writing, by the Company on a prospective or retroactive basis:

- (a) the occurrence of a breach of this Agreement in any respect that adversely affects, in any material respect, the Company's interests in connection with the Restructuring Transactions, the Plan, or this Agreement, by the Sponsor, the Committee, or by Consenting Term Loan Lenders holding Term Loan Claims in an aggregate outstanding principal amount such that non-breaching Consenting Term Loan Lenders (a) hold less than 66.67 percent of the aggregate outstanding principal amount of Term Loan Claims or (b) constitute less than 50 percent in number of the Term Loan Lenders, that has not been cured (to the extent curable) before five business days after notice to all Restructuring Support Parties given in accordance with Section 31 hereof of such breach;
- (b) any of the Definitive Documentation (including any amendment or modification thereof) is filed with the Bankruptcy Court or otherwise finalized, or has become effective, that is not materially consistent with this Agreement or otherwise reasonably satisfactory to the Company, and such inconsistency has not been cured before five business days after notice to all Restructuring Support Parties given in accordance with Section 31 hereof of such breach;
- (c) the issuance by any governmental authority, including the Bankruptcy Court, any regulatory authority, or any other court of competent jurisdiction, of any ruling or order enjoining the substantial consummation of the Restructuring Transactions in a way that cannot be reasonably remedied by the Company in a manner that is reasonably satisfactory to the Required Consenting Term Loan Lenders, the Committee, and the Sponsor or a final, non-appealable ruling or order preventing the consummation of a material portion of the Restructuring Transactions; or
- (d) following the Company determining, upon advice of outside counsel, that proceeding with the Restructuring Transactions contemplated by this Agreement would be inconsistent with the continued exercise of its fiduciary duties as set forth in Section 20 hereof; *provided* that notwithstanding any provision of this Agreement to the contrary, upon such determination, the Company shall be entitled, but not required, to terminate this Agreement immediately upon written notice to each Restructuring Support Party delivered in accordance with Section 31 hereof; *provided, further*, that notwithstanding the foregoing, the Settlement, including the payment obligations and the releases as set forth

herein, shall survive termination of this Agreement and remain binding on the Company.

15. **Mutual Termination; Automatic Termination.** This Agreement and the obligations of all Parties hereunder may be terminated by mutual written agreement by and among Dream II Holdings, LLC, on behalf of the Company, the Committee, the Required Consenting Term Loan Lenders, and the Sponsor. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate automatically without further required action upon the occurrence of the effective date of the Plan. Notwithstanding the foregoing, the Settlement, including the payment obligations and the releases as set forth herein, shall survive termination of this Agreement.

16. **Automatic Stay.** The Company acknowledges and agrees and shall not dispute that after the commencement of the Chapter 11 Cases, the giving of notice of termination of this Agreement by any Party pursuant to this Agreement shall not be a violation of the automatic stay of section 362 of the Bankruptcy Code (and the Company hereby waives, to the fullest extent permitted by law, the applicability of the automatic stay as it relates to any such notice being provided); *provided* that nothing herein shall prejudice any Party's rights to argue that the giving of notice of default or termination was not proper under the terms of this Agreement.

17. **Effect of Termination.** Upon the termination of this Agreement, this Agreement (other than with respect to the release and certain payment obligations of the Settlement, which shall survive termination), including the obligation to support the Plan, shall be of no further force or effect with respect to any Restructuring Support Party, and each Restructuring Support Party shall: (a) be released from its commitments, undertakings, and agreements under or related to this Agreement; (b) have the rights and remedies that it would have had, had it not entered into this Agreement; (c) be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement. Any and all consents tendered by any Restructuring Support Party prior to such termination shall be deemed, for all purposes, to be null and void *ab initio*, shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions, the Plan, and this Agreement or otherwise and such consents may be changed or resubmitted; *provided* that if the approval of the Bankruptcy Court shall be required under applicable law in order for a Restructuring Support Party to change or resubmit such consents, then the Company shall not oppose any attempt by such Restructuring Support Party to terminate, change, or resubmit the consent under this Section 17. The termination of this Agreement shall not relieve or absolve any Restructuring Support Party of any liability for any breaches of this Agreement that preceded the termination of the Agreement. Notwithstanding anything to the contrary in this Agreement, the foregoing shall not be construed to prohibit the Company or any Restructuring Support Party from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before the Termination Date. Except as expressly provided in this Agreement, nothing in this Agreement is intended to, or does, in any manner waive, limit, impair, or restrict any right or ability of any Restructuring Support Party to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any other Restructuring Support Party. Notwithstanding anything else in this Agreement to the contrary, pursuant to the Settlement, (a) the obligation of the Consenting Term Loan Lenders to fund the

GUC Liquidation Recovery Pool from the first available proceeds of Term Loan Priority Collateral in the event that each of the Chapter 11 Cases are converted to, or the occurrence of, a Liquidation Case shall survive the termination of this Agreement (unless such termination is a result of a material breach of this Agreement by the Committee), (b) subject to the conditions set forth in Section 19(c)(iii) hereof, the obligation of the Sponsor or the Put Purchasers to fund the Last Out Loans Turnover Amount from the cash proceeds, if any, received by the Put Purchasers on account of the DIP Last Out Loan Claims upon a conversion of each of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case, shall survive the termination of this Agreement (unless such termination is a result of a material breach of this Agreement by the Committee), (c) the obligation of the Committee set forth in Section 9(b) hereof shall survive the termination of this Agreement, and (d) the releases set forth in Section 18 of this Agreement (including, for the avoidance of doubt, the releases set forth in Section 18(d) hereof) and the rights set forth in Section 19 shall survive termination of this Agreement in all instances.

18. Release.

- (a) On the Agreement Effective Date, each Consenting Term Loan Lender, and subject in all respects to Section 19 hereof, on behalf of itself and its predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals, in each case in their capacity as such (collectively, the “Consenting Term Loan Releasing Parties”), expressly and generally releases, acquits, and discharges (i) the Sponsor and the Put Purchasers, (ii) the Sponsor and the Put Purchaser’s respective predecessors, successors and assigns, subsidiaries, affiliates (in each case of the foregoing, except the Company), managed accounts or funds or investment vehicles, and each of such entities’ respective current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals of the Sponsor and the Put Purchasers, and (iii) the current and former directors of the Company and its subsidiaries (including any Sponsor appointed directors and the Company’s disinterested director), in each case in the foregoing (i) through (iii), in their capacity as such (collectively, the “Sponsor Released Parties”), 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 the Company, any claims asserted or assertable on behalf of any holder of any claim against or interest in the Company and any claims asserted or assertable on behalf of any other entity, whether known or unknown, foreseen or unforeseen, matured or unmatured, in law, equity, contract, tort, or otherwise, by statute or otherwise, that such Consenting Term Loan Releasing Parties (whether individually or collectively) ever

had, now has, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Company (including the purchase, sale, rescission, or any other transaction relating to any security of or debt in the Company, or any other transaction) or the negotiation, formulation, or preparation of the Restructuring Transactions, in each case, (i) arising on or before the Agreement Effective Date and (ii) for any and all claims arising between the Agreement Effective Date and the effective date of the Plan, such release shall be effective as of the effective date of the Plan.

- (b) On the Agreement Effective Date, the Sponsor and the Put Purchasers, subject in all respects to Section 19 hereof, on behalf of themselves and their predecessors, successors and assigns, subsidiaries, affiliates (in each case of the foregoing, except the Company), managed accounts or funds or investment vehicles, and each of such entities' respective current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals of the Sponsor and the Put Purchasers, in each case in their capacity as such (collectively, the "Sponsor Releasing Parties"), expressly and generally releases, acquits, and discharges (i) the other applicable Sponsor Released Parties, (ii) each Consenting Term Loan Lender and the Term Loan Agent, and (iii) each Consenting Term Loan Lender's and Term Loan Agent's respective predecessors, successors and assigns, subsidiaries, affiliates, managed accounts or funds, and each of such entities' respective current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals of the Term Loan Agent and each Consenting Term Loan Lender, in each case in the foregoing (i) through (iii), in their capacity as such (collectively, the "Consenting Term Loan Released Parties"), 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 the Company, any claims asserted or assertable on behalf of any holder of any claim against or interest in the Company and any claims asserted or assertable on behalf of any other entity, whether known or unknown, foreseen or unforeseen, matured or unmatured, in law, equity, contract, tort, or otherwise, by statute or otherwise, that such Sponsor Releasing Parties (whether individually or collectively) ever had, now has, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Company (including the purchase, sale, rescission, or any other transaction relating to any security of or debt in the Company) or the negotiation, formulation, or preparation of the Restructuring Transactions, in each case, (i) arising on or before the Agreement Effective Date and (ii) for any and all claims arising between

the Agreement Effective Date and the effective date of the Plan, such release shall be effective as of the effective date of the Plan.

- (c) On the Agreement Effective Date, subject in all respects to Section 19 hereof, the Company, on behalf of itself and its predecessors, successors and assigns (including, for the avoidance of doubt, any chapter 7 trustee of the Debtors' estates), subsidiaries, affiliates, and each of such entities' respective current and former officers, directors, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, management companies, fund advisors, and other professionals, in each case in their capacity as such (collectively, the "Company Releasing Parties"), and the Committee and its agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such (collectively, the "Committee Releasing Parties," and, together with the Sponsor Releasing Parties, the Consenting Term Loan Releasing Parties, and the Company Releasing Parties, the "Releasing Parties"), expressly and generally release, acquit, and discharge all claims, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, including any derivative claims asserted or assertable on behalf of the Company, any claims asserted or assertable on behalf of any holder of any claim against or interest in the Company and any claims asserted or assertable on behalf of any other entity, whether known or unknown, foreseen or unforeseen, matured or unmatured, in law, equity, contract, tort, or otherwise, by statute or otherwise, that such Company Releasing Parties and Committee Releasing Parties (whether individually or collectively) ever had, now has, or may have, based on or relating to, or in any manner arising from, in whole or in part, the Company (including the purchase, sale, rescission, or any other transaction relating to any security of or debt in the Company) or the negotiation, formulation, or preparation of the Restructuring Transactions, in each case, against the Sponsor, any Sponsor Released Party, the Term Loan Agent, any Consenting Term Loan Lender, and any Consenting Term Loan Released Party (i) arising on or before the Agreement Effective Date and (ii) for any and all claims arising between the Agreement Effective Date and the effective date of the Plan, such release shall be effective as of the effective date of the Plan; *provided* that in the event that the effective date of the Plan does not occur, the releases in this Section 18(c) shall be subject to revocation by the Company Releasing Parties and the Committee Releasing Parties (i) with respect to the Sponsor, the Put Purchasers, and any Sponsor Released Party, solely if the Sponsor and the Put Purchasers breach their obligation to fund the Last Out Loans Turnover Amount from the cash proceeds, if any, received by the Put Purchasers on account of the DIP Last Out Loan Claims, and (ii) with respect to the Term Loan Agent, any Consenting Term Loan Lender, and any Consenting Term Loan Released Party, if the Consenting Term Loan

Lenders breach their obligation to consent to the Company's disbursement of the GUC Liquidation Recovery Pool.

- (d) On the Agreement Effective Date, each Releasing Party expressly and generally releases, acquits, and discharges any derivative claims asserted or assertable on behalf of the Company and any claims asserted or assertable on behalf of any holder of any claim against or interest in the Company, whether known or unknown, foreseen or unforeseen, matured or unmatured, in law, equity, contract, tort, or otherwise, by statute or otherwise, that the Releasing Parties (whether individually or collectively) ever had, now has, or may have against each of the other Releasing Parties, based on or relating to, or in any manner arising from, in whole or in part, the Company (including the purchase, sale, rescission, or any other transaction relating to any security of or debt in the Company) or the negotiation, formulation, or preparation of this Agreement.
- (e) Subject to Section 19 hereof, each of the Releasing Parties knowingly grants this Release notwithstanding that each Releasing Party may hereafter discover facts in addition to, or different from, those which either such Releasing Party now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and each Releasing Party expressly waives any and all rights that such Releasing Party may have under any statute or common law principle which would limit the effect of the Release to those claims actually known or suspected to exist as of before the Agreement Effective Date or effective date of the Plan, as applicable.
- (f) Subject to Section 19 hereof, in connection with their agreement to the foregoing Release, the Releasing Parties knowingly and voluntarily waive and relinquish any and all provisions, rights, and benefits conferred by any law of the United States or any state or territory of the United States, or principle of common law, which governs or limits a person's release of unknown claims, comparable or equivalent to California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

- (g) Each of the Releasing Parties hereby represents and warrants that it has access to adequate information regarding the terms of this Agreement, the scope and effect of the Release, and all other matters encompassed by this Agreement to make an informed and knowledgeable decision with regard to entering into this Agreement. Each of the Releasing Parties further

represents and warrants that it has not relied upon any other Party in deciding to enter into this Agreement and has instead made its own independent analysis and decision to enter into this Agreement.

19. Revocation of Release.

- (a) Subject to Section 19(c) and Section 19(d) hereof, a Release provided in Section 18 hereof shall be deemed revoked if any Party receives a notice from any other Party (each, a “Release Revocation Notice”) of the occurrence of a Release Revocation Event (as defined herein) and the recipient(s) of the Release Revocation Notice fails to cure such Release Revocation Event within five business days of receipt of such Release Revocation Notice (the “Revocation Cure Period”) or such Release Revocation Notice is not otherwise rescinded; *provided* that in the event the recipient(s) of a Release Revocation Notice disputes either the occurrence of a Release Revocation Event or the failure of the recipient(s) to cure the Release Revocation Event within the Revocation Cure Period, such recipient(s) shall have five business days from the expiration of the Revocation Cure Period to seek a determination by the Bankruptcy Court or such other court of competent jurisdiction having jurisdiction over such claim in accordance with this Agreement as to whether a Release Revocation Event occurred and was not cured within the Revocation Cure Period.
- (b) Release Revocation Event. For the purposes of this Agreement, a “Release Revocation Event” means a breach by any Party (other than the Releasing Party seeking to revoke the Release) of any material commitment by such Party or of the Releases provided in Section 18 hereof. The foregoing shall also be subject to Section 19(d) hereof.
- (c) Effect of Revocation of Release.
 - (i) Revocation of a Release as a result of a Release Revocation Event as contemplated in subsections (ii) and (iii) of this Section 19(c) shall result in a full and complete restoration of any and all claims, liabilities, and causes of action subject to such Release, and such Release shall be void *ab initio*, in each case, to the extent contemplated in subsections (ii) and (iii) of this Section 19(c).
 - (ii) In the case of a Release Revocation Event: (A) if the breaching Party is a Sponsor or a Put Purchaser, the Releases in Section 18 hereof shall be revoked with respect to all of the Releases granted to the Sponsor Released Parties (and such Sponsor Released Parties shall no longer have the benefit of such Release), (B) if the breaching Party is a Consenting Term Loan Lender, the Releases in Section 18 hereof shall only be revoked with respect to the Releases granted to such breaching Consenting Term Loan Lender

and its respective Consenting Term Loan Released Parties (and such Consenting Term Loan Released Parties shall no longer have the benefit of such Release), (C) if the breaching Party is a Company Releasing Party, the Releases in Section 18 hereof shall be revoked with respect to all of the Releases granted to the Company Releasing Parties (and such Company Releasing Parties shall no longer have the benefit of such Release), and (D) if the breaching Party is a Committee Releasing Party, the Releases in Section 18 hereof shall be revoked with respect to all of the Releases granted to the Committee Releasing Parties (and such Committee Releasing Parties shall no longer have the benefit of such Release). Other than as set forth in this subsection (ii) of Section 19(c) hereof, the revocation of any Release under Section 19(b) hereof shall not operate as a revocation of, nor otherwise impair or affect, any other Release.

- (iii) In the case of a Release Revocation Event: (A) due to a Party bringing an action or claim against the Sponsor, a Put Purchaser, or any Sponsor Released Party, the Releases granted by the Sponsor Releasing Parties in Section 18 hereof shall be revoked in their entirety, and the Put Purchasers shall have no obligation to (1) “roll” their participation in the DIP Last Out Loans into the Exit ABL Facility or (2) cause to be distributed the Last Out Loans Turnover Amount, and (B) due to a Party bringing an action or claim against the Term Loan Lenders or any Consenting Term Loan Released Party, the Releases granted by the Consenting Term Loan Releasing Parties in Section 18 hereof shall be revoked in their entirety, and the Term Loan Lenders shall have no obligation to perform under this Agreement.

(d) Events Not Subject to Revocation.

- (i) Notwithstanding anything else to the contrary herein, no Release may be revoked by any Releasing Party (including the Company Releasing Parties or any successor thereto, including a chapter 7 trustee, the Consenting Term Loan Releasing Parties, and the Committee Releasing Parties pursuant to Section 18(c) hereof):
 - a. following the effective date of the Plan;
 - b. irrespective of whether any Chapter 11 plan has been confirmed, with respect to the Sponsor, the Put Purchasers, and any Sponsor Released Party, so long as the Sponsor, the Put Purchasers, and any Sponsor Released Party have not breached their obligations to fund the Last Out Loans Turnover Amount from the cash proceeds, if any, received by

the Put Purchasers on account of the DIP Last Out Loan Claims; or

- c. irrespective of whether any Chapter 11 plan has been confirmed, with respect to the Term Loan Agent, any Consenting Term Loan Lender, and any Consenting Term Loan Released Party, so long as the Consenting Term Loan Lenders have not breached their obligations to provide the GUC Liquidation Recovery Pool.

20. **Fiduciary Duties.** Notwithstanding anything to the contrary herein, nothing in this Agreement shall require (i) the Company, or any directors, officers, or employees of the Company (in such person's capacity as a director, officer, or employee) or (ii) the Committee, or any of its members, each in its capacity as such, to take any action, or to refrain from taking any action, to the extent that the Company, its board of directors or officers, the Committee, or any of its members determines in good faith, upon advice of counsel, that taking such action or refraining from taking such action may be inconsistent with its or their fiduciary obligations under applicable law, and any such exercise of such fiduciary duties shall not be deemed to constitute a breach of the terms of this Agreement; *provided* that the effect of any such action or inaction (and to the extent the Company or the Committee does not terminate this Agreement in accordance with this Section 20 and Section 14(d) or Section 13(c) hereof, as applicable), shall provide the Consenting Term Loan Lenders and the Sponsor the ability to take actions in accordance with Section 11 or Section 12 hereof, respectively, to terminate this Agreement. The Company or the Committee, as applicable, in its or their sole discretion, may (but shall not be required to) terminate this Agreement in accordance with Section 14(d) or Section 13(c) hereof, as applicable, and specific performance shall not be available as a remedy if this Agreement is terminated in accordance with this Section 20 and Section 14(d) or Section 13(c) hereof, as applicable, *provided* that a non-breaching party may seek specific performance for any violation of Section 18 and Section 19 of this Agreement. All Consenting Term Loan Lenders reserve all rights they may have, including the right (if any) to challenge any exercise by the Company or the Committee of its or their ability to terminate this Agreement under Section 14(d) or Section 13(c) hereof, as applicable, pursuant to this Section 20.

21. **Transfers of Claims and Interests.** During the Plan Support Period, subject to the terms and conditions hereof, each Restructuring Support Party shall not make a Transfer, unless such Transfer is to another Restructuring Support Party or any other entity that first agrees in writing to be bound by the terms of this Agreement by executing and delivering to the Company the Transferee Joinder. Upon compliance with the foregoing, the Transferor shall be deemed to relinquish its rights (and be released from its obligations, except for any claim for breach of this Agreement that occurs prior to such Transfer) under this Agreement to the extent of such transferred rights and obligations. Any Transfer made in violation of this Section 21 shall be deemed null and void *ab initio* and of no force or effect, regardless of any prior notice provided to the Company and/or any Restructuring Support Party, and shall not create any obligation or liability of the Company or any other Restructuring Support Party to the purported transferee.

22. **Further Acquisition of Claims or Interests.** Except as set forth in Section 21 hereof, nothing in this Agreement shall be construed as precluding any Consenting Term Loan Lender or any of its affiliates from acquiring additional DIP Term Loan Claims or Term Loan Claims or interests in the instruments underlying the DIP Term Loan Claims or Term Loan Claims; *provided* that any such additional DIP Term Loan Claims or Term Loan Claims acquired by any Consenting Term Loan Lender or by any of its affiliates shall automatically be subject to the terms and conditions of this Agreement. Upon any such further acquisition by a Consenting Term Loan Lender or any of its affiliates, such Consenting Term Loan Lender shall promptly notify counsel to the Company.

23. **Consents and Acknowledgments.**

- (a) Each Party irrevocably acknowledges and agrees that this Agreement is not and shall not be deemed to be a solicitation for acceptances of the Plan for purposes of sections 1125, 1126, and 1127 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities laws and provisions of the Bankruptcy Code.
- (b) By executing this Agreement, each Restructuring Support Party (including, for the avoidance of doubt, any entity that may execute this Agreement or a Transferee Joinder after the Agreement Effective Date) consents to the Company's use of its cash collateral and incurrence of debtor-in-possession financing expressly as authorized by, and subject to the terms of, the DIP Orders.
- (c) By executing this Agreement, each Restructuring Support Party (including, for the avoidance of doubt, any entity that may execute this Agreement or a Transferee Joinder after the Agreement Effective Date) forbears from exercising remedies with respect to any Default or Event of Default (as defined under the Term Loan Credit Agreement) that is caused by the Company's entry into this Agreement or the other documents related to this Agreement and the transactions contemplated in this Agreement, and agrees to direct the Term Loan Agent to not exercise remedies to the extent that any other Term Loan Lender directs it to exercise such remedies.

24. **Representations and Warranties.**

- (a) Each Restructuring Support Party hereby represents and warrants on a several and not joint basis for itself and not any other person or entity that the following statements are true, correct, and complete, to the best of its actual knowledge, as of the date hereof:
 - (i) it has the requisite organizational power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

- (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate or other organizational action on its part;
- (iii) to the extent it is a Consenting Term Loan Lender or the Sponsor, the execution and delivery by it of this Agreement does not violate its certificates of incorporation, or bylaws, or other organizational documents;
- (iv) the execution, delivery, and performance by it of this Agreement does not require any registration or filing with, the consent or approval of, notice to, or any other action with any federal, state, or other governmental authority or regulatory body, except (i) any of the foregoing as may be necessary and/or required for disclosure by the Securities and Exchange Commission and applicable state securities or “blue sky” laws, (ii) any of the foregoing as may be necessary and/or required in connection with the Chapter 11 Cases, including the approval of the Disclosure Statement and confirmation of the Plan, (iii) filings of amended certificates of incorporation or articles of formation or other organizational documents with applicable state authorities, and other registrations, filings, consents, approvals, notices, or other actions that are reasonably necessary to maintain permits, licenses, qualifications, and governmental approvals to carry on the business of the Company, and (iv) any other registrations, filings, consents, approvals, notices, or other actions, the failure of which to make, obtain or take, as applicable, would not be reasonably likely, individually or in the aggregate, to materially delay or materially impair the ability of any Party hereto to consummate the transactions contemplated hereby;
- (v) this Agreement is its legally valid and binding obligation, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors’ rights generally, or by equitable principles relating to enforceability;
- (vi) it is an “accredited investor” within the meaning of Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (provided that the Committee is not required to satisfy this requirement), with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement, the Disclosure Statement, the Plan, and any other Definitive Documentation, and it has made its own analysis and decision to enter into this Agreement; and

- (vii) it (A) either (1) is the sole owner of the claims and interests identified below its name on its signature page hereof and in the amounts set forth therein, or (2) has all necessary investment or voting discretion with respect to the principal amount of claims and interests identified below its name on its signature page hereof, and has the power and authority to bind the owner(s) of such claims and interests to the terms of this Agreement; (B) is entitled (for its own accounts or for the accounts of such other owners) to all of the rights and economic benefits of such claims and interests; and (C) to the knowledge of the individuals working on the Restructuring Transactions, does not directly or indirectly own any Term Loan Claims, other than as identified below its name on its signature page hereof; *provided* that the foregoing shall not apply to the Committee.
- (b) Each Company entity hereby represents and warrants on a joint and several basis (and not any other person or entity other than each Company entity) that the following statements are true, correct, and complete, to the best of its actual knowledge, as of the date hereof:
 - (i) it has the requisite corporate or other organizational power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;
 - (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate or other organizational action on its part, including approval of each of the independent directors of each of the corporate entities that comprise the Company;
 - (iii) the execution and delivery by it of this Agreement does not (A) violate its certificates of incorporation, or bylaws, or other organizational documents, or those of any of its affiliates in any material respect, or (B) result in a breach of, or constitute (with due notice or lapse of time or both) a default (other than, for the avoidance of doubt, a breach or default that would be triggered as a result of the Company undertaking to implement the Restructuring Transactions through the Chapter 11 Cases) under any material contractual obligation to which it or any of its affiliates is a party;
 - (iv) the execution and delivery by it of this Agreement does not require any registration or filing with, the consent or approval of, notice to, or any other action with any federal, state, or other governmental authority or regulatory body, other than, for the avoidance of doubt, the actions with governmental authorities or regulatory

bodies required in connection with implementation of the Restructuring Transactions;

- (v) subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is its legally valid and binding obligation, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally, or by equitable principles relating to enforceability; and
- (vi) it has sufficient knowledge and experience to evaluate properly the terms and conditions of the Plan and this Agreement, and has been afforded the opportunity to consult with its legal and financial advisors with respect to its decision to execute this Agreement, and it has made its own analysis and decision to enter into this Agreement and otherwise investigated this matter to its full satisfaction.

25. **Relationship Among Parties.** Notwithstanding anything herein to the contrary, (i) the duties and obligations of the Parties under this Agreement shall be several, not joint; (ii) no Party shall have any responsibility by virtue of this Agreement for any trading by any other entity; (iii) no prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this Agreement; (iv) the Parties hereto acknowledge that this Agreement does not constitute an agreement, arrangement, or understanding with respect to acting together for the purpose of acquiring, holding, voting, or disposing of any equity securities of the Company, the Parties do not constitute a "group" within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended, and no action taken by any Party pursuant to this Agreement shall be deemed to create a presumption that the Parties are, in any way, acting as a "group"; and (v) none of the Restructuring Support Parties shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities in any kind or form to each other, the Company or any of the Company's other lenders or stakeholders, including as a result of this Agreement or the transactions contemplated hereby; *provided* that the preceding sentence shall not apply to any of the Committee's fiduciary duties under applicable law.

26. **Remedies.** It is understood and agreed by the Parties that breach of this Agreement would give rise to irreparable damage for which monetary damages may not be an adequate remedy and each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy of any such breach of this Agreement, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder, *provided* specific performance shall not be an available remedy against the Company if the Company or the Committee validly terminates this Agreement in accordance with, and subject to, Section 14(d) or Section 13(c) hereof, as applicable. Notwithstanding the foregoing, any non-breaching party may seek specific performance and injunctive relief for any violations of Section 18 and Section 19 of this Agreement. The Parties agree that such relief will be their only remedy against the applicable

breaching Party or Parties with respect to any such breach, and that in no event will any Party be liable for monetary damages under or in connection with this Agreement.

27. **Governing Law & Jurisdiction.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to such state's choice of law provisions which would require the application of the law of any other jurisdiction, except where preempted by the Bankruptcy Code. By its execution and delivery of this Agreement, each Party irrevocably and unconditionally agrees for itself that any legal action, suit, or proceeding against it with respect to any matter arising under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding, may be brought in the United States District Court for the Southern District of New York, and by executing and delivering this Agreement, each of the Parties irrevocably accepts and submits itself to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to New York jurisdiction, if the Chapter 11 Cases are commenced, each Party agrees that the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement. By executing and delivering this Agreement, and upon commencement of the Chapter 11 Cases, each of the Parties irrevocably and unconditionally submits to the personal jurisdiction of the Bankruptcy Court solely for purposes of any action, suit, proceeding, or other contested matter arising out of or relating to this Agreement, or for recognition or enforcement of any judgment rendered or order entered in any such action, suit, proceeding, or other contested matter.

28. **Waiver of Right to Trial by Jury.** Each of the Parties waives any right to have a jury participate in resolving any dispute, whether sounding in contract, tort or otherwise, between any of the Parties arising out of, connected with, relating to, or incidental to the relationship established between any of them in connection with this Agreement. Instead, any disputes resolved in court shall be resolved in a bench trial without a jury.

29. **Successors and Assigns.** Except as otherwise provided in this Agreement, this Agreement is intended to bind and inure to the benefit of each of the Parties and each of their respective permitted successors, assigns, heirs, executors, administrators, and representatives, including any chapter 7 trustee.

30. **No Third-Party Beneficiaries.** Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other person or entity shall be a third-party beneficiary of this Agreement.

31. **Notices.** All notices (including any notice of termination or breach) and other communications from any Party hereunder shall be in writing and shall be deemed to have been duly given if personally delivered by courier service, messenger, email, or facsimile to the other Parties at the applicable addresses below, or such other addresses as may be furnished hereafter by notice in writing. Any notice of termination or breach shall be delivered to all other Parties.

(a) If to the Company:

Hollander Sleep Products, LLC
901 Yamato Road
Suite 250
Boca Raton, Florida 33431
Attn: Marc. L. Pfefferle
Email: mpfefferle@carlmarks.com

With a copy to:

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attn: Joseph M. Graham
Laura Krucks
Email: joe.graham@kirkland.com
laura.krucks@kirkland.com

(b) If to the Sponsor:

Sentinel Capital Partners
330 Madison Avenue, 27th Floor
New York, New York 10017
Attn: Vincent E. Taurassi
Email: Taurassi@sentinelpartners.com

With a copy to:

Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, New York 10036
Attn: Adam Rogoff
Email: arogoff@kramerlevin.com

(c) If to the Committee:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue 34th Floor
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

(d) If to the Consenting Term Loan Lenders:

To each Consenting Term Loan Lender at the addresses or e-mail addresses set forth below the Consenting Term Loan Lender's signature page to this Agreement (or to the signature page to a Transferee Joinder as the case may be).

With a copy to:

King & Spalding LLP
1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attn: W. Austin Jowers
Email: ajowers@kslaw.com

and

King & Spalding LLP
1185 Avenue of the Americas
34th Floor
New York, New York 10036
Attn: Christopher Boies
Stephen M. Blank
Email: sboies@kslaw.com
sblank@kslaw.com

32. **Entire Agreement.** This Agreement (including each of the exhibits hereto and any schedules to such exhibits) constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements, and understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement.

33. **Amendments.** Except as otherwise provided herein, this Agreement may not be modified, amended, or supplemented without the prior written consent of the Company, the Required Consenting Term Loan Lenders, and the Sponsor (but only with respect to this Agreement, not the DIP Term Loan Commitment Letter or the Exit Term Loan Commitment Letter unless such amendments, modifications, or supplements have an adverse effect on the Sponsor or the treatment of the Last Out Loans or DIP Last Out Loans); *provided* that any modification, amendment, or change to (a) the definition of Required Consenting Term Loan Lenders or the threshold of Consenting Term Loan Lenders set forth in Section 11 hereof shall also require the written consent of each Consenting Term Loan Lender, (b) this Section 33 shall require the written consent of the Company, each Consenting Term Loan Lender, the Committee, and the Sponsor, (c) this Agreement that treats or affects any Consenting Term Loan Lender in a manner that is disproportionately adverse, on an economic or non-economic basis, to the treatment of other holders of Term Loan Claims, shall also require the written consent of such Consenting Term Loan Lender, or (d) this Agreement that adversely affects, in any material

respect, the interests of holders of General Unsecured Claims, shall also require the written consent of the Committee.

34. **Reservation of Rights.** Subject to and except as expressly provided in this Agreement or in any amendment thereof agreed upon by the Parties pursuant to the terms hereof, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of each of the Parties to protect and preserve its rights, remedies and interests, including its claims against any of the other Parties (or their respective affiliates or subsidiaries) or its full participation in the Chapter 11 Cases. Without limiting the foregoing sentence in any way, if the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, nothing in this Agreement shall be construed as a waiver by any Party of any or all of such Party's rights, remedies, claims and defenses, and the Parties expressly reserve any and all of their respective rights, remedies, claims and defenses. This Agreement shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any Party of any claim or fault or liability or damages whatsoever. Any waiver shall not be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation, or breach of warranty or covenant. Each of the Parties denies any and all wrongdoing or liability of any kind and does not concede any infirmity in the claims or defenses which it has asserted or could assert. This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the Parties hereto. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations relating to this Agreement shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

35. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

36. **Disclosures.** The Company shall (a) submit drafts to the Term Loan Agent Counsel, Committee Counsel, and Sponsor Counsel of any press releases and public documents that constitute the disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement at least two business days or as soon as reasonably practicable prior to making any such disclosure and (b) consult with the Term Loan Agent Counsel, Committee Counsel, and Sponsor Counsel in good faith regarding the form and substance of such disclosure(s), including consideration of inclusion of any comments reasonably requested by the Term Loan Agent Counsel, Committee Counsel, or Sponsor Counsel. Except as required by law or otherwise permitted under the terms of any other agreement between the Company, on the one hand, and the Term Loan Lenders, on the other hand (including the DIP Term Loan Agreement and related documents), this Agreement, as well as its terms, its existence, and the existence of the negotiation of its terms are expressly subject to any existing confidentiality agreements executed by and among any of the Parties as of the date hereof (including any such provisions in the Term Loan Credit Agreement); *provided* that (i) such information may be disclosed to Term Loan Lenders not party hereto, subject to the confidentiality provisions in the Term Loan Credit Agreement, and (ii) after the Petition Date, the Parties may disclose the existence of, or the terms of, this Agreement or any other material term of the transaction contemplated herein without the express written consent of the other Parties; *provided, further*, that no Party or its advisors shall

disclose to any person or entity (including, for the avoidance of doubt, any other Party), other than advisors to the Company, the principal amount or percentage of any claims, loans, or other interests held by the Consenting Term Loan Lenders or the Sponsor, in each case, without the prior written consent of such Consenting Term Loan Lender or the Sponsor, as applicable.

37. **Headings.** The section headings of this Agreement are for convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement.

38. **Interpretation.** This Agreement is the product of negotiations among the Parties, and the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement or any portion hereof, shall not be effective in regard to the interpretation hereof.

39. **Representation by Counsel.** Each Party acknowledges that it has had the opportunity to be represented by counsel in connection with this Agreement and the transactions contemplated hereunder. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived.


40. **Consideration.** The Parties hereby acknowledge that no consideration, other than that specifically described herein, shall be due or paid to any Party for its agreement to vote to accept the Plan in accordance with the terms and conditions of this Agreement.

41. **Computation of Time.** Rule 9006(a) of the Federal Rules of Bankruptcy Procedure applies in computing any period of time prescribed or allowed herein only to the extent such period of time governs a Milestone pertaining to the entry of an order by the Bankruptcy Court in the Chapter 11 Cases.

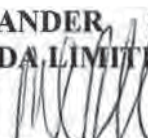
[Signatures and exhibits follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first written above.

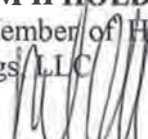
DREAM II HOLDINGS, LLC,


Name: Marc Pfefferle
Title: Chief Executive Officer

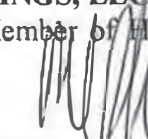
**HOLLANDER SLEEP PRODUCTS
CANADA LIMITED (CANADA)**


Name: Marc Pfefferle
Title: Chief Executive Officer

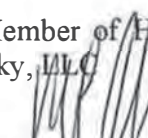
DREAM II HOLDINGS, LLC,
Sole Member of Hollander Home Fashions
Holdings, LLC


Name: Marc Pfefferle
Title: Chief Executive Officer

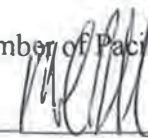
**HOLLANDER HOME FASHIONS
HOLDINGS, LLC,**
Sole Member of Hollander Sleep Products,
LLC


Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP PRODUCTS,
LLC,**
Sole Member of Hollander Sleep Products
Kentucky, LLC


Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP PRODUCTS,
LLC,**
Sole Member of Pacific Coast Feather, LLC


Name: Marc Pfefferle
Title: Chief Executive Officer

PACIFIC COAST FEATHER, LLC,
Sole Member of Pacific Coast Feather
Cushion, LLC


Name: Marc Pfefferle
Title: Chief Executive Officer

BARINGS GLOBAL PRIVATE LOANS 1 S.À R.L

acting by its attorney [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

BARINGS GLOBAL PRIVATE LOANS 2 S.À R.L

acting by its attorney [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

BCF SENIOR FUNDING I LLC

By: Barings Finance LLC, its Designated Manager

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

C.M. LIFE INSURANCE COMPANY

By: Barings LLC, as Investment Adviser

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

By: Barings LLC, as Investment Adviser

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF (CAYMAN) SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF (CAYMAN)-A SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

ING CAPITAL LLC

By:
Name:
Title:



By:
Name:
Title:



Principal Amount of Term Loan Claims:



Notice Address: 1133 Avenue of the Americas
New York, NY 10036

Fax: 646 424 6390

Attention:

Email:



PENNANTPARK SBIC II LP

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

Email:

PENNANTPARK FLOATING RATE FUNDING I, LLC

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

Email:

PENNANTPARK CREDIT OPPORTUNITIES FUND II, LP

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

Email:

FIRST EAGLE DARTMOUTH HOLDING LLC

By: First Eagle Private Credit, LLC, its Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4494

Attention: First Eagle Dartmouth Holding LLC

Email:

NEWSTAR COMMERCIAL LOAN FUNDING 2016-1 LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4488

Attention: NewStar Commercial Loan Funding 2016-1 LLC

Email:

NEWSTAR COMMERCIAL LOAN FUNDING 2017-1 LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4446

Attention: NewStar Commercial Loan Funding 2017-1 LLC

Email:

NEWSTAR ARLINGTON SENIOR LOAN PROGRAM LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-328-7722

Attention: NewStar Arlington Senior Loan Program LLC

Email:

FIRST EAGLE BERKELEY FUND CLO LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-602-9186

Attention: First Eagle Berkeley Fund CLO LLC

Email:

NEWSTAR CLARENDON FUND CLO LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-328-7723

Attention: NewStar Clarendon Fund CLO LLC

Email:

NEWSTAR EXETER FUND CLO LLC

By: First Eagle Commercial Loan Originator II LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: Wells Fargo Bank, N.A.
9062 Old Annapolis Road
Columbia, MD 21045-1951

Fax: 844-879-2762

Attention: NewStar Exeter Fund CLO LLC

Email:

NEWSTAR FAIRFIELD FUND CLO LTD.

By: First Eagle Commercial Loan Originator II LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: Wells Fargo Bank, N.A.
9062 Old Annapolis Road
Columbia, MD 21045-1951

Fax: 844-879-2770

Attention: NewStar Fairfield Fund CLO Ltd.

Email:

GSO DIAMOND PORTFOLIO BORROWER LLC

By: GSO Diamond Portfolio Holdco LLC, its managing member

By: GSO Diamond Portfolio Fund LP, its managing member

By: GSO Diamond Portfolio Associates LLC, its general partner

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

GSO Capital Partners LP

345 Park Avenue

New York, NY 10154

Attention:

Email:

DIAMOND CLO 2018-1 LTD

By: GSO Capital Partners LP, as Collateral Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

GSO Capital Partners LP

345 Park Avenue

New York, NY 10154

Attention:

Email:

SENTINEL CAPITAL PARTNERS, LLC, on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its affiliates that directly or indirectly hold interests in Dream II Holdings, LLC, together with certain of its direct and indirect subsidiaries, as a Sponsor

By: _____
Name: _____
Title: _____



**The Official Committee of Unsecured Creditors
of Hollander Sleep Products, LLC and Its
Co-Debtors and Debtors-in-Possession**

By: /s/ Robert J. Feinstein

Its duly authorized representative

Name: Robert J. Feinstein

Pachulski Stang Ziehl & Jones LLP

Title: Partner

Exhibit A to the Amended and Restated Restructuring Support and Settlement Agreement
Plan

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

In re:

HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-11608 (MEW)
)
) (Jointly Administered)
)

**DEBTORS' FIRST AMENDED JOINT PLAN OF REORGANIZATION
PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

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

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

Counsel to the Debtors and Debtors in Possession

Dated: July 21, 2019

<p>Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY COURT.</p>
--

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.

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INTRODUCTION

Hollander Sleep Products, LLC and its Debtor affiliates in the above-captioned Chapter 11 Cases propose this joint chapter 11 plan pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A. This Plan constitutes a separate chapter 11 plan for each Debtor and, unless otherwise set forth herein, the classifications and treatment of Claims and Interests apply to each individual Debtor.

Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and historical financial information, projections, and future operations, as well as a summary and description of this Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. Defined Terms

As used in this Plan, capitalized terms have the meanings ascribed to them below.

1. “**ABL Agent**” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

2. “**ABL Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the ABL Credit Facility.

3. “**ABL Credit Agreement**” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

4. “**ABL Credit Facility**” means, collectively, the senior secured revolving credit facility, swing loans, and letters of credit provided for by the ABL Credit Agreement.

5. “**ABL Lenders**” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

6. “**ABL Priority Collateral**” has the meaning set forth in the DIP Intercreditor Agreement.

7. “**Administration Charge**” means the charge granted by the Canadian Court in the Recognition Proceedings on the Canadian Assets to secure the professional fees and disbursements of the Information Officer and its counsel, in each case incurred in respect of the Recognition Proceedings.

8. “**Administrative Claim**” means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) amounts owing pursuant to the DIP Orders.

9. “**Administrative Claim Bar Date**” means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims, (y) Administrative Claims arising in the ordinary

course of business, or (z) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code, which are required to be filed in accordance with the Bar Date Order), which shall be 30 days after the Effective Date.

10. “**Administrative Claim Objection Bar Date**” means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the later of (a) 60 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of the Administrative Claims; *provided* that the Administrative Claim Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

11. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

12. “**Allowed**” means with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claims, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable. For the avoidance of doubt: (x) a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim; and (y) the Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law. “Allow” and “Allowing” shall have correlative meanings.

13. “**Auction**” means the auction, if any, for some or all of the Debtors’ assets, conducted in accordance with the Bidding Procedures.

14. “**Avoidance Actions**” mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their Estates under the Bankruptcy Code, CCAA, BIA, or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

15. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 100–1532, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

16. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of reference under section 157 of the Judicial Code and/or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

17. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

18. “**Bar Date Order**” means the *Order (A) Setting Bar Dates for Filing Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 120], entered by the Bankruptcy Court on June 21, 2019.

19. “**BIA**” means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

20. “**Bidding Procedures**” means the procedures governing the Auction and sale of all or substantially all of the Debtors’ assets, as approved by the Bankruptcy Court and as may be amended from time to time in accordance with their terms.

21. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)(6)).

22. “**Canadian Assets**” means the assets, undertakings, and properties of Hollander Canada at the applicable time.

23. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

24. “**Canadian Intercompany Claim**” means (i) the Claim of Hollander Canada in respect of the aggregate amount loaned by Hollander Canada to the Debtors other than Hollander Canada during the Chapter 11 Cases pursuant to and in accordance with the DIP Orders, *less* (ii) the aggregate amount reasonably incurred by the Debtors other than Hollander Canada during the Chapter 11 Cases in providing selling, general, and administrative services to Hollander Canada.

25. “**Cash**” or “**\$**” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

26. “**Causes of Action**” means any actions, claims, cross claims, third-party claims, interests, damages, controversies, remedies, causes of action, debts, judgments, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, disputed or undisputed, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law or otherwise. For the avoidance of doubt, “Causes of Action” include: (a) any rights of setoff, counterclaim, or recoupment and any claims under contracts or for breaches of duties imposed by law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claims or defenses, including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any state law fraudulent transfer claim.

27. “**CCAA**” means Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

28. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

29. “**Claim**” means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, or as defined in the CCAA, as applicable, against a Debtor or an Estate.

30. “**Claims Bar Date**” means the dates established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims (other than Claims required to be Filed by the Administrative Claims Bar Date), pursuant to (a) the Bar Date Order, (b) a Final Order of the Bankruptcy Court, or (c) the Plan.

31. “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

32. “**Class**” means a class of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

33. “**Collective Bargaining Agreement**” means those certain Collective Bargaining Agreements by and between Debtor Hollander Sleep Products, LLC, on the one hand, and, as applicable, the Southwest Regional Joint Board Workers United, the Southern Regional Joint Board of Workers United, SEIU on Behalf of Local 2420, the Mid-Atlantic Joint Board of Workers United, or the Workers United, Western States Regional Joint Board, on the other hand, as the same may have been amended from time to time.

34. “**Commercial Tort Claims**” means any commercial tort claims or Causes of Action owned by the Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date.

35. “**Commercial Tort Proceeds**” means the Cash proceeds, if any, of any Commercial Tort Claims, less any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

36. “**Committee**” means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 30, 2019, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 61].

37. “**Committee Advisors**” means, collectively, Pachulski Stang Ziehl & Jones LLP, Alvarez & Marsal North America, LLC, and Gowling WLG.

38. “**Committee Monthly Fee Cap**” means, the sum of \$300,000 per month for the period commencing on August 1, 2019, through the Effective Date which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code, *provided* that any unused amount from a prior month may be used for fees and expenses incurred in a subsequent month on a rolling basis.

39. “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

40. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

41. “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, including any adjournments thereof.

42. “**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the ABL Agent (solely with respect to the economic and non-economic treatment of the ABL Agent and ABL Lenders pursuant to such order), and the Sponsor.

43. “**Consenting Term Loan Lenders**” means the Term Loan Lenders that are party to the RSA, together with their respective successors and permitted assigns and any subsequent Term Loan Lenders that become party to the RSA in accordance with the terms of the RSA.

44. “**Consummation**” means the occurrence of the Effective Date.

45. “**D&O Liability Insurance Policies**” means, collectively, (a) all insurance policies (including any “tail policy”) of any of the Debtors for current or former directors’, members’, trustees’, managers’, and officers’

liability as of the Petition Date, and (b) all insurance policies (including any “tail policy”) for directors’, members’, trustees’, managers’, and officers’ liability maintained by the Debtors, the Estates, or the Reorganized Debtors as of the Effective Date.

46. “**Debtor**” means one or more of the Debtors, as debtors and debtors in possession, each in its respective individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

47. “**Debtor Release**” means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.C of the Plan

48. “**Debtors**” means, collectively: (a) Dream II, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

49. “**DIP ABL Agent**” means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

50. “**DIP ABL Claims**” means any and all Claims derived from or based upon the DIP ABL Credit Facility, including all Claims for any fees and expenses of the DIP ABL Agent.

51. “**DIP ABL Credit Agreement**” means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP ABL Agent, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

52. “**DIP ABL Credit Facility**” means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

53. “**DIP ABL Lenders**” means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

54. “**DIP ABL Order**” means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP ABL Credit Agreement and incur postpetition obligations thereunder.

55. “**DIP Agents**” means collectively, the DIP ABL Agent and the DIP Term Loan Agent.

56. “**DIP Claims**” means any and all Claims arising under or related to the DIP Facilities, including the Last Out DIP Loan Claims.

57. “**DIP Credit Agreements**” means collectively, the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement.

58. “**DIP Facilities**” means the DIP ABL Credit Facility and the DIP Term Loan Facility.

59. “**DIP Intercreditor Agreement**” means the amended and restated intercreditor agreement, by and among the ABL Agent and the Term Loan Agent, which amended and restated the prepetition intercreditor agreement in its entirety, and is binding and enforceable against the Borrowers (as such term is defined in the DIP Orders), the other “Grantors” thereunder, the Prepetition Secured Parties, and the DIP Lenders in accordance with its terms.

60. “**DIP Lenders**” means the banks, financial institutions, and other lenders party to the DIP Credit Agreements from time to time and the bank product providers thereunder.

61. “**DIP Orders**” means collectively, the DIP ABL Order and the DIP Term Loan Order.

62. ***“DIP Term Loan Agent”*** means the administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such.

63. ***“DIP Term Loan Claims”*** means any and all Claims derived from or based upon the DIP Term Loan Credit Facility, including all Claims for any fees and expenses of the DIP Term Loan Agent.

64. ***“DIP Term Loan Credit Agreement”*** means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time.

65. ***“DIP Term Loan Credit Facility”*** means the credit facility provided for under the DIP Term Loan Credit Agreement.

66. ***“DIP Term Loan Debt Consideration”*** means \$28 million of the Exit Term Loan Facility provided to the DIP Term Loan Lenders in consideration of the DIP Term Loan Claims (in addition to any other consideration provided herein).

67. ***“DIP Term Loan Documents”*** means the DIP Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, as may be amended, modified, restated, or supplemented from time to time.

68. ***“DIP Term Loan Lenders”*** means the banks, financial institutions, and other lenders party to the DIP Term Loan Credit Agreement from time to time, each solely in their capacity as such.

69. ***“DIP Term Loan Order”*** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Term Loan Credit Agreement and incur postpetition obligations thereunder.

70. ***“Disbursing Agent”*** means, as applicable, the Reorganized Debtors or the Plan Administrator (as applicable) or any Entity or Entities selected by the Debtors, the Reorganized Debtors, or the Plan Administrator to make or facilitate distributions contemplated under the Plan (in consultation with the Term Loan Agent with respect to distributions made to the Holders of Term Loan Claims).

71. ***“Disclosure Statement”*** means the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of July 21, 2019, as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, which must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the ABL Agent, and the Sponsor.

72. ***“Disputed”*** means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

73. ***“Distribution Record Date”*** means the date for determining which Holders of Allowed Claims or Allowed Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date or such other date as is designated in a Final Order of the Bankruptcy Court.

74. ***“Dream II”*** means Dream II Holdings, LLC.

75. ***“Effective Date”*** means the date that is the first Business Day after the Confirmation Date on which (a) the conditions to the occurrence of the Effective Date have been satisfied or waived pursuant to Article IX.A and Article IX.B of the Plan and (b) no stay of the Confirmation Order is in effect, which shall be the day Consummation occurs.

76. **“Entity”** means an entity as such term is defined in section 101(15) of the Bankruptcy Code.
77. **“Estate”** means, as to each Debtor, the estate created on the Petition Date for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired by the Debtors after the Petition Date through the Effective Date.
78. **“Excess Distributable Cash”** means, only in the event that the Winning Bidder is an Entity other than the Term Loan Lenders, any Cash proceeds of a Sale Transaction in excess of amounts necessary to satisfy the Plan Administrator Budget and all Claims senior in priority to General Unsecured Claims, including the DIP Claims, the ABL Claims, and the Term Loan Claims, in full, in Cash, as provided herein.
79. **“Exculpated Party”** means collectively, and in each case solely in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) the Committee and each of its respective members; (d) the DIP Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the ABL Agent; (h) the ABL Lenders; (i) the Term Loan Agent; (j) the Term Loan Lenders; (k) the Exit Facility Agents; (l) the Exit Facility Lenders; (m) the Sponsor; (n) the parties to the RSA; and (o) with respect to each of the foregoing entities, 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, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.
80. **“Executory Contract”** means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.
81. **“Exit ABL Agent”** means the administrative agent under the Exit ABL Credit Agreement, solely in its capacity as such.
82. **“Exit ABL Credit Agreement”** means that certain credit agreement by and among the Reorganized Debtors, the Exit ABL Agent, and the Exit ABL Lenders, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such agreement, if applicable), and the Committee (solely with respect to any provisions implementing the Last Out Loans Turnover) and which shall be included in the Plan Supplement.
83. **“Exit ABL Documents”** means the Exit ABL Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such documents, if applicable), and the Committee (solely with respect to any provisions implementing the Last Out Loans Turnover).
84. **“Exit ABL Facility”** means the asset-based revolving credit facility provided for under the Exit ABL Credit Agreement.
85. **“Exit ABL Lenders”** means the banks, financial institutions, and other lenders party to the Exit ABL Credit Agreement from time to time, each solely in their capacity as such.
86. **“Exit Facilities”** means, collectively, the Exit ABL Facility and the Exit Term Loan Facility.
87. **“Exit Facility Agents”** means, collectively, the Exit ABL Agent and the Exit Term Loan Agent.
88. **“Exit Facility Documents”** means, collectively, the Exit ABL Documents and the Exit Term Loan Documents.

89. “**Exit Facility Lenders**” means, collectively, the Exit ABL Lenders and the Exit Term Loan Lenders.
90. “**Exit Term Loan Agent**” means the administrative agent under the Exit Term Loan Credit Agreement, solely in its capacity as such.
91. “**Exit Term Loan Commitment Letter**” means that certain exit commitment letter, dated May 19, 2019, by and among the Debtors and certain Term Loan Lenders party thereto, which is attached to the RSA as Exhibit C.
92. “**Exit Term Loan Credit Agreement**” means that certain credit agreement by and among the Reorganized Debtors, the Exit Term Loan Agent, and the Exit Term Loan Lenders, which shall include terms and conditions consistent with the Exit Term Loan Commitment Letter, shall be reasonably acceptable to the parties thereto and the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such agreement, if applicable), and shall be included in the Plan Supplement.
93. “**Exit Term Loan Documents**” means the Exit Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, which shall be reasonably acceptable to the parties to the Exit Term Loan Credit Agreement and the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such documents, if applicable).
94. “**Exit Term Loan Facility**” means the term loan credit facility in the aggregate principal amount of \$58,000,000 (comprised of the New Money Exit Term Loan Facility and the DIP Term Loan Debt Consideration) provided for under the Exit Term Loan Credit Agreement.
95. “**Exit Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Exit Term Loan Credit Agreement from time to time, each solely in their capacity as such.
96. “**Federal Judgment Rate**” means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code.
97. “**File,**” “**Filed,**” or “**Filing**” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.
98. “**Final Order**” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari, or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing has been timely taken or filed, or as to which any appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any comparable rule of the Bankruptcy Rules may be Filed relating to such order shall not cause such order to not be a Final Order.
99. “**Future Sale Consideration**” means, if the Term Loan Lenders are the Winning Bidder and the Reorganized Debtors are sold within 24 months of the Effective Date and the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim) (which shall be calculated after the repayment in full of the Exit Facilities (including, for the avoidance of doubt, the conversion of the DIP Term Loan Credit Facility into the Exit Term Loan Credit Facility), any Claims related to the foregoing, and any replacement or additional money raised to fund the Reorganized Debtors, the sources and uses of such sale transaction, and any other obligations repaid as part of such transaction), 5% of each dollar in excess thereof.

100. **“General Unsecured Claim”** means any Claim that is not Secured and is not (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim), (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an ABL Claim, (f) a Term Loan Claim, or (g) a DIP Claim. Any Term Loan Deficiency Claim shall be waived and shall not constitute a General Unsecured Claim.

101. **“Governmental Unit”** has the meaning set forth in section 101(27) of the Bankruptcy Code.

102. **“GUC Reorganization Recovery Pool”** means if the Term Loan Lenders are the Winning Bidder, Cash in the amount of \$500,000, less any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

103. **“GUC Sale Transaction Recovery Pool”** means, in a Sale Transaction, from the first available proceeds of the Term Loan Priority Collateral: (a) Cash in the amount of \$600,000, plus (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 5% of each dollar in excess thereof, plus (c) if the Term Loan Lenders receive more than a 50% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 7.5% of each dollar in excess thereof, less (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the Plan Administrator Budget, including any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

104. **“Holder”** means an Entity holding a Claim or an Interest in any Debtor.

105. **“Hollander Canada”** means Hollander Sleep Products Canada Limited.

106. **“Impaired”** means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

107. **“Indemnification Obligations”** means each of the Debtors’ indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, members, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors.

108. **“Information Officer”** means the information officer appointed by the Canadian Court in the Recognition Proceedings.

109. **“Initial Distribution Date”** means the date on which the Disbursing Agent shall make initial distributions to holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date but in no event shall be later than 30 days after the Effective Date.

110. **“Initial Minimum Overbid”** has the meaning given to such term in the Bidding Procedures.

111. **“Intercompany Claim”** means any Claim held by a Debtor or an Affiliate of a Debtor against another Debtor arising before the Petition Date and excludes, for the avoidance of doubt, the Canadian Intercompany Claim.

112. **“Intercompany Interest”** means an Interest in any Debtor, or a direct or indirect subsidiary of any Debtor, other than an Interest in Dream II.

113. **“Intercreditor Agreement”** means that certain Intercreditor Agreement, dated as of June 9, 2017, by and among the Prepetition Agents, as amended, restated, supplemented, or otherwise modified in accordance with its terms.

114. ***“Interest”*** means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security, including any Claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

115. ***“Interim Compensation Order”*** means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 179], entered by the Bankruptcy Court on July 3, 2019, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.

116. ***“Judicial Code”*** means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

117. ***“Last Out DIP Loan Claims”*** means any and all Claims derived from or based upon the Last Out DIP Loans.

118. ***“Last Out DIP Loans”*** means those Last Out Loans that upon entry of the final DIP ABL Order were deemed refinanced or replaced by, or otherwise converted into, Last Out Loans under the DIP ABL Credit Facility.

119. ***“Last Out Loans”*** means those “Last Out Loans” as defined in the ABL Credit Agreement.

120. ***“Last Out Loans Turnover”*** means the turnover of the Last Out Loans Turnover Amount in accordance with the terms of the Plan.

121. ***“Last Out Loans Turnover Amount”*** means an amount up to \$650,000 in the aggregate to be paid for the benefit of Holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to Holders of Last Out DIP Loan Claims on account of such Claims (including, after being rolled into any Exit ABL Facility, on account of any repayment as part of such Exit ABL Facility), plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the Holders of Last Out DIP Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

122. ***“Lien”*** means a lien as defined in section 101(37) of the Bankruptcy Code.

123. ***“Management Incentive Plan”*** means that certain management incentive plan that may be adopted by the New Board after the Effective Date on terms to be determined by and at the discretion of the New Board, including with respect to allocation, timing, and structure of such issuance and the Management Incentive Plan, the amount of which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders.

124. ***“New Board”*** means the initial board of directors, members, or managers, as applicable, of the Reorganized Dream II.

125. ***“New Interests”*** means the equity interests in Reorganized Dream II.

126. ***“New Money Exit Term Loan Facility”*** means the “new money” term loan credit facility in the aggregate principal amount of \$30,000,000 provided for under the Exit Term Loan Credit Agreement.

127. ***“New Organizational Documents”*** means the form of the certificates or articles of incorporation or formation, bylaws, limited liability company agreements, or such other applicable formation documents, including

any shareholders agreement, of Reorganized Dream II, the terms of which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders and which shall be included in the Plan Supplement.

128. **“Notice and Claims Agent”** means Omni Management Group in its capacity as notice and claims agent for the Debtors and any successor.

129. **“Other Priority Claim”** means any Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

130. **“Other Secured Claim”** means any Secured Claim that is not a DIP Claim, an ABL Claim, a Term Loan Claim, or a Secured Tax Claim, and includes (i) any Claim secured by the Administration Charge, and (ii) the Canadian Intercompany Claim.

131. **“Payoff Letter”** means the payoff letter in respect of any payment in full of the DIP ABL Claims and ABL Claims (excluding last out DIP Claims) in accordance with Section 1.4 of the DIP ABL Credit Agreement, to be agreed upon by the Debtor and the DIP ABL Agent prior to the Effective Date.

132. **“Person”** means a person as such term as defined in section 101(41) of the Bankruptcy Code.

133. **“Petition Date”** means the date on which each of the Debtors commenced the Chapter 11 Cases.

134. **“Plan”** means this *Debtors’ Joint Plan of Reorganization of Hollander Sleep Products, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, as may be altered, amended, modified, or supplemented from time to time in accordance with Article X hereof, including the Plan Supplement (as modified, amended or supplemented from time to time), which is incorporated herein by reference and made part of the Plan as if set forth herein.

135. **“Plan Administrator”** means (a) if the Holders of Class 5 Claims vote to accept the Plan, a person or Entity designated by the Committee in consultation with the Debtors, or (b) if the Holders of Class 5 Claims vote to reject the Plan, a person or Entity designated by the Debtors in consultation with the Committee, who will be disclosed prior to the Confirmation Hearing to have all power and authorities set forth in Article VII.B of the Plan.

136. **“Plan Administrator Budget”** means that certain budget governing the fees, expenses, disbursements of the Plan Administrator, which budget shall be reasonably acceptable to the Debtors, the Committee, the Term Loan Agent, and the Required Term Lenders and filed with the Bankruptcy Court as part of the Plan Supplement.

137. **“Plan Settlement”** means the good faith compromise and settlement of all Claims, Interests, and controversies as described in Article IV.A of the Plan.

138. **“Plan Supplement”** means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, the initial draft of certain of such documents shall be Filed by the Debtors fourteen calendar days before the first day of the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Effective Date, as may be amended, supplemented, altered, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, including: (a) the New Organizational Documents, if applicable; (b) the Exit ABL Credit Agreement, if applicable; (c) the Exit Term Loan Credit Agreement, if applicable; (d) any necessary documentation related to the Sale Transaction, if applicable; (e) the Schedule of Assumed Executory Contracts and Unexpired Leases; (f) the Schedule of Rejected Executory Contracts and Unexpired Leases; (g) the Schedule of Retained Causes of Action; (h) the identity of the members of the New Board and any executive management for the Reorganized Debtors; (i) the Payoff Letter; (j) the Restructuring Transactions Memorandum; (k) the identity and terms of compensation of the Plan Administrator; (l) the Plan Administrator Budget; and (m) any other necessary documentation related to the Restructuring Transactions, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, and the Required Term Lenders.

139. ***“Prepetition Agents”*** means the ABL Agent and the Term Loan Agent.
140. ***“Prepetition Facilities”*** means the ABL Credit Facility and the Term Loan Facility.
141. ***“Prepetition Secured Lenders”*** means the ABL Lenders and Term Loan Lenders.
142. ***“Priority Tax Claim”*** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
143. ***“Pro Rata”*** means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.
144. ***“Professional”*** means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code, *provided* that, for the avoidance of doubt, the advisors to the Term Loan Agent, the DIP Agents, and the ABL Agent shall not constitute a “Professional.”
145. ***“Professional Fee Claims”*** mean all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent a Bankruptcy Court or higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.
146. ***“Professional Fee Escrow Account”*** means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount, *provided* that the Professional Fee Escrow shall be increased from Cash on hand at the Reorganized Debtors to the extent applications are filed after the Effective Date in excess of the amount of Cash funded into the escrow as of the Effective Date.
147. ***“Professional Fee Escrow Amount”*** means the total amount of Professional fees and expenses estimated pursuant to Article II.B.3 of the Plan.
148. ***“Proof of Claim”*** means a written proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.
149. ***“Proof of Interest”*** means a written proof of Interest Filed against any of the Debtor in the Chapter 11 Cases.
150. ***“Put Purchasers”*** means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.
151. ***“Quarterly Distribution Date”*** means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date, or as soon thereafter as is reasonably practicable.
152. ***“Recognition Proceedings”*** means the proceedings commenced by the Debtors under Part IV of the CCAA in the Canadian Court to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.
153. ***“Reinstate,” “Reinstated,” or “Reinstatement”*** means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind

specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

154. **“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.”

155. **“Releasing Parties”** means, collectively, each of the following: (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; (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 and former Affiliates’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, 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, management companies, fund advisors, employees, agents, advisory board members (other than members of the Committee), financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such collectively; (o) all Holders of Claims that vote to accept the Plan; (p) all Holders of Claims that vote to reject the Plan but elect on their ballot to opt into the Third-Party Release; and (q) all Holders of Claims or Interests not described in the foregoing clauses (a) through (p) who elect to opt into the Third-Party Release.

156. **“Reorganized Debtors”** means the Debtors, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Effective Date, including Reorganized Dream II.

157. **“Reorganized Dream II”** means Dream II Holdings, LLC, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

158. **“Required Term Lenders”** means the Required Consenting Term Loan Lenders (as defined in the RSA).

159. **“Restructuring Transactions”** means the transactions described in Article IV.B of the Plan.

160. **“Restructuring Transactions Memorandum”** means, if the Term Loan Lenders are the Winning Bidder, a memorandum to be included in the Plan Supplement, prior to the Effective Date that, among other things, sets forth the steps necessary to effectuate the transactions described in Article IV.B of the Plan.

161. **“RSA”** means that certain restructuring support agreement, dated as of May 19, 2019, by and among the Debtors, the Consenting Term Loan Lenders, and the Sponsor, as amended and restated by that certain amended

and restated restructuring support and settlement agreement, dated as of July 21, 2019, by and among the Debtors, the Consenting Term Loan Lenders, the Committee, and the Sponsor, as may be amended, restated, supplemented, or modified from time to time.

162. “**Sale Transaction**” means the sale of all or substantially all of the Debtors’ assets to the Winning Bidder, if such Winning Bidder is an Entity other than the Term Loan Lenders, consummated in accordance with the Bidding Procedures and the Plan.

163. “**Schedule of Assumed Executory Contracts and Unexpired Leases**” means the schedule of certain Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, as the same may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders and shall be included in the Plan Supplement.

164. “**Schedule of Rejected Executory Contracts and Unexpired Leases**” means the schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as the same may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders and shall be included in the Plan Supplement.

165. “**Schedule of Retained Causes of Action**” means the schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan, as the same may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, and the Required Term Lenders and shall be included in the Plan Supplement.

166. “**Schedules**” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules may be amended, modified, or supplemented from time to time.

167. “**Section 510(b) Claim**” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; *provided* that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

168. “**Secured**” means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court or Canadian Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in such Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, which value shall be determined pursuant to section 506(a) of the Bankruptcy Code or (b) Allowed pursuant to the Plan as a Secured Claim.

169. “**Secured Tax Claim**” means any Secured Claim that, absent its secured status would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including authority related Secured Claim for penalties.

170. “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

171. “**Security**” means a security as defined in section 2(a)(1) of the Securities Act.

172. “**Sponsor**” means Sentinel Capital Partners on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its Affiliates, each solely in their capacity as holders of direct or indirect equity interests in Dream II.

173. “**Supporting Vendor**” means any vendor who participates in the Vendor Support Incentive.

174. “**Term Loan Agent**” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such.

175. “**Term Loan Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the Term Loan Facility and the Term Loan Documents.

176. “**Term Loan Credit Agreement**” means that certain term loan credit agreement dated as of June 9, 2017, by and among Hollander Sleep Products, LLC, as borrower, Dream II and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

177. “**Term Loan Deficiency Claim**” means a Term Loan Claim that is not a Secured Claim, which Term Loan Deficiency Claim shall be, subject to the occurrence of the Effective Date, waived pursuant to the Plan.

178. “**Term Loan Distributable Cash**” means, only in the event that the Winning Bidder is an Entity other than the Term Loan Lenders, any Cash proceeds of a Sale Transaction in excess of amounts necessary to (i) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral) in full, in Cash, as provided herein, (ii) fund the GUC Sale Transaction Recovery Pool, and (iii) fund the Plan Administrator Budget.

179. “**Term Loan Documents**” means the Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, in each case, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

180. “**Term Loan Facility**” means the term loan facility provided for under the Term Loan Credit Agreement.

181. “**Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

182. “**Term Loan Priority Collateral**” has the meaning given to such term as defined in the Intercreditor Agreement.

183. “**Third-Party Release**” means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.D of the Plan.

184. “**U.S. Trustee**” means the Office of the United States Trustee for the Southern District of New York.

185. “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 or section 1123 of the Bankruptcy Code.

186. “**Unimpaired**” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

187. “**Vendor Support Incentive**” means for each Supporting Vendor who agrees at the request of the Debtors, in the Debtors’ sole discretion, to provide standard prepetition trade credit to the Reorganized Debtors on the most favorable terms extended by the Supporting Vendor in the 12 months before the Petition Date (but in no event less than 60-day terms) for the 12-month period beginning on the Effective Date, which support shall be documented in a trade agreement acceptable to the Debtors, (a)(i) a payment of 3.0% of the average outstanding payable balance for the 12-month period beginning on the Effective Date to be paid in six monthly installments *plus* (ii) 1% of such Supporting Vendor’s Allowed General Unsecured Claim, or (b) a letter of credit from the Reorganized Debtors backing the payment of the moving average outstanding payable balance for the 12-month period beginning on the Effective Date.

188. “**Voting Deadline**” means [4:00 p.m.], prevailing Eastern Time, on [August 28], 2019.

189. **“Winning Bidder”** means the Entity or Entities whose bid or bids for some or all of the Debtors’ assets, which for the avoidance of doubt may include the transaction contemplated under the Plan, is selected by the Debtors and approved by the Bankruptcy Court as the highest or otherwise best bid pursuant to the Bidding Procedures. For the avoidance of doubt, if there is no third-party purchaser of the assets, the Term Loan Lenders shall be deemed to be the Winning Bidder in accordance with the other terms and provisions of the Plan.

B. Rules of Interpretation

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles of the Plan or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation”; (8) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (9) subject to the provisions of any contract, certificate of incorporation, bylaw, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with, applicable federal law, including the Bankruptcy Code and the Bankruptcy Rules, or, if no rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court’s CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any effectuating provisions may be interpreted by the Debtors or Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall be conclusive; (15) any references herein to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; (16) all references herein to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; (17) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (18) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; and (19) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

C. Computation of Time

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate or limited liability company governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the applicable Debtor or the Reorganized Debtors, as applicable.

E. Reference to Monetary Figures

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. Non-Consolidated Plan

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan that addresses the reorganization of each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors and the Plan is a separate Plan for each Debtor.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS AND PRIORITY TAX CLAIMS**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III.

A. Administrative Claims

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Reorganized Debtors, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 30 days after the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the Reorganized Debtors, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors no later than the Administrative Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the Reorganized Debtors (if the Reorganized Debtors are not the objecting party) and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the

procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors, the Estates, or the property of any of the foregoing, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

B. Professional Fee Claims

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 30 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The Reorganized Debtors shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, or the Reorganized Debtors.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the Reorganized Debtors, as applicable, from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided* that the Debtors' and the Reorganized Debtors' obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

3. Professional Fee Escrow Amount

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided, however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be

funded to the Professional Fee Escrow Account, *provided* that the Reorganized Debtors shall use Cash on hand to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

4. Post-Confirmation Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors or the Reorganized Debtors after the Confirmation Date, and (b) the Committee after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and Reorganized Debtors, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or Reorganized Debtors, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors and Reorganized Debtors, as applicable. If the Debtors or Reorganized Debtors, as applicable, dispute the reasonableness of any such invoice, the Debtors or Reorganized Debtors, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. DIP Claims

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreements, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of this Plan, or other such treatment as contemplated by this Article II.C of the Plan, on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

1. DIP ABL Claims

Except as set forth in Article II.C.2 and to the extent that a Holder of an Allowed DIP ABL Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each Allowed DIP ABL Claim, each such Holder of an Allowed DIP ABL Claim shall receive on the Effective Date (a) payment in full in Cash of such Holder's Allowed DIP ABL Claim pursuant to the Payoff Letter or (b) at such Holder's election and agreement by the Debtors, such Holder's Pro Rata share of the Exit ABL Facility. Notwithstanding anything to the contrary in this Plan, the Reorganized Debtors shall be and remain bound by the indemnification and expense reimbursement provisions of the Payoff Letter in favor of the DIP ABL Agent and DIP ABL Lenders.

Pursuant to the DIP ABL Credit Agreement, all distributions pursuant to this Article II.C.1 shall be made to the DIP ABL Agent for distributions to the DIP ABL Lenders in accordance with the DIP ABL Credit Agreement and DIP ABL Loan Documents. The DIP ABL Agent shall hold or direct distributions for the benefit of the Holders of DIP ABL Claims. The DIP ABL Agent shall retain all rights as DIP ABL Agent under the DIP ABL Documents in connection with the delivery of the distributions to the DIP ABL Lenders. The DIP ABL Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP ABL Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP ABL Agent on account of the DIP ABL Claims shall be made by wire transfer.

2. Last Out DIP Loan Claims

If the Term Loan Lenders are the Winning Bidder, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each Allowed Last Out DIP Loan Claim, each such Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall, subject to the Last Out Loans Turnover, receive such Holder's Pro Rata share of the Exit ABL Facility on a last out basis (on terms reasonably acceptable to each Holder of an Allowed Last Out DIP Loan Claim (or Last Out Loans)). The Exit ABL Documents shall include provisions necessary to implement the Last Out Loans Turnover.

Subject to the Last Out Loans Turnover, if an Entity other than the Term Loan Lenders is the Winning Bidder, each Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall receive payments in accordance with the waterfall provisions of the DIP ABL Credit Agreement, the DIP Intercreditor Agreement, and the final DIP ABL Order and final DIP Term Loan Order.

3. DIP Term Loan Claims

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each Allowed DIP Term Loan Claim, each such Holder of an Allowed DIP Term Loan Claim shall receive on the Effective Date either: (a) if an Entity other than the Term Loan Lenders is the Winning Bidder, (i) payment in full in Cash of such Holder's Allowed DIP Term Loan Claim, or (ii) at such Holder's election and agreement by the Debtors, such Holder's Pro Rata share of the Exit Term Loan Facility; or (b) if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of (i) 37 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan, and (ii) the DIP Term Loan Debt Consideration. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Credit Facility as of the Effective Date; *provided, however*, that the DIP Term Loan Claims in respect of contingent and unliquidated obligations of the Debtor under the DIP Term Loan Credit Agreement shall survive the Effective Date on an unsecured basis and shall not be discharged or released pursuant to the Plan or Confirmation Order, and shall be paid by the Reorganized Debtors as and when due under the DIP Term Loan Documents.

Pursuant to the DIP Term Loan Credit Agreement, all distributions pursuant to this Article II.C.3 shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Agent shall hold or direct distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Term Loan Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

D. *Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. Classification of Claims and Interests

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth in this Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that Class 8 shall be vacant at each Debtor other than Dream II. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Reject)
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests

Subject to Article VI hereof, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor or Reorganized Debtor:
 - (i) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or
 - (ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor or Reorganized Debtor:
 - (i) payment in full in Cash of such Holder's Allowed Other Secured Claim;
 - (ii) the collateral securing such Holder's Allowed Other Secured Claim;
 - (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or
 - (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- (a) *Classification:* Class 3 consists of all Secured Tax Claims.
- (b) *Treatment:* Except to the extent that a holder of an Allowed Secured Tax Claim and the applicable Debtor or Reorganized Debtor agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for such Secured Tax Claim, each such holder shall receive, at the option of the applicable Debtor or Reorganized Debtor, as applicable:

- (i) payment in full in Cash of the unpaid portion of such holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or
- (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years from the Petition Date, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Reorganized Debtors to prepay the entire amount of such Allowed Secured Tax Claim during such time period.
- (c) *Voting:* Class 3 is Unimpaired under the Plan. Each holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

4. Class 4 – Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive either:
 - (i) if an Entity other than the Term Loan Lenders is the Winning Bidder, its Pro Rata share of the Term Loan Distributable Cash up to the full amount of such Holder's Allowed Term Loan Claim or such other treatment rendering such Holder's Allowed Term Loan Claim Unimpaired; or
 - (ii) if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of 23 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan.
- (c) *Voting:* Class 4 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim:
 - (i) its Pro Rata share of the Last Out Loans Turnover Amount;
 - (ii) its Pro Rata share of the Commercial Tort Proceeds, if any; and
 - (iii) either:
 - a. if the Term Loan Lenders are the Winning Bidder, its Pro Rata share of the

Future Sale Consideration, if any, *plus* either:

- I. its Pro Rata share of the GUC Reorganization Recovery Pool; or
 - II. if the Holder is a Supporting Vendor, the Vendor Support Incentive (*provided* that no Holder that receives the Vendor Support Incentive shall receive such Holder's portion of the GUC Reorganization Recovery Pool); or
- b. if an Entity other than the Term Loan Lenders is the Winning Bidder, its Pro Rata share of the GUC Sale Transaction Recovery Pool and the Excess Distributable Cash.
- (c) *Voting:* Class 5 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.
- (b) *Treatment:* *Treatment:* Intercompany Claims shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:
 - (i) Reinstated; or
 - (ii) cancelled and released without any distribution on account of such Claims.
- (c) *Voting:* Class 6 is either Impaired or Unimpaired under the Plan. Holders of Intercompany Claims are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Intercompany Interests

- (a) *Classification:* Class 7 consists of all Intercompany Interests.
- (b) *Treatment:* Intercompany Interests shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:
 - (i) Reinstated in accordance with Article III.G of the Plan; or
 - (ii) cancelled and released without any distribution on account of such Interests.
- (c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

8. Class 8 – Interests in Dream II

- (a) *Classification:* Class 8 consists of all Interests in Dream II.

- (b) *Treatment:* On the Effective Date, all Interests in Dream II will be cancelled, released, and extinguished, and will be of no further force or effect.
- (c) *Voting:* Class 8 is Impaired under the Plan. Holders of Interests in Dream II are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interest in Dream II are not entitled to vote to accept or reject the Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Allowance:* Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.
- (c) *Treatment:* Allowed Section 510(b) Claims, if any, shall be discharged, cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.
- (d) *Voting:* Class 9 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of 510(b) Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

D. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

E. *Subordinated Claims*

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Reorganized Debtors reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

F. Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

G. Intercompany Interests

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Holders of the New Interests, and in exchange for the Debtors' and Reorganized Debtors' agreement under the Plan to provide management services to certain other Debtors and Reorganized Debtors, to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors and Reorganized Debtors to the Holders of certain Allowed Claims. For the avoidance of doubt, any Interest in non-Debtor subsidiaries owned by a Debtor shall continue to be owned by the applicable Reorganized Debtor.

H. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. General Settlement of Claims and Interests

As discussed in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and applicable law, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, including (1) the Debtors' agreement to (A) provide an additional Vendor Support Incentive to Supporting Vendors, (B) turnover any Commercial Tort Proceeds for the benefit of the Holders of General Unsecured Claims, and (C) waive Avoidance Actions, (2) the Term Loan Lenders' agreement to (A) in the event that the Term Loan Lenders are the Winning Bidder, consent to the Debtors' funding of the GUC Reorganization Recovery Pool and the Reorganized Debtors' funding the Future Sale Consideration (as applicable), (B) in the event there is a Sale Transaction, consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool, and (C) subject to the occurrence of the Effective Date, forgo any Term Loan Deficiency Claim, (3) the Sponsor's agreement to fund the Last Out Loans Turnover Amount, and (4) the Committee's agreement to (A) support and take, and refrain from taking, actions set forth in the RSA, including taking those actions necessary to obtain Bankruptcy Court approval of the Plan and Disclosure Statement, and (B) abide by the Committee Monthly Fee Cap, upon the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, discharged, or otherwise resolved pursuant to the Plan, including (1) any challenge to the amount, validity, perfection, enforceability, priority, or extent of all Term Loan Claims, DIP Claims, and all ABL Claims (including any liens related to the foregoing), (2) any Avoidance Actions, and (3) any claims or Causes of Action against the Holders of Term Loan Claims, DIP Claims, ABL Claims, or Interests. The Plan shall be deemed a motion to approve the Plan Settlement pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable,

reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

B. Restructuring Transactions

On the Effective Date, the applicable Debtors or the Reorganized Debtors shall enter into any transaction and shall take any actions as may be necessary or appropriate to effect a corporate restructuring of their respective businesses or a corporate restructuring of the overall corporate structure of the Debtors on the terms set forth in the Plan, including, as applicable, entry into the Exit Facilities, entry into the New Organizational Documents, consummation of the Sale Transaction in the event that the Winning Bidder is an Entity other than the Term Loan Lenders, the issuance of all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, and/or the entry into one or more intercompany mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dispositions, dissolutions, transfers, liquidations, spinoffs, intercompany sales, purchases, or other corporate transactions with the reasonable consent of the Term Loan Agent and the Required Term Lenders. The actions to implement the Restructuring Transactions may include: (1) the execution and delivery of appropriate agreements or other documents of merger, consolidation, amalgamation, arrangement, continuance, restructuring, conversion, disposition, dissolution, transfer, liquidation, spinoff, sale, or purchase containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (3) the filing of appropriate certificates or articles of incorporation, reincorporation, formation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (4) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Plan.

C. Reorganized Debtors

On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt the New Organizational Documents. The Reorganized Debtors shall be authorized to implement the Restructuring Transactions and adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary or desirable to consummate the Plan, which actions, regardless of whether taken before, on, or after the Effective Date, shall be deemed to constitute a Restructuring Transaction.

D. Sources of Consideration for Plan Distributions

The Reorganized Debtors will fund distributions under the Plan with Cash held on the Effective Date by or for the benefit of the Debtors or Reorganized Debtors, including Cash from operations, as well as the following sources of consideration.

1. Exit Facilities

On the Effective Date, the Reorganized Debtors shall execute and deliver the Exit Facility Documents to the applicable Exit Facility Administrative Agent and such documents shall become effective in accordance with their terms. On and after the Effective Date, the Exit Facility Documents shall constitute legal, valid, and binding obligations of the Reorganized Debtors and be enforceable in accordance with their respective terms.

The Exit Facilities shall consist of the Exit ABL Facility and the Exit Term Loan Facility. On the Effective Date, the Exit Term Loan Lenders shall fund the Exit Term Loan Facility and the Exit ABL Lenders shall fund the Exit ABL Facility. If the Term Loan Lenders are the Winning Bidder, in exchange for the commitment to fund the Exit Term Loan Facility, each Exit Term Loan Lender shall receive its Pro Rata share of 40 percent of the New Interests outstanding on the Effective Date, subject to dilution for the Management Incentive Plan, and such other consideration as set forth in the Exit Facility Documents.

The terms for the Exit Facilities will be determined in accordance with the Reorganized Debtors' contemplated post-Effective Date business plan following and depending on the results of the Auction (which may contemplate the continued ownership or operation of all or only some of the Debtors' assets), and any documentation necessary to implement the Exit Facilities will be included in the Plan Supplement. The Reorganized Debtors shall use proceeds of the Exit Facilities, as applicable, to fund ongoing operations and distributions under the Plan and to satisfy other Cash obligations under the Plan.

Confirmation shall be deemed approval of the Exit Facility Documents (including the transactions and fees contemplated thereby, and all actions to be taken, undertakings to be made, and obligations and guarantees to be incurred and fees paid in connection therewith), and, to the extent not approved by the Bankruptcy Court previously, the Reorganized Debtors will be authorized to execute and deliver any and all documents necessary or appropriate to obtain and enter into the Exit ABL Facility and the Exit Term Loan Facility, including the entry into the Exit Facility Documents, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Debtors or Reorganized Debtors, with the reasonable consent of the Exit Term Loan Lenders, may deem to be necessary to consummate the Exit ABL Facility and the Exit Term Loan Facility.

2. Issuance of the New Interests

All existing Interests in Dream II shall be automatically cancelled on the Effective Date and the Reorganized Debtors shall issue the New Interests to Entities entitled to receive the New Interests pursuant to the Plan. The issuance of the New Interests is authorized without the need for any further corporate action and without any further action by the Holders of Claims or Interests or the Debtors or the Reorganized Debtors, as applicable. The New Organizational Documents, as applicable, shall authorize the issuance and distribution on the Effective Date of the New Interests to the Disbursing Agent for the benefit of Entities entitled to receive the New Interests pursuant to the Plan. All of the New Interests issued under the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Interests under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of New Interests shall be deemed as its agreement to the New Organizational Documents, as the same be amended or modified from time to time following the Effective Date in accordance with their terms. The New Interests will not be registered on any exchange as of the Effective Date.

3. Last Out Loans Turnover

The Sponsor shall cause to be delivered the Last Out Loans Turnover Amount to fund recoveries for the Holders of General Unsecured Claims. In a Sale Transaction, the Last Out Loans Turnover Amount shall be funded solely from the Cash proceeds, if any, received by the Sponsor on account of the Last Out DIP Loan Claims. If the Term Loan Lenders are the Winning Bidder and the Last Out DIP Loans are rolled into the Exit ABL Facility, the Sponsor (or its affiliated Entities) will fund the Last Out Loans Turnover Amount solely from the Cash proceeds it ultimately receives on account of the Last Out DIP Loans that have been converted into such Exit ABL Facility (in either case solely through a future pay down of such loans or from future proceeds the Sponsor (or its affiliated Entities) receives in the event of a sale of all or a portion of such loans following the Effective Date).

E. Sale Transaction

Continuing after the Petition Date, the Debtors will conduct a marketing and Auction process of some or all of the Debtors' assets in accordance with the Bidding Procedures to determine the Winning Bidder. The Bidding Procedures will set forth the terms of an Initial Minimum Overbid, will provide that all bids for the ABL Priority Collateral must be in cash unless otherwise agreed by the DIP ABL Agent (with respect to the ABL Priority Collateral), and will provide that any bids placed by any of the DIP Agents or the Prepetition Agents must be in accordance with the DIP Intercreditor Agreement. The Debtors will seek to elicit a higher or better Sale Transaction offer, if any, pursuant to the process set forth in the Bidding Procedures. If no Entity submits an Initial Minimum Overbid, the Term Loan Lenders will be deemed the Winning Bidder for purposes of the Plan, and the Debtors will seek Confirmation of the Plan as contemplated herein. If the Debtors are able to secure a higher or otherwise better offer in accordance with the Bidding Procedures, and the Winning Bidder is an Entity other than the Term Loan

Lenders, Holders of Term Loan Claims will be paid the Term Loan Distributable Cash as set forth in Article III of the Plan and the Sale Transaction will be consummated pursuant to the Plan in accordance with terms to be set forth in the Confirmation Order and Plan Supplement, as applicable. If the Debtors are unable to secure such higher or otherwise better offer at the conclusion of the marketing and Auction process contemplated by the Bidding Procedures, the Term Loan Lenders will be deemed to be the Winning Bidder for purposes of the Plan, and the Debtors will seek Confirmation of the Plan as contemplated herein.

F. Term Loan Deficiency Claim Waiver

The Holders of Term Loan Deficiency Claims shall not receive any distribution on account of such Claims and, subject to the occurrence of the Effective Date, such Term Loan Deficiency Claims shall be deemed waived.

G. Avoidance Actions Waiver

The Debtors and the Reorganized Debtors waive all Avoidance Actions.

H. Corporate Existence

Except as otherwise provided in the Plan, on and after the Effective Date, each Debtor shall continue to exist as a Reorganized Debtors and as a separate corporation, limited liability company, partnership, or other form of entity, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form of entity, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other similar formation and governance documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other similar formation and governance documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal law).

I. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated in the Plan, on the Effective Date, all property in each Estate (including Interests held by the Debtors in non-Debtor subsidiaries), all Causes of Action (other than Avoidance Actions), all Executory Contracts and Unexpired Leases assumed by any of the Debtors, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

J. Cancellation of Existing Securities and Agreements

On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the ABL Credit Agreement, the Term Loan Credit Agreement, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors and their Affiliates, and the Reorganized Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors and their Affiliates pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released and discharged. Notwithstanding

the foregoing, no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, except that (a) the ABL Credit Agreement and Term Loan Credit Agreement shall continue in effect solely for the purpose of (I) allowing Holders of the ABL Claims and Term Loan Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the ABL Agent and Term Loan Agent to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in Article VI.A of the Plan, and (III) preserving the ABL Agent's and Term Loan Agent's right to indemnification pursuant and subject to the terms of the ABL Credit Agreement and Term Loan Credit Agreement in respect of any Claim or Cause of Action asserted against the ABL Agent or Term Loan Agent, as applicable, *provided* that any Claim or right to payment on account of such indemnification shall be an Administrative Claim, and (b) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in Article III.B.8.

K. Corporate Action

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the directors and officers for the Reorganized Debtors, if applicable; (2) the issuance of the New Interests, if applicable; (3) implementation of the Restructuring Transactions, if applicable; (4) consummation of the Sale Transaction, if applicable; (5) execution of the Exit ABL Credit Agreement, Exit Term Loan Credit Agreement, and any and all other agreements, documents, securities, and instruments relating thereto, if applicable; (6) the entry into the Payoff Letter with respect to the DIP ABL Claims; and (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan or corporate structure of the Debtors or Reorganized Debtors shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Reorganized Debtors. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Debtors, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.I shall be effective notwithstanding any requirements under non-bankruptcy law.

L. New Organizational Documents

On or immediately prior to the Effective Date, the New Organizational Documents shall be amended as necessary to effectuate the transactions contemplated by the Plan in a manner reasonably acceptable to the Term Loan Agent and the Required Term Lenders. Each of the Reorganized Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state, province, or country of incorporation in accordance with the corporate laws of the respective state, province, or country of incorporation. The New Organizational Documents will prohibit the issuance of non-voting equity securities, to the extent required under section 1123(a)(6) of the Bankruptcy Code.

M. Directors, Managers, and Officers of the Reorganized Debtors

As of the Effective Date, the term of the current members of the board of managers of the Debtors shall expire, and the initial boards of directors, including the New Board, and the officers of each of the Reorganized Debtors shall be appointed in accordance with the respective New Organizational Documents. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in advance of the Confirmation Hearing the identity and affiliations of any Person proposed to serve on the initial board of directors or be an officer of any of the Reorganized Debtors. To the extent any such director or officer of the Reorganized Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors.

N. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors or managers thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, and the Securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

O. Exemption from Securities Act Registration

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act, the issuance of the New Interests as contemplated by the Plan is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security. As long as the exemption to registration under section 1145 of the Bankruptcy Code is applicable, the New Interests are not "restricted securities" (as defined in rule 144(a)(3) under the Securities Act) and are freely tradable and transferable by any initial recipient thereof that (1) is not an "affiliate" of the Reorganized Debtors (as defined in rule 144(a)(1) under the Securities Act), (2) has not been such an "affiliate" within 90 days of such transfer, and (3) is not an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.

P. Exemption from Certain Taxes and Fees

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Person) of property under the Plan or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, (5) the grant of collateral as security for any or all of the Exit Facilities, as applicable, or (6) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction, if applicable), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, sale or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

Q. Preservation of Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this Article IV and Article VIII hereof, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date, other than Avoidance Actions and the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, which shall be deemed released and waived by the Debtors and Reorganized Debtors as of the Effective Date; *provided* that Commercial Tort

Claims shall be preserved for the sole benefit of the Holders of General Unsecured Claims and only the Plan Administrator shall have an obligation to commence, prosecute, or settle such Commercial Tort Claims, if any.

The Reorganized Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. The applicable Reorganized Debtors, through their authorized agents or representatives, shall retain and may exclusively enforce any and all such Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against it, except as otherwise expressly provided in the Plan, including this Article IV and Article VIII of the Plan. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan, including this Article IV and Article VIII of the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

ARTICLE V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided herein, each Executory Contract or Unexpired Lease not previously assumed, assumed and assigned, or rejected shall be deemed automatically assumed by the applicable Reorganized Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Rejected Executory Contracts and Unexpired Leases Schedule; (2) previously expired or terminated pursuant to its own terms; (3) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy 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.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving, subject to and upon the occurrence of the Effective Date, the assumptions, assumptions and assignments, or rejections of the Executory Contracts and Unexpired Leases assumed or rejected pursuant to the Plan. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order but may be withdrawn, settled, or otherwise prosecuted by the Reorganized Debtors. Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Effective Date, shall revert in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within 30 days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy 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 Bankruptcy 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 and 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.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date or as soon as reasonably practicable thereafter, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (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, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. At least 21 days prior to the Confirmation Hearing, the Debtors shall provide for notices of proposed assumption and proposed cure amounts to be sent to applicable third parties and for procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors at least seven days prior to the Confirmation Hearing. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any 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 prior to the effective date of assumption. **Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases.

E. Insurance Policies and Surety Bonds

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims. Except as set forth in Article V.F of the Plan, nothing in this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any other order of the Bankruptcy Court (including any other provision that purports to be preemptory or supervening), (1) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any of such insurance policies or (2) alters or modifies the duty, if any, that the insurers or third party administrators pay claims covered by such insurance policies and their right to seek payment or reimbursement from the Debtors (or after the Effective Date, the Reorganized Debtors) or draw on any collateral or security therefor. For the avoidance of doubt, insurers and third party administrators shall not need to nor be required to file or serve a cure objection or a request, application, claim, Proof of Claim, or motion for payment and shall not be subject to any claims bar date or similar deadline governing cure amounts or Claims.

Notwithstanding any other provision of the Plan, on the Effective Date, (1) all of the Debtors' obligations and commitments to any surety bond providers shall be deemed reaffirmed by the Reorganized Debtors, (2) surety bonds and related indemnification and collateral agreements entered into by any Debtor will be vested and performed by the applicable Reorganized Debtor and will survive and remain unaffected by entry of the Confirmation Order, and (3) the Reorganized Debtors shall be authorized to enter into new surety bond agreements and related indemnification and collateral agreements, or to modify any such existing agreements, in the ordinary course of business. The applicable Reorganized Debtors will continue to pay all premiums and other amounts due, including loss adjustment expenses, on the existing surety bonds as they become due prior to the execution and issuance of new surety bonds. Surety bond providers shall have the discretion to replace (or issue name-change riders with respect to) any existing surety bonds or related general agreements of indemnity with new surety bonds and related general agreements of indemnity on the same terms and conditions provided in the applicable existing surety bonds or related general agreements of indemnity.

F. Director, Officer, Manager, and Employee Liability Insurance

On or before the Effective Date, the Debtors, on behalf of the Reorganized Debtors, shall be authorized to and shall purchase and maintain directors, officers, managers, and employee liability tail coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies.

After the Effective Date, none of the Debtors or the Reorganized Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

On and after the Effective Date, each of the Reorganized Debtors shall be authorized to purchase a directors' and officers' liability insurance policy for the benefit of their respective directors, members, trustees, officers, and managers in the ordinary course of business.

G. Indemnification Obligations

On and as of the Effective Date, the Indemnification Provisions will be assumed and irrevocable and will survive the effectiveness of the Plan, and the Reorganized Debtors' governance documents will provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to the Debtors' and the Reorganized Debtors' current and former directors, officers, employees, and agents to the fullest extent permitted by law and at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated

or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted. None of the Reorganized Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any of the Reorganized Debtors' obligations to provide such indemnification rights or such directors,' officers,' employees,' or agents' indemnification right.

On and as of the Effective Date, any of the Debtors' indemnification obligations with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Reorganized Debtors, as applicable, shall be assumed by the Reorganized Debtors and otherwise remain unaffected by the Chapter 11 Cases.

H. Employee and Retiree Benefits

Unless otherwise provided herein, all employee wages, compensation, and benefit programs in place as of the Effective Date with the Debtors shall be assumed by the Reorganized Debtors and shall remain in place as of the Effective Date and, without limiting any authority provided to the board of directors or managers or members of the Reorganized Debtors under the Reorganized Debtors' respective formation and constituent documents, the Reorganized Debtors will continue to honor such agreements, arrangements, programs, and plans in the ordinary course of business. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law.

I. Collective Bargaining Agreements

The Collective Bargaining Agreements and any agreements, documents, or instruments relating thereto, is treated as and deemed to be an Executory Contract under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed the Collective Bargaining Agreements and any agreements, documents, and instruments related thereto. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreements shall be considered satisfied by the agreement and obligation to assume and cure in the ordinary course as provided herein. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreements shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

J. Workers Compensation Program

As of the Effective Date, the Reorganized Debtors shall continue to honor their obligations under (1) all applicable workers' compensation laws in states in which the Reorganized Debtors operate, and (2) the Debtors' (a) written contracts, agreements, and agreements of indemnity, in each case relating to workers' compensation, (b) self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation, and (c) workers' compensation insurance. All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' or Reorganized Debtors' defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans.

K. Modifications, Amendments, Supplements, Restatements, or Other Agreements

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter

the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

L. Reservation of Rights

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Reorganized Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

M. Nonoccurrence of Effective Date

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

N. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtor or the Reorganized Debtors liable thereunder in the ordinary course of their business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. Timing and Calculation of Amounts to Be Distributed

Unless otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim or Allowed Interest on the Initial Distribution Date, on the next Quarterly Distribution Date after such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Allowed Interests (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. Distributions on Account of Obligations of Multiple Debtors

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan, *provided* that Claims held by a single entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released and discharged pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the

Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

C. Disbursing Agent

Except as otherwise provided herein, distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors.

D. Rights and Powers of Disbursing Agent

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

E. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions

(a) Initial Distribution Date

Except as otherwise provided herein, on the Initial Distribution Date, the Disbursing Agent shall make distributions to holders of Allowed Claims and Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' books and records or the register or related document maintained by, as applicable, the DIP Agents, the ABL Agent, or the Term Loan Agent as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Disbursing Agent; *provided, further*, that the address for each Holder of an Allowed Claim or Interest shall be deemed to be the address set forth in, as applicable, any Proof of Claim or Proof of Interest Filed by such Holder, or, if no Proof of Claim or Proof of Interest has been Filed, the address set forth in the Schedules. If a Holder holds more than one Claim in any one Class, all Claims of the Holder may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

(b) Quarterly Distribution Date

Except as otherwise determined by the Reorganized Debtors in their sole discretion, on each Quarterly Distribution Date or as soon thereafter as is reasonably practicable, the Disbursing Agent shall make the distributions required to be made on account of Allowed Claims and Interests under the Plan on such date. Any distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that distribution is not an Allowed Claim or Interest on such date, shall be distributed on the first Quarterly Distribution Date after such Claim or Interest is Allowed. No interest shall accrue or be paid on the unpaid amount of any distribution paid on a Quarterly Distribution Date in accordance with Article VI.I of the Plan.

(c) Distributions to Holders of Term Loan Claims

Except as set forth in this Article VI.E.2(c), the Term Loan Agent shall be deemed to be the Holder of all Term Loan Claims for purposes of distributions to be made hereunder, and all distributions on account of such Term Loan Claims shall be made to or on behalf of the Term Loan Agent. The Term Loan Agent shall hold or direct such distributions for the benefit of the Holders of Term Loan Claims. As soon as practicable following compliance with the requirements set forth in this Article VI, the Term Loan Agent shall arrange to deliver or direct the delivery of such distributions for which it is the deemed Holder to or on behalf of such Holders of Allowed Term Loan Claims.

Notwithstanding anything to the contrary herein, the Term Loan Agent shall be entitled to maintain a record of Holders of Term Loan Claims in the ordinary course of business and shall be entitled without regard to the general occurrence of the Distribution Record Date, to make distributions that it receives under the Plan to Holders of Term Loan Claims based upon its books and records. The Term Loan Agent shall not be held liable to any person with respect to distributions made or directed to be made by the Term Loan Agent except for liability arising from gross negligence, willful misconduct, or actual fraud of the Term Loan Agent.

3. Minimum Distributions

Notwithstanding any other provision of the Plan, the Disbursing Agent will not be required to make distributions of Cash less than \$100 in value (whether cash or otherwise), and each such Claim to which this limitation applies shall be discharged pursuant to Article VIII and its Holder is forever barred pursuant to Article VIII from asserting such Claim against the Debtors, the Reorganized Debtors, or their property.

4. No Fractional Shares

No fractional shares or units of the New Interests shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest, as applicable, would otherwise result in the issuance of a number of shares or units of the New Interests that is not a whole number, the actual distribution of shares of the New Interests shall be rounded as follows: (a) fractions of one-half or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares or units of the New Interests to be distributed pursuant to the Plan shall be adjusted as necessary to account for the foregoing rounding.

5. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be discharged and forever barred.

A distribution shall be deemed unclaimed if a holder has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the Reorganized Debtors of an intent to accept a particular distribution; (c) responded to the Debtors' or Reorganized Debtors' requests for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

F. Distributions on Account of Claims or Interests Allowed After the Effective Date

1. Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims or Interests that are not Allowed Claims or Interests as of the Effective Date, but which later become Allowed Claims or Interests, as applicable, shall be deemed to have been made on the applicable Quarterly Distribution Date after they have actually been made, unless the Reorganized Debtors and the applicable Holder of such Claim or Interest agree otherwise. No interest shall accrue or be paid on a Disputed Claim before it becomes an Allowed Claim in accordance with Article VI.I of the Plan.

2. Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Reorganized Debtors, on the one hand, and the Holder of a Disputed Claim or Interest, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim or Interest until the Disputed Claim or Interest has become an Allowed Claim or Interest, as applicable, or has otherwise been resolved by settlement or Final Order; *provided* that if the Debtors do not dispute a portion of an amount asserted pursuant to an otherwise Disputed Claim, the Holder of such Disputed Claim shall be entitled to a distribution on account of that portion of such Claim, if any, that is not disputed at the time and in the manner that the Disbursing Agent makes distributions to similarly-situated holders of Allowed Claims pursuant to the Plan.

G. Compliance with Tax Requirements

In connection with the Plan, to the extent applicable, the Debtors or the Reorganized Debtors, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Reorganized Debtors, as applicable, reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

H. Allocations Between Principal and Accrued Interest

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. No Postpetition Interest on Claims

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim.

J. Foreign Currency Exchange Rate

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

K. Setoffs and Recoupment

Except as expressly provided in this Plan, each Reorganized Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Reorganized Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Reorganized Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided, however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Reorganized Debtor or its successor of any and all claims, rights, and Causes of Action that such Reorganized Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in, the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, all rights of counterparties to unexpired leases of nonresidential real property (whether assumed or rejected) for setoff, recoupment, and subrogation are preserved and shall continue unaffected by Confirmation or the occurrence of the Effective Date.

L. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

The Debtors or the Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the Reorganized Debtors. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or the Reorganized Debtors on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the applicable Debtor or the Reorganized Debtors, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. If the Debtors or the Reorganized Debtors, as applicable, become aware of any payment of a Claim by a third party, the Debtors or Reorganized Debtors, as applicable, will send a notice of wrongful payment to the Holder of such Claim requesting the return of any excess payments and advising the recipient of the provisions of the Plan requesting turnover of excess estate funds. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or the Reorganized Debtors annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED, AND DISPUTED CLAIMS**

A. *Allowance of Claims*

After the Effective Date, the Reorganized Debtors and the Plan Administrator shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately before the Effective Date.

B. *Claims Administration Responsibilities*

After the Effective Date, the Plan Administrator will (a) oversee the Claim administration process and (b) administer Commercial Tort Claims and Commercial Tort Proceeds, if any, for the benefit of Holders of General Unsecured Claims. Except as otherwise specifically provided in the Plan, the Plan Administrator shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests and Commercial Tort Claims; (2) to settle or compromise any Disputed Claim or Commercial Tort Claims without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. *Plan Administrator Budget*

All fees, expenses, and distributions of the Plan Administrator shall be subject to the Plan Administrator Budget. For the avoidance of doubt, the Plan Administrator's compensation and the payment of fees and expenses of any attorneys, accountants, and other professionals engaged by the Plan Administrator shall be subject to the Plan Administrator Budget.

D. *Estimation of Claims*

Before or after the Effective Date, the Plan Administrator and the Debtors or Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such holder has Filed a motion requesting the right to seek such reconsideration on or before fourteen days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

E. Adjustment to Claims Without Objection

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, cancelled or otherwise expunged (including pursuant to the Plan), may be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Reorganized Debtors without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim against or Interest in the same Debtor or another Debtor may be adjusted or expunged on the Claims Register by the Reorganized Debtors without the Reorganized Debtors having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

F. Time to File Objections to Claims

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

G. Disallowance of Claims

Any Claims or Interests held by Entities from which property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Reorganized Debtors. All Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

H. Amendments to Claims

On or after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors. Absent such authorization, any new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

I. No Distributions Pending Allowance

If an objection to a Claim or portion thereof is Filed as set forth in Article VII.B, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

J. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest (as applicable) in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the

Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law.

ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of Claims and Termination of Interests

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

B. Release of Liens

Except as otherwise provided in the Exit Facility Documents, the Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims (other than any Claim secured by the Administration Charge) that the Debtors elect to reinstate in accordance with Article III.B.1 hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, compromised, and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Reorganized Debtors to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. 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 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.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Reorganized Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

D. 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.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Reorganized Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

E. 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.

F. 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.

Upon entry of the Confirmation Order and recognition by the Canadian Court of the Confirmation Order in the Recognition Proceedings, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.F of the Plan.

G. Protections Against Discriminatory Treatment

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. Document Retention

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

I. Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent

or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

J. Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

K. Subordination Rights

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Estates, the Reorganized Debtors, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. Conditions Precedent to the Effective Date

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Order shall have been recognized by an order of the Canadian Court in the Recognition Proceedings, and such orders shall not have been stayed, modified, or vacated on appeal;
2. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;
3. the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;
4. if applicable, the Exit Facility Documents shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent (other than any conditions related to the occurrence of the Effective Date) to the consummation of the Exit Facilities shall have been waived or satisfied in accordance with the terms thereof, and the closing of the Exit Facilities (and the payment in full of the DIP ABL Claims pursuant to the Payoff Letter) shall be deemed to occur concurrently with the occurrence of the Effective Date;

5. if applicable, the New Organizational Documents shall have been executed and delivered by each Entity party thereto and shall be in full force and effect, and the issuance of the New Interests shall be deemed to occur concurrently with the occurrence of the Effective Date; and

6. if applicable, all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

B. Waiver of Conditions

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX may be waived by the Debtors with the reasonable consent of the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), and the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

C. Substantial Consummation

“Substantial Consummation” of the Plan, as defined in section 1102(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

D. Effect of Failure of Conditions

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. Modification and Amendments

Except as otherwise specifically provided in the Plan, the Debtors, with the reasonable consent of the Term Loan Agent, Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), or the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors expressly reserve their respective rights to revoke or withdraw, to alter, amend, or modify the Plan with respect to each Debtor, one or more times, before or after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan.

B. Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of Plan

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans, in each case subject to any applicable consent rights as set forth in the RSA, the DIP Orders, or the DIP Facilities. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Class of Claims or Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Causes of Action, or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, to the extent legally permissible, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals (including Accrued Professional Compensation Claims) authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed (or assumed and assigned); (c) the Reorganized Debtors amending, modifying or supplementing, after the Effective Date, pursuant to Article V, the Executory Contracts and Unexpired Leases to be assumed (or assumed and assigned) or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order;

8. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

11. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the releases, injunctions and other provisions contained in Article VIII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;

12. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid in accordance with the Plan;

13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

14. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or, subject to any applicable forum selection clauses, any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

15. enter an order or Final Decree concluding or closing any of the Chapter 11 Cases;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;

17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order or any Entity's obligations incurred in connection with the Plan, including, subject to any applicable forum selection clauses, disputes arising under agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Restructuring Transactions, whether they occur before, on or after the Effective Date;

21. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

22. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, discharges, injunctions, and releases granted in connection with and under the Plan, including under Article VIII;

- 23. enforce all orders previously entered by the Bankruptcy Court; and
- 24. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII.
MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article IX.A and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. Additional Documents

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Payment of Statutory Fees

Each of the Debtors (or the Disbursing Agent on behalf of each of the Debtors) shall pay all fees payable pursuant to section 1930(a)(6) of the Judicial Code, together with any interest thereon pursuant to 31 U.S.C. § 3717, on or before the Effective Date in Cash, based on disbursements in and outside the ordinary course of the Debtors' business and Plan payments. Thereafter, such fees and any applicable interest shall be paid by each of the Reorganized Debtors (or the Disbursing Agent on behalf of each of the Reorganized Debtors) until the earlier of entry of a final decree closing such Chapter 11 Case or an order of dismissal or conversion, whichever occurs first.

D. Statutory Committee and Cessation of Fee and Expense Payment

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, responsibilities, and liabilities arising on or prior to the Effective Date, from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Committee and its Professionals. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

E. Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders unless and until the Effective Date has occurred.

F. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Notices

To be effective, all notices, requests, and demands to or upon the Debtors shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered by courier or registered or certified mail (return receipt requested) or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to the following:

1. If to the Debtors, to:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
E-mail: mpfefferle@carlmarks.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
E-mail: joshua.sussberg@kirkland.com
christopher.greco@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attention: Joseph M. Graham
Laura Krucks
E-mail: joe.graham@kirkland.com
laura.krucks@kirkland.com

2. If to the ABL Agent or DIP ABL Agent, to:

Goldberg Kohn Ltd.
55 East Monroe, Suite 3300
Chicago, Illinois 60603
Attention: Randall Klein
E-mail address: Randall.Klein@goldbergkohn.com

3. If to the Term Loan Agent or the DIP Term Agent, to:

King & Spalding LLP
1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attention: W. Austin Jowers
E-mail address: ajowers@kslaw.com

-and -

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Attention: Christopher G. Boies
Stephen M. Blank
E-mail address: cboies@kslaw.com
sblank@kslaw.com

4. If to the Committee, to:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, Suite 3400
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

After the Effective Date, the Reorganized Debtors may notify Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan. If the Effective Date does not occur, nothing herein shall be construed as a waiver by any party in interest of any or all of such party's rights, remedies, claims, and defenses, and such parties expressly reserve any and all of their respective rights, remedies, claims and, defenses. This Plan and the documents comprising the Plan Supplement, including any drafts thereof (and any discussions, correspondence, or negotiations regarding any of the foregoing) shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any party in interest of any claim or fault or liability or damages whatsoever. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations, discussions, agreements, settlements, and compromises reflected in or related to Plan and the documents comprising the Plan Supplement is part of a proposed settlement of matters that could otherwise be the subject of litigation among various parties in interest, and such negotiations, discussions, agreements, settlements, and compromises shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of the Plan and the documents comprising the Plan Supplement.

I. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the website of the Notice and Claims Agent at www.omnimgt.com/cases/hollander or (for a fee) the Bankruptcy Court's website at <http://www.ecf.nysb.uscourts.gov/>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order. For the

avoidance of doubt, no provisions of the Plan Supplement may contradict the provisions under the Plan that require payment in full (in accordance with Section 1.4 of the DIP ABL Credit Agreement) of the DIP ABL Claims.

J. Non-Severability of Plan Provisions

The provisions of the Plan, including its release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, consistent with the terms set forth herein; and (3) non-severable and mutually dependent.

K. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan and, therefore, no such parties will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan or any previous plan.

L. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

M. Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

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Hollander Sleep Products, LLC

By: /s/ Marc L. Pfefferle

Name: Marc L. Pfefferle

Title: Chief Executive Officer

Exhibit B to the Amended and Restated Restructuring Support and Settlement Agreement

DIP Term Loan Commitment Letter

CONFIDENTIAL

May 19, 2019

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

Hollander Sleep Products, LLC
\$28,000,000 DIP Term Loan Facility
DIP Commitment Letter

Mr. Pfefferle:

Each of the undersigned (collectively, the “DIP Commitment Parties” and each individually, a “DIP Commitment Party”) hereby, severally but not jointly, commits to provide (directly and/or through one or more of its affiliates, accounts managed or sub-managed by it or its affiliates and direct or indirect subsidiaries, each such affiliate, account subsidiary or any other lender under the DIP Term Loan Facility, as hereinafter defined, a “DIP Term Loan Lender”) the portion set forth opposite its name on Schedule I hereto (under the column heading “Total DIP Term Loan Commitment”) of a \$28,000,000 superpriority senior secured debtor-in-possession term loan credit facility (the “DIP Term Loan Facility”) to Hollander Sleep Products, LLC (the “Borrower”), and Barings Finance LLC hereby agrees to act as administrative agent for the DIP Term Loan Facility (the “DIP Term Loan Agent”), in connection with the Borrower’s and certain of its subsidiaries’ filing of petitions for relief (collectively, the “Bankruptcy Cases”) under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq (the “Bankruptcy Code”).

The DIP Commitment Parties’ commitments to fund the initial loans under the DIP Term Facility are subject to (i) the execution of DIP Term Loan Facility definitive documentation on substantially the terms set forth in the attached forms of (a) Debtor-in-Possession Term Loan Credit Agreement (the “Form DIP Credit Agreement”), (b) the Exhibits to the Form DIP Credit Agreement, (c) the Guaranty and Security Agreement, and (d) the Amended and Restated Intercreditor Agreement, attached collectively as Exhibit A (collectively, the “Form DIP Credit Documents,” and, together with this letter, the “DIP Commitment Letter”), and otherwise in form and substance reasonably satisfactory to the DIP Commitment Parties and the DIP Term Loan Agent (collectively, the “DIP Documents”); (ii) satisfaction of all conditions precedent set forth in Sections 3.1 and 3.3 of the Form DIP Credit Agreement; and (iii) payment of all fees and expenses required hereunder and under the DIP Fee Letter (as hereinafter defined). Capitalized terms used herein without definition have the meanings assigned to such terms in the Form DIP Credit Agreement.

Evaluation Material.

You hereby represent, warrant and covenant that (a) all written information (other than the projections, budgets, financial estimates, forecasts and other forward-looking information with respect to you and your affiliates (collectively, the “Projections”) and general economic or specific industry information) (the “Information”) that has been or will be made available to the

DIP Commitment Parties and/or the DIP Term Loan Lenders by you or any of your affiliates or representatives, when taken as a whole, is or will be, when furnished, correct in all material respects and does not or will not, when furnished, contain any untrue statement of fact or omit to state a fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (after giving effect to all supplements from time to time) and (b) the Projections that have been or will be made available to the DIP Commitment Parties by you or any of your affiliates or representatives have been or will be prepared in good faith based upon assumptions believed to be reasonable at the time made (it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from financial projections and such differences may be material). You agree that if at any time prior to the closing of the DIP Term Loan Facility you become aware that any of the representations in the preceding sentence would be, to your knowledge, incorrect in any material respect if the Information and Projections were being furnished, and such representations were being made, at such time, then you will use commercially reasonable efforts to supplement the Information and the Projections from time to time until the closing of the DIP Term Loan Facility so that the representations, warranties and covenants in the foregoing sentences will be correct in all material respects under those circumstances, it being understood that any such supplement shall cure any breach of such representation. You understand that in making its commitment hereunder, each DIP Commitment Party may use and rely on the Information and Projections without independent verification thereof.

You hereby authorize and agree, on behalf of yourself and your affiliates, that the Information, the Projections and all other information (including third party reports) provided by or on behalf of you and your affiliates and representatives to the DIP Commitment Parties regarding you and your affiliates, in connection with the DIP Term Loan Facility and the transactions contemplated hereby, may be disseminated by or on behalf of the DIP Commitment Parties, and made available, to prospective DIP Term Loan Lenders and their advisors identified to you, who have each agreed to be bound by customary confidentiality undertakings (including "click-through" agreements) (whether transmitted electronically by means of a website, e-mail or otherwise, or made available orally or in writing, including at prospective DIP Term Loan Lender or other meetings). You hereby further authorize the DIP Commitment Parties to download copies of your logos and agree to use commercially reasonable efforts to obtain authorization to permit the DIP Commitment Parties to download copies of your logos, from your websites and post copies thereof on an IntraLinks[®] or similar workspace and use such logos on any materials prepared in connection with the DIP Term Loan Facility.

Expenses.

Regardless of whether the DIP Term Loan Facility closes, you hereby agree to pay or reimburse the DIP Commitment Parties and the DIP Term Loan Agent, as applicable, for all reasonable and documented out-of-pocket expenses incurred by the DIP Commitment Parties, funds managed or sub-managed by the DIP Commitment Parties, and the DIP Term Loan Agent or their affiliates (whether incurred before or after the date hereof) in connection with the DIP Term Loan Facility (including, but not limited to, (a) all reasonable costs and out-of-pocket expenses of one primary legal counsel and, if necessary, one local counsel in all appropriate jurisdictions for all DIP Commitment Parties and the DIP Term Loan Agent), and (b) all reasonable and documented costs and out-of-pocket expenses of one financial advisor (if any) for all DIP Commitment Parties and the DIP Term Loan Agent.

Confidentiality.

You agree that you will not disclose, directly or indirectly, this DIP Commitment Letter and the contents hereof or the DIP Fee Letter dated as of the date hereof (the “DIP Fee Letter”) among the DIP Commitment Parties and the Borrower and the contents thereof or the DIP Commitment Parties’ involvement with the DIP Term Loan Facility to any third party (including, without limitation, any financial institution or intermediary) without each DIP Commitment Party’s prior written consent, other than to (a) those individuals who are your directors, officers, employees, attorneys, agents or advisors in connection with the DIP Term Loan Facility; provided that this DIP Commitment Letter may be disclosed to (i) Sentinel Capital Partners, L.L.C. and its affiliates, and its directors, officers, employees, attorneys, agents and advisors, and (ii) to the providers of the ABL DIP Facility described in the Form DIP Credit Agreement and their officers, employees, attorneys, agents and advisors, in each case on a confidential basis (it being understood any such disclosure pursuant to this clause (a)(ii) shall be limited to a general description of the fees to be paid and does not authorize the distribution of the DIP Fee Letter to such persons), (b) the Bankruptcy Court for approval of this DIP Commitment Letter and the DIP Term Loan Facility, (c) any official committee appointed in the Bankruptcy Cases and their respective legal and financial advisers, (d) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform the DIP Commitment Parties promptly thereof), (e) to the extent necessary in connection with the exercise of any remedies or enforcement of any rights hereunder and (f) other recipients as required by the Bankruptcy Court, or as part of the Borrower and its subsidiaries’ disclosure statement soliciting votes in support of a plan of reorganization, whether before or after the commencement of the Bankruptcy Cases (it being understood any such disclosure pursuant to this clause (f) shall be limited to a general description of the fees to be paid in the Borrower’s solicitation materials and does not authorize the distribution, filing with the Bankruptcy Court, or other action that results in the DIP Fee Letter being made available to such other recipients). Except in connection with the disclosure statement soliciting votes in support of a plan of reorganization, you agree to inform all such persons who receive information concerning this DIP Commitment Letter or the DIP Fee Letter that such information is confidential and may not be used for any other purpose. The DIP Commitment Parties reserve the right to review and approve, in advance, all materials, press releases, advertisements and disclosures that contain their name or any name of any affiliate or the name of any account managed or sub-managed by, or any related fund of, the DIP Commitment Parties or describe their respective financing commitment (such approval not to be unreasonably withheld, delayed or conditioned).

The Borrower hereby agrees that if the DIP Fee Letter is required to be filed with any bankruptcy court or disclosed to any U.S. Trustee for purposes of obtaining approval to pay any fees provided for therein or otherwise, then it shall promptly notify the DIP Commitment Parties and take all commercially reasonable actions necessary to prevent the DIP Fee Letter from becoming publicly available, including, without limitation, filing a motion pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Rule 9018 of the Federal Rules of Bankruptcy Procedure seeking a bankruptcy court order authorizing the Borrower to file the DIP Fee Letter under seal to the maximum extent permitted by applicable law; provided, however, that if the applicable bankruptcy court or applicable law does not permit such filing under seal, then any such filing shall be redacted to the maximum extent permitted by such bankruptcy court and such law. Notwithstanding the “Survival” section herein, the obligations of the foregoing sentence shall survive any termination or completion of the arrangement provided by this DIP Commitment Letter.

Each DIP Commitment Party and the DIP Term Loan Agent agrees it shall use all nonpublic information received by it in connection with the DIP Term Loan Facility solely for the purposes

of providing the commitments subject of this DIP Commitment Letter and shall treat confidentially all such information; provided, however, that nothing herein shall prevent any DIP Commitment Party or the DIP Term Loan Agent from disclosing any such information (a) to any DIP Term Loan Lenders or participants or prospective DIP Term Loan Lenders or participants, in each case identified to you, (b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case we agree to inform you promptly thereof), (c) upon the request or demand of any regulatory authority having jurisdiction over the DIP Commitment Parties and the DIP Term Loan Agent, (d) to the employees, legal counsel, independent auditors, professionals and other experts or agents of such party (collectively, "Representatives") who are informed of the confidential nature of such information and are or have been advised of their obligation to keep information of this type confidential, (e) to any of its respective affiliates (provided that any such affiliate is advised of its obligation to retain such information as confidential, and each DIP Commitment Party and DIP Term Loan Agent shall be responsible for its affiliates' compliance with this paragraph) solely in connection with the DIP Term Loan Facility, and (f) to the extent any such information becomes publicly available other than by reason of disclosure by any DIP Commitment Party, the DIP Term Loan Agent, any of their affiliates or Representatives in breach of this DIP Commitment Letter.

Indemnity.

Regardless of whether the DIP Term Loan Facility is closed, you agree to (a) indemnify, defend and hold each of the DIP Commitment Parties, the DIP Term Loan Agent, each DIP Term Loan Lender, and the respective affiliates and funds managed or advised by the DIP Commitment Parties and DIP Term Loan Lenders, and the principals, directors, officers, employees, representatives, agents, attorneys and third party advisors of each of them (each, an "Indemnified Person"), harmless from and against all losses, disputes, claims, investigations, litigation, proceedings, expenses (including, but not limited to, attorneys' fees), damages, and liabilities of any kind to which any Indemnified Person may become subject arising out of or in connection with any claim, litigation, investigation or proceeding (any of the foregoing, a "Proceeding") relating to or in connection with this DIP Commitment Letter, the DIP Fee Letter, the DIP Term Loan Facility, the use or the proposed use of the proceeds thereof, or any other transaction contemplated by this DIP Commitment Letter (each, a "Claim", and collectively, the "Claims"), regardless of whether such Indemnified Person is a party thereto (and regardless of whether such matter is initiated by a third party, you, or any of your or its respective affiliates), and (b) reimburse each Indemnified Person upon demand (together with reasonably detailed backup documentation in summary form supporting such demand) for all reasonable and documented legal and other out-of-pocket expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any Proceeding (each, an "Expense") by one counsel to the Indemnified Persons taken as a whole and, if necessary, one firm of local counsel in each appropriate jurisdiction to the Indemnified Persons taken as a whole, and, in the case of an actual conflict of interest, one additional counsel to the affected Indemnified Persons taken as a whole; provided that no Indemnified Person shall be entitled to indemnity hereunder in respect of any Claim or Expense to the extent that the same (i) is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence, willful misconduct or bad faith of such Indemnified Person or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors, (ii) is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from a material breach of the obligations of such Indemnified Person or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors under this DIP Commitment Letter or (iii) arises from any dispute among Indemnified Persons that does not

involve or relate to an act or omission by you and that is brought by an Indemnified Person against another Indemnified Person (other than any claims against the DIP Term Loan Agent in its capacity or in fulfilling its role as an agent under the DIP Term Loan Facility). Notwithstanding any other provision of this DIP Commitment Letter, and without limitation of your indemnification and reimbursement obligations set forth herein, no party hereto shall be liable for any special, indirect, consequential or punitive damages in connection with the DIP Term Loan Facilities, this DIP Commitment Letter, the DIP Fee Letter or any other transaction contemplated hereby or thereby; provided that this foregoing sentence shall not limit your indemnity obligations to the extent set forth above in respect of any actual Claims and Expenses incurred or paid by an Indemnified Person to a third party unaffiliated with the DIP Commitment Parties that are otherwise required to be indemnified in accordance with the terms hereof.

Furthermore, you hereby acknowledge and agree that the use of electronic transmission is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse. You agree to assume and accept such risks and hereby authorize the use of transmission of electronic transmissions, and that none of the DIP Commitment Parties nor any of their respective affiliates will have any liability for any damages arising from the use of such electronic transmission systems, except to the extent such damages have been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such DIP Commitment Party or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors.

Notwithstanding the above, (a) you shall not be liable for any settlement of any Proceedings effected without your consent (which consent shall not be unreasonably conditioned, withheld or delayed), but if settled with your written consent or if there is a judgment for the plaintiff against any Indemnified Person in any such Proceedings, you agree to indemnify and hold harmless each Indemnified Person from and against any and all Claims and Expenses by reason of such settlement or judgment in accordance with this section and (b) each Indemnified Person shall be obligated to refund or return any and all amounts paid by you under the preceding paragraph to such Indemnified Person for any losses, claims, damages liabilities or expenses to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with the terms hereof. You shall not, without the prior written consent of an Indemnified Person (which consent shall not be unreasonably conditioned, withheld or delayed), effect any settlement or consent to the entry of any judgment of any pending or threatened Proceedings in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability or claims that are the subject matter of such Proceedings, (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person and (iii) contains customary confidentiality and nondisparagement provisions.

In the event that an Indemnified Person is requested or required to appear as a witness in any action brought by or on behalf of or against you or any of your subsidiaries or affiliates in which such Indemnified Person is not named as a defendant, or a demand to produce documents or otherwise respond to discovery requests is made on an Indemnified Person, you agree to reimburse such Indemnified Person for all reasonable expenses incurred by it in connection with such Indemnified Person's appearing and preparing to appear as such a witness, including, without limitation, the reasonable fees and expenses of its legal counsel.

Sharing Information; Absence of Fiduciary Relationship.

You acknowledge that the DIP Commitment Parties, the DIP Term Loan Agent and their respective affiliates may be providing debt financing, equity capital or other services to other companies with which you may have conflicting interests. Neither the DIP Commitment Parties nor any of their affiliates will use confidential information obtained from you by virtue of the transactions contemplated by this DIP Commitment Letter or its other relationships with you in connection with the performance by it of services for other persons, and neither the DIP Commitment Parties nor any of their affiliates will furnish any such information to other persons except as permitted under the "Confidentiality" section herein. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and any of the DIP Commitment Parties or the DIP Term Loan Agent has been or will be created in respect of any of the transactions contemplated by this DIP Commitment Letter, irrespective of whether the DIP Commitment Parties, the DIP Term Loan Agent and/or their respective affiliates have advised or are advising you on other matters and (b) you will not assert any claim against any of the DIP Commitment Parties or the DIP Term Loan Agent for breach or alleged breach of fiduciary duty in respect of any of the transactions contemplated by this DIP Commitment Letter and agree that none of the DIP Commitment Parties or the DIP Term Loan Agent shall have any direct or indirect liability to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors.

Assignments and Amendments.

This DIP Commitment Letter shall not be assignable by you without the prior written consent of each of the DIP Commitment Parties (and any purported assignment without such consent shall be null and void), and is solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the Indemnified Persons. The DIP Commitment Parties may assign their respective commitments hereunder, in whole or in part, (i) to any of their affiliates, any funds or accounts managed, advised, sub-managed or sub-advised by them or their affiliates, or (ii) subject to the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed) to any prospective DIP Term Loan Lender; provided that, (unless such assignee enters into a separate letter agreement with you affirming its commitment on the same terms as set forth herein with respect to such assigned portion of the commitments (such agreement not to be unreasonably conditioned, withheld or delayed by you)) any such assignment shall not release them of the obligations hereunder and each DIP Commitment Party shall retain exclusive control over all rights and obligations with respect to its commitments hereunder, including all rights with respect to consents, modifications, supplements, waivers and amendments, until after the closing and initial funding of the DIP Term Loan Facility has occurred. This DIP Commitment Letter may not be amended or waived except in a written instrument signed by you, the DIP Commitment Parties and the DIP Term Loan Agent.

Counterparts and Governing Law.

This DIP Commitment Letter may be executed in counterparts, each of which shall be deemed an original and all of which counterparts shall constitute one and the same document. Delivery of an executed signature page of this DIP Commitment Letter by facsimile or electronic (including "PDF") transmission shall be effective as delivery of a manually executed counterpart hereof.

The laws of the State of New York shall govern all matters arising out of, in connection with or relating to this DIP Commitment Letter, including, without limitation, its validity, interpretation,

construction, performance and enforcement and any claims sounding in contract law or tort law arising out of the subject matter hereof.

Venue and Submission to Jurisdiction.

The parties hereto consent and agree that the federal bankruptcy court located in the Southern District of New York, shall have exclusive jurisdiction to hear and determine any claims or disputes between or among any of the parties hereto pertaining to this DIP Commitment Letter, the DIP Fee Letter, the DIP Term Loan Facility, any other transaction relating hereto or thereto, and any investigation, litigation, or proceeding in connection with, related to or arising out of any such matters or, if that court does not have subject matter jurisdiction, then the U.S. District Court for the Southern District of New York shall have such exclusive jurisdiction or, if that court does not have subject matter jurisdiction, then any state court located in New York County, State of New York shall have such exclusive jurisdiction; provided, that the parties hereto acknowledge that any appeal from those courts may have to be heard by a court located outside of such jurisdiction. The parties hereto expressly submit and consent in advance to such jurisdiction in any action or suit commenced in any such court, and hereby waive any objection, which each of the parties may have based upon lack of personal jurisdiction, improper venue or inconvenient forum.

Waiver of Jury Trial.

THE PARTIES HERETO, TO THE EXTENT PERMITTED BY LAW, WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF, IN CONNECTION WITH OR RELATING TO, THIS DIP COMMITMENT LETTER, THE DIP FEE LETTER, THE DIP TERM LOAN FACILITY, AND ANY OTHER TRANSACTION RELATED HERETO OR THERETO. THIS WAIVER APPLIES TO ANY ACTION, SUIT OR PROCEEDING WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE.

Survival.

The provisions of this letter set forth under this heading and the headings "Expenses", "Confidentiality", "Indemnity", "Sharing Information; Absence of Fiduciary Relationship", "Assignments and Amendments", "Counterparts and Governing Law", "Venue and Submission to Jurisdiction" and "Waiver of Jury Trial" shall survive the termination or expiration of this DIP Commitment Letter and shall remain in full force and effect regardless of whether the DIP Term Loan Facility is closed or the credit documentation with respect to the DIP Term Loan Facility shall be executed and delivered; provided that if the DIP Term Loan Facility is closed and the credit documentation with respect to the DIP Term Loan Facility shall be executed and delivered, the provisions under the heading "Expenses", "Confidentiality", "Indemnity", and "Sharing Information; Absence of Fiduciary Relationship" shall be superseded and deemed replaced by the terms of the credit documentation with respect to the DIP Term Loan Facility governing such matters.

Integration.

This DIP Commitment Letter and the DIP Fee Letter supersede any and all discussions, negotiations, understandings or agreements, written or oral, express or implied, between or among the parties hereto and their affiliates as to the subject matter hereof.

Patriot Act.

The DIP Commitment Parties hereby notify you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the “PATRIOT Act”), each DIP Term Loan Lender may be required to obtain, verify and record information that identifies the Borrower and each Guarantor, which information includes the name, address, tax identification number and other information regarding the Borrower and each Guarantor that will allow such DIP Term Loan Lender to identify the Borrower and each Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each DIP Term Loan Lender.

Please indicate your acceptance of the terms hereof by signing in the appropriate space below. Unless extended in writing by the DIP Commitment Parties, the commitments and agreements of the DIP Commitment Parties contained herein (subject to the provisions under the heading “Survival”) shall automatically expire on the first to occur of (a) 11:59 p.m. New York time on the later of (x) May 24, 2019 and (y) if the Bankruptcy Cases have commenced prior to such date, the date that is 4 calendar days after the first day hearing in the Bankruptcy Cases, and (b) execution and delivery of the credit documentation with respect to the DIP Term Loan Facility and funding of the DIP Term Loan Facility.

Very truly yours,

BARINGS FINANCE LLC

By: Barings LLC, as Investment Manager

A large black rectangular redaction box covering the signature area.

By: _____

Name: _____

itle: _____

A black rectangular redaction box covering the name and title fields.

ALLSTATE INSURANCE COMPANY

By: _____
Name _____
Title _____

By: _____
Name _____
Title _____



ALLSTATE LIFE INSURANCE COMPANY

By: _____
Name _____
Title _____

By: _____
Name _____
Title _____

FIRST EAGLE DARTMOUTH HOLDING LLC

By: First Eagle Private Credit, LLC, its Manager

By: _____
Name: _____
Title: _____



GSO DIAMOND PORTFOLIO BORROWER LLC

By: GSO Diamond Portfolio Holdco LLC, its
managing member

By: GSO Diamond Portfolio Fund LP, its managing
member

By: GSO Diamond Portfolio Associates LLC, its
general partner

By: _____

Name: _____

Title: _____

DIAMOND CLO 2018-1 LTD

By: GSO Capital Partners LP, as Collateral Manager

By: _____

Name: _____

Title: _____

PENNANTPARK INVESTMENT CORPORATION

By: _____
Name: _____
Title: _____



PENNANTPARK FLOATING RATE FUNDING I, LLC

By: _____
Name: _____
Title: _____



PENNANTPARK CREDIT OPPORTUNITIES FUND
II, LP

By: _____
Name: _____
Title: _____



Accepted and agreed to as of
the date first written above:

HOLLANDER SLEEP PRODUCTS, LLC

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

Schedule I

DIP Term Loan Lender	Total DIP Term Loan Commitment
Allstate Insurance Company	
Barings Finance LLC	
GSO Capital Partners	
First Eagle Investment Management	
PennantPark Investment Corporation	
TOTAL	\$28,000,000.00

EXHIBIT A

[Form DIP Documents]

DEBTOR-IN-POSSESSION

TERM LOAN CREDIT AGREEMENT

dated as of May __, 2019

by and among

DREAM II HOLDINGS, LLC

and

HOLLANDER HOME FASHIONS HOLDINGS, LLC,

as Parent Guarantors,

HOLLANDER SLEEP PRODUCTS, LLC,

as Borrower

THE LENDERS THAT ARE PARTIES HERETO,

as the Lenders, and

BARINGS FINANCE LLC,

as Administrative Agent

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DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT

THIS DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT (this “Agreement”), is entered into as of May [___], 2019, by and among the lenders identified on the signature pages hereof (each of such lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”, as that term is hereinafter further defined), **BARINGS FINANCE LLC**, as administrative agent for each member of the Lender Group (in such capacity, together with its successors and assigns in such capacity, “Agent”), **DREAM II HOLDINGS, LLC**, a Delaware limited liability company (“Parent”), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company (“HHFH” or “Holdings” and together with Parent, the “Parent Guarantors”) and **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company (“HSP” or the “Borrower”).

WHEREAS, on May [___], 2019 (the “Petition Date”), the Borrower and the Guarantors commenced Chapter 11 case numbers [___] through [___], as jointly administered for procedural purposes at Chapter 11 case number [___] (each a “Chapter 11 Case” and collectively, the “Chapter 11 Cases”) by filing with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”).

WHEREAS, each of the Loan Parties is continuing in the possession of its assets and in the management of its business as a debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

WHEREAS, the Borrower has requested the Lenders to extend credit to the Borrower in form of term loans consisting of a superpriority debtor-in-possession secured credit facility in an aggregate principal amount not to exceed \$28,000,000 (the “DIP Facility”) subject to this Agreement and, when entered, the Interim DIP Order, and the Final DIP Order, as applicable, which will be used in accordance with the Approved Budget and the terms of this Agreement.

WHEREAS, the Borrower has requested the ABL DIP Lenders to extend credit to the Borrower in the form of revolving credit commitments in an aggregate of \$90,000,000 (the “ABL DIP Facility”) pursuant to the terms of that certain ABL DIP Facility Agreement.

WHEREAS, to provide security for the repayment of the loans made available pursuant hereto and payment of the other obligations of the Borrower hereunder, the Borrower has agreed to provide the Agent and the Lenders, in each case subject to the Carve-Out, with DIP Liens on the DIP Collateral; and

WHEREAS, the Lenders are willing to make the requested DIP Facility available to the Borrower on the terms and conditions set forth in this Agreement and the Interim DIP Order and the Final DIP Order, as applicable:

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

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions.** Capitalized terms used in this Agreement (including the preamble) shall have the meanings specified therefor on Schedule 1.1.

1.2 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with GAAP; provided, that if Borrower notifies Agent that Borrower requests an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Effective Date or in the application thereof on the operation of such provision (or if Agent notifies Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such Accounting Change or in the application thereof, then Agent and Borrower agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Lenders and Borrower after such Accounting Change conform as nearly as possible to their respective positions before such Accounting Change and, until any such amendments have been agreed upon and agreed to by the Required Lenders, the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred; provided, further, that notwithstanding any Accounting Change after the Effective Date that would require lease obligations that would be treated as operating leases as of the Effective Date to be classified and accounted for as capital leases or otherwise reflected on Parent and its Subsidiaries' consolidated balance sheet, for the purposes of determining compliance with any covenant contained herein, such obligations shall be treated in the same manner as operating leases are treated as of the Effective Date. When used herein, the term "financial statements" shall include the notes and schedules thereto. Whenever the term "Parent" is used in respect of a financial covenant or a related definition, it shall be understood to mean Parent and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise. Notwithstanding anything to the contrary contained herein, all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to any election under the Statement of Financial Accounting Standards No. 159 (or any similar accounting principle) permitting a Person to value its financial liabilities or Indebtedness at the fair value thereof.

1.3 **Code.** Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein; provided, however, that to the extent that the Code is used to define any term herein and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern.

1.4 **Construction.** Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other DIP Loan Document refer to this Agreement or such other DIP Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other DIP Loan Document, as the case may be. Unless the context of this Agreement or any other DIP Loan Document clearly requires otherwise, references to "law" means all international, foreign, federal, state, provincial and local statutes, treaties, rules, guidelines, regulations, by-laws, ordinances, decrees, codes and administrative or judicial or arbitral or

administrative or ministerial or departmental or regulatory precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other DIP Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). The words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties. Any reference herein or in any other DIP Loan Document to the satisfaction, repayment, or payment in full of the DIP Facility Obligations shall mean (a) the payment or repayment in full in immediately available funds in Dollars of (i) the principal amount of, and interest accrued and unpaid with respect to, all outstanding DIP Loans, (ii) all Lender Group Expenses that have accrued and are unpaid regardless of whether demand has been made therefor, (iii) all fees or charges that have accrued hereunder or under any other DIP Loan Document and are unpaid, (b) the receipt by Agent of cash collateral in Dollars in order to secure any other contingent DIP Facility Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys’ fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent DIP Facility Obligations, (c) the payment or repayment in full in immediately available funds in Dollars of all other outstanding DIP Facility Obligations other than in each case of clauses (a) to (c) hereof, Unasserted Contingent Indemnification Obligations, and (d) the termination of all of the DIP Loan Commitments of the Lenders. Any reference herein to any Person shall be construed to include such Person’s permitted successors and assigns. Any requirement of a writing contained herein or in any other DIP Loan Document shall be satisfied by the transmission of a Record.

1.5 **Time References.** Unless the context of this Agreement or any other DIP Loan Document clearly requires otherwise, all references to time of day refer to Eastern Standard Time or Eastern daylight saving time, as in effect in New York City, New York on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to and including”; provided that, with respect to a computation of fees or interest payable to Agent or any Lender, such period shall in any event consist of at least one full day.

1.6 **Schedules and Exhibits.** All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

1.7 **Divisions.** For all purposes under the DIP Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred

from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

2. DIP LOANS AND TERMS OF PAYMENT.

2.1 DIP Loans.

(a) On the Effective Date, each Lender, subject to, and in accordance with, this Agreement, agrees to severally, and not jointly or jointly and severally, make an Interim DIP Loan to and for the account of the Borrower as provided herein, in the amount of such Lender's Interim DIP Loan Commitment (subject to any limitations contained within the Interim DIP Order or the Final DIP Order, as applicable). The Interim DIP Loans shall be made in one draw on the Effective Date, and the Interim DIP Loan Commitments shall be immediately terminated after the funding of the Interim DIP Loans. Once repaid, no part of the Interim DIP Loans may be reborrowed.

(b) On the Final Order Effective Date, each Lender, subject to, and in accordance with, this Agreement, agrees to severally, and not jointly or jointly and severally, make a Final DIP Loan to and for the account of the Borrower as provided herein, in the amount of such Lender's Final DIP Loan Commitment (subject to any limitations contained within the Interim DIP Order or the Final DIP Order, as applicable). The Final DIP Loans shall be made in one draw on the Final Order Effective Date, and the Final DIP Loan Commitments shall be immediately terminated after the funding of the Final DIP Loans. Once repaid, no part of the Final DIP Loans may be reborrowed.

(c) On the date that is the first Business Day of the last week of the Life of the Case (such earlier date, the "Budget Advance Date"), each Lender, subject to, and in accordance with, this Agreement, agrees to severally, and not jointly or jointly and severally, make a Budget Advance Date DIP Loan to and for the account of the Borrower as provided herein, in the amount of such Lender's Budget Advance Date Commitment (subject to any limitations contained within the DIP Orders). The Budget Advance Date DIP Loans shall be made in one draw on the Budget Advance Date, and the Budget Advance Date Commitments shall be immediately terminated after the funding of the Budget Advance Date Loans. Once repaid, no part of the Budget Advance Date DIP Loans may be reborrowed.

2.2 [Intentionally Omitted].

2.3 Borrowing Procedures.

(a) **Procedure for Borrowing DIP Loans.** Borrower shall deliver to Agent a notice of borrowing, in substantially the form set forth on Exhibit 2.3(a), not later than 12:00 p.m. one Business Day (or such shorter period as Agent may agree in its reasonable discretion) before (i) the anticipated Effective Date, requesting that the Lenders make the Interim DIP Loans on the Effective Date, (ii) the anticipated Final Order Effective Date, requesting that the Lenders make the Final DIP Loans on the Final Order Effective Date, and (iii) the anticipated Budget Advance Date, requesting that the Lenders make the Budget Advance Date DIP Loans on the Budget Advance Date. The notice of borrowing shall be irrevocable and shall specify (i) the

principal amount of the DIP Loans to be borrowed, (ii) the requested date of the borrowing (which shall be a Business Day), and (iii) the location and number of the accounts to which funds are to be disbursed. Requests for LIBOR Rate Loans will also be subject to Section 2.12.

(b) **Making of DIP Loans.** Upon receipt of such notice of borrowing, the Agent shall promptly notify each Lender thereof. Not later than 12:00 p.m. (or, if later, promptly following the satisfaction of the conditions precedent to the initial extension of credit hereunder set forth in Section 3), on (i) the Effective Date, each Lender shall make available to Borrower an amount (through the Agent) in immediately available funds equal to such Lender's Pro Rata Share of the requested Interim DIP Loans, (ii) the Final Order Effective Date, each Lender shall make available to Borrower an amount (through the Agent) in immediately available funds equal to such Lender's Pro Rata Share of the requested Final DIP Loans, and (iii) the Budget Advance Date, each Lender shall make available to Borrower an amount (through the Agent) in immediately available funds equal to such Lender's Pro Rata Share of the requested Budget Advance Date DIP Loans.

(c) **Independent Obligations.** All DIP Loans shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (i) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make any DIP Loan hereunder, nor shall any DIP Loan Commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (ii) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

(d) **Defaulting Lenders.** Notwithstanding anything to the contrary contained in this Agreement (including Section 2.4(b)(ii)), if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law, any payment of principal, interest, fees or other amounts received by Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 8 or otherwise) or received by Agent from a Defaulting Lender pursuant to any right of setoff shall be applied at such time or times as may be determined by Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to Agent hereunder; second, if Borrower requests (so long as no Default or Event of Default exists), to the funding of any DIP Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Agent; third, if so determined by Agent and Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to DIP Loans under this Agreement; fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by Agent or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to Borrower as a result of any judgment of a court of competent jurisdiction obtained by Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any DIP Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such DIP Loans were made at a time when the conditions set forth in Section 3.1

were satisfied or waived in accordance with this Agreement, such payment shall be applied solely to pay the DIP Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any DIP Loans of such Defaulting Lender until such time as all DIP Loans are funded by the Lenders pro rata in accordance with the DIP Loan Commitments under the applicable tranche of DIP Loans. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.3(d) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

2.4 Payments; Prepayments.

(a) Payments by Borrower.

(i) Except as otherwise expressly provided herein, all payments by Borrower shall be made to Agent's Account for the account of the Lender Group and shall be made in immediately available funds in Dollars, no later than 2:00 p.m. on the date specified herein. Any payment received by Agent later than 2:00 p.m. shall be deemed to have been received (unless Agent, in its sole discretion, elects to credit it on the date received) on the following Business Day and any applicable interest or fee shall continue to accrue until such following Business Day.

(ii) Unless Agent receives notice from Borrower prior to the date on which any payment is due to the Lenders that Borrower will not make such payment in full as and when required, Agent may assume that Borrower has made (or will make) such payment in full to Agent on such date in immediately available funds and Agent may (but shall not be so required), in reliance upon such assumption, distribute to each Lender on such due date an amount equal to the amount then due to such Lender. If and to the extent Borrower does not make such payment in full to Agent on the date when due, each Lender severally shall repay to Agent on demand such amount distributed to such Lender, together with interest thereon at applicable interest rate for the amount being repaid for each day from the date such amount is distributed to such Lender until the date repaid.

(b) Apportionment and Application.

(i) So long as no Application Event has occurred and is continuing, and except as otherwise provided herein with respect to Defaulting Lenders, all principal and interest payments received by Agent shall be apportioned ratably among the Lenders (according to the unpaid principal balance of the DIP Facility Obligations to which such payments relate held by each Lender) and all payments of fees and expenses received by Agent (other than fees or expenses that are for Agent's separate account) shall be apportioned ratably among the Lenders having a Pro Rata Share of the outstanding DIP Loans to which a particular fee or expense relates. Subject to Section 2.4(b)(iv) and Section 2.4(e), all payments in respect of DIP Facility Obligations to be made hereunder by Borrower shall be remitted to Agent and all such payments, and all proceeds of DIP Collateral securing DIP Facility Obligations received by Agent, shall be applied, so long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, to reduce the balance of the DIP Loans outstanding and, thereafter, to Borrower (to be wired to any account or accounts

located in the United States specified by Borrower) or such other Person entitled thereto under applicable law.

(ii) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, all payments in respect of DIP Facility Obligations and all proceeds of DIP Collateral securing the DIP Facility Obligations received by Agent shall be applied as follows:

(A) first, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent under the DIP Loan Documents in respect of the DIP Facility Obligations, until paid in full,

(B) second, to pay any fees then due to Agent under the DIP Loan Documents in respect of the DIP Facility Obligations, until paid in full,

(C) third, ratably, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the Lenders under the DIP Loan Documents in respect of the DIP Facility Obligations, until paid in full,

(D) fourth, ratably, to pay any fees or premiums then due to any of the Lenders under the DIP Loan Documents in respect of the DIP Facility Obligations, until paid in full,

(E) fifth, ratably, to pay interest accrued in respect of the DIP Loans, until paid in full,

(F) sixth, ratably, to pay the principal of all DIP Loans, until paid in full,

(G) seventh, ratably to pay any other DIP Facility Obligations, and

(H) eighth, to Borrower (to be wired to any account or accounts in the United States specified by Borrower) or such other Person entitled thereto under applicable law.

(iii) Agent promptly shall distribute to each Lender, pursuant to the applicable wire instructions received from each Lender in writing, such funds as it may be entitled to receive.

(iv) In each instance, so long as no Application Event has occurred and is continuing, Section 2.4(b)(i) shall not apply to any payment made by Borrower to Agent and specified by Borrower to be for the payment of specific DIP Facility Obligations then due and payable (or prepayable) under any provision of this Agreement or any other DIP Loan Document.

(v) For purposes of Section 2.4(b)(ii), “paid in full” of a type of DIP Facility Obligation means payment in Dollars in cash or immediately available funds of all amounts owing on account of such type of DIP Facility Obligation.

(vi) In the event of a direct conflict between the priority provisions of this Section 2.4 and any other provision contained in this Agreement or any other DIP Loan Document (excluding the Intercreditor Agreement, which shall control and govern in any event), it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, if the conflict relates to the provisions of this Section 2.4, then the terms and provisions of this Section 2.4 shall control and govern.

(c) **Optional Prepayments.** Borrower may prepay the principal of the DIP Loans at any time in whole or in part upon written notice, subject to the payment of any fees, premiums or other amounts owed under the Fee Letter and subject to any Funding Losses pursuant to Section 2.12(b)(ii), to Agent prior to 1:00 P.M., New York City time three Business Days prior to the date of prepayment (in the case of LIBOR Rate Loans), or prior to 1:00 P.M., New York City time at least one Business Day prior to the date of prepayment (in the case of Base Rate Loans). Such notice shall specify, in the case of any prepayment of DIP Loans, the date and amount of prepayment and whether the prepayment is of LIBOR Rate Loans or Base Rate Loans or a combination thereof, and, in each case if a combination thereof, the principal amount allocable to each. Any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by Borrower (by written notice to Agent on or prior to the specified effective date) if such condition is not satisfied. Upon the receipt of any such notice Agent shall promptly notify each affected Lender thereof. If any such notice is given and not revoked, the amount specified in such notice shall be due and payable on the date specified therein, together with (if a LIBOR Rate Loan is prepaid other than at the end of the Interest Period applicable thereto) any accrued and unpaid interest on the DIP Loans being repaid and amounts payable pursuant to Section 2.12(b)(ii). Any prepayment of LIBOR Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof; and any prepayment of Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Agent shall apply any such optional prepayment to the outstanding amount of DIP Loans.

(d) **Mandatory Prepayments.**

(i) **Repayment of DIP Loans.**

(A) Borrower hereby unconditionally promises to pay to Agent for the ratable account of each Lender the then unpaid principal amount of, and unpaid accrued interest on, each DIP Loan of such Lender made to Borrower, on the Maturity Date (or such earlier date on which the DIP Loans become due and payable pursuant to Section 9.1) in cash without further application to or order of the Bankruptcy

Court. Borrower hereby further agrees to pay interest in cash on the unpaid principal amount of such DIP Loans from time to time outstanding from the date hereof until payment in full thereof at the rates per annum, and on the dates, set forth herein.

- (B) Notwithstanding the foregoing Section 2.4(d)(i)(A), in lieu of any applicable portion of the cash payments otherwise owed to the Lenders with respect to the DIP Loans, the Lenders may receive non-cash consideration in the form of senior secured debt and equity in the reorganized Loan Parties on the Plan Effective Date of a confirmed Plan if a Plan as contemplated by the RSA is confirmed.

(ii) **Dispositions; Indebtedness; Extraordinary Receipts.** Subject to any provisions of the Intercreditor Agreement to the contrary, (x) Borrower shall, in accordance with Section 2.4(e), prepay the DIP Loans to the extent required by Section 2.4(b)(iii), (y) if on or after the Effective Date, Borrower or any of its Subsidiaries shall Incur Indebtedness for borrowed money (excluding Indebtedness permitted pursuant to Section 6.1), Borrower shall, in accordance with Section 2.4(e), prepay the DIP Loans in an amount equal to 100% of the Net Cash Proceeds thereof with such prepayment to be made on or before the fifth Business Day following notice given to each Lender of the Prepayment Date, as contemplated by Section 2.4(f), and (z) promptly upon receipt by any Loan Party of cash proceeds from any Extraordinary Receipt, Borrower shall prepay the DIP Loans in an aggregate amount equal to 100% of the Net Cash Proceeds of such Extraordinary Receipt in accordance with Section 2.4(e). Any prepayment pursuant to this Section 2.4(d)(ii) shall be accompanied by any accrued and unpaid interest on the DIP Loans being repaid and amounts payable pursuant to Section 2.12.

(iii) **Asset Dispositions.** Subject to any provisions of the Intercreditor Agreement to the contrary, in the event that on or after the Effective Date the Borrower or any Loan Party shall make an asset disposition of DIP Collateral that is not permitted by Section 6.4, or a Recovery Event in respect of DIP Collateral shall occur, an amount equal to 100% of the Net Cash Proceeds from such asset disposition or Recovery Event shall be applied by the Borrower (or any Loan Party, as the case may be) as follows: (x) to the extent such asset disposition or Recovery Event is an asset disposition or Recovery Event of assets that constitute DIP Collateral (other than ABL Priority Collateral), to prepay the DIP Loans in accordance with Section 2.4(d)(ii)(x) and (y) to the extent such asset disposition is an asset disposition of ABL Priority Collateral or assets that do not constitute DIP Collateral, subject to the terms of the DIP Orders and the Intercreditor Agreement, to prepay the DIP Loans in accordance with Section 2.4(d)(ii)(x); provided, however, that, so long as no Default or Event of Default has occurred and is continuing, Net Cash Proceeds from insurance or condemnation proceeds shall not be required to be applied to prepay the DIP Loans to the extent Borrower delivers to Agent a certificate stating that the Loan Parties intend to use such Net Cash Proceeds to acquire capital assets useful to the business of the Loan Parties within thirty (30) days of the receipt of such Net Cash Proceeds, it being expressly agreed that any Net Cash Proceeds not so reinvested shall be applied to prepay the DIP Loans immediately thereafter. Notwithstanding the foregoing, with respect to any Foreign Asset Sale, Borrower may elect in a written notice to Agent delivered not later than

when Borrower delivers the notice to Agent pursuant to Section 2.4(f) to reduce the amount of such prepayment by the amount of any Restricted Asset Sale Proceeds included in such Net Cash Proceeds; provided, that (i) if the amount of Restricted Asset Sale Proceeds is at any time, and from time to time, reduced either as a result of (x) the circumstances described in clause (a) of the definition thereof ceasing to apply, or (y) the elimination of a prohibition or a change in a restriction described in clause (b) of the definition thereof, Borrower shall repatriate the amount by which the Restricted Asset Sale Proceeds are reduced within five Business Days and apply such amount in accordance with this Section 2.4(d)(iii), and (ii) Borrower shall, and shall cause the applicable Foreign Subsidiary to, use its commercially reasonable efforts (including by taking all commercially reasonable actions required by the applicable law, rule, regulation or contract to permit such repatriation) to repatriate any amounts constituting Restricted Asset Sale Proceeds pursuant solely to clause (b) of the definition thereof as promptly as practicable following the date of such prepayment.

(e) **Mandatory Prepayment Application.** Each prepayment of DIP Loans pursuant to Section 2.4(d) shall be allocated pro rata among the DIP Loans. Amounts prepaid on account of DIP Loans pursuant to Sections 2.4(c) or (d) may not be reborrowed.

(f) **Mandatory Prepayment Notice.** Borrower shall give notice to Agent of any mandatory prepayment of the DIP Loans promptly (and in any event within five Business Days) upon becoming obligated to make such prepayment. Such notice shall state the date on which Borrower is offering to make or will make such mandatory prepayment (the “Prepayment Date”). Once given, such notice shall be irrevocable and all amounts subject to such notice shall be due and payable on the Prepayment Date. Upon receipt by Agent of such notice, Agent shall promptly give notice to each Lender of the prepayment and the Prepayment Date.

2.5 Promise to Pay; Promissory Notes.

(a) Subject to the DIP Order, Borrower agrees to pay the Lender Group Expenses owing by Borrower on the earlier of (i) the first Business Day of the month following the date on which the applicable Lender Group Expenses were first incurred or (ii) the date on which demand therefor is made by Agent. Borrower promises to pay all of the DIP Facility Obligations (including principal, interest, premiums, if any, fees, costs, and expenses (including Lender Group Expenses)) owing by Borrower in full on the Maturity Date or, if earlier, on the date on which such DIP Facility Obligations become due and payable pursuant to the terms of this Agreement. Borrower agrees that its obligations contained in the first sentence of this Section 2.5 shall survive payment or satisfaction in full of all other DIP Facility Obligations.

(b) Any Lender may request that any portion of its DIP Loans made by it be evidenced by one or more promissory notes. In such event, Borrower shall execute and deliver to such Lender the requested promissory notes payable to such Lender and its registered assigns in a form furnished by Agent and reasonably satisfactory to Borrower. Thereafter, the portion of the DIP Loans evidenced by such promissory notes and interest thereon shall at all times be represented by one or more promissory notes in such form payable to the payee named therein.

2.6 **Interest Rates: Rates, Payments, and Calculations.**

(a) **Interest Rates.** Except as provided in Section 2.6(c), (i) all LIBOR Rate Loans shall bear interest at a per annum rate equal to the LIBOR Rate plus 7.00% and (ii) all Base Rate Loans shall bear interest at a per annum rate equal to the Base Rate plus 6.00%.

(b) **[Intentionally Omitted].**

(c) **Default Rate.** Automatically upon the occurrence of an Event of Default described in Section 8.1, (x) all the DIP Loans shall bear interest at a default rate of interest equal to an additional 2.00% per annum over the rate otherwise applicable and (y) all other DIP Facility Obligations under the DIP Loan Documents that are past due shall bear interest at a default rate of interest equal to (I) in the case of past due interest, the default rate applicable to the DIP Loans giving rise to such interest and (II) in the case of all such other DIP Facility Obligations, the default rate applicable to Base Rate Loans whether or not such Base Rate Loans are actually outstanding at such time, and, in each case, all such interest will be payable on demand.

(d) **Payment.** Except to the extent provided to the contrary in Section 2.12(a), (i) all interest (other than interest due on LIBOR Rate Loans) shall be due and payable, in arrears, on the last Business Day of each calendar quarter, and (ii) all costs and expenses payable hereunder or under any of the other DIP Loan Documents and all Lender Group Expenses shall be due and payable on the earlier of (x) the first Business Day of the month following the date on which the applicable costs, expenses, or Lender Group Expenses were first incurred or (y) the date on which demand therefor is made by Agent. All interest in respect of LIBOR Rate Loans shall be due and payable as provided in Section 2.12(a)

(e) **Computation.** All interest and fees chargeable under the DIP Loan Documents shall be computed on the basis of a 360 day year, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue; provided that Base Rate Loans shall be calculated on the basis of a 365 day year (or a 366 day year, in the case of a leap year). In the event the Base Rate is changed from time to time hereafter, the rates of interest hereunder based upon the Base Rate automatically and immediately shall be increased or decreased by an amount equal to such change in the Base Rate.

(f) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement, plus any other amounts paid in connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrower and the Lender Group, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, that, anything contained herein to the contrary notwithstanding, if such rate or rates of interest or manner of payment exceeds the maximum allowable under applicable law, then, ipso facto, as of the date of this Agreement, Borrower is and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrower in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the applicable DIP Facility Obligations to the extent of such excess.

2.7 **Crediting Payments.** The receipt of any payment item by Agent shall not be required to be considered a payment on account unless such payment item is a wire transfer of immediately available federal funds in Dollars made to Agent's Account or unless and until such payment item is honored when presented for payment. Should any payment item not be honored when presented for payment, then Borrower shall be deemed not to have made such payment and interest shall be calculated accordingly. Anything to the contrary contained herein notwithstanding, any payment item shall be deemed received by Agent only if it is received into Agent's Account on a Business Day on or before 4:30 p.m. If any payment item is received into Agent's Account on a non-Business Day or after 4:30 p.m. on a Business Day (unless Agent, in its sole discretion, elects to credit it on the date received), it shall be deemed to have been received by Agent as of the opening of business on the immediately following Business Day.

2.8 **[Intentionally Omitted].**

2.9 **[Intentionally Omitted].**

2.10 **Fees.**

(a) Borrower shall pay to Agent and each Lender, as and when due and payable under the terms of the Fee Letter, the fees set forth in the Fee Letter.

(b) Borrower agrees to pay to the Agent, for the ratable benefit of the Lenders having DIP Loan Commitment exposure, a fee calculated at a rate per annum equal to 0.50% on the average daily unused portion of the DIP Loan Commitments, payable in arrears on the last Business Day of each calendar quarter.

2.11 **[Intentionally Omitted].**

2.12 **LIBOR Option.**

(a) **Interest and Interest Payment Dates.** In lieu of having interest charged at the rate based upon the Base Rate, Borrower shall have the option, subject to Section 2.12(b) below (the "LIBOR Option"), to have interest on all or a portion of the DIP Loans be charged (whether at the time when made (unless otherwise provided herein), upon conversion from a Base Rate Loan to a LIBOR Rate Loan, or upon continuation of a LIBOR Rate Loan as a LIBOR Rate Loan) at a rate of interest based upon the LIBOR Rate. Interest on LIBOR Rate Loans shall be payable on the earliest of (i) the last day of the Interest Period applicable thereto; provided that, subject to the following clauses (ii) and (iii), in the case of any Interest Period greater than 3 months in duration, interest shall be payable at 3 month intervals after the commencement of the applicable Interest Period and on the last day of such Interest Period, (ii) the date on which all or any portion of the DIP Facility Obligations are accelerated pursuant to the terms hereof, or (iii) the date on which this Agreement is terminated pursuant to the terms hereof. On the last day of each applicable Interest Period, unless Borrower has properly exercised the LIBOR Rate Option with respect thereto, the interest rate applicable to such LIBOR Rate Loan automatically shall convert to the rate of interest then applicable to Base Rate Loans of the same type hereunder. At any time that an Event of Default has occurred and is continuing, at the written election of Agent or the Required Lenders, Borrower no longer shall have the option to request that DIP Loans bear interest at a rate based upon the LIBOR Rate.

(b) **LIBOR Election.**

(i) Borrower may, at any time and from time to time, so long as Borrower has not received a notice from Agent (which notice Agent may elect to give or not give in its discretion unless Agent is directed to give such notice by the Required Lenders, in which case, it shall give the notice to Borrower), after the occurrence and during the continuance of an Event of Default, exercising Lenders' rights to terminate the right of Borrower to exercise the LIBOR Option during the continuance of such Event of Default, elect to exercise the LIBOR Option by notifying Agent prior to 1:00 p.m. at least 3 Business Days prior to the commencement of the proposed Interest Period (the "LIBOR Deadline"). The election of the LIBOR Option by Borrower for a permitted portion of its DIP Loans and an Interest Period pursuant to this Section shall be made by delivery to Agent of a LIBOR Notice received by Agent before the LIBOR Deadline, or by telephonic notice received by Agent before the LIBOR Deadline (to be confirmed by delivery to Agent of a LIBOR Notice received by Agent prior to 5:00 p.m. on the same day). Promptly upon its receipt of each such LIBOR Notice, Agent shall provide a copy thereof to each of the affected Lenders.

(ii) Each LIBOR Notice shall be irrevocable and binding on Borrower. In connection with each LIBOR Rate Loan, Borrower shall indemnify, defend, and hold Agent and the Lenders harmless against any loss, cost, or expense actually incurred by Agent or any Lender as a result of (A) the payment of any principal of such LIBOR Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (B) the conversion of such LIBOR Rate Loan other than on the last day of the Interest Period applicable thereto, or (C) the failure to borrow, convert, continue or prepay any LIBOR Rate Loan on the date specified in such LIBOR Notice delivered pursuant hereto (such losses, costs, or expenses, "Funding Losses"). A certificate of Agent or a Lender delivered to Borrower setting forth in reasonable detail any amount or amounts that Agent or such Lender is entitled to receive pursuant to this Section 2.12 shall be conclusive absent manifest error. Borrower shall pay such amount to Agent or the Lender, as applicable, within 30 days of the date of its receipt of such certificate.

(iii) Unless Agent, in its sole discretion, agrees otherwise, Borrower shall have not more than 10 LIBOR Rate Loans in effect at any given time. Borrower may only exercise the LIBOR Option for proposed LIBOR Rate Loans of at least \$1,000,000 (and in increments of \$500,000 in excess thereof).

(c) **Conversion.** Borrower may convert LIBOR Rate Loans to Base Rate Loans at any time by notifying Agent prior to 1:00 p.m. at least 3 Business Days prior to the date of the proposed conversion; provided that, in the event that LIBOR Rate Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any prepayment through the required application by Agent of any payments or proceeds of Collateral in accordance with Section 2.4(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the DIP Facility Obligations pursuant to the terms hereof, Borrower shall indemnify, defend, and hold Agent and the Lenders and their Participants harmless against any and all Funding Losses in accordance with Section 2.12 (b)(ii); provided, further, that any such conversions are subject to the minimum amounts set forth in clause (b)(iii) above.

(d) **Special Provisions Applicable to LIBOR Rate.**

(i) The LIBOR Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any Eurodollar deposits or increased costs, in each case, due to a Change in Law (including any Change in Law that subjects any Recipient to any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto) occurring subsequent to the commencement of the then applicable Interest Period, including any changes in the reserve requirements imposed by the Board of Governors, which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at the LIBOR Rate. In any such event, the affected Lender shall give Borrower and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrower may, by notice to such affected Lender (A) require such Lender to furnish to Borrower a statement setting forth in reasonable detail the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (B) repay the LIBOR Rate Loans of such Lender with respect to which such adjustment is made (together with any amounts due under Section 2.12(b)(ii)).

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

(e) **No Requirement of Matched Funding.** Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their respective Participants, is required actually to acquire Eurodollar deposits to fund or otherwise match fund any DIP Facility Obligation as to which interest accrues at the LIBOR Rate.

2.13 **Capital Requirements.**

(a) If, after the date hereof, any Lender determines that (i) any Change in Law regarding capital or reserve requirements for banks or bank holding companies, or (ii) compliance by such Lender, or their respective parent bank holding companies, with any guideline, request or directive of any Governmental Authority regarding capital adequacy or liquidity (whether or not having the force of law), has the effect of reducing the return on such Lender's, or such holding companies' capital as a consequence of such Lender's commitments hereunder to a level below that which such Lender, or such holding companies could have achieved but for such Change in Law or compliance (taking into consideration such Lender's, or

such holding companies' then existing policies with respect to capital adequacy or liquidity and assuming the full utilization of such entity's capital) by any amount deemed by such Lender to be material, then such Lender may notify Borrower and Agent thereof. Following receipt of such notice, Borrower agrees to pay such Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within 30 days after presentation by such Lender of a statement in the amount and setting forth in reasonable detail such Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent manifest error). In determining such amount, such Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that Borrower shall not be required to compensate a Lender pursuant to this Section for any reductions in return incurred more than 180 days prior to the date that such Lender notifies Borrower of such Change in Law giving rise to such reductions and of such Lender's intention to claim compensation therefor; provided further that if such claim arises by reason of the Change in Law that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(b) If any Lender requests additional or increased costs referred to in Section 2.12(d)(i) or amounts under Section 2.13(a) or sends a notice under Section 2.12(d)(ii) relative to changed circumstances (such Lender, an "Affected Lender"), then such Affected Lender shall use reasonable efforts to promptly designate a different one of its lending offices or to assign its rights and obligations hereunder to another of its offices or branches, if (i) in the reasonable judgment of such Affected Lender, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 2.12(d)(i) or Section 2.13(a), as applicable, or would eliminate the illegality or impracticality of funding or maintaining LIBOR Rate Loans and (ii) in the reasonable judgment of such Affected Lender, such designation or assignment would not subject it to any material unreimbursed cost or expense and would not otherwise be materially disadvantageous to it. Borrower agrees to pay all reasonable and documented out-of-pocket costs and expenses incurred by such Affected Lender in connection with any such designation or assignment. If, after such reasonable efforts, such Affected Lender does not so designate a different one of its lending offices or assign its rights to another of its offices or branches so as to eliminate Borrower's obligation to pay any future amounts to such Affected Lender pursuant to Section 2.12(d)(i) or Section 2.13(a), as applicable, or to enable Borrower to obtain LIBOR Rate Loans, then Borrower (without prejudice to any amounts then due to such Affected Lender under Section 2.12(d)(i) or Section 2.13(a), as applicable), may, unless prior to the effective date of any such assignment the Affected Lender withdraws its request for such additional amounts under Section 2.12(d)(i) or Section 2.13(a), as applicable, or indicates that it is no longer unlawful or impractical to fund or maintain LIBOR Rate Loans, may designate a substitute Lender reasonably acceptable to Agent to purchase the DIP Facility Obligations owed to such Affected Lender (and its Affiliates) and such Affected Lender's (and its Affiliates') commitments hereunder (a "Replacement Lender"), and if such Replacement Lender agrees to such purchase, such Affected Lender (and its Affiliates) shall assign to the Replacement Lender its DIP Facility Obligations and commitments, and upon such purchase by the Replacement Lender, which such Replacement Lender shall be deemed to be a "Lender" for purposes of this Agreement and such Affected Lender (and its Affiliates) shall cease to be a "Lender" for purposes of this Agreement.

(c) Notwithstanding anything herein to the contrary, the protection of Section 2.13 shall be available to each Lender regardless of any possible contention of the invalidity or inapplicability of the Change in Law which shall have occurred or been imposed, so long as it shall be customary for lenders affected thereby to comply therewith. Notwithstanding any other provision no Lender shall demand compensation pursuant to this Section 2.13 if it shall not at the time be the general policy or practice of such Lender to demand such compensation in similar circumstances under comparable provisions of other credit agreements, if any.

2.14 Superpriority Nature of DIP Facility Obligations and Agent' DIP Liens.

(a) The priority of Lenders' DIP Liens on the DIP Collateral owned by the Loan Parties shall be set forth in the Interim DIP Order and the Final DIP Order.

(b) Subject to the Carve-Out, all DIP Facility Obligations shall constitute administrative expenses of Borrower and Guarantors in the Chapter 11 Cases pursuant to Section 364(c) of the Bankruptcy Code with priority over all other claims and administrative expenses of the kinds specified in, or ordered pursuant to, Sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546(c), 726, 1114 or any other provision of the Bankruptcy Code, and shall at all times during the period that the DIP Loans remain outstanding, remain senior in priority to all other claims or administrative expenses (other than the Carve-Out and the ABL DIP Obligations, in each case to the extent as set forth in the DIP Orders) (the "DIP Superpriority Claim").

(c) The DIP Liens granted to Agent for the benefit of the Lenders on the DIP Collateral owned by Borrower and Guarantors shall be valid and perfected on the basis and with the priority set forth in the definition of "DIP Lien" herein and in the DIP Orders.

(d) The "Carve Out" has the meaning assigned to that term in the Interim DIP Order and the Final DIP Order, as applicable.

(e) Except as set forth herein or in the DIP Orders, no other claim having a priority superior or pari passu to that granted to the Agent and the Lenders by the DIP Orders shall be granted or approved while any DIP Facility Obligations under this Agreement remain outstanding. Except for the Carve-Out and subject to entry of the Final DIP Order, no costs or expenses of administration shall be imposed against the Agent, the Lenders or any of the DIP Collateral or any of the Pre-Petition Term Agent, the Pre-Petition Term Lenders or the Collateral (as defined in each of the Pre-Petition Term Facility Agreements) under Sections 105, 506(c) or 552 of the Bankruptcy Code, or otherwise, and each of the Loan Parties hereby waives for itself and on behalf of its estate in bankruptcy, any and all rights under sections 105, 506(c) or 552, or otherwise, to assert or impose or seek to assert or impose, any such costs or expenses of administration against Agent, Lenders or any of the DIP Collateral or any of the Pre-Petition Term Agent or the Pre-Petition Term Lenders.

2.15 No Discharge; Survival of Claims. Until payment in full of the DIP Loans and all other DIP Facility Obligations, each of the Borrower and the Guarantors agrees that (a) the DIP Facility Obligations hereunder shall not be discharged by the entry of an order confirming a plan of reorganization or liquidation in any Chapter 11 Case (and each of the Borrower and the Guarantors, pursuant to Section 1141(d)(4) of the Bankruptcy Code, hereby waives any such

discharge) and (b) the DIP Superpriority Claim and the DIP Liens granted to the Agent pursuant to the DIP Orders and described in this Section 2.15 shall not be affected in any manner by the entry of an order confirming a plan of reorganization or liquidation in any Chapter 11 Case.

2.16 **Waiver of any Priming Rights.** On and after the Effective Date, and on behalf of themselves and their estates, and for so long as any DIP Facility Obligations shall be outstanding, the Borrower and the Guarantors hereby irrevocably waive any right, pursuant to Sections 364(c) or 364(d) of the Bankruptcy Code or otherwise, to grant any Lien of equal or greater priority than the DIP Liens securing the DIP Facility Obligations, or to approve a claim of equal or greater priority than the DIP Facility Obligations, in each case other than as contemplated by the ABL DIP Facility Documents.

3. CONDITIONS; TERM OF AGREEMENT.

3.1 **Conditions Precedent to the Effective Date.** As a condition to the effectiveness of this Agreement and the availability of the Interim DIP Loan Commitment, each of the following documents (each in form and substance reasonably satisfactory to the Agent and the Required Lenders unless otherwise indicated) shall have been delivered to the Agent, and the following conditions shall have been satisfied:

(a) **Corporate Due Diligence.**

- (i) The Agent shall have received a certificate of corporate good standing issued by the Secretary of State of each State in which a Loan Party is organized dated as of a recent date prior to the Effective Date.
- (ii) The Agent shall have received a copy of the resolutions or equivalent action, in form and substance reasonably satisfactory to the Agent, of the Board of Directors of each Loan Party authorizing, as applicable, (i) the execution, delivery and performance of this Agreement and the other DIP Loan Documents to which it is or will be a party as of the Effective Date, (ii) the Extensions of Credit to such Loan Party (if any) contemplated hereunder and (iii) the granting by it of the DIP Liens to be created pursuant to the Security Documents to which it will be a party as of the Effective Date, certified by a Responsible Officer or other authorized representative of such Loan Party as of the Effective Date, and stating that the resolutions or other action thereby certified have not been amended, modified (except as any later such resolution or other action may modify any earlier such resolution or other action), superseded or revoked in any respect and are in full force and effect as of the Effective Date.
- (iii) The Agent shall have received a certificate of each Loan Party, dated as of the Effective Date, as to the incumbency and signature of the officers or other authorized signatories of such Loan Party

executing any DIP Loan Document with respect to such Loan Party on the Effective Date.

- (iv) The Agent shall have received copies of the Governing Documents of each Loan Party, in each case certified as of the Effective Date as true, correct and complete copies (as amended through the Effective Date) by (if applicable) the Secretary of State and a Responsible Officer.
- (v) The Agent shall have received the Initial Approved Budget attached hereto as Exhibit B-3.

(b) DIP Loan Documents. (A) All material documentation relating to the DIP Facility shall be in form and substance satisfactory to the Agent and the Lenders and their counsel and (B) the Agent shall have received the following DIP Loan Documents, executed and delivered as required below:

- (i) this Agreement, executed and delivered by a duly authorized officer of the Borrower;
- (ii) the Guaranty and Security Agreement;
- (iii) the Intercreditor Agreement; and
- (iv) the Fee Letter.

(c) Borrowing Notice. With respect to the Interim DIP Loans, the Agent shall have received a notice of such borrowing as required by Section 2.3(a) and an accompanying funds flow.

(d) The Related Transactions. The Related Transactions required to be performed on or prior to the Effective Date shall have been performed in a manner contemplated in the Related Agreements.

(e) Officers' Certificates. The Agent shall have received a certificate from the Borrower, dated the Effective Date, substantially in the form of Exhibit 3.1 hereto, with appropriate insertions and attachments.

(f) Representations and Warranties. Each of the representations made by or on behalf of the Loan Parties in this Agreement or in any of the other DIP Loan Documents or in any other report, statement, document, or paper provided by or on behalf of a Loan Party shall be true and complete in all material respects as of the date as of which such representation or warranty was made, except in the case of any representation and warranty qualified by materiality, they shall be true and correct in all respects.

(g) Litigation; Judgments. Other than the Chapter 11 Cases, or as stayed upon the commencement of the Chapter 11 Cases, there shall exist no action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or

Governmental Authority that (i) except as disclosed, if adversely determined, could reasonably be expected to result in a Material Adverse Effect or (ii) restrains, prevents, prohibits, restricts or imposes materially adverse conditions upon the DIP Facility, the DIP Collateral or the transactions contemplated hereby.

(h) Consents; Absence of Conflicts. Other than the DIP Orders, (i) all governmental and third party consents and approvals necessary in connection with the DIP Facility and the Related Transactions shall have been obtained (without the imposition of any conditions that are not acceptable to the Agent and the Required Lenders in their reasonable discretion) and shall remain in effect, and (ii) there shall not exist any law, regulation, ruling, judgment, order, injunction or other restraint that prohibits, restricts or imposes a materially adverse condition on the DIP Facility or the exercise by the Agent at the direction of the Required Lenders of its rights as a secured party with respect to the DIP Collateral.

(i) Cases. The Loan Parties shall have filed the Petitions with the Bankruptcy Court commencing the Chapter 11 Cases.

(j) Interim DIP Order and First Day Motions. The Agent shall have received a copy of the Interim DIP Order, which Interim DIP Order (i) shall have been entered on the docket of the Bankruptcy Court on or before the Effective Date and (ii) shall be in full force and effect and shall not have been vacated, stayed, reversed, modified or amended in any respect without the written consent of the Agent and the Required Lenders (such consent to be given in their sole discretion) and, if the Interim DIP Order is the subject of a pending appeal in any respect, neither the making of the Interim DIP Loans, nor the performance by the Loan Parties of any of their respective obligations hereunder, under the other DIP Loan Documents or under any other instrument or agreement referred to herein shall be the subject of a presently effective stay pending appeal. Such Interim DIP Order shall authorize and approve the DIP Loans, this Agreement and the DIP Loan Documents contemplated hereby and thereby. All “first day” motions to be filed with and submitted to the Bankruptcy Court on the Petition Date and related orders to be entered by the Bankruptcy Court shall be in form and substance reasonably satisfactory to the Agent and the Required Lenders.

(k) Motions and Documents. All material motions and other material documents to be filed with and submitted to the Bankruptcy Court related to the DIP Facility and the approval thereof shall be in form and substance reasonably satisfactory to the Agent and the Required Lenders.

(l) ABL DIP Facility Documents. The ABL DIP Facility Agreement and the other ABL DIP Facility Documents shall have been duly executed and delivered by the parties thereto, and shall be in full force and effect and shall be in form and substance reasonably satisfactory to the Agent and the Required Lenders.

(m) Validity and Priority of DIP Liens. Pursuant to the Interim DIP Order, the Agent, for the benefit of the Lenders, shall have a valid and perfected DIP Lien on and security interest in the DIP Collateral on the basis and with the priority set forth in the definition of “DIP Lien” herein and in the Interim DIP Order.

(n) Insurance. Upon request of the Agents, the Borrower shall obtain endorsements naming the Agent, on behalf of the Lenders, as an additional insured or loss payee, as applicable, under all insurance policies to be maintained with respect to the properties of the Loan Parties and their Subsidiaries forming part of the DIP Collateral, which endorsements shall provide for 30 days' (or 10 days for failure to pay premiums) prior notice of cancellation of such policies to be delivered to the Agent; provided that in the event such endorsements are not delivered on the Effective Date, Borrower shall provide such endorsements within thirty (30) days of the Effective Date.

(o) All Fees and Expenses Paid. All fees due at or immediately after the first funding under the DIP Facility and all reasonable and documented out-of-pocket costs, disbursements and expenses incurred by the Agent in connection with the establishment of the DIP Facility contemplated hereby, the Chapter 11 Cases and the Recognition Proceedings shall have been paid (to the extent then invoiced), including without limitation all reasonable and documented fees and out-of-pocket expenses of (i) the Agent's counsel, King & Spalding LLP, Agent's Canadian counsel, Blakes, Cassels & Graydon LLP, Agent's prior counsel, Winston & Strawn LLP, and, to the extent necessary, a firm of local counsel engaged by the Agent in connection with the Chapter 11 Cases, and (ii) any financial advisor retained by the Agent (if any).

(p) [reserved].

(q) RSA. The Agent shall have received an executed copy of the RSA, in form and substance satisfactory to the Agent and the Required Lenders.

(r) PATRIOT Act. The Agent and the Lenders shall have received at least one Business Day prior to the Effective Date all documentation and other information about the Loan Parties required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the PATRIOT Act that has been reasonably requested in writing at least 3 Business Days prior to the Effective Date.

(s) Investment Banker. The Loan Parties shall have filed an application seeking the retention of an investment banker reasonably acceptable to the Agent and the Required Lenders (it being understood that Houlihan Lokey is acceptable to the Agent and the Required Lenders).

3.2 Conditions Precedent to Funding on the Final Order Effective Date. As a condition to the availability of the Final DIP Loan Commitments on or after the Final Order Effective Date and the Budget Advance Date DIP Loans on the Budget Advance Date, the following conditions shall have been satisfied:

(a) Final DIP Order. The Agent and the Required Lenders shall have received a copy of the Final DIP Order, which Final DIP Order (i) shall have been entered on the docket of the Bankruptcy Court on or before the date that is 40 calendar days after the Petition Date and (ii) shall be in full force and effect and shall not have been vacated, stayed, reversed, modified or amended in any respect without the written consent of the Agent and the Required Lenders (such consent to be given in their sole discretion); and, if the Final DIP Order is the subject of a

pending appeal in any respect, neither the making of the Final DIP Loans, nor the performance by the Loan Parties of any of their respective obligations hereunder, under the other DIP Loan Documents or under any other instrument or agreement referred to herein shall be the subject of a presently effective stay pending appeal. Such Final DIP Order shall authorize and approve the DIP Loans, this Agreement and the DIP Loan Documents contemplated hereby and thereby. All material motions, material orders and other material documents to be filed with and submitted to the Bankruptcy Court in connection therewith shall be in form and substance reasonably satisfactory to the Agent and the Required Lenders.

(b) Insurance. The endorsements (if any) required under Section 3.1(n) shall have been delivered to the Agent.

3.3 Conditions to Each Extension of Credit. The agreement of each Lender to make any Extension of Credit requested to be made by it on any date (including the Effective Date, the Final Order Effective Date and the Budget Advance Date) is subject to the satisfaction or waiver of the following conditions precedent:

(a) Representations and Warranties. Each of the representations and warranties made by any Loan Party pursuant to this Agreement or any other DIP Loan Document (or in any amendment, modification or supplement hereto or thereto) to which it is a party, and each of the representations and warranties contained in any certificate furnished at any time by or on behalf of any Loan Party pursuant to this Agreement or any other DIP Loan Document shall, except to the extent that they relate to a particular date (in which case such representations and warranties shall be true and correct in all material respects on and as of such particular date), be true and correct in all material respects (without duplication of any materiality qualifier contained therein) on and as of such date as if made on and as of such date, in each case immediately prior to, and immediately after giving effect to, the funding of any DIP Loans.

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or immediately after giving effect to the Extensions of Credit requested to be made on such date.

(c) Notice. The Agent shall have received a notice of borrowing as required by Section 2.3(a).

(d) Law. Other than the DIP Orders, there shall not exist any law, regulation, ruling, judgment, order, injunction or other restraint that prohibits, restricts or imposes a materially adverse condition on the DIP Facility or the exercise by the Agent at the direction of the Lenders of its rights as a secured party with respect to the DIP Collateral.

(e) No MAE. Other than the commencement and continuation of the Chapter 11 Cases, no Material Adverse Effect shall have occurred.

(f) No injunction. The making of such DIP Loan shall not (i) violate any (x) applicable laws, rules, regulations, executive orders, or codes that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or (y) result in or cause a default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department,

commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect and (ii) not be enjoined temporarily, preliminarily or permanently.

(g) Compliance with Approved Budget. The use of proceeds of such DIP Loan giving effect to the application thereof on the date of such funding complies with the Approved Budget, subject to Permitted Variances, or has otherwise been approved in writing by the Agent (at the direction of the Required Lenders, in their sole discretion).

(h) DIP Orders. The DIP Orders, as applicable, shall have been entered by the Bankruptcy Court and shall be in full force and effect.

Each borrowing of DIP Loans by the Borrower hereunder shall constitute a representation and warranty by the Borrower as of the date of such borrowing that the conditions contained in this Section 3.3 have been satisfied.

4. REPRESENTATIONS AND WARRANTIES.

In order to induce the Lender Group to enter into this Agreement and to make the Extensions of Credit requested to be made by it on the Effective Date and the Final Order Effective Date, each of Parent and Borrower makes, as of the Effective Date, each of following representations and warranties to the Lender Group:

4.1 Due Organization and Qualification; Subsidiaries.

(a) Each Loan Party (i) is duly organized or incorporated and existing and in good standing (or, if such jurisdiction does not provide for good standing status, the equivalent status provided for in such jurisdiction) under the laws of the jurisdiction of its organization or incorporation, (ii) is qualified or registered to do business in any state, province or territory where the failure to be so qualified could reasonably be expected to result in a Material Adverse Effect, and (iii) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the DIP Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Other than as described on Schedule 4.1(b), as of the Effective Date, there are no subscriptions, options, warrants, or calls relating to any shares of Parent's Equity Interests, including any right of conversion or exchange under any outstanding security or other instrument. As of the Effective Date, other than pursuant to any equity compensation plan or arrangement benefiting, or pursuant to any agreement with, any current or former employer, officer, director or consultant of any Loan Party, Parent is not subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its Equity Interests or any security convertible into or exchangeable for any of its Equity Interests.

(c) As of the Effective Date, set forth on Schedule 4.1(c) is a complete and accurate list of Parent's Subsidiaries, showing: (i) the number of shares of each class of common and preferred Equity Interests authorized for each of such Subsidiaries, and (ii) the number and the percentage of the outstanding shares of each such class owned by Parent or a Subsidiary of

Parent. All of the outstanding Equity Interests of each such Subsidiary have been validly issued and are fully paid and non-assessable, to the extent applicable.

(d) As of the Effective Date, except as set forth on Schedule 4.1(d), there are no subscriptions, options, warrants, or calls relating to any shares of Parent's Subsidiaries' Equity Interests, including any right of conversion or exchange under any outstanding security or other instrument.

4.2 Due Authorization; No Conflict.

(a) Subject to the entry by the Bankruptcy Court of the Interim DIP Order and Final DIP Order, as applicable as to each Loan Party, the execution, delivery, and performance by such Loan Party of the DIP Loan Documents to which it is a party have been duly authorized by all necessary action on the part of such Loan Party.

(b) Subject to the entry by the Bankruptcy Court of the Interim DIP Order and Final DIP Order, as applicable, and as to each Loan Party, the execution, delivery, and performance by such Loan Party of the DIP Loan Documents to which it is a party do not and will not (i) violate any provision of federal, state, provincial, foreign or local law or regulation applicable to any Loan Party or its Subsidiaries or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries, where any such violation individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, (ii) violate the Governing Documents of any Loan Party or its Subsidiaries, (iii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any agreement of any Loan Party or its Subsidiaries where any such conflict, breach or default could individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (iv) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (v) require any approval of any holder of Equity Interests of a Loan Party or any approval or consent of any Person under any material agreement of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of material agreements, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to cause a Material Adverse Effect.

4.3 Governmental Consents. Subject to the entry by the Bankruptcy Court of the Interim DIP Order and Final DIP Order, as applicable, the execution, delivery, and performance by each Loan Party of the DIP Loan Documents to which such Loan Party is a party do not and will not require any registration with, consent, or approval of, or notice to, or other action with or by, any Governmental Authority, other than registrations, consents, approvals, notices or actions (i) that have been obtained and that are in force and effect (other than for filings and recordings with respect to DIP Collateral to be made, or otherwise delivered to the Agent for filing or recordation, as of the Effective Date), (ii) are necessary or advisable in connection with releasing existing liens or filing Agent's DIP Liens, or (iii) the failure of which to receive would not reasonably be expected to cause a Material Adverse Effect.

4.4 Binding Obligations. Subject to the entry by the Bankruptcy Court of the Interim DIP Order and Final DIP Order, each DIP Loan Document has been duly executed and

delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

4.5 **Title to Assets; No Encumbrances.** Each Loan Party has (a) good and sufficient legal title (in the case of any fee interest in Real Property), (b) valid leasehold interest in (in the case of leasehold interests in real or personal property), and (c) good and marketable title to (in the case of all other personal property) all of its material assets, in each case, free and clear of Liens except for Permitted Liens and, in the case of Real Property, minor defects in title that do not materially interfere with such Loan Party's ability to conduct its business or to utilize such assets for their intended purposes.

4.6 **Litigation.** Other than the filing, commencement and continuation of the Chapter 11 Cases and as listed on Schedule 4.6(a) and/or any litigation resulting therefrom, there are no actions, suits, or proceedings pending or, to the actual knowledge of Borrower or any Guarantor, threatened in writing against a Loan Party or any of its Subsidiaries that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect.

4.7 **Compliance with Laws.** Except as otherwise permitted by an order of the Bankruptcy Court, no Loan Party nor any of its Subsidiaries (a) is in violation of any applicable laws, rules, regulations, executive orders, or codes that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

4.8 **No Material Adverse Effect.** All financial statements (other than Projections, budgets, other forecasts and comparisons) relating to Loan Parties and their Subsidiaries that have been delivered by any Loan Party to the Lender Group have been prepared in accordance with GAAP (except, in the case of unaudited financial statements, for the lack of footnotes and being subject to year-end audit adjustments) and present fairly in all material respects, Loan Parties' and their Subsidiaries' (taken as a whole) financial condition as of the date thereof and results of operations for the period then ended. Except the filing, commencement and continuation of the Chapter 11 Cases and any litigation resulting therefrom, there has not been a Material Adverse Effect with respect to Loan Parties and their Subsidiaries since the Effective Date.

4.9 **No Default.** No Loan Party nor any of their Subsidiaries are in default under any of the DIP Loan Documents.

4.10 **Employee Benefits.**

(a) Except as set forth on Schedule 4.10, no Loan Party, nor any of their Subsidiaries, maintains or contributes to any Pension Plan or Multiemployer Plan.

(b) Each Loan Party has complied in all material respects with ERISA, the IRC and all applicable laws regarding each Employee Benefit Plan, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

(c) Each Employee Benefit Plan is, and has been, maintained in substantial compliance with ERISA, the IRC, all applicable laws and the terms of each such Employee Benefit Plan, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

(d) Except as could not reasonably be expected to result in a Material Adverse Effect, each Employee Benefit Plan that is intended to qualify under Section 401(a) of the IRC has received a favorable determination letter from the Internal Revenue Service or an application for such letter is currently being processed by the Internal Revenue Service, and nothing has occurred which could reasonably be expected to prevent, or cause the loss of, such qualification.

(e) Except as could not reasonably be expected to result in a Material Adverse Effect, no liability to the PBGC (other than for the payment of current premiums which are not past due) by any Loan Party or ERISA Affiliate has been incurred or is expected by any Loan Party or ERISA Affiliate to be incurred with respect to any Pension Plan.

(f) Except as could not reasonably be expected to result in a Material Adverse Effect, no Notification Event exists or has occurred in the past six (6) years.

(g) Except as could not reasonably be expected to result in a Material Adverse Effect, no Loan Party or ERISA Affiliate has provided any security under Section 436 of the IRC.

(h) Except as set forth on Schedule 4.10, no Loan Party, nor any of their Subsidiaries, maintains or contributes to any Canadian Pension Plan. No Loan Party, nor any of their Subsidiaries, maintains or contributes to any Canadian Defined Benefit Plan. Except as set forth on Schedule 4.10, as of the Effective Date, no Loan Party, nor any of their Subsidiaries, maintains or contributes to any material Canadian Benefits Plan. Each Loan Party has complied with the *Income Tax Act* (Canada) and all applicable laws regarding each Canadian Pension Plan or Canadian Benefits Plan, except in each case where the failure to do so could not reasonably be expected to result in a Material Adverse Effect. Each Canadian Pension Plan or Canadian Benefits Plan is, and has been maintained in compliance to the *Income Tax Act* (Canada), all applicable laws and the terms of each such Canadian Benefits Plan, except in each case where the failure to do so could not reasonably be expected to result in a Material Adverse Effect. No Loan Party, nor any of their Subsidiaries, has any liability for any Canadian Pension Plan or Canadian Benefits Plan which has been discontinued, except as could not reasonably be expected to result in a Material Adverse Effect.

4.11 **Environmental Condition.** Except as set forth on Schedule 4.11, (a) to Borrower's knowledge, none of Loan Parties' or their Subsidiaries' properties has ever been used by Loan Parties, their Subsidiaries, or, to Borrower's knowledge, by previous owners or operators in the disposal of, or to produce, store, handle, treat, release, or transport, any Hazardous Materials, where such use, disposal, production, storage, handling, treatment, or

release or transport was in violation of any applicable Environmental Law or resulted in an Environmental Action, except as would not reasonably be expected to result in a Material Adverse Effect, (b) to Borrower's knowledge, none of Loan Parties' nor their Subsidiaries' properties or assets has ever been designated or identified by a Governmental Authority pursuant to RCRA, CERCLA or any analogous statute as a Hazardous Materials disposal site or a site that requires Remedial Action, in either case that could reasonably be expected to result in a Material Adverse Effect, (c) no Environmental Lien (other than a Permitted Lien) has attached to any revenues of the Loan Parties or their Subsidiaries or to any Real Property owned by the Loan Parties or their Subsidiaries, or, to Borrower's knowledge, operated, but not owned, by Loan Parties or their Subsidiaries, (d) none of Loan Parties nor any of their Subsidiaries have received a summons, citation, written notice, or directive from the United States Environmental Protection Agency or any other federal (including the federal government of Canada), state or provincial governmental agency concerning any action or omission by any Loan Party or any Subsidiary of a Loan Party resulting in the releasing or disposing of Hazardous Materials into the environment which could reasonably be expected to result in a Material Adverse Effect, (e) each of the Loan Parties, their Subsidiaries, and their respective operations are and have at all times been in compliance with Environmental Laws, except as would not reasonably be expected to result in a Material Adverse Effect, (f) each of the Loan Parties and their Subsidiaries have obtained all permits, licenses, authorizations and approvals required under Environmental Law for the conduct of their business and operations (collectively, "Environmental Permits"), and are in compliance with the terms and conditions of such Environmental Permits, except as would not reasonably be expected to result in a Material Adverse Effect, and (g) none of the Loan Parties nor any of their Subsidiaries are subject to any Environmental Action or Environmental Liability, except as would not reasonably be expected to result in a Material Adverse Effect.

4.12 Complete Disclosure.

(a) As of the Effective Date, all written factual information (other than the projections, budgets, estimates, forward-looking statements, information of a general economic nature, general information about Borrower's industry or general market data) (when taken as a whole) furnished by or on behalf of Loan Parties in writing to Agent or any Lender (including all information contained in the Schedules hereto or in the other DIP Loan Documents) in or pursuant to this Agreement, the other DIP Loan Documents, or in connection with any transaction contemplated herein or therein, is (other than the projections, budgets, estimates, forward-looking statements, information of a general economic nature, general information about Borrower's industry or general market data) (when taken as a whole), and hereafter furnished by or on behalf of Loan Parties or their Subsidiaries in writing to Agent or any Lender will be, true and accurate in all material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided.

(b) The Initial Approved Budget and each Weekly Cash Flow Forecast delivered thereafter are prepared in good faith based upon estimates and assumptions believed by management of the Borrower to be reasonable and fair in light of current conditions and facts known to the Borrower at the time delivered (it being understood that such Approved Budget and

the Weekly Cash Flow Forecasts and the assumptions on which they were based, may or may not prove to be correct).

4.13 **Patriot Act; Foreign Corrupt Practices Act.** To the extent applicable, each Loan Party is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001) (the “Patriot Act”). No part of the proceeds of the loans made hereunder will be used by any Loan Party or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4.14 **Chapter 11 Cases.** The Chapter 11 Cases were commenced on the Petition Date in accordance with applicable law and proper notice has been or will be given of (i) the motion seeking approval of the DIP Loan Documents, the Interim DIP Order and the Final DIP Order, (ii) the hearing for the entry of the Interim DIP Order, and (iii) the hearing for the entry of the Final DIP Order, as applicable.

4.15 **Payment of Taxes.** All material tax returns and Tax reports of each Loan Party and its Subsidiaries required to be filed by any of them have been timely filed, and, except to the extent subject to the automatic stay in connection with the Chapter 11 Cases, all material Taxes that are due and payable and all material assessments, fees and other governmental charges upon a Loan Party and its Subsidiaries and upon their respective assets, income, businesses and franchises that are due and payable have been paid when due and payable unless subject to a Permitted Protest. Each Loan Party and each of its Subsidiaries have made adequate provision in accordance with GAAP for all material Taxes not yet due and payable. Neither Borrower nor any Guarantor knows of any proposed material Tax assessment against a Loan Party or any of its Subsidiaries that is not subject to a Permitted Protest.

4.16 **Margin Stock.** No Loan Party nor any of its Subsidiaries owns any Margin Stock or is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the loans made to Borrower will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors. Neither any Loan Party nor any of its Subsidiaries expects to acquire any Margin Stock.

4.17 **Governmental Regulation.** No Loan Party nor any of its Subsidiaries is subject to regulation under the Federal Power Act or the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Indebtedness or which may otherwise render all or any portion of the DIP Facility Obligations unenforceable. No Loan Party nor any of its Subsidiaries is a “registered investment company” or a company

“controlled” by a “registered investment company” or a “principal underwriter” of a “registered investment company” as such terms are defined in the Investment Company Act of 1940.

4.18 **OFAC.** No Loan Party nor any of its Subsidiaries is in violation of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party nor any of its Subsidiaries nor, to the knowledge of such Loan Party, any director, officer, employee, agent or Affiliate of such Loan Party or such Subsidiary (a) is a Sanctioned Person or a Sanctioned Entity, (b) has any assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity, in each case, that would constitute a violation of applicable Laws.

4.19 **Employee and Labor Matters.** (i) There is no unfair labor practice complaint pending or, to the knowledge of Borrower or any Guarantor, threatened against Parent or its Subsidiaries before any Governmental Authority and there is no grievance or arbitration proceeding pending or threatened against Parent or its Subsidiaries which arises out of or under any collective bargaining agreement except as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (ii) there is no strike, labor dispute, slowdown, stoppage or labor grievance pending or threatened in writing against Parent or its Subsidiaries that could reasonably be expected to result in a material liability, (iii) none of Parent or its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied, (iv) the hours worked and payments made to employees of Parent or its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements except to the extent such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, and (v) all payments due from Parent or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of Parent.

4.20 **[Reserved].**

4.21 **Broker Fees.** There are no brokerage commissions, finder’s fees or investment banking fees payable by Parent or any of its Affiliates in connection with any Transactions.

4.22 **Suppliers and Customers.** To the actual knowledge of the Loan Parties, there exists no actual or threatened in writing termination, cancellation, or limitation of or modification to or change to the business relationship between any Loan Party and any supplier or customer except to the extent such termination, cancellation, limitation, modification or change is not reasonably expected to have a Material Adverse Effect.

4.23 **Security Interest.** This Agreement and the Security Documents, including the DIP Orders, are effective to create in favor of the Agent, for the benefit of the Lenders, legal, valid, enforceable and continuing first priority Liens on, and security interests in, the DIP Collateral pledged hereunder or thereunder, in each case subject to no Liens other than Permitted Priority Liens with the relative priorities granted pursuant to the terms of the Intercreditor Agreement and the DIP Orders, as applicable. Pursuant to the terms of the DIP Orders, no filing

or other action will be necessary to perfect or protect such DIP Liens and security interests. Pursuant to and to the extent provided in the DIP Orders, the Indebtedness of the Loan Parties under this Agreement will constitute part of the DIP Superpriority Claim

4.24 **DIP Orders.** The Loan Parties are in compliance with the terms and conditions of the DIP Orders. Each of the Interim DIP Order (with respect to the period prior to the entry of the Final DIP Order) or the Final DIP Order (from after the date the Final DIP Order is entered) is in full force and effect and has not been vacated, reversed or rescinded without the prior written consent of the Agent and Required Lenders, in their sole discretion.

4.25 **Immaterial Subsidiaries.** As of the Effective Date, each of the Subsidiaries of Parent set forth on Schedule 4.25 have been designated as Immaterial Subsidiaries by Parent and each such Subsidiary satisfies the criteria for such designation.

4.26 **Intellectual Property.** All registered patents, patent applications, trademark registrations, trademark applications, service mark registrations, service mark applications, copyright registrations, copyright applications and tradename registrations owned by each Loan Party as of the Effective Date are set forth on Schedule 4.26 (as such Schedule 4.26 may be updated at any time upon written notice to Agent to reflect any such Intellectual Property (as defined below) acquired after the Effective Date). Each Loan Party and each of its Subsidiaries owns, or has the legal right to use, all United States and foreign patents, patent applications, trademarks, trademark applications, trade names, copyrights, technology, know-how and processes necessary for each of them to conduct its business as currently conducted (the "Intellectual Property") except as would not reasonably be expected to result in a Material Adverse Effect. Except as provided on Schedule 4.26, no claim has been asserted and is pending by any Person against any Loan Party or any of its Subsidiaries challenging or questioning the use of any such Intellectual Property or the validity or effectiveness of any such Intellectual Property, nor does the Borrower know of any such claim, and, to the knowledge of the Borrower, the use of such Intellectual Property by the Loan Parties and their Subsidiaries does not infringe on the rights of any Person, except for such claims and infringements which in the aggregate would not reasonably be expected to be materially adverse to the Lenders.

4.27 **Insurance.** All properties of each Loan Party and its Subsidiaries are insured to the extent required by Section 5.6. Schedule 4.27 sets forth a description of such insurance as of the Effective Date.

4.28 **Purpose of DIP Loans.** The proceeds of DIP Loans shall be used by the Borrower only for the following purposes, in each case in accordance with and subject to compliance with Section 6.19 and the DIP Orders (except as otherwise agreed by the Agent and the Required Lenders): (i) working capital and general corporate purposes of the Loan Parties, (ii) to fund the costs of the administration of the Chapter 11 Cases and the consummation of the Plan under the Bankruptcy Code, (iii) to fund interest, fees, and other payments contemplated in respect of this Agreement and the other DIP Loan Documents, and (iv) to fund allowed administrative expenses incurred during the Chapter 11 Cases.

5. AFFIRMATIVE COVENANTS.

Each of Parent and Borrower covenants and agrees that, until termination of all of the DIP Loan Commitments and payment in full of the DIP Facility Obligations:

5.1 **Financial Statements.** Borrower will deliver to Agent, which shall furnish to each Lender, each of the following:

(a) [reserved];

(b) [reserved];

(c) as soon as available, but in any event no later than 30 days after the end of each fiscal month of each year, an unaudited consolidated balance sheet, income statement, and statement of cash flow covering Parent's and its Subsidiaries' operations during such period, together with a report setting forth comparisons to the corresponding figures for the corresponding periods of the applicable month and year to date period for the previous year and applicable month and year to date period set forth in the Projections; and

(d) all such financial statements delivered pursuant to Section 5.1(c) shall be certified by a Responsible Officer of the Parent to fairly present in all material respects the financial condition of the Parent and its Subsidiaries in conformity with GAAP and to be (and, in the case of any financial statements delivered pursuant to Section 5.1(c) shall be certified by a Responsible Officer of the Parent as being) in reasonable detail and prepared in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods that began on or after the Effective Date (except, in the case of any financial statements delivered pursuant to Section 5.1(c), for the absence of certain footnotes).

5.2 **Reporting; Certificates; Other Information.** Furnish to the Agent for delivery to each Lender:

(a) following the delivery of the Initial Approved Budget on the Effective Date, (i) by 12:00 p.m. New York City time on the third Friday following the Petition Date and by 12:00 p.m. New York City time on the Friday that is every two weeks thereafter through the Life of the Case, the Borrower shall provide the Agent with an updated cash flow forecast for the Loan Parties and their Subsidiaries, with line item detail of projected sales, disbursements, collections, net cash flow, the outstanding amount of Revolving Loans (as defined in the ABL DIP Facility Documents) and the other items set forth in the Initial Approved Budget for the then-upcoming seventeen (17) week period (or such shorter, or longer, period, as applicable, to coincide with the Life of the Case), in each case, in substance reasonably satisfactory (such satisfaction not to be unreasonably withheld, delayed or conditioned) to and approved by the Agent and substantially consistent with the form of the Initial Approved Budget delivered on the Effective Date (the "Weekly Cash Flow Forecast"); (ii) by 12:00 p.m. New York City time beginning on the third Friday following the Petition Date, and by 12:00 p.m. New York City time on the Friday of each two-week period thereafter, a variance report (the "Variance Report") setting forth, on a consolidated basis, actual cumulative aggregate cash receipts, disbursements and cash flows of the Loan Parties for the most recent three- or two-week period (as applicable) covered by such Variance Report and setting forth all the variances, on a line-item and aggregate

basis, from the amount set forth for such period as compared to the Initial Approved Budget or the most recently Approved Budget delivered prior to such Variance Report on a weekly and cumulative basis for the period from the first week commencing after the Petition Date through the end of the week in regard to which such variance report is being delivered (which shall not exceed what is permitted by the Permitted Variance), and each such Variance Report shall include explanations for all material variances for the most recent three- or two-week period in regard to which such variance report is being delivered and shall be certified by a Financial Officer of the Loan Parties, and (iii) deliver to Agent and Lenders, on at least a bi-weekly (i.e., once every two weeks) basis, a written narrative report of the key performance metrics monitored by management of the Loan Parties regarding the business of the Borrowers and their Subsidiaries, in each case in a form reasonably acceptable to the Agent.

(b) concurrently with the delivery of the financial statements and reports referred to in Section 5.1(c), a certificate signed by a Financial Officer of the Borrower (a “Compliance Certificate”), substantially in the form of Exhibit 5.2(b), stating that, to the best of such Financial Officer’s knowledge, each of the Parent and its Subsidiaries during such period has observed or performed all of its covenants and other agreements, and satisfied every condition, contained in this Agreement or the other DIP Loan Documents to which it is a party to be observed, performed or satisfied by it, and that such Financial Officer has obtained no knowledge of any Default or Event of Default, except, in each case, as specified in such certificate.

(c) [reserved].

(d) As soon as possible and in event later than 3 Business Days after Parent or any of its Subsidiaries has knowledge of (i) any event or condition that constitutes a Default or an Event of Default under this Agreement, (ii) any default or event of default under the Pre-Petition Term Facility, the Senior ABL Facility, or the ABL DIP Facility, or (iii) any payment default with respect to other obligations in excess of \$100,000 that constitute an administrative expense.

(e) within 5 days after Parent or any of its Subsidiaries has knowledge thereof

- (i) notice of any pending or threatened labor dispute, strike, walkout, or union organizing activity with respect to any employees of Parent or any of its Subsidiaries which could reasonably be expected to result in a Material Adverse Effect;
- (ii) notice of (i) any material default by Parent or any of its Subsidiaries under or (ii) termination of any material contracts, in each case, which could reasonably be expected to result in a Material Adverse Effect;
- (iii) [reserved];
- (iv) any amendment, supplement or other modification to the ABL DIP Facility Documents; and

(v) copies of any financial statements or other reports sent to public security holders or filed with the SEC, and copies of any registrations or amendments (including any registration statements and amendments thereto) filed with the SEC.

(f) [reserved].

(g) Except as otherwise provided in Section 5.9(d), within 10 days of receipt by Parent or any of its Subsidiaries, notice of receipt by Parent or any of its Subsidiaries from any local, state or federal authority advising such Person of any Environmental Liability arising from such Person's operations, its premises, its waste disposal practices, or waste disposal sites used by such Person, which Environmental Liability would reasonably be expected to result in a Material Adverse Effect.

(h) On a quarterly basis with the delivery of a Compliance Certificate pursuant to Section 5.2(b) (or, if an Event of Default has occurred and is continuing, more frequently if requested by Agent), a written report regarding Intellectual Property in accordance with Section 7(g)(v) of the Guaranty and Security Agreement.

(i) Concurrently with the delivery by any Loan Party or promptly upon receipt by any Loan Party, as applicable, (i) such collateral reports, certificates and other information delivered pursuant to the ABL DIP Facility Agreement and (ii) any appraisal or field exam prepared in connection with the ABL DIP Facility Agreement.

(j) Upon request by Agent or any Lender, such other reports as to the DIP Collateral or the financial condition of Parent or any of its Subsidiaries, as Agent or such Lender may reasonably request (it being agreed, without limitation, that any such request made following the occurrence and during the continuation of an Event of Default shall be deemed reasonable for purposes of this Section 5.2(j)).

(k) For so long any Small Business Investment Company that becomes a Lender on or after the Effective Date is a Lender, within thirty (30) days of its request, Borrowers shall provide to any such Lender such forms and financial and other information with respect to any business or financial condition of the Loan Parties and their Subsidiaries required by the SBA, including, but not limited to, (i) forms and information with respect to such Lender's reporting requirements under SBA Form 468, (ii) information regarding the full-time equivalent jobs created or retained in connection with such Lender's investment in Loan Parties, the impact of the financing on Loan Parties' business in terms of revenues and profits and on taxes paid by Loan Parties and their employees and (iii) a list of Lenders (other than such Lender).

Documents required to be delivered pursuant to Sections 5.1(c), 5.2(a), 5.2(b), 5.2(c), 5.2(d), 5.2(e), 5.2(f) or 5.2(g) may at the Borrower's option be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which Borrower delivers such documents by electronic mail to the Agent or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender

and each Agent have access (whether a commercial, third party website or whether sponsored by the Agent).

5.3 Maintenance of Existence and Conduct of Business.

(a) Except as otherwise permitted by Sections 6.3 and 6.4, Parent will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect each Loan Party's and each Loan Party's Subsidiaries' valid existence and good standing (or, if such jurisdiction does not provide for good standing status, the equivalent status provided for in such jurisdiction) and governmental and similar rights, permits, licenses, authorizations or other approvals and franchises, in each case, if the failure to do so could reasonably be expected to result in a Material Adverse Effect.

(b) Parent will, and will cause each of its Subsidiaries to, (i) take all reasonable actions to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of the business of the Parent and its Subsidiaries, taken as a whole, including all licenses, patents, copyrights, design rights, tradenames, trade secrets and trademarks and take all actions necessary to enforce and protect the validity of any intellectual property right or other right included in the DIP Collateral to the extent that failure to comply therewith, in the aggregate, would not reasonably be expected to be adverse to the Lenders or any Loan Party in any material respect; (ii) maintain a cash management system substantially as in effect on the Petition Date, and (iii) in accordance with the Bankruptcy Code and subject to any required approval by any applicable order of the Bankruptcy Court, comply with all post-petition Contractual Obligations and Contractual Obligations entered into prior to the Petition Date and assumed except to the extent that failure to comply therewith, in the aggregate, would not reasonably be expected to be adverse to the Lenders or any Loan Party in any material respect.

5.4 Maintenance of Properties. Parent will, and will cause each of its Subsidiaries to, maintain and preserve all of their properties which are necessary in the proper conduct of their business in working order and condition in the ordinary course of business, ordinary wear, tear, and damage by casualty and condemnation and Permitted Dispositions excepted (and except where the failure to do so could not be expected to result in a Material Adverse Effect).

5.5 Taxes. Parent will, and will cause each of its Subsidiaries to, timely file all material tax returns and pay in full before delinquency or before the expiration of any extension period (including any extension by virtue of the Chapter 11 Cases) relating to the payment of all material governmental assessments and Taxes with respect to periods after the Petition Date whether real, personal or otherwise, due and payable by, or imposed, levied, or assessed against it, or any of its assets, including all amounts reflected on its material tax returns, except to the extent that the validity of such governmental assessment or Tax is the subject of a Permitted Protest.

5.6 Insurance. Parent will, and will cause each of its Subsidiaries to, at Borrower's expense, (a) maintain insurance respecting each of Parent's and its Subsidiaries' assets wherever located, covering liabilities, losses or damages, in each case, as are customarily insured against by other Persons engaged in the same or similar businesses and similarly situated and located. All such policies of insurance shall be with financially sound and reputable insurance companies

reasonably acceptable to Agent and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and, in any event, in amount, adequacy, and scope reasonably satisfactory to Agent (it being agreed that the amount, adequacy, and scope of the policies of insurance of Borrower in effect as of the Effective Date are acceptable to Agent). All property insurance policies covering the Collateral are to be made payable to Agent for the benefit of Agent and the Lenders, as their interests may appear, in case of loss, pursuant to a standard loss payable endorsement with a standard non-contributory "lender" or "secured party" clause and are to contain such other provisions as Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Agent, with the loss payable (but only in respect of Collateral) and additional insured endorsements in favor of Agent and shall provide for not less than 30 days (10 days in the case of non-payment) prior written notice to Agent of the exercise of any right of cancellation. If Parent or its Subsidiaries fail to maintain such insurance, Agent may arrange for such insurance, but at Borrower's expense and without any responsibility on Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Borrower shall give Agent prompt notice of any loss exceeding \$500,000 covered by its or its Subsidiaries' casualty or business interruption insurance. Upon the occurrence and during the continuance of an Event of Default, Agent shall have the right to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

5.7 **Inspection.** Parent will, and will cause each of its Subsidiaries to, permit Agent, any Lender (so long as such Lender accompanies Agent), and each of their respective duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees (provided an authorized representative of Borrower shall be allowed to be present) at such reasonable times and intervals as Agent, as applicable, may designate and, so long as no Default or Event of Default has occurred and is continuing, with reasonable prior notice to Borrower and during regular business hours; provided, that so long as no Event of Default shall have occurred and be continuing, Borrower shall not be obligated to reimburse Agent for more than one (1) inspection during any calendar year. Notwithstanding anything to the contrary in this Section 5.7, none of Parent or any of its Subsidiaries will be required to disclose any such information to the extent that (i) such disclosure would in the good faith determination of Borrower (based on the advice of counsel) violate attorney-client privilege or is otherwise prohibited by law or fiduciary duty, (ii) such information constitutes attorney work, or (iii) such information is subject to confidentiality obligations to a third party (not entered into in contemplation thereof and for which Borrower is using commercially reasonable efforts to lift such confidentiality restrictions) and Agent or the Lenders (as applicable) have not executed any necessary confidentiality agreements or non-reliance letters with respect thereto.

5.8 **Compliance with Laws.** Parent will, and will cause each of its Subsidiaries to, comply with the requirements of all applicable laws, rules, regulations, and orders of any

Governmental Authority, other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

5.9 **Environmental.** Parent will, and will cause each of its Subsidiaries to,

(a) keep (i) any real property that any Loan Party owns free of any Environmental Liens, other than Permitted Liens, and (ii) any real property that any Loan Party leases or operates free of any Environmental Liens, other than Permitted Liens, except in the case of each of clauses (i) and (ii) above with respect to any such Environmental Lien that could not reasonably be expected to result in a Material Adverse Effect, or where the Loan Party has posted bonds or other financial assurances sufficient to satisfy the obligations or liability evidenced by any such Environmental Liens,

(b) comply, in all respects, with Environmental Laws, obtain and maintain in full force and effect all Environmental Permits and provide to Agent documentation of any compliance or non-compliance with Environmental Laws which Agent reasonably requests, except, in each case, for any such compliance or non-compliance or failure to comply, obtain or maintain that could not reasonably be expected to result in a Material Adverse Effect,

(c) promptly notify Agent of any release of a Hazardous Material in any reportable quantity from or onto real property owned, leased or operated by any Loan Party and take any Remedial Actions with respect to such releases required to come into compliance with applicable Environmental Law, except with respect to any such releases that would not reasonably be expected to result in a Material Adverse Effect, and

(d) promptly, but in any event within 15 Business Days of its receipt thereof, provide Agent with written notice of any of the following: (i) written notice that an Environmental Lien (other than a Permitted Lien) has been filed against any of the real or personal property of any Loan Party, (ii) written notice of commencement of any Environmental Action or written notice that an Environmental Action will be filed against any Loan Party which Environmental Action could reasonably be expected to result in a Material Adverse Effect, and (iii) written notice of a violation, citation, or other administrative order arising under Environmental Laws with respect to a Loan Party, its operations or any of the real property owned, leased or operated by a Loan Party or for which a Loan Party may be liable, which could reasonably be expected to result in a Material Adverse Effect, and, in each case, to the extent failure to do so could reasonably be expected to cause a Material Adverse Effect, promptly take all action required to address and resolve such Environmental Lien, Environmental Action, violation, citation or other administrative order.

5.10 **Disclosure Updates.** Borrower will, promptly and in no event later than 10 Business Days after obtaining knowledge thereof, notify Agent if any written information, exhibit, or report furnished to the Lender Group (other than the projections, budgets, estimates, forward-looking statements, information of a general economic nature, general information about Borrower's industry or general market data), at the time it was furnished (and when taken as a whole), contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements contained therein (when taken as a whole) not materially

misleading in light of the circumstances in which made. The foregoing to the contrary notwithstanding, any notification pursuant to the foregoing provision will not cure or remedy the effect of the prior untrue statement of a material fact or omission of any material fact nor shall any such notification have the effect of amending or modifying this Agreement or any of the Schedules hereto.

5.11 **[Reserved]**.

5.12 **Further Assurances.** Subject to the limitations and exceptions on creation and perfection set forth herein and in the DIP Orders and the other DIP Loan Documents, Parent will, and will cause each of the other Loan Parties to, at any time upon the reasonable request of Agent, execute or deliver to Agent any and all financing statements, fixture filings, security agreements, pledges, assignments, mortgages, deeds of trust, opinions of counsel, and all other documents (the "Additional Documents") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect (unless perfection is not required by the DIP Loan Documents), and continue perfected (unless perfection is not required by the DIP Loan Documents) or to better perfect (unless perfection is not required by the DIP Loan Documents) Agent's DIP Liens in all of the assets of the Loan Parties, other than Excluded Collateral (whether now owned or hereafter arising or acquired, tangible or intangible, real or personal), to create and perfect DIP Liens (subject to Permitted Liens) in favor of Agent in any Real Property acquired in fee by any Loan Party that is also subject to perfected Liens securing the ABL DIP Facility (or, if the ABL DIP Facility has been paid in full, to the extent such Real Property has a fair market value greater than \$1,000,000), and in order to fully consummate all of the transactions contemplated hereby and under the other Loan Documents; provided that (i) the foregoing shall not apply to any Excluded Subsidiary, (ii) no action in any jurisdiction outside of the United States and Canada or required by the laws of any jurisdiction outside of the United States and Canada shall be required in order to create any security interests in assets located or titled outside of the United States or Canada or to perfect any security interests therein (it being understood that there shall be no security agreements or pledge agreements governed under the laws of any jurisdiction outside of the United States and Canada), (iii) no action shall be required to perfect security interests in aircraft, railcars and other assets perfected under a federal filing system (other than intellectual property), and (iv) no action shall be required to perfect any DIP Collateral as to which Agent agrees that the costs of taking such actions are excessive in relation to the benefit to the Lenders of the security to be afforded thereby (the foregoing clauses (i) through (iv) collectively, the "Excluded Actions"). Notwithstanding anything herein or in any other DIP Loan Document to the contrary, the Loan Parties shall not be required to obtain or deliver any consents or approvals from any applicable Chinese Governmental Authority in connection with its 65% pledge of the Equity Interests of Hollander China or PCF (Shanghai) Quality Management Consulting Co., Ltd. To the maximum extent permitted by applicable law, if any Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time following the request to do so and receipt of execution versions of such Additional Documents, each Loan Party hereby authorizes Agent to execute any such Additional Documents in the applicable Loan Party's name and authorizes Agent to file such executed Additional Documents in any appropriate filing office. In furtherance of, and not in limitation of, the foregoing, each Loan Party shall take such actions as Agent may reasonably request from time to time to ensure that the DIP Facility Obligations are guaranteed by the Guarantors and are secured by substantially

all of the assets of Parent and its Subsidiaries, including all of the outstanding capital Equity Interests of Borrowers and Borrowers' Subsidiaries (subject to exceptions and limitations contained herein and in the other DIP Loan Documents on creation and perfection, including, in so far as the DIP Facility Obligations are concerned, with respect to any Subsidiary described in clause (d) of the definition of Excluded Subsidiary). Notwithstanding anything herein to the contrary, (i) none of the Borrowers shall be required to make any filing or recording in connection with any intellectual property with any jurisdiction outside the United States or Canada, and (ii) the Agent and Lenders agree that they will not require the filing of any mortgages or entry into any control agreements (other than in respect of the TL Deposit Account pursuant to Section 5.19) with respect to the Collateral on the Effective Date, it being understood and agreed that the Required Lenders may, in their reasonable discretion, at any time after the Effective Date require the satisfaction of any requirements for the granting or perfection of liens required or desirable pursuant to any foreign applicable laws, provided, however, that (x) the Loan Parties shall be given a reasonable amount of time to satisfy such requirements and (y) no such request will be made to the extent the costs and burden of doing so reasonably outweigh the benefits to be gained as reasonably determined by the Required Lenders.

5.13 Compliance with ERISA and the IRC. In addition to and without limiting the generality of Section 5.8, Parent will and will cause each of its Subsidiaries to, (a) comply with applicable provisions of ERISA and the IRC with respect to all Employee Benefit Plans except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect, (b) without the prior written consent of Agent and the Required Lenders, not take any action or fail to take action which could reasonably be expected to result in a Loan Party or ERISA Affiliate incurring a liability to the PBGC or to a Multiemployer Plan (other than to pay contributions or premiums payable in the ordinary course) that could reasonably be expected to result in a Material Adverse Effect, (c) not allow any facts or circumstances to exist with respect to one or more Employee Benefit Plans that, in the aggregate, reasonably could be expected to result in a Material Adverse Effect, (d) not participate in any prohibited transaction that could result in a civil penalty excise tax, fiduciary liability or correction obligation under ERISA or the IRC that could reasonably be expected to result in a Material Adverse Effect, (e) operate each Employee Benefit Plan in such a manner that will not incur any tax liability under the IRC (including Section 4980B of the IRC) except where failure to do so could not reasonably be expected to result in a Material Adverse Effect, and (f) furnish to Agent upon Agent's written request such additional information about any Employee Benefit Plan for which any Loan Party or ERISA Affiliate could reasonably expect to incur any liability that could reasonably be expected to result in a Material Adverse Effect. With respect to each Pension Plan (other than a Multiemployer Plan) except as could not reasonably be expected to result in a Material Adverse Effect, the Loan Parties shall (i) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any Lien, all of the material contribution and funding requirements of the IRC and of ERISA, and (ii) pay, or cause to be paid, to the PBGC in a timely manner, without incurring any material late payment or underpayment charge or penalty, all premiums required pursuant to ERISA.

5.14 Pre-Petition Credit Enhancements. If any Pre-Petition Term Agent or Pre-Petition Term Lender, in its capacity as such, or if the Senior ABL Facility Agent or any Senior ABL Facility Lender receives any additional guaranty after the date hereof (other than from Canadian Loan Parties (as defined in the ABL DIP Facility Agreement as in effect on the date

hereof)), the Borrower shall cause the same to be granted to the Agent, for its own benefit and the benefit of the Secured Parties (subject to the DIP Orders).

5.15 **Bankruptcy Covenants.** Notwithstanding anything in the DIP Loan Documents to the contrary, the Loan Parties shall comply with all material covenants, terms and conditions and otherwise perform all obligations set forth in the DIP Orders.

5.16 **Chapter 11 Cases.**

(a) **Chapter 11 Case Documents and Notices.** Each Loan Party shall deliver or cause to be delivered for review and comment, as soon as commercially reasonable, all material pleadings, motions and other documents (provided that any of the foregoing relating to the DIP Facility shall be deemed material) to be filed on behalf of the Loan Parties with the Bankruptcy Court to the Agent and its counsel. If not otherwise provided by the Bankruptcy Court's electronic docketing system, the Borrower shall provide (x) copies to the Agent of all pleadings, motions, applications, judicial information, financial information and other documents filed by or on behalf of the Loan Parties with the Bankruptcy Court, distributed by or on behalf of the Loan Parties to any Committee, filed with respect to the Chapter 11 Cases or filed with respect to any DIP Loan Document and (y) such other reports and information as the Agent may, from time to time, reasonably request. In connection with the Chapter 11 Cases, the Loan Parties shall give the proper notice for (x) the motions seeking approval of the DIP Loan Documents and the DIP Orders and (y) the hearings for the approval of the DIP Orders. The Borrower and the other Loan Parties shall give, on a timely basis as specified in the DIP Orders, all notices required to be given to all parties specified in the DIP Orders. The Borrower and the other Loan Parties shall use reasonable best efforts to obtain the Final DIP Order.

(b) **Progress Calls.** Starting in the first week following the Effective Date, and thereafter every other week until the payment in full in cash of the DIP Facility Obligations, Borrower and the Financial Advisor will participate in a conference call with the Agent and the Lenders and their representatives, consultants, and agents, at such mutually convenient dates and times to be proposed by Agent upon reasonable notice, and will use commercially reasonable efforts to cause available senior members of management and any investment bankers and other advisors of Parent and its Subsidiaries, as applicable or as requested by Agent or such Lenders, and solely to the extent reasonably requested by Agent, one or more members of the board of directors of Parent and its Subsidiaries, to participate in such calls for the purpose of discussing the status of the financial, collateral, and operational condition, businesses, liabilities, assets, and prospects of the Borrower and their Subsidiaries and any sale, refinance or other strategic transaction efforts; provided, that the Borrower acknowledges that such calls scheduled as frequently as once per week shall not be unreasonable. Upon Agent's reasonable request, and subject to any confidentiality restrictions, the Parent and its Subsidiaries shall promptly provide copies of all non-privileged material written materials and reports (in each case excluding drafts) produced by Parent and its Subsidiaries and shared with third parties in connection with any sale, refinance, or other strategic transaction efforts, and any written indications of interest, letters of intent and commitment letters received by Parent and its Subsidiaries relating to such sale, refinance, or other strategic transaction efforts of the Parent and its Subsidiaries; provided, that such materials may be redacted to the extent information contained therein would adversely affect any attorney-client privilege or accountant-client privilege, and further provided that only

final versions of such documents shall be provided. Without limiting the foregoing, Borrower agrees to notify Agent promptly upon Borrower becoming aware of any material change or development relating to any sale or refinance efforts or to the financial, collateral, or operational condition, businesses, assets, liabilities, or prospects of such Borrower, any of its Affiliates, or any of their respective Subsidiaries.

(c) Restructuring Proposals. Each Loan Party shall promptly deliver or cause to be delivered to the Agent and the Lenders copies of any term sheets, proposals, or presentations from any party, related to (i) the restructuring of the Loan Parties, or (ii) the sale of assets of one or all of the Loan Parties.

(d) Advisors. The Loan Parties shall continue to retain the Financial Advisor. The Loan Parties shall allow the Agent and the Lenders access to, upon reasonable notice during normal business hours in a time and manner (and with a frequency) to minimize disruption to the Loan Parties, the Financial Advisor and any other third party advisors of the Loan Parties, as applicable.

(e) Repayment of Indebtedness. Except to the extent permitted hereunder, under the DIP Orders or under the Approved Budget, no Loan Party shall, without the express prior written consent of the Agent and Required Lenders or pursuant to an order of the Bankruptcy Court after notice and a hearing, make any Pre-Petition Payment.

(f) [Reserved].

5.17 Accounting Changes. Parent agrees that no Subsidiary of a Loan Party will have a fiscal year different from that of Parent (unless otherwise agreed to by Agent in its reasonable discretion) and agrees to maintain a system of accounting that enables Parent to produce financial statements with respect to material financial transactions and matters involving the assets and business of Parent or any of its Subsidiaries, as the case may be, in accordance with GAAP (it being understood and agreed that certain foreign Subsidiaries may maintain individual books and records in conformity with general accepted accounting principles in their respective countries of organization and that such maintenance shall not constitute a breach).

5.18 Use of Proceeds. Parent will, and will cause each of its Subsidiaries to, use the proceeds of the DIP Loans only for the purposes set forth in Section 4.28.

5.19 TL Deposit Account. All proceeds of the DIP Loans shall be held in the TL Deposit Account. The Borrower shall use commercially reasonable efforts to enter into a Control Agreement in respect of the TL Deposit Account within 14 days of the Petition Date, which such Control Agreement shall establish "control" (as defined in the Uniform Commercial Code as in effect from time to time in the State of New York) in favor of the Agent for the benefit of the Lenders, in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders).

5.20 Budget Matters. The Borrower hereby acknowledges and agrees that any Weekly Cash Flow Forecast provided to the Agent and the Lenders shall not amend and supplement the applicable Approved Budget until the Agent delivers a notice (which may be delivered by electronic mail) to the Borrower stating that the Agent and the Required Lenders

have approved of such Weekly Cash Flow Forecast (such approval not to be unreasonably withheld, delayed or conditioned); provided, that if the Agent does not deliver a notice of approval to the Borrower, then the existing Approved Budget shall continue to constitute the applicable Approved Budget until such time as the subject Weekly Cash Flow Forecast is agreed to among the Borrower, the Agent and the Required Lenders in accordance with this Section 5.20. Once such Weekly Cash Flow Forecast is so approved in writing by the Agent and the Required Lenders, it shall supplement or replace the prior Approved Budget, and shall thereafter constitute the Approved Budget.

6. NEGATIVE COVENANTS.

Each of Parent and Guarantors and Borrower covenants and agrees that, until termination of all of the DIP Loan Commitments and payment in full of the DIP Facility Obligations:

6.1 **Indebtedness.** Parent will not, and will not permit any of its Subsidiaries to create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

6.2 **Liens.** Parent will not, and will not permit any of its Subsidiaries to create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

6.3 **Restrictions on Fundamental Changes.** Parent will not, and will not permit any of its Subsidiaries to,

(a) enter into any merger, consolidation, amalgamation, statutory division, reorganization, or recapitalization, or reclassify its Equity Interests;

(b) liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution), except for pursuant to a confirmed chapter 11 plan of reorganization, the terms and conditions of which are satisfactory to Agent and all Lenders and is consistent with the terms and conditions of the RSA;

(c) suspend or cease operating a material portion of its or their business, except as permitted pursuant to clauses (a) or (b) above or in connection with a transaction permitted under Section 6.4;

(d) take any action to change or have the effect of changing (i) the tax classification of Parent or any of its Subsidiaries from the classification as of the Effective Date or (ii) the legal form of Parent or Holdings; or

(e) form any new Subsidiary without Agent's prior written consent; provided, that, to the extent the Agent consents to the formation of any new Subsidiary, such new Subsidiary shall guaranty all of the DIP Facility Obligations and grant Liens on substantially all of its assets to secure the DIP Facility Obligations pursuant to documentation in form and substance acceptable to Agent.

6.4 **Disposal of Assets.** Other than Permitted Dispositions or transactions expressly permitted by Sections 6.2, 6.3, 6.7, or 6.9, Parent will not, and will not permit any of its Subsidiaries to convey, sell, lease, license, assign, transfer, or otherwise dispose of any of its or their assets.

6.5 **Nature of Business.** Parent will not, and will not permit any of its Subsidiaries to make any change in the nature of its or their business or acquire any properties or assets that are not reasonably related to the conduct of such business activities; provided, that the foregoing shall not prevent Parent and its Subsidiaries from engaging in any business that is reasonably related or ancillary to its or their business.

6.6 **Prepayments and Amendments.** Parent will not, and will not permit any of its Subsidiaries to,

(a) make any prepayment on account of Indebtedness that has been contractually subordinated in right of payment or security to the DIP Facility Obligations if such payment is not permitted at such time under the subordination terms and conditions applicable thereto, or

(b) directly or indirectly, amend, modify, or change any of the terms or provisions of:

(i) the Governing Documents of any Loan Party or any of its Subsidiaries if the effect thereof, either individually or in the aggregate, could reasonably be expected to be materially adverse to the interests of the Lenders;

(ii) the Management Services Agreement, in each case, except any such amendment, modification, alteration, increase, or change that, as a whole, is more favorable to Loan Parties; provided, however, that no such amendment, modification, alteration, increase or change to the Management Services Agreement shall increase the amount of fees payable thereunder,

(iii) the ABL DIP Facility Documents or the Senior ABL Facility Documents except in accordance with the Intercreditor Agreement.

6.7 **Restricted Payments.** Parent will not make any Restricted Payment, except:

(a) distributions by Parent to, or the making of loans to, any direct or indirect equity owner of Parent in amounts required for any direct or indirect equity owner to pay: (i) franchise and excise taxes (not in the nature of income taxes), and other fees and expenses, required to maintain its organizational existence, (ii) subject to the terms of Section 6.10(c), operating costs and expenses and other corporate overhead costs and expenses (including (A) administrative, legal, accounting, filing and similar expenses and (B) salary, bonus and other benefits payable to officers and employees of Parent or any direct or indirect parent company of Parent), in each case to the extent such costs, expenses, fees, salaries, bonuses and benefits are attributable to the ownership or operations of Parent and its Subsidiaries, are reasonable and incurred in the ordinary course of business for the benefit of Parent and its Subsidiaries, and (iii) the payments described in Section 6.10(c),

(b) Restricted Payments required in connection with the DIP Orders, and

(c) Borrower, HHFH and each of their Subsidiaries may make Permitted Tax Distributions to Parent.

6.8 **Accounting Methods.** Parent will not, and will not permit any of its Subsidiaries to modify or change its fiscal year, fiscal quarter, or its method of accounting (other than (i) as may be required to conform to GAAP or (ii) to the extent consented to by Agent (such consent not to be unreasonably withheld, conditioned or delayed)).

6.9 **Investments.** Parent will not, and will not permit any of its Subsidiaries to, directly or indirectly, make or acquire any Investment except for Permitted Investments.

6.10 **Transactions with Affiliates.** Parent will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction or series of related transactions with any Affiliate of Parent or any of its Subsidiaries except for:

(a) any existing transactions between Parent or its Subsidiaries, on the one hand, and any Affiliate of Parent or Parent's Subsidiaries, on the other hand, entered into prior to the Effective Date and any payments made pursuant thereto (other than to direct or indirect holders of Equity Interests in the Parent) to the extent permitted hereunder and made in accordance with the Approved Budget, provided (i) that the terms of such Affiliate Transaction are not less favorable, taken as a whole, to Parent or the applicable Subsidiary, as the case may be, than those that could be obtained at the time in a transaction with a Person who is not such an Affiliate, and (ii) no payments shall be permitted under the Management Services Agreement;

(b) so long as it has been approved by Parent's or its applicable Subsidiary's Board of Directors in accordance with applicable law, any indemnity provided for the benefit of directors (or comparable managers) of Parent, any direct or indirect parent of Parent or the applicable Subsidiary of Parent;

(c) so long as it has been approved by Parent's or its applicable Subsidiary's Board of Directors in accordance with applicable law, to the extent set forth in the Approved Budget, the payment of reasonable compensation, insurance, expense reimbursement, indemnity (other than with respect to directors (or other comparable managers)), severance, and employee benefit arrangements to employees, individual contractors, officers, and directors (or comparable managers) of Parent, any direct or indirect parent of Parent or the applicable Subsidiaries of Parent in the ordinary course of business and consistent with industry practice;

(d) transactions permitted by Section 6.3, Section 6.4, Section 6.7 or any Permitted Intercompany Advance;

(e) Borrower shall be permitted to maintain any existing transactions (such transactions, "Affiliate Transactions") entered into prior to the Effective Date and any payments made pursuant thereto to the extent permitted hereunder and made in accordance with the Approved Budget; provided (i) that the terms of such Affiliate Transaction are not materially less favorable to the Borrower or such Subsidiary, as the case may be, than those that could be obtained at the time in a transaction with a Person who is not such an Affiliate and (ii) no

payments shall be permitted under the Management Services Agreement, (b) for any transaction between or among any of the Borrower or one or more Loan Parties, and (c) the Related Transactions, or any amendments or modifications thereto and permitted hereby, and any payments made pursuant thereto to the extent permitted hereunder and made in accordance with the Approved Budget;

(f) any Loan Party may enter into transactions with any other Loan Party to the extent not otherwise prohibited hereunder;

(g) any Subsidiary that is not a Loan Party may enter into transactions with any other Subsidiary that is not a Loan Party or any Affiliate thereof (other than any Loan Party) to the extent not otherwise prohibited hereunder;

(h) transactions between any Loan Party, on the one hand, and any Canadian Loan Party (as defined in the ABL DIP Facility Documents), on the other hand (i) permitted under clause (g) of the definition of Permitted Dispositions and (ii) so long as such transactions are no less favorable, taken as a whole, to such Loan Party, than would be obtained in an arm's length transaction with a non-Affiliate and to the extent not otherwise prohibited hereunder;

(i) transactions in existence on the Effective Date set forth on Schedule 6.10, and

(j) the transactions contemplated by the Existing Participation Agreement (as defined in the ABL DIP Facility Documents), the Participation Agreement (as defined in the ABL DIP Facility Documents), the Participation Put Agreement (as defined in the ABL DIP Facility Documents), and the acquisition of a participation interest in the ABL DIP Obligations pursuant to the terms of the Participation Agreement (as defined in the ABL DIP Facility Documents).

Except for Permitted Intercompany Advances, as otherwise expressly permitted under this Agreement, and as set forth on Schedule 6.10, (i) no Loan Party shall enter into any transaction with, make any loan, advance or other Investment in, or otherwise transfer any property to any Subsidiary of Parent that is not a Loan Party and (ii) no Loan Party shall enter into any transaction with, make any loans, advances or other Investments in, or otherwise transfer any property constituting Term Loan Priority Collateral to any Canadian Loan Party (as defined in the ABL DIP Facility Documents). Notwithstanding anything to the contrary in this Section 6.10, no payments shall be permitted under the Management Services Agreement.

6.11 **Use of Proceeds.** Parent will not, and will not permit any of its Subsidiaries to use the proceeds of any DIP Loan made hereunder for any purpose other than as set forth in Section 4.28.

6.12 **Limitation on Issuance of Equity Interests.** No Loan Party will issue or sell or enter into any agreement or arrangement for the issuance or sale of any of its Equity Interests other than a proposed debt-for-equity exchange to be authorized by an order confirming a chapter 11 plan of reorganization in the Chapter 11 Cases, the terms and conditions of which comply with the RSA.

6.13 Parent Guarantors as Holding Companies. No Parent Guarantor will (a) incur any material liabilities (other than (i) liabilities arising under the DIP Loan Documents, the ABL DIP Facility Documents (or any agreement otherwise permitted hereunder and under the Intercreditor Agreement refinancing any of the facilities made pursuant to the ABL DIP Facility Documents in whole or in part), including Existing Secured Obligations under (and as defined in) the ABL DIP Facility Documents, and the Equity Documents, in each case to which it is a party, (ii) guarantees of leases and trade contracts in the ordinary course of business, (iii) liabilities arising under agreements with respect to Investments expressly permitted hereunder, (iv) indemnification obligations under the PCF Acquisition Agreement (as defined in the ABL DIP Facility Documents), (v) other Indebtedness permitted to be incurred by Parent Guarantors pursuant to Section 6.1, (vi) Tax liabilities, (vii) obligations under or in connection with the transaction contemplated herein, (viii) liabilities under the Management Services Agreement, and (ix) liabilities under employment or engagement agreements or agreements with employees, officers and directors)), (b) own or acquire any assets (other than (i) the Equity Interests of its Subsidiaries, (ii) immaterial assets which in the aggregate have de minimis value, (iii) contractual rights incidental or related to maintenance of its organizational existence and the issuance of its Equity Interests, (iv) Investments expressly permitted by Section 6.9 and contractual rights with respect thereto, (v) rights under or incidental to the PCF Acquisition Agreement (as defined in the ABL DIP Facility Documents), and (vi) rights under insurance policies) or (c) engage itself in any operations or business, except (i) in connection with its ownership of its Subsidiaries and its rights and obligations under the DIP Loan Documents, the ABL DIP Facility Documents (or any agreement otherwise permitted hereunder and under the Intercreditor Agreement refinancing any of the facilities made pursuant to the ABL DIP Facility Documents in whole or in part) and the Equity Documents, in each case to which it is a party (and activities incidental or related thereto), and (ii) activities incidental or related to holding the assets or incurring the liabilities permitted by this Section 6.13 and the maintenance of its organizational existence and the issuance of its Equity Interests.

6.14 Sale and Leaseback Transactions. Parent will not, and will not permit any of its Subsidiaries to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred.

6.15 Employee Benefits.

Parent will not, and will not permit any of its Subsidiaries to:

(a) Terminate, or permit any ERISA Affiliate to terminate, any Pension Plan in a manner, or take any other action with respect to any Plan, which could reasonably be expected to result in any liability of any Loan Party to the PBGC that could reasonably be expected to result in a Material Adverse Effect.

(b) Subject to the DIP Orders, fail to make, or permit any ERISA Affiliate to fail to make, full payment when due of all amounts which, under the provisions of any Benefit Plan, agreement relating thereto or applicable Law, any Loan Party or ERISA Affiliate is required to pay if such failure could reasonably be expected to have a Material Adverse Effect.

(c) Permit to exist, or allow any ERISA Affiliate to permit to exist, any accumulated funding deficiency within the meaning of section 302 of ERISA or section 412 of the Code, whether or not waived, with respect to any Plan which exceeds \$500,000 with respect to all Pension Plans in the aggregate which could reasonably be expected to result in a liability which exceeds \$500,000 to any Loan Party.

(d) Maintain, sponsor, administer, contribute to, participate in or assume or incur any liability in respect of any Canadian Defined Benefit Plan.

(e) Terminate, or permit any Loan Party or Subsidiary thereof to terminate any Canadian Pension Plan in a manner, or take any other action with respect to any Canadian Pension Plan, which could reasonably be expected to result in any material liability of any Loan Party or a Subsidiary thereof.

(f) Subject to the DIP Orders, fail to make, or permit any Subsidiary to fail to make, full payment when due of all amounts which, under the provisions of any Canadian Benefit Plan, agreement relating thereto or applicable Law, any Loan Party or Subsidiary thereof is required to pay if such failure could reasonably be expected to have a Material Adverse Effect.

6.16 **Burdensome Agreements.**

Parent will not, and will not permit any of its Subsidiaries to, enter into any contractual obligation that: limits the ability (x) of any Subsidiary to make loans, advances, or Restricted Payments to any Loan Party; (y) of any Subsidiary to guarantee the DIP Facility Obligations under the DIP Loan Documents or (z) of Parent or any of its Subsidiaries to create, incur, assume or suffer to exist Liens on property of such Person to secure the DIP Facility Obligations of the Loan Parties under the DIP Loan Documents, other than, in each case limitations and restrictions:

(a) set forth in this Agreement and any other DIP Loan Document;

(b) set forth in the ABL DIP Facility Documents (including Existing Secured Obligations under (and as defined in) the ABL DIP Facility Document) as in effect on the date hereof or as modified in accordance with the Intercreditor Agreement (or in any agreement otherwise permitted hereunder and under the Intercreditor Agreement which refinances any of the facilities made pursuant to the ABL DIP Facility Documents in whole or in part),

(c) on subletting or assignment of any leases or licenses of Parent or any Subsidiary or on the assignment of a contractual obligation or any rights thereunder or any other customary non-assignment provisions, in each case entered into in the ordinary course of business,

(d) set forth in contractual obligations for the disposition of assets (including any Equity Interests in any Subsidiary and including pursuant to any sale and leaseback transactions permitted hereunder) of Parent or any Subsidiary of Parent; provided, such restrictions and conditions apply only to the assets or Subsidiary that is to be sold and cease to apply upon the consummation of such sale,

(e) set forth in any contractual obligation governing Indebtedness permitted under clauses (a), (b), (f), (g), (i) and (t) of the definition of “Permitted Indebtedness”,

(f) with respect to cash or other deposits (including escrowed funds) received by Parent or any Subsidiary in the ordinary course of business and assets subject to Liens permitted by under clauses (k), (p), (r), (t), (v) and (y) of the definition of “Permitted Lien”, or

(g) set forth in joint venture agreements and other similar agreements concerning joint ventures and applicable solely to such joint venture and that restrict the transfer of Equity Interests in such joint venture.

6.17 **Sanctions.** Parent will not, and will not permit any of its Subsidiaries to, knowingly permit the proceeds of any DIP Loan to be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity, in each case, that would constitute a violation of applicable Laws.

6.18 **Chapter 11 Claims.** Except for the Carve-Out and Permitted Priority Liens and as provided in the DIP Orders, Parent will not, and will not permit any of its Subsidiaries to, directly or indirectly, incur, create, assume, suffer to exist or permit any administrative expense claim or Lien that is pari passu with or senior to the claims or DIP Liens, as the case may be, of the Agent and the Lenders against the Loan Parties hereunder or under the DIP Orders, or apply to the Bankruptcy Court for authority to do so. Parent will not, and will not permit any of its Subsidiaries to, directly or indirectly, (a) seek, support, consent to or suffer to exist any modification, stay, vacation or amendment of any DIP Order except for any modifications and amendments agreed to in writing by the Agent and the Required Lenders, such agreement to be made in their sole discretion, or (b) apply to the Bankruptcy Court for authority to take any action prohibited by this Section 6 (except to the extent such application and the taking of such action is conditioned upon receiving the written consent of the Agent and the Required Lenders, such consent not to be unreasonably withheld, delayed or conditioned).

6.19 **Compliance with Approved Budget.**

(a) Except as otherwise provided herein or approved by the Agent (at the direction of the Required Lenders, in their sole discretion), the Loan Parties will not, and will not permit any Subsidiary thereof to, directly or indirectly, (a) use any cash, including the proceeds of any DIP Loans, in a manner or for a purpose other than those permitted under this Agreement or contemplated by the DIP Orders or the Approved Budget, (b) permit a disbursement causing any variance from the Approved Budget other than Permitted Variances without the prior written consent of the Agent (at the direction of the Required Lenders, in their sole discretion), (c) make any Pre-Petition Payment or application for authority to make any Pre-Petition Payment, other than those permitted by this Agreement, the DIP Orders or the Approved Budget, (d) make or commit to make payments to critical vendors (other than those critical vendors set forth in the DIP Orders or in the Approved Budget, in each case as approved in writing by the Agent at the direction of the Required Lenders) in respect of any pre-petition amount in excess of the amount included in the Approved Budget, (e) measured as of the end of each Testing Period, permit the aggregate cumulative amount of actual cash disbursements (in any event excluding disbursements for professional fees and expenses and restructuring expenses) as reported in the

Variance Reports delivered with respect to periods ending after the Petition Date through the end of such Testing Period to exceed, by more than the applicable Permitted Variance, the aggregate cumulative corresponding amount forecast in the Approved Budget for the same such period, (f) measured as of the end of each Testing Period, permit the aggregate cumulative amount of actual cash receipts (which shall exclude, for the avoidance of doubt, proceeds from borrowings of DIP Loans) as reported in the Variance Reports delivered with respect to periods ending after the Effective Date through the end of such Testing Period to be less than, by more than the applicable Permitted Variance, the aggregate cumulative corresponding amount (which shall exclude, for the avoidance of doubt, proceeds from borrowings of DIP Loans) forecast in the Approved Budget for the same such period, and (g) measured as of the end of each Testing Period, permit the aggregate cumulative amount of actual net cash flow (in any event excluding from the calculation thereof disbursements for professional fees and expenses and restructuring expenses) as reported in the Variance Reports delivered with respect to periods ending after the Petition Date through the end of such Testing Period to exceed, by more than the applicable Permitted Variance, the aggregate cumulative corresponding amount forecast in the Approved Budget for the same such period; and

(b) [Reserved].

6.20 **[Reserved]**.

6.21 **Use of DIP Collateral.** No DIP Collateral, proceeds of DIP Loans, portion of the Carve-Out or any other amounts may be used directly or indirectly by any of the Loan Parties, the Committee, if any, or any trustee or other estate representative appointed in the Chapter 11 Cases (or any successor case) or any other person or entity for any of the following purposes (or to pay any professional fees, disbursements, costs or expenses incurred in connection therewith):

(a) to seek authorization to obtain Liens or security interests that are senior to, or on a parity with, the DIP Loans (except for the loans advanced under the ABL DIP Facility); or

(b) except as provided in the DIP Orders, to investigate (including by way of examinations or discovery proceedings), prepare, assert, join, commence, support or prosecute any action for any claim, counter-claim, action, proceeding, application, motion, objection, defense, or other contested matter seeking any order, judgment, determination or similar relief against, or adverse to the interests of, in any capacity, any of the Agent, the Lenders, the Pre-Petition Term Agent, the Pre-Petition Term Lenders, the Senior ABL Facility Agent, the Senior ABL Facility Lenders, the ABL DIP Agent, the ABL DIP Lenders and any of their controlling persons, affiliates or successors or assigns, and each of the respective officers, directors, employees, agents, attorneys, or advisors of each of the foregoing, with respect to any transaction, occurrence, omission, action or other matter (including formal discovery proceedings in anticipation thereof), including (A) any claims or causes of action arising under Chapter 5 of the Bankruptcy Code, (B) any so-called "lender liability" claims and causes of action, (C) any action with respect to the validity, enforceability, priority and extent of, or asserting any defense, counterclaim, or offset to, the DIP Facility Obligations, the DIP Liens hereunder, the DIP Loan Documents, the Pre-Petition Term Obligations, the Pre-Petition Term Facility Documents, the Pre-Petition Term Obligations, the Superpriority Claims, the ABL DIP

Facility Documents, the ABL DIP Obligations or the liens granted under the ABL DIP Facility, (D) any action seeking to invalidate, modify, set aside, avoid or subordinate, in whole or in part, the DIP Facility Obligations, the Pre-Petition Term Obligations or the ABL DIP Obligations, (E) any action seeking to modify any of the rights, remedies, priorities, privileges, protections and benefits granted to either (1) the Agent or the Lenders hereunder or under any of the DIP Loan Documents, (2) the Pre-Petition Term Agents or the Pre-Petition Term Lenders any of the Pre-Petition Term Facility Documents or (3) the ABL DIP Agent or the ABL DIP Lenders under any of the ABL DIP Facility Documents (in each case, including claims, proceedings or actions that might prevent, hinder or delay any assertions, enforcements, realizations or remedies on or against the DIP Collateral by any of the Agent, the Lenders, the Secured Parties, the Pre-Petition Term Agents, the Pre-Petition Term Lenders, the ABL DIP Agent or the ABL DIP Lenders under any of the Pre-Petition Term Facility Documents in accordance with the applicable DIP Loan Documents, Pre-Petition Term Facility Loan Documents, ABL DIP Facility Documents and the DIP Orders, as applicable), or (F) objecting to, contesting, or interfering with, in any way, the Agent's, the Lenders' and the Secured Parties' enforcement or realization upon any of the DIP Collateral once an Event of Default has occurred; provided, however, that no more than \$50,000 in the aggregate of the DIP Collateral, the Carve-Out or proceeds of the DIP Loans may be used by the Committee to investigate such claims and/or Liens.

6.22 **Access to TL Deposit Account.** Parent will not, and will not permit any of its Subsidiaries to, withdraw funds from the TL Deposit Account after the occurrence and during the continuance of a Default or Event of Default. Withdrawals from TL Deposit Account shall only be used for the permitted purposes described in Section 4.28. Under no circumstances may any cash, funds, securities, financial assets or other property held in or credited to the TL Deposit Account or the proceeds thereof held therein or credited thereto be used for any purpose not permitted under the DIP Orders.

7. **[RESERVED].**

8. **EVENTS OF DEFAULT.**

Notwithstanding the provisions of Section 362 of the Bankruptcy Code and without notice, application or motion to, hearing before, or order of the Bankruptcy Court or any notice to any Credit Party, any of the following from and after the Effective Date shall constitute an "Event of Default", with the exception of any such event occasioned by the filing of the Chapter 11 Cases and defaults resulting from obligations with respect to which the Bankruptcy Code prohibits any Loan Party from complying or permits any Loan Party not to comply with the requirements referenced in the subsections below:

8.1 **Payments.** The Borrower shall fail to pay any principal of any DIP Loan when due in accordance with the terms hereof (whether at stated maturity, by mandatory prepayment or otherwise); or the Borrower shall fail to pay any interest on any DIP Loan, or any other amount payable hereunder, within two (2) Business Days after any such interest or other amount becomes due in accordance with the terms hereof.

8.2 **Representations and Warranties.** Any representation or warranty made or deemed made by any Loan Party herein or in any other DIP Loan Document (or in any

amendment, modification or supplement hereto or thereto) or which is contained in any certificate furnished at any time by or on behalf of any Loan Party pursuant to this Agreement or any such other DIP Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made.

8.3 **Loan Parties.** Any Loan Party or any Subsidiary of a Loan Party (a) shall default in the payment, observance or performance of any term, covenant or agreement contained in Section 5.1, Section 5.2(a) or Section 6; or (b) shall default in the observance or performance of any other agreement contained in this Agreement or any other DIP Loan Document (other than as provided in Sections 8.1, 8.2 and 8.3(a)), and such default shall continue unremedied for a period of 30 days after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Agent or the Required Lenders.

8.4 **Default Under Other Agreements.**

(a) Any Loan Party or any of its Subsidiaries shall (i) default in (x) any payment of principal of or interest on (A) the ABL DIP Facility or (B) any Indebtedness (excluding the DIP Loans) in excess of \$1,000,000, or (y) the payment of (A) any Guarantee Obligation in respect of the ABL DIP Facility or (B) any Guarantee Obligation in excess of \$1,000,000 in each case referred to in this clause (i) beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness or Guarantee Obligation was created, it being understood that Indebtedness and Guaranteed Obligations referred to in this clause (i) are limited solely to those not subject to stay of proceedings in the Chapter 11 Cases; or (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (excluding the DIP Loans) or Guarantee Obligation referred to in clause (i) above or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice or lapse of time if required, such Indebtedness to become due prior to its stated maturity or such Guarantee Obligation to become payable (an “Acceleration”), and such time shall have lapsed and, if any notice (a “Default Notice”) shall be required to commence a grace period or declare the occurrence of an event of default before notice of Acceleration may be delivered, such Default Notice shall have been given and such default shall not have been remedied or waived by or on behalf of such holder or holders; provided that the foregoing shall not apply to (A) any default under Indebtedness existing prior to the Petition Date and which has been accelerated by virtue of the filing of the Chapter 11 Cases, (B) any default due to Borrowers’ filing, commencement and continuation of the Chapter 11 Cases and any litigation arising therefrom or (C) any default due to restrictions on payments arising as a result of the Chapter 11 Cases; and provided, further, that if any such default or event of default has been cured, waived or is otherwise no longer in existence, the Event of Default arising under this Section 8.4 shall be deemed to be cured, waived and no longer in existence).

(b) Notwithstanding anything in this Section 8.4 to the contrary, to the extent a payment or covenant “Event of Default” (as defined in the ABL DIP Facility Agreement) is

waived in accordance with the ABL DIP Facility Agreement on or after the Effective Date, any such waiver shall automatically result in a waiver of any Event of Default under Section 8.4 hereof in respect of such payment or covenant “Event of Default”, solely to the extent Agent has not taken any enforcement action in respect of such Event of Default under Section 8.4 hereunder.

8.5 **Material Adverse Effect.** There shall have occurred after the Effective Date an event which has resulted in a Material Adverse Effect.

8.6 **Change in Control.** A Change of Control shall have occurred.

8.7 **Security Documents.** (i) Any of the DIP Loan Documents shall cease for any reason to be in full force and effect (other than pursuant to the terms hereof or thereof), or any Loan Party which is a party to any such DIP Loan Document shall so assert in writing, (ii) the guarantee of the Guarantors contained in the Guaranty and Security Agreement shall cease, for any reason, to be in full force and effect, other than pursuant to the terms thereof or as a result of acts or omissions from the Lenders, or (iii) the DIP Lien created by any of the Security Documents and the DIP Orders shall cease to be perfected and enforceable in accordance with its terms or of the same effect as to perfection and priority purported to be created thereby with respect to any significant portion of the DIP Collateral (other than in connection with any termination of such DIP Lien in respect of any DIP Collateral as permitted hereby or by any Security Document) and such failure of such DIP Lien to be perfected and enforceable with such priority shall have continued unremedied for a period of twenty (20) days.

8.8 **Loan Documents.** Any material provision of any DIP Loan Document shall at any time for any reason be declared to be null and void, or the validity or enforceability of any provision shall be contested by any Loan Party, or a proceeding shall be commenced by any Loan Party, or by any Governmental Authority having jurisdiction over any Loan Party, seeking to establish the invalidity or unenforceability thereof, or any Loan Party shall deny that it has any liability or obligation purported to be created under any DIP Loan Document;

8.9 **Termination Events; Milestones.** The occurrence of any of the following in any Chapter 11 Case (each, a “Termination Event”):

(a) The reversal, vacatur or stay of the effectiveness of the Interim DIP Order or the Final DIP Order without the express prior written consent of the Agent (acting at the direction of the Required Lenders);

(b) Without the written consent of the Agent acting at the direction of the Required Lenders, (A) an order with respect to any of the Chapter 11 Cases shall be entered by the Bankruptcy Court ordering dismissal of any of the Chapter 11 Cases or conversion of any of the Chapter 11 Cases to chapter 7 cases, or appointment of a chapter 11 trustee or examiner with enlarged powers relating to the operation of the business of the Borrower or any Guarantor in any of the Chapter 11 Cases, which dismissal, conversion or appointment shall not have been reversed, stayed or vacated within three (3) days, (B) an order with respect to any of the Chapter 11 Cases shall be entered by the Bankruptcy Court ordering termination of the exclusive period for the Loan Parties to file a Plan in the Chapter 11 Cases, or (C) the Loan Parties shall seek or

request the entry of any order to effect any of the events described in subclause (A) of this clause (ii);

(c) The entry by the Bankruptcy Court of an order granting relief from the automatic stay imposed by Section 362 of the Bankruptcy Code sought by any party that affects the Loan Parties' property (including, without limitation, to permit foreclosure or enforcement on the DIP Collateral) with a fair market value in excess of \$500,000 without the written consent of the Agent (which consent shall not be unreasonably withheld, delayed or conditioned);

(d) Three (3) Business Days after written notice to the Loan Parties of the failure by the Loan Parties to deliver to the Agent any of the documents or other written information required to be delivered pursuant to the DIP Orders when due (during which time the Loan Parties may cure) or any such documents or other written information shall contain a misrepresentation of a material fact when made so as to make the written information provided to the Agent and the Lenders, taken as a whole, materially misleading;

(e) Except as set forth herein, the failure by the Loan Parties to observe or perform any of the material terms or provisions contained in the DIP Orders in any respect adverse to the interests of the Lenders;

(f) The entry of an order of the Bankruptcy Court granting any lien on or security interest in any of the DIP Collateral that is pari passu with or senior to the DIP Liens held by the Agent on or as security interests in the DIP Collateral, the Adequate Protection Liens, the Superpriority Claims or the Pre-Petition Term Liens, in each case, other than any Liens in connection with any Permitted Intercompany Advances authorized by the DIP Orders, or the Loan Parties and any of their Subsidiaries shall seek or request (or support another party in the filing of) the entry of any such order, other than the ABL DIP Facility;

(g) The Loan Parties' creating or permitting to exist any other superpriority claim which is pari passu with or senior to the claims of the Agent and the Lenders, the Adequate Protection Liens, the Superpriority Claims or the Pre-Petition Term Liens, except for the Carve-Out, the liens securing the Senior ABL Facility, the liens securing the ABL DIP Facility, and any Liens in connection with any Permitted Intercompany Advances authorized by the DIP Orders;

(h) The Parent or any of its Subsidiaries filing a pleading, or in any way support another party's pleading, seeking to modify or otherwise alter any of the terms and conditions set forth in the DIP Orders in any respect adverse to the interests of the Lenders without the prior written consent of the Agent (acting at the direction of the Required Lenders), such consent to be given in its sole discretion;

(i) The entry of an order of the Bankruptcy Court amending, supplementing or otherwise altering any of the terms and conditions set forth in the DIP Orders in any respect adverse to the interests of the Lenders without the prior written consent of the Agent (acting at the direction of the Required Lenders), such consent to be given in its sole discretion;

(j) The Parent or any of its Subsidiaries using the proceeds of the DIP Facility for any item other than in compliance with Section 6.19 other than the Carve-Out, or makes any Pre-Petition Payment (other than the obligations under the Senior ABL Facility as contemplated

by the ABL DIP Facility and the DIP Orders or under the Approved Budget), in each case except as agreed in writing in advance by the Agent (acting at the direction of the Required Lenders);

(k) Any of the Loan Parties or their Subsidiaries (or any party with the support of any of the Loan Parties) shall file a Plan in any of the Chapter 11 Cases that does not propose to indefeasibly repay the DIP Facility Obligations in full in cash, unless otherwise consented to by the Agent (acting at the direction of the Required Lenders) (such consent to be given in its sole discretion (it being agreed that such consent is deemed given with respect to the Plan attached to the RSA));

(l) Any uninsured judgments are entered with respect to any post-petition liabilities against any of the Loan Parties or any of their respective properties in a combined aggregate amount in excess of \$200,000 unless stayed, vacated or satisfied for a period of twenty (20) calendar days after entry thereof;

(m) The failure of the Loan Parties to meet any of the following milestones (individually a "Milestone" and collectively, the "Milestones") unless extended or waived by the prior written consent of the Agent and the Required Lenders (such consent not to be unreasonably withheld, delayed or conditioned), except to the extent such failure is reasonably the result of Bankruptcy Court unavailability:

- (i) The Interim DIP Order shall have been entered by the Bankruptcy Court on or before two (2) Business Days following the date of the First Day Hearing;
- (ii) On or before the date that is 7 days following the Petition Date, the Loan Parties shall have filed a motion requesting an order from the Bankruptcy Court approving bid procedures relating to the solicitations of qualified bids for the sale of substantially all of the Loan Parties' assets and business (the "Bidding Procedures"), which motion and Bidding Procedures shall each be in form and substance reasonably satisfactory to Agent (it being agreed that the proposed bidding procedures order filed with the Bankruptcy Court on the Petition Date is satisfactory to the Agent);
- (iii) The Final DIP Order shall have been entered by the Bankruptcy Court on or before forty (40) days following the date of the First Day Hearing;
- (iv) Within forty (40) calendar days of the Petition Date, but in any event no later than entry of the Final DIP Order, the Loan Parties shall file a plan of reorganization (the "Proposed Plan"), and a disclosure statement relating to such Plan (the "Disclosure Statement"), in each case, in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders) (it being agreed that the plan of reorganization in the

form attached to the RSA is satisfactory to the Agent and the Lenders);

- (v) No later than forty-five (45) calendar days after the Petition Date, the Loan Parties shall have filed their Schedules and Statement of Financial Affairs pursuant to Section 521 of the Bankruptcy Code and Rule 1007 of the Federal Rules of Bankruptcy Procedure with the Bankruptcy Court;
- (vi) No later than forty-five (45) calendar days after the Petition Date the Bankruptcy Court shall have entered an order setting the date (the "Bar Date") by which proofs of claim for general unsecured creditors must be filed;
- (vii) On or before the date that is 45 days following the Petition Date, the Bankruptcy Court shall have entered an order approving the Bidding Procedures, in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders) (it being agreed that the proposed bidding procedures order filed with the Bankruptcy Court on the Petition Date is satisfactory to the Agent at the direction of the Required Lenders);
- (viii) The Bar Date shall have occurred on or before seventy-five (75) days following the Petition Date;
- (ix) No later than seventy-five (75) calendar days after the Petition Date, the Bankruptcy Court shall have entered an order approving the Disclosure Statement and voting and solicitation procedures for the Proposed Plan in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders);
- (x) No later than one hundred ten (110) calendar days after the Petition Date, the Bankruptcy Court shall have entered an order, in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders) confirming the Proposed Plan (such date, the "Confirmation Date");
- (xi) No later than the Confirmation Date, Borrower shall have entered into a commitment letter reasonably acceptable to the Agent with respect to the funding of an exit asset-backed credit facility; and
- (xii) No later than one hundred twenty days (120) calendar days after the Petition Date, the Plan Effective Date shall have occurred.

(n) Any Loan Party asserts a right of subrogation or contribution against any other Loan Party prior to the date upon which all DIP Loans under the DIP Facility have been paid in full and all DIP Loan Commitments have been terminated;

(o) Any Loan Party shall seek to sell any of its assets that are Term Loan Priority Collateral outside the ordinary course of business, unless (i) the proceeds of such sale are used to indefeasibly pay the DIP Facility Obligations in full in cash unless such sale is consented to by the Agent (acting at the direction of the Required Lenders), or (ii) such sale is pursuant to bidding procedures approved by the Agent (acting at the direction of the Required Lenders);

(p) The Parent or any of its Subsidiaries (or any party with the support of any of the Parent or any of its Subsidiaries) shall challenge the validity or enforceability of any of the DIP Loan Documents or the Pre-Petition Term Facility Documents;

(q) Upon the consummation of a sale of all or substantially all of the Loan Parties' assets pursuant to Section 363 of the Bankruptcy Code, unless (i) the proceeds of such sale are applied to indefeasibly satisfy in full the DIP Facility Obligations or (ii) such sale is consented to by the Agent (acting at the direction of the Required Lenders);

(r) Payment of or granting adequate protection with respect to any Indebtedness that was existing prior to the Petition Date other than as expressly provided in the DIP Orders or permitted under the Intercreditor Agreement or as consented to by the Agent (acting at the direction of the Required Lenders).

8.10 **RSA**. The termination of the RSA by any party thereto.

8.11 **ERISA**. The occurrence of any of the following events to the extent it would have a Material Adverse Effect: (a) any Loan Party or ERISA Affiliate fails to make full payment when due of all amounts which any Loan Party or ERISA Affiliate is required to pay as contributions, installments, or otherwise to or with respect to a Pension Plan or Multiemployer Plan, and such failure could reasonably be expected to result in liability to any Loan Party, (b) an accumulated funding deficiency or funding shortfall occurs or exists, whether or not waived, with respect to any Pension Plan, which could reasonably be expected individually or in the aggregate to result in liability to any Loan Party, (c) a Notification Event, which could reasonably be expected to result in liability to a Loan Party, either individually or in the aggregate, (d) any Loan Party or ERISA Affiliate completely or partially withdraws from one or more Multiemployer Plans and as a result of such withdrawal, any Loan Party would reasonably be expected to incur Withdrawal Liability, (e) any Loan Party or Subsidiary thereof fails to make full payment when due of all amounts which any Loan Party or Subsidiary thereof is required to pay as contributions, installments, or otherwise to or with respect to a Canadian Pension Plan, and such failure could reasonably be expected to result in liability to any Loan Party, or (f) with respect to (x) any Canadian Pension Plan, the occurrence of any Canadian Pension Termination Event or (y) if any trust, deemed trust or Lien has been or may be imposed on a Loan Party or Subsidiary thereof or its property as a result of the occurrence of such event and such trust, deemed trust or Lien, and in each case will or would reasonably be likely to result in a liability to the Loan Parties.

8.12 **Permitted Variances**. Permitted Variances under the Approved Budget are exceeded for any period of time.

8.13 **ABL DIP Facility.** The ABL DIP Agent and/or the Senior ABL Facility Agent imposes a reserve or block on availability of revolving loans in excess of \$1,500,000 of such reserves or blocks in place on the Effective Date or otherwise modifies, changes or amends the calculation of the borrowing base in any manner that reduces availability under the ABL DIP Facility and/or the Senior ABL Facility by more than \$1,500,000.

9. RIGHTS AND REMEDIES.

9.1 Rights and Remedies.

(a) If any Event of Default occurs and is continuing, then, and in any such event, notwithstanding the provisions of Section 362 of the Bankruptcy Code, and without any application, motion or notice, hearing before, or order from, the Bankruptcy Court but subject to the DIP Orders and any notice required thereunder, with the consent of the Required Lenders, the Agent may, or upon the request of the Required Lenders, the Agent shall, (i) by written notice to the Borrower, declare all of the DIP Loans hereunder, (with accrued interest thereon) and all other amounts owing under this Agreement to be due and payable forthwith, whereupon the same shall immediately become due and payable, (ii) immediately terminate the Loan Parties' limited use of any cash collateral; (iii) cease making any DIP Loans under the DIP Facility; (iv) subject to the terms of the DIP Orders, sweep all funds contained in the TL Deposit Account; (v) subject to the terms of the DIP Orders and the Intercreditor Agreement, immediately set-off any and all amounts in accounts maintained by the Loan Parties with the Agent or the Lenders against the DIP Facility Obligations, or otherwise enforce any and all rights against the DIP Collateral in the possession of any of the applicable Lenders, including, without limitation, disposition of the DIP Collateral solely for application towards the DIP Facility Obligations; and (vi) take any other actions or exercise any other rights or remedies permitted under the DIP Orders, the DIP Loan Documents or applicable law to effect the repayment of the DIP Facility Obligations; provided that prior to the exercise of any right in clauses (ii), (v) or (vi) of this Section 9.1(a), the Agent shall be required to provide seven (7) Business Days written notice to the Loan Parties, the ABL DIP Agent, and the Committee (if any) of the Agent's intent to exercise its rights and remedies; provided, further, that neither the Loan Parties, the Committee (if any) nor any other party-in-interest shall have the right to contest the enforcement of the remedies set forth in the DIP Orders and the DIP Loan Documents on any basis other than an assertion that an Event of Default has not occurred or has been cured within the cure periods expressly set forth in the applicable DIP Loan Documents. The Loan Parties shall cooperate fully with the Agent and the Lenders in their exercise of rights and remedies, whether against the DIP Collateral or otherwise.

(b) Except as expressly provided above in this Section 9, to the maximum extent permitted by applicable law, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

10. WAIVERS; INDEMNIFICATION.

10.1 **Demand; Protest; etc.** Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper,

and guarantees at any time held by the Lender Group on which Borrower may in any way be liable.

10.2 **The Lender Group's Liability for Collateral.** Borrower hereby agrees that: (a) so long as Agent complies with its obligations, if any, under the Code, the Lender Group 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 the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Borrower.

10.3 **Indemnification.** Borrower and each Guarantor shall pay, indemnify, defend, and hold Agent-Related Persons, the Lender-Related Persons, and each Participant (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable and documented fees and disbursements of attorneys, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to (1) the execution and delivery, advising, structuring, drafting, reviewing, administering or syndicating, or the monitoring of Parent's and its Subsidiaries' compliance with the terms of, the DIP Loan Documents (provided that any legal fees incurred in connection therewith shall be limited to the reasonable fees and reasonable out-of-pocket expenses of one primary counsel, which shall be King & Spalding LLP, for all Indemnified Persons (taken as a whole) (and, solely in the case of an actual conflict of interest, one additional counsel as necessary to the affected Indemnified Persons taken as a whole) and to the extent reasonably necessary, one local counsel in each relevant material jurisdiction, or (2) enforcement (including in connection with the Chapter 11 Cases) of this Agreement, any of the other DIP Loan Documents, or the transactions contemplated hereby or thereby (provided, that the indemnification in this clause (a) shall not extend to (i) any dispute among Indemnified Persons that does not arise out of an act or omission by Borrower or any other Loan Party or Subsidiary thereof (other than any claims against Agent in its capacity as such), or (iii) any Taxes or any costs attributable to Taxes, other than any Taxes that represent losses, claims, damages or other similar amounts arising from any non-Tax Claim), (b) with respect to any investigation, litigation, or proceeding related to this Agreement, any other DIP Loan Document, the making of any DIP Loans hereunder, or the use of the proceeds of the DIP Loans provided hereunder (irrespective of whether any Indemnified Person or Loan Party is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, and (c) in connection with or arising out of any violation of Environmental Law by Parent or any of its Subsidiaries, any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by Borrower or any of its Subsidiaries, or any Environmental Actions against, Environmental Liabilities of, or Remedial Actions required of, Parent or any of its Subsidiaries, or related in any way to any operations, assets or properties of Borrower or any of its Subsidiaries (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, Borrower shall have no obligation to any Indemnified Person under this Section 10.3 with respect to any (a) material breach of such Indemnified Person of its obligations (or the obligations of such Indemnified

Persons' Agent-Related Persons) under the DIP Loan Documents, as finally determined by a court of competent jurisdiction or (b) Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnified Person or its officers, directors, employees, attorneys, or agents. This provision shall survive the termination of this Agreement and the repayment in full of the DIP Facility Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrower was required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrower with respect thereto. **WITHOUT LIMITATION, EXCEPT AS SET FORTH ABOVE, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

11. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other DIP Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to Parent, Borrower or Agent, as the case may be, they shall be sent to the respective address set forth below:

If to Parent or Borrower: **HOLLANDER SLEEP PRODUCTS, LLC**
6501 Congress Avenue Suite 300
Boca Raton, Florida 33487
Attn: Stephen Cumbow
Fax No. 561-214-4030

with copies to (which shall not constitute notice or service of process): **SENTINEL CAPITAL PARTNERS, L.L.C.**
330 Madison Avenue, 27th Floor
New York, NY 10017
Attn: Michael Fabian
Fax No. (212) 688-6513

KIRKLAND & ELLIS, LLP
601 Lexington Avenue
New York, NY 10022
Attn: Yongjin Im
Fax No. (212) 446-6460

If to Agent: **BARINGS FINANCE LLC**
300 South Tryon Street, Suite 2500
Charlotte, North Carolina 28202

Attn: Brady Sutton
Fax No. (413) 226-3953

with copies to (which shall
not constitute notice or
service of process):

KING & SPALDING LLP
1185 6th Avenue
New York, NY
Attn: W. Austin Jowers
Fax No. (212) 556-2222

Any party hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 11, shall be deemed received on the earlier of the date of actual receipt or 3 Business Days after the deposit thereof in the mail; provided, that (a) notices sent by overnight courier service shall be deemed to have been given when received, (b) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient) and (c) notices by electronic mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment).

**12. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL
REFERENCE PROVISION.**

(a) **THE VALIDITY OF THIS AGREEMENT AND THE OTHER
LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN
ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN
DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT
HEREOF AND THEREOF, THE RIGHTS OF THE PARTIES HERETO AND
THERE TO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR
THEREUNDER OR RELATED HERETO OR THERETO, AND ANY CLAIMS,
CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR THEREUNDER OR
RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED
BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF
NEW YORK.**

(b) Each party hereto hereby irrevocably and unconditionally:

- (i) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other DIP Loan Documents to which it is a party to the exclusive general jurisdiction of the Supreme Court of the State of New York for the County of New York (the "New York Supreme Court"), and the United States District Court for the Southern District of New York (the "Federal District Court," and together with the New York Supreme Court, the "New York Courts") and appellate courts from either of them except to the extent that the provisions of the Bankruptcy Code are

applicable and specifically conflict with the foregoing; provided that nothing in this Agreement shall be deemed or operate to preclude (i) any Agent from bringing suit or taking other legal action in any other jurisdiction to realize on the DIP Collateral or any other security for the DIP Facility Obligations (in which case any party shall be entitled to assert any claim or defense, including any claim or defense that this Section 12 would otherwise require to be asserted in a legal action or proceeding in a New York Court), or to enforce a judgment or other court order in favor of the Agent or the Collateral Agent, (ii) any party from bringing any legal action or proceeding in any jurisdiction for the recognition and enforcement of any judgment and (iii) if all such New York Courts decline jurisdiction over any Person, or decline (or in the case of the Federal District Court, lack) jurisdiction over any subject matter of such action or proceeding, a legal action or proceeding may be brought with respect thereto in another court having jurisdiction;

- (ii) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient forum and agrees not to plead or claim the same;
- (iii) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower, the applicable Lender or the Agent, as the case may be, at the address specified in Section 11 or at such other address of which the Agent, any such Lender and the Borrower shall have been notified pursuant thereto;
- (iv) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 12 any consequential or punitive damages.

Notwithstanding any other provision of this Section 12, the Bankruptcy Court shall have exclusive jurisdiction over any action or dispute involving, relating to or arising out of this agreement or the other DIP Loan Documents.

13. ASSIGNMENTS AND PARTICIPATIONS; SUCCESSORS.

13.1 Assignments and Participations.

(a) (i) Subject to the conditions set forth in clause (a)(ii) below, any Lender may assign and delegate all or any portion of its rights and duties under the DIP Loan

Documents (including the DIP Facility Obligations owed to it and its DIP Loan Commitments) to one or more assignees so long as such prospective assignee is an Eligible Transferee (each, an “Assignee”), without the prior written consent of Borrower; and

(ii) Assignments shall be subject to the following additional conditions:

(A) no assignment may be made to a natural person;

(B) the amount of the DIP Loan Commitments and DIP Loans and the other rights and obligations of the assigning Lender hereunder and under the other DIP Loan Documents subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to Agent) shall be in a minimum amount of \$1,000,000 (or lesser amounts, if agreed between Borrower and Agent, or otherwise if less, all of such Lender’s remaining DIP Loan Commitments and DIP Loans) and in integral multiples of \$100,000 in excess thereof, except such minimum amount shall not apply to (I) an assignment or delegation by any Lender to any other Lender, an Affiliate of any Lender, or a Related Fund of such Lender or (II) a group of new Lenders, each of which is an Affiliate of each other or a Related Fund of such new Lender to the extent that the aggregate amount to be assigned to all such new Lenders is at least \$1,000,000);

(C) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement;

(D) the parties to each assignment shall execute and deliver to Agent an Assignment and Acceptance; provided, that Borrower and Agent may continue to deal solely and directly with the assigning Lender in connection with the interest so assigned to an Assignee until written notice of such assignment, together with payment instructions, addresses, and related information with respect to the Assignee, have been given to Borrower and Agent by such Lender and the Assignee;

(E) unless waived by Agent (and except in the case of an assignment to an Affiliate or Related Fund of the assigning Lender), the assigning Lender or Assignee has paid to Agent, for Agent’s separate account, a processing fee in the amount of \$3,500;

(F) [intentionally omitted]; and

(G) no assignment may be made to any Disqualified Lender.

(b) From and after the date that Agent receives the executed Assignment and Acceptance and, if applicable, payment of the required processing fee, (i) the Assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have

been assigned to it pursuant to such Assignment and Acceptance, shall be a “Lender” and shall have the rights and obligations of a Lender under the DIP Loan Documents, and (ii) the assigning Lender shall, to the extent that rights and obligations hereunder and under the other DIP Loan Documents have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except with respect to Section 15.3) and be released from any future obligations under this Agreement (and in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender’s rights and obligations under this Agreement and the other DIP Loan Documents, such Lender shall cease to be a party hereto and thereto); provided, that nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender’s obligations under Section 15 and Section 17.9(a).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the Assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other DIP Loan Document furnished pursuant hereto, (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under this Agreement or any other DIP Loan Document furnished pursuant hereto, (iii) such Assignee confirms that it has received a copy of this Agreement, together with such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance, (iv) such Assignee will, independently and without reliance upon Agent, such assigning Lender or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement, (v) such Assignee appoints and authorizes Agent to take such actions and to exercise such powers under this Agreement and the other DIP Loan Documents as are delegated to Agent, by the terms hereof and thereof, together with such powers as are reasonably incidental thereto, and (vi) such Assignee agrees that it will perform all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) Immediately upon Agent’s receipt of the required processing fee, if applicable, and delivery of notice to the assigning Lender pursuant to Section 13.1(b), this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to reflect the addition of the Assignee and the resulting adjustment of the Loans assigned to it arising therefrom.

(e) Any Lender may at any time sell to one or more commercial banks, financial institutions, or other Persons, other than a Disqualified Lender (a “Participant”) participating interests in all or any portion of its DIP Facility Obligations, its DIP Loan Commitment, and the other rights and interests of that Lender (the “Originating Lender”) hereunder and under the other Loan Documents; provided, that (i) the Originating Lender shall remain a “Lender” for all purposes of this Agreement and the other DIP Loan Documents and the Participant receiving the participating interest in the DIP Facility Obligations, the DIP Loan

Commitments, and the other rights and interests of the Originating Lender hereunder shall not constitute a "Lender" hereunder or under the other DIP Loan Documents and the Originating Lender's obligations under this Agreement shall remain unchanged, (ii) the Originating Lender shall remain solely responsible for the performance of such obligations, (iii) Borrower, Agent, and the Lenders shall continue to deal solely and directly with the Originating Lender in connection with the Originating Lender's rights and obligations under this Agreement and the other DIP Loan Documents, (iv) no Lender shall transfer or grant any participating interest under which the Participant has the right to approve any amendment to, or any consent or waiver with respect to, this Agreement or any other DIP Loan Document, except to the extent such amendment to, or consent or waiver with respect to this Agreement or of any other DIP Loan Document would (A) extend the final maturity date of the DIP Facility Obligations hereunder in which such Participant is participating, (B) reduce the interest rate applicable to the DIP Facility Obligations hereunder in which such Participant is participating, (C) release all or substantially all of the DIP Collateral or guaranties (except to the extent expressly provided herein or in any of the DIP Loan Documents) supporting the DIP Facility Obligations hereunder in which such Participant is participating, (D) postpone the payment of, or reduce the amount of, the interest or fees payable to such Participant through such Lender (other than a waiver of default interest), or (E) decrease the amount or postpone the due dates of scheduled principal repayments or prepayments or premiums payable to such Participant through such Lender (for the avoidance of doubt, mandatory prepayments pursuant to Section 2.4(d)(ii) or Section 2.4(d)(iii) may be postponed, delayed, waived or modified without the consent of a Participant), (v) no participation shall be sold to a natural person, (vi) [intentionally omitted], and (vii) all amounts payable by Borrower hereunder shall be determined as if such Lender had not sold such participation, except that, if amounts outstanding under this Agreement are due and unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; provided, however, that each Participant shall be entitled to the benefits of Section 16 as if it were a Lender provided such Participant delivers the forms and documentation required by Section 16 (it being understood that the documentation under Section 16 shall be delivered to the Participating Lender) and otherwise agrees in writing to be subject to Section 16 as if it were a Lender. Subject to the foregoing, sentence, the rights of any Participant only shall be derivative through the Originating Lender with whom such Participant participates and no Participant shall have any rights under this Agreement or the other DIP Loan Documents or any direct rights as to the other Lenders, Agent, Borrower, the Collateral, or otherwise in respect of the DIP Facility Obligations. No Participant shall have the right to participate directly in the making of decisions by the Lenders among themselves.

(f) In connection with any such assignment or participation or proposed assignment or participation or any grant of a security interest in, or pledge of, its rights under and interest in this Agreement, a Lender may, subject to the provisions of Section 17.9, disclose all documents and information which it now or hereafter may have relating to Parent and its Subsidiaries and their respective businesses.

(g) Any other provision in this Agreement notwithstanding, any Lender may at any time create a security interest in, or pledge, all or any portion of its rights under and

interest in this Agreement to secure obligations of such Lender, including any security interest or pledge in favor of any Federal Reserve Bank (or any central bank having jurisdiction over such Lender) in accordance with Regulation A of the Federal Reserve Bank or U.S. Treasury Regulation 31 CFR §203.24, and the holder of such security interest or pledge (including such Federal Reserve Bank or central bank) may enforce such pledge or security interest in any manner permitted under applicable law. Without limiting the foregoing, in the case of any Lender that is a fund that invests in bank loans and similar extensions of credit, such Lender may, without the consent of Agent or any other Person, collaterally assign or pledge all or any portion of its rights as a Lender under the DIP Loan Documents to any holder of, trustee for, or any other representative of holders of, obligations owed or securities issued by such fund, as security for such obligations or securities.

(h) Agent (as a non-fiduciary agent on behalf of Borrower) shall maintain, or cause to be maintained, a register (the “Register”) in the United States on which it enters the name and address of each Lender as the registered owner of the DIP Loan Commitments, the principal amount of DIP Loans owing to it and stated interest thereon, held by such Lender (each, a “Registered Loan”). A Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register (and each registered note shall expressly so provide), and any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or sale of any Registered Loan (and the registered note, if any evidencing the same), Borrower shall treat the Person in whose name such Registered Loan (and the registered note, if any, evidencing the same) is registered as the owner thereof for the purpose of receiving all payments thereon and for all other purposes, notwithstanding notice to the contrary, absent manifest error. This Section 13.1(h) shall be construed so that the DIP Loans are at all times maintained in “registered form” within the meaning of Section 5f.103-1(b) of the United States Treasury Regulation.

(i) In the event that a Lender sells participations in the Registered Loan, such Lender, as a non-fiduciary agent on behalf of Borrower, shall maintain (or cause to be maintained) a register in accordance with Section 5f.103-1(c) of the United States Treasury Regulations and Section 163(f), 165(g), 871(h)(2), 881(c)(2) and 4701 of the IRC on which it enters the name of all participants in the Registered Loans held by it (and the principal amount (and stated interest thereon) of the portion of such Registered Loans that is subject to such participations) (the “Participant Register”). A Registered Loan (and the Registered Note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register. No Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant’s interest in any commitments, loans, letters of credit or its other obligations under any DIP Loan Document)

to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(j) Agent shall make a copy of the Register available for review by Borrower from time to time as Borrower may reasonably request.

(k) Lenders may not assign all or any portion of its DIP Loans hereunder to (i) the Parent or any of its Subsidiaries or (ii) any Person who, after giving effect to such assignment, would be an Affiliated Lender.

(l) Notwithstanding anything in this Section 13.1 to the contrary, prior to any assignment or sale by any Lender (a "Selling Lender") as of the Effective Date to any Person that is not a Lender (or an Affiliate of a Lender) as of the Effective Date, such Selling Lender shall notify (a "Notice of Intent to Assign") the Agent of its intent to assign or sell its interests in its DIP Facility Obligations, including the amount of DIP Facility Obligations the Selling Lender seeks to assign or sell (the "Available DIP Obligations"). The Agent shall, within one Business Day, notify (such notification, a "Pending Assignment Notice") all Lenders of the Notice of Intent to Assign and the terms thereof. Each Lender shall have 3 Business Days (the "Election Period") to elect to purchase all of the Available DIP Obligations from the Selling Lender by delivering a notice (an "Election Notice") to the Agent. Each Election Notice shall include the amount of Available DIP Obligations such Lender is willing to purchase from the Selling Lender and the purchase price. The Selling Lender shall assign the Available DIP Obligations to the Lender that submitted an Election Notice within the Election Period, and such Lender shall purchase from the Selling Lender the Available DIP Obligations, for the highest price; provided, however, if two or more Lenders deliver an Election Notice during the Election Period for the same purchase price and that purchase price represents the highest purchase price submitted, then the Available DIP Obligations shall be assigned to such Lenders based on their Pro Rata Shares. If no Lenders submitted an Election Notice to the Agent within the Election Period, then the Selling Lender may proceed to seek to assign or sell the full amount of Available DIP Obligations set forth in the Notice of Intent to Assign (but not a partial or lesser amount) to any Eligible Transferee.

13.2 **Successors.** This Agreement, the other DIP Loan Documents, and all Liens and DIP Liens and other rights and privileges created hereby or pursuant hereto or to any other DIP Loan Document shall be binding upon each Loan Party, the estate of each Loan Party, and any trustee, other estate representative or any successor in interest of any Loan Party in any Chapter 11 Case or any subsequent case commenced under Chapter 7 of the Bankruptcy Code, and shall not be subject to Section 365 of the Bankruptcy Code. This Agreement and the other DIP Loan Documents shall be binding upon, and inure to the benefit of, the successors of the Agent and the Lenders and their respective assigns, transferees and endorsees. The Liens and DIP Liens created by this Agreement and the other DIP Loan Documents shall be and remain valid and perfected in the event of the substantive consolidation or conversion of any Chapter 11 Case or

any other bankruptcy case of any Loan Party to a case under Chapter 7 of the Bankruptcy Code or in the event of dismissal of any Chapter 11 Case or the release of any DIP Collateral from the jurisdiction of the Bankruptcy Court for any reason, without the necessity that the Agent file financing statements or otherwise perfect its Liens or DIP Liens under applicable law. This Agreement shall bind and inure to the benefit of the respective permitted successors and assigns of each of the parties; provided, that, except to the extent otherwise expressly permitted hereunder, Borrower may not assign this Agreement or any rights or duties hereunder without the Lenders' prior written consent and any prohibited assignment shall be absolutely void *ab initio*. No consent to assignment by the Lenders shall release Borrower from its DIP Facility Obligations. A Lender may assign this Agreement and the other Loan Documents and its rights and duties hereunder and thereunder pursuant to Section 13.1 and no consent or approval by any Loan Party is required in connection with any such assignment.

14. AMENDMENTS; WAIVERS.

14.1 Amendments and Waivers.

(a) No amendment, waiver or other modification of any provision of this Agreement, any other DIP Loan Document (other than the Fee Letter and the Intercreditor Agreement), and no consent with respect to any departure by Borrower or any other Loan Party therefrom, shall be effective unless the same shall be in writing and signed by the Required Lenders (or by Agent at the written request of the Required Lenders) and the Loan Parties that are party thereto and then any such waiver or consent shall be effective, but only in the specific instance and for the specific purpose for which given; provided, that no such waiver, amendment, or consent shall, unless in writing and signed by all of the Lenders directly and adversely affected thereby and all of the Loan Parties that are party thereto, do any of the following:

(i) increase the amount of or extend the expiration date of any DIP Loan Commitment of such Lender (it being understood that a waiver of any condition precedent or the waiver of any Default, Event of Default or mandatory prepayment pursuant to Section 2.4(d) (for clarity, excluding Section 2.4(d)(i)) shall not constitute an extension or increase of any DIP Loan Commitment),

(ii) postpone or delay any date fixed by this Agreement or any other DIP Loan Document for any payment of principal, interest, fees, or other amounts due hereunder or under any other DIP Loan Document (for the avoidance of doubt, mandatory prepayments pursuant to Section 2.4(d) (for clarity, excluding Section 2.4(d)(i)) may be postponed, delayed, waived or modified with the consent of Required Lenders) due to such Lender,

(iii) reduce the principal of, or the rate of interest on, any loan or other extension of credit hereunder, or reduce any fees or other amounts payable hereunder or under any other DIP Loan Document other than the Fee Letter due to such Lender (except (i) in connection with the waiver of applicability of Section 2.6(c) and (ii) in connection with the waiver of a mandatory prepayment under Section 2.4(d) (for clarity, excluding Section 2.4(d)(i)), which, in each case, shall be effective with the written consent of the Required Lenders),

(iv) amend, modify, or eliminate this Section or any provision of this Agreement providing for consent or other action by all Lenders,

(v) amend the currency in which any DIP Loans or any other DIP Facility Obligations are payable to such Lender,

(vi) [reserved],

(vii) amend, modify, or eliminate the definitions of “Required Lenders”, or “Pro Rata Share”,

(viii) other than in connection with a transaction permitted by the terms hereof or the other DIP Loan Documents, (x) release Borrower or (y) release or contractually subordinate all or substantially all of the value of the Guarantees or all or substantially all of the Collateral,

(ix) amend, modify, or eliminate any of the provisions of Section 2.4(b)(i) or (ii), or

(x) [reserved],

(b) No amendment, waiver, modification, or consent shall amend, modify, waive, or eliminate any provision of Section 15 pertaining to Agent, or any other rights or duties of Agent under this Agreement or the other DIP Loan Documents, without the written consent of Agent, Borrower, and the Required Lenders.

(c) [reserved].

(d) For the avoidance of doubt, it is understood and agreed that each Lender shall be deemed directly and adversely affected by any amendments, modifications or waivers described in clauses (iv), (vii) (subject to the proviso in clause (vii)) or (viii) of Section 14.1(a).

(e) [Intentionally Omitted].

(f) Anything in this Section 14.1 to the contrary notwithstanding, (i) any amendment, modification, elimination, waiver, consent, termination, or release of, or with respect to, any provision of this Agreement or any other DIP Loan Document that relates only to the relationship of the Lender Group among themselves, and that does not affect the rights or obligations of Parent or any Loan Party, shall not require consent by or the agreement of any Loan Party, and (ii) any amendment, waiver, modification, elimination, or consent of or with respect to any provision of this Agreement or any other DIP Loan Document may be entered into without the consent of, or over the objection of, any Defaulting Lender other than any of the matters governed by Section 14.1(a)(i) through (iii) that affect such Lender.

Notwithstanding anything to the contrary herein, with the consent of Agent at the request of Borrower (without the need to obtain any consent of any Lender), any DIP Loan Document may be amended to cure any obvious error or any error or omission of a technical nature that is jointly identified by Agent and Borrower.

14.2 Mitigation; Replacement of Certain Lenders.

(a) If any Lender requires Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 16, then such Lender shall (at the request of Borrower) use reasonable efforts to designate a different lending office for funding or booking its DIP Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 16 in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Borrower hereby agrees to pay all reasonable and documented out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any action to be taken by the Lender Group or Agent hereunder requires the consent, authorization, or agreement of all Lenders or all Lenders affected thereby and if such action has received the consent, authorization, or agreement of the Required Lenders, all Lenders, or all Lenders affected thereby, or (ii) any Lender makes a claim for compensation under Section 16, and has declined or is unable to designate a different lending office pursuant to Section 14.2(a), then Borrower or Agent, upon at least 5 Business Days prior irrevocable notice (or such shorter period as Agent may agree), may permanently replace any Lender (and its Affiliates) that failed to give its consent, authorization, or agreement (a “Non-Consenting Lender”) or any Lender that made a claim for compensation (a “Tax Lender”) with one or more Replacement Lenders, and the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall have no right to refuse to be replaced hereunder. Such notice to replace the Non-Consenting Lender or Tax Lender, as applicable, shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given.

(c) Prior to the effective date of such replacement, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, and each Replacement Lender shall execute and deliver an Assignment and Acceptance, subject only to the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, being repaid in full its share of the outstanding DIP Facility Obligations (without any premium or penalty of any kind whatsoever, but including all interest, fees and other amounts that may be due in payable in respect thereof). If the Non-Consenting Lender (or its Affiliates) or Tax Lender (or its Affiliates), as applicable, shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, Agent may, but shall not be required to, execute and deliver such Assignment and Acceptance in the name of and on behalf of the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, and irrespective of whether Agent executes and delivers such Assignment and Acceptance, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Non-Consenting Lender (or its Affiliates) or Tax Lender (or its Affiliates), as applicable, shall be made in accordance with the terms of Section 13.1. Until such time as one or more Replacement Lenders shall have acquired all of the DIP Facility Obligations, the DIP Loan Commitments, and the other rights and obligations of the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, hereunder and under the

other DIP Loan Documents, the Non-Consenting Lender (and its Affiliates) or Tax Lender (and its Affiliates), as applicable, shall remain obligated to make the Non-Consenting Lender's (and its Affiliates) or Tax Lender's (and its Affiliates), as applicable, Pro Rata Share of DIP Loans.

14.3 **No Waivers; Cumulative Remedies.** No failure by Agent or any Lender to exercise any right, remedy, or option under this Agreement or any other DIP Loan Document, or delay by Agent or any Lender in exercising the same, will operate as a waiver thereof. No waiver by Agent or any Lender will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by Agent or any Lender on any occasion shall affect or diminish Agent's and each Lender's rights thereafter to require strict performance by the Parent Guarantors and Borrower of any provision of this Agreement. Agent's and each Lender's rights under this Agreement and the other DIP Loan Documents will be cumulative and not exclusive of any other right or remedy that Agent or any Lender may have.

15. AGENT; THE LENDER GROUP.

15.1 **Appointment and Authorization of Agent.** Each Lender hereby designates and appoints Barings Finance LLC as its agent under this Agreement and the other DIP Loan Documents and each Lender hereby irrevocably authorizes Agent to execute and deliver each of the other DIP Loan Documents on its behalf and to take such other action on its behalf under the provisions of this Agreement and each other DIP Loan Document and to exercise such powers and perform such duties as are expressly delegated to Agent by the terms of this Agreement or any other DIP Loan Document, together with such powers as are reasonably incidental thereto. Agent agrees to act as agent for and on behalf of the Lenders on the conditions contained in this Section 15. Any provision to the contrary contained elsewhere in this Agreement or in any other DIP Loan Document notwithstanding, Agent shall not have any duties or responsibilities, except those expressly set forth herein or in the other DIP Loan Documents, nor shall Agent have or be deemed to have any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other DIP Loan Document or otherwise exist against Agent. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement or the other DIP Loan Documents with reference to Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only a representative relationship between independent contracting parties. Each Lender hereby further authorizes Agent to act as the secured party under each of the DIP Loan Documents that create a DIP Lien on any item of DIP Collateral. Except as expressly otherwise provided in this Agreement, Agent shall have and may use its sole discretion with respect to exercising or refraining from exercising any discretionary rights or taking or refraining from taking any actions that Agent expressly is entitled to take or assert under or pursuant to this Agreement and the other DIP Loan Documents. Without limiting the generality of the foregoing, or of any other provision of the DIP Loan Documents that provides rights or powers to Agent, Lenders agree that Agent shall have the right to exercise the following powers as long as this Agreement remains in effect: (a) maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the DIP Facility Obligations, the DIP Collateral, payments and proceeds of DIP Collateral, and related matters, (b) execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other

written agreements with respect to the DIP Loan Documents, (c) make DIP Loans, for itself or on behalf of Lenders, as provided in the DIP Loan Documents, (d) exclusively receive, apply, and distribute payments and proceeds of the DIP Collateral as provided in the DIP Loan Documents, (e) open and maintain such bank accounts and cash management arrangements as Agent deems necessary and appropriate in accordance with the DIP Loan Documents for the foregoing purposes, (f) perform, exercise, and enforce any and all other rights and remedies of the Lender Group with respect to Parent or its Subsidiaries, the DIP Facility Obligations, the DIP Collateral, or otherwise related to any of same as provided in the DIP Loan Documents, and (g) incur and pay such Lender Group Expenses as Agent may deem necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to the DIP Loan Documents.

15.2 **Delegation of Duties.** Agent may execute any of its duties under this Agreement or any other DIP Loan Document by or through agents, employees or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Each member of the Lender Group and each Loan Party acknowledges and agrees that any agent appointed by Agent shall be entitled to the rights and benefits of this Section 15. Agent shall not be responsible for the negligence or misconduct of any agent or attorney in fact that it selects as long as such selection was made without gross negligence or willful misconduct.

15.3 **Liability of Agent.** None of the Agent-Related Persons shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other DIP Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct), or (b) be responsible in any manner to any of the Lenders for any recital, statement, representation or warranty made by Parent or any of its Subsidiaries or Affiliates, or any officer or director thereof, contained in this Agreement or in any other DIP Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Agent under or in connection with, this Agreement or any other DIP Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other DIP Loan Document, or for any failure of Parent or its Subsidiaries or any other party to any DIP Loan Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Lenders to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other DIP Loan Document, or to inspect the books and records or properties of Parent or its Subsidiaries.

15.4 **Reliance by Agent.** Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, telefacsimile or other electronic method of transmission, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to Borrower or counsel to any Lender), independent accountants and other experts selected by Agent. Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other DIP Loan Document unless Agent shall first receive such advice or concurrence of the Lenders as it deems appropriate and until such instructions are received, Agent shall act, or refrain from acting, as it deems advisable. If Agent so requests, it shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability

and expense that may be incurred by it by reason of taking or continuing to take any such action. Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other DIP Loan Document in accordance with a request or consent of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders.

15.5 Notice of Default or Event of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest, fees, and expenses required to be paid to Agent for the account of the Lenders and, except with respect to Events of Default of which Agent has actual knowledge, unless Agent shall have received written notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default, and stating that such notice is a “notice of default.” Agent promptly will notify the Lenders of its receipt of any such notice or of any Event of Default of which Agent has actual knowledge. If any Lender obtains actual knowledge of any Event of Default, such Lender promptly shall notify the other Lenders and Agent of such Event of Default. Each Lender shall be solely responsible for giving any notices to its Participants, if any. Subject to Section 15.4, Agent shall take such action with respect to such Default or Event of Default as may be requested by the Required Lenders in accordance with Section 9; provided, that unless and until Agent has received any such request, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable.

15.6 Credit Decision. Each Lender acknowledges that none of the Agent-Related Persons has made any representation or warranty to it, and that no act by Agent hereinafter taken, including any review of the affairs of Parent and its Subsidiaries or Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender. Each Lender represents to Agent that it has, independently and without reliance upon any Agent-Related Person and based on such due diligence, documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower or any other Person party to a DIP Loan Document, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to Borrower. Each Lender also represents that it will, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other DIP Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower or any other Person party to a DIP Loan Document. Except for notices, reports, and other documents expressly herein required to be furnished to the Lenders by Agent, Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of Borrower or any other Person party to a DIP Loan Document that may come into the possession of any of the Agent-Related Persons. Each Lender acknowledges that Agent does not have any duty or responsibility, either initially or on a continuing basis (except to the extent, if any, that is expressly specified herein) to provide such Lender with any credit or other information with respect to Borrower, its Affiliates or any of its business, legal, financial or other affairs, and

irrespective of whether such information came into Agent's or its Affiliates' or representatives' possession before or after the date on which such Lender became a party to this Agreement.

15.7 **Costs and Expenses; Indemnification.** Agent may incur and pay Lender Group Expenses to the extent Agent reasonably deems necessary or appropriate for the performance and fulfillment of its functions, powers, and obligations pursuant to the DIP Loan Documents, including court costs, attorneys' fees and expenses, fees and expenses of financial accountants, advisors, consultants, and appraisers, costs of collection by outside collection agencies, auctioneer fees and expenses, and costs of security guards or insurance premiums paid to maintain the DIP Collateral, whether or not Borrower is obligated to reimburse Agent or Lenders for such expenses pursuant to this Agreement or otherwise. Agent is authorized and directed to deduct and retain sufficient amounts from payments or proceeds of the DIP Collateral received by Agent to reimburse Agent for such out-of-pocket costs and expenses prior to the distribution of any amounts to Lenders. In the event Agent is not reimbursed for such costs and expenses by Parent or its Subsidiaries, each Lender hereby agrees that it is and shall be obligated to pay to Agent such Lender's ratable thereof. Whether or not the transactions contemplated hereby are consummated, each of the Lenders, on a ratable basis, shall indemnify and defend the Agent-Related Persons (to the extent not reimbursed by or on behalf of Borrower and without limiting the obligation of Borrower to do so) from and against any and all Indemnified Liabilities; provided, that no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities resulting solely from such Person's gross negligence or willful misconduct nor shall any Lender be liable for the obligations of any Defaulting Lender in failing to make an extension of credit hereunder. Without limitation of the foregoing, each Lender shall reimburse Agent upon demand for such Lender's ratable share of any costs or out of pocket expenses (including attorneys, accountants, advisors, and consultants fees and expenses) incurred by Agent in connection with the preparation, execution, delivery, administration, modification, amendment, or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement or any other DIP Loan Document to the extent that Agent is not reimbursed for such expenses by or on behalf of Borrower. The undertaking in this Section shall survive the payment of all DIP Facility Obligations hereunder and the resignation or replacement of Agent.

15.8 **Agents in Individual Capacity.** Barings Finance LLC and its Affiliates may make loans to, acquire Equity Interests in, and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with Parent and its Subsidiaries and Affiliates and any other Person party to any DIP Loan Document as though it were not Agent hereunder, and, in each case, without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge that, pursuant to such activities, Barings Finance LLC or its Affiliates may receive information regarding Parent or its Affiliates or any other Person party to any DIP Loan Documents that is subject to confidentiality obligations in favor of Parent or such other Person and that prohibit the disclosure of such information to the Lenders, and the Lenders acknowledge that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver Agent will use its reasonable best efforts to obtain), Agent shall not be under any obligation to provide such information to them. The terms "Lender" and "Lenders" include Barings Finance LLC in its individual capacity.

15.9 Successor Agent. Agent may resign as Agent upon 30 days (10 days if an Event of Default has occurred and is continuing) prior written notice to the Lenders (unless such notice or applicable notice period is waived by the Required Lenders). If Agent resigns under this Agreement, the Required Lenders shall be entitled, to appoint a successor Agent for the Lenders. If no successor Agent is appointed prior to the effective date of the resignation of Agent, Agent may appoint, after consulting with the Lenders, a successor Agent. If Agent has materially breached or failed to perform any material provision of this Agreement or of applicable law, the Required Lenders may agree in writing to remove and replace Agent with a successor Agent from among the Lenders. In any such event, upon the acceptance of its appointment as successor Agent hereunder, such successor Agent shall succeed to all the rights, powers, and duties of the retiring Agent and the term “Agent” shall mean such successor Agent and the retiring Agent’s appointment, powers, and duties as Agent shall be terminated. After any retiring Agent’s resignation hereunder as Agent, the provisions of this Section 15 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement. If no successor Agent has accepted appointment as Agent by the date which is 30 days (10 days if an Event of Default has occurred and is continuing) following a retiring Agent’s notice of resignation, the retiring Agent’s resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of Agent hereunder until such time, if any, as the Lenders appoint a successor Agent as provided for above.

15.10 Lender in Individual Capacity. Any Lender and its respective Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, provide bank products to, acquire Equity Interests in and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with Parent and its Subsidiaries and Affiliates and any other Person party to any DIP Loan Documents as though such Lender were not a Lender hereunder without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge that, pursuant to such activities, such Lender and its respective Affiliates may receive information regarding Parent or its Affiliates or any other Person party to any DIP Loan Documents that is subject to confidentiality obligations in favor of Parent or such other Person and that prohibit the disclosure of such information to the Lenders, and the Lenders acknowledge that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver such Lender will use its reasonable best efforts to obtain), such Lender shall not be under any obligation to provide such information to them.

15.11 Collateral Matters.

(a) The Lenders hereby irrevocably authorize Agent to release any DIP Lien on any DIP Collateral (i) upon the termination of the DIP Loan Commitments and payment and satisfaction in full by Borrower of all of the DIP Facility Obligations, (ii) constituting property being sold or disposed of (to Persons other than Loan Parties) if a release is required or desirable in connection therewith and if a Responsible Officer of Borrower certifies in writing to Agent that the sale or disposition is permitted under Section 6.4 (and Agent may rely conclusively on any such certificate, without further inquiry), or (iii) in connection with a credit bid or purchase authorized under this Section 15.11. Notwithstanding anything to the contrary in the foregoing, to the extent property is sold or disposed of pursuant to and in accordance with Section 6.4 (to Persons other than Loan Parties), the DIP Lien on such sold or disposed DIP Collateral shall

automatically terminate. The Loan Parties and the Lenders hereby irrevocably authorize Agent, based upon the instruction of the Required Lenders, to (a) consent to, credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the DIP Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code, including Section 363 of the Bankruptcy Code and any similar laws in any other jurisdictions in which a Loan Party is subject, (b) credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the DIP Collateral at any sale or other disposition thereof conducted under the provisions of the Code, including pursuant to Sections 9-610 or 9-620 of the Code, or (c) credit bid or purchase (either directly or indirectly through one or more entities) all or any portion of the DIP Collateral at any other sale or foreclosure conducted or consented to by Agent in accordance with applicable law in any judicial action or proceeding or by the exercise of any legal or equitable remedy. In connection with any such credit bid or purchase, (i) the DIP Facility Obligations owed to the Lenders shall be entitled to be, and shall be, credit bid on a ratable basis (with DIP Facility Obligations with respect to contingent or unliquidated claims being estimated for such purpose if the fixing or liquidation thereof would not impair or unduly delay the ability of Agent to credit bid or purchase at such sale or other disposition of the DIP Collateral and, if such contingent or unliquidated claims cannot be estimated without impairing or unduly delaying the ability of Agent to credit bid at such sale or other disposition, then such claims shall be disregarded, not credit bid, and not entitled to any interest in the DIP Collateral that is the subject of such credit bid or purchase) and the Lenders whose DIP Facility Obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their DIP Facility Obligations credit bid in relation to the aggregate amount of DIP Facility Obligations so credit bid) in the DIP Collateral that is the subject of such credit bid or purchase (or in the Equity Interests of the any entities that are used to consummate such credit bid or purchase), and (ii) Agent, based upon the instruction of the Required Lenders, may accept non-cash consideration, including debt and equity securities issued by any entities used to consummate such credit bid or purchase and in connection therewith Agent may reduce the DIP Facility Obligations owed to the Lenders (ratably based upon the proportion of their DIP Facility Obligations credit bid in relation to the aggregate amount of DIP Facility Obligations so credit bid) based upon the value of such non-cash consideration. Except as provided above, Agent will not execute and deliver a release of any DIP Lien on any DIP Collateral without the prior written authorization of (y) if the release is of all or substantially all of the DIP Collateral, all of the Lenders, or (z) otherwise, the Required Lenders. Upon request by Agent or Borrower at any time, the Lenders will confirm in writing Agent's authority to release any such DIP Liens on particular types or items of DIP Collateral pursuant to this Section 15.11; provided, that (1) anything to the contrary contained in any of the DIP Loan Documents notwithstanding, Agent shall not be required to execute any document or take any action necessary to evidence such release on terms that, in Agent's reasonable opinion, could expose Agent to liability or create any obligation or entail any consequence other than the release of such DIP Lien without recourse, representation, or warranty, and (2) such release shall not in any manner discharge, affect, or impair the DIP Facility Obligations or any DIP Liens (other than those expressly released) upon (or obligations of Borrower in respect of) any and all interests retained by Borrower, including, the proceeds of any sale, all of which shall continue to constitute part of the DIP Collateral.

(b) Agent shall have no obligation whatsoever to any of the Lenders (i) to verify or assure that the DIP Collateral exists or is owned by Parent or its Subsidiaries or is cared

for, protected, or insured or has been encumbered, (ii) to verify or assure that Agent's DIP Liens have been properly or sufficiently or lawfully created, perfected, protected, or enforced or are entitled to any particular priority, (iii) to verify or assure that any particular items of DIP Collateral meet the eligibility criteria applicable in respect thereof, (iv) to impose, maintain, increase, reduce, implement, or eliminate any particular reserve hereunder or to determine whether the amount of any reserve is appropriate or not, or (v) to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to Agent pursuant to any of the DIP Loan Documents, it being understood and agreed that in respect of the DIP Collateral, or any act, omission, or event related thereto, subject to the terms and conditions contained herein, Agent may act in any manner it may deem appropriate, in its sole discretion given Agent's own interest in the DIP Collateral in its capacity as one of the Lenders and that Agent shall not have any other duty or liability whatsoever to any Lender as to any of the foregoing, except as otherwise expressly provided herein.

15.12 Restrictions on Actions by Lenders; Sharing of Payments.

(a) Each of the Lenders agrees that it shall not, without the express written consent of Agent, set off against the DIP Facility Obligations, any amounts owing by such Lender to Parent or its Subsidiaries or any deposit accounts of Parent or its Subsidiaries now or hereafter maintained with such Lender. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by Agent, take or cause to be taken any action, including, the commencement of any legal or equitable proceedings to enforce any DIP Loan Document against Borrower or any Guarantor or to foreclose any DIP Lien on, or otherwise enforce any security interest in, any of the DIP Collateral.

(b) If, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of DIP Collateral or any payments with respect to the DIP Facility Obligations, except for any such proceeds or payments received by such Lender from Agent pursuant to the terms of this Agreement, or (ii) payments from Agent in excess of such Lender's Pro Rata Share of all such distributions by Agent, such Lender promptly shall (A) turn the same over to Agent, in kind, and with such endorsements as may be required to negotiate the same to Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the DIP Facility Obligations in accordance with the applicable provisions of this Agreement, or (B) purchase, without recourse or warranty, an undivided interest and participation in the DIP Facility Obligations owed to the other Lenders so that such excess payment received shall be applied ratably as among the Lenders in accordance with their Pro Rata Shares; provided, that to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment.

15.13 Agency for Perfection. Agent hereby appoints each other Lender as its agent (and each Lender hereby accepts such appointment) for the purpose of perfecting Agent's DIP Liens in assets which, in accordance with Article 8 or Article 9, as applicable, of the Code can be

perfected by possession or control. Should any Lender obtain possession or control of any such DIP Collateral, such Lender shall notify Agent thereof, and, promptly upon Agent's request therefor shall deliver possession or control of such DIP Collateral to Agent or in accordance with Agent's instructions.

15.14 **Payments by Agent to the Lenders.** All payments to be made by Agent to the Lenders shall be made as soon as reasonably practicable and, in any event, within two (2) Business Days of receipt from Borrower in immediately available funds, by bank wire transfer of immediately available funds pursuant to such wire transfer instructions as each party may designate for itself by written notice to Agent. Concurrently with each such payment, Agent shall identify whether such payment (or any portion thereof) represents principal, premium, fees, or interest of the DIP Facility Obligations.

15.15 **Concerning the Collateral and Related Loan Documents.** Each member of the Lender Group authorizes and directs Agent to enter into this Agreement and the other DIP Loan Documents. Each member of the Lender Group agrees that any action taken by Agent in accordance with the terms of this Agreement or the other DIP Loan Documents relating to the DIP Collateral and the exercise by Agent of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders.

15.16 **[Intentionally Omitted].**

15.17 **Several Obligations; No Liability.** Notwithstanding that certain of the DIP Loan Documents now or hereafter may have been or will be executed only by or in favor of Agent in its capacity as such, and not by or in favor of the Lenders, any and all obligations on the part of Agent (if any) to make any credit available hereunder shall constitute the several (and not joint) obligations of the respective Lenders on a ratable basis, according to their respective DIP Loan Commitments, to make an amount of such credit not to exceed, in principal amount, at any one time outstanding, the amount of their respective DIP Loan Commitments. Nothing contained herein shall confer upon any Lender any interest in, or subject any Lender to any liability for, or in respect of, the business, assets, profits, losses, or liabilities of any other Lender. Each Lender shall be solely responsible for notifying its Participants of any matters relating to the DIP Loan Documents to the extent any such notice may be required, and no Lender shall have any obligation, duty, or liability to any Participant of any other Lender. Except as provided in Section 15.7, no member of the Lender Group shall have any liability for the acts of any other member of the Lender Group. No Lender shall be responsible to Borrower or any other Person for any failure by any other Lender to fulfill its obligations to make credit available hereunder, nor to advance for such Lender or on its behalf, nor to take any other action on behalf of such Lender hereunder or in connection with the financing contemplated herein.

15.18 **[Reserved].**

16. WITHHOLDING TAXES.

16.1 **Payments.** All payments under the DIP Loan Documents by or on account of any obligation of any Loan Party will be made free and clear of, and without deduction or withholding for, any present or future Taxes, except as required by applicable law. If any Taxes

are required to be deducted or withheld from any payment by or on account of any obligation of any Loan Party under any DIP Loan Document, Borrower shall deduct, withhold or pay (as the case may be) the full amount of such Taxes to the relevant Governmental Authority and, if such Taxes are Indemnified Taxes, the amount payable by the Loan Parties shall be increased as is necessary so that after withholding or deduction for or on account of such Indemnified Taxes, the amount received by the applicable Recipient will not be less than the amount the applicable Recipient would have received had no such withholding or deduction in respect of Indemnified Taxes been made. Borrower will furnish to Agent promptly after the date the payment of any Tax is due pursuant to applicable law, certified copies of tax returns and receipts (or such other similar documents as may be available) evidencing such payment by Borrower, or other evidence of payment reasonably satisfactory to Agent. Borrower agrees to pay any present or future stamp, value added, court or documentary, intangible, recording, filing or similar taxes or any other excise or property taxes, charges, or similar levies, other than Excluded Taxes or Taxes resulting from an assignment ("Other Taxes") that arise from any payment made hereunder or from the execution, delivery, performance, recordation, registration, from the receipt or perfection of a security interest under, or filing of, or otherwise with respect to this Agreement or any other DIP Loan Document within 10 days after receipt of demand therefor. The Loan Parties shall jointly and severally indemnify each Indemnified Person (as defined in Section 10.3) (collectively a "Tax Indemnitee") for the full amount of Indemnified Taxes or Other Taxes arising in connection with this Agreement or any other DIP Loan Document (including, without limitation, any Indemnified Taxes or Other Taxes imposed or asserted on, or attributable to, amounts payable under this Section 16) imposed on, or paid by, or required to be withheld on payments to, such Tax Indemnitee and all reasonable and documented fees and disbursements of attorneys, experts or consultants, and all other reasonable costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification, as and when they are incurred and irrespective of whether suit is brought, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to Agent), or by Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. The obligations of Borrower and Loan Parties under this Section 16 shall survive the termination of this Agreement and the repayment of the Loans.

16.2 Exemptions.

(a) Each Lender and Agent agrees to deliver to Agent and Borrower (and each Participant agrees to deliver to the Originating Lender), two original copies of the following forms, as applicable, before receiving its first payment under this Agreement, but only to the extent such Lender, Participant or Agent is legally entitled to deliver such forms:

(i) if such Lender or Participant or Agent is a Foreign Lender entitled to claim an exemption from United States withholding tax pursuant to the portfolio interest exception, (A) a statement of the Lender or Participant or Agent, signed under penalty of perjury, that it is not a (I) a "bank" as described in Section 881(c)(3)(A) of the IRC, (II) a 10% shareholder of Borrower (within the meaning of Section 871(h)(3)(B) of the IRC), or (III) a controlled foreign corporation related to Borrower within the meaning of Section 864(d)(4) of

the IRC, and (B) a properly completed and executed IRS Form W-8BEN-E or Form W-8IMY (with proper attachments);

(ii) if such Lender or Participant or Agent is a Foreign Lender entitled to claim an exemption from, or a reduction of, withholding tax under a United States tax treaty, a properly completed and executed copy of IRS Form W-8BEN-E;

(iii) if such Lender or Participant or Agent is a Foreign Lender entitled to claim that interest paid under this Agreement is exempt from United States withholding tax because it is effectively connected with a United States trade or business of such Lender, a properly completed and executed copy of IRS Form W-8ECI;

(iv) if such Lender or Participant or Agent is a Foreign Lender entitled to claim that interest paid under this Agreement is exempt from United States withholding Tax because such Lender or Participant or Agent serves as an intermediary, a properly completed and executed copy of IRS Form W-8IMY (with proper attachments); or

(v) if such Lender or Participant or Agent is a U.S. Person, a properly completed and executed copy of any other form or forms, including IRS Form W-9, as may be required under the IRC as a condition to exemption from, or reduction of, United States withholding or backup withholding Tax.

(b) Each Lender or Participant or Agent shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms, or if any such form becomes inaccurate in any respect, and promptly notify Agent and Borrower, or the Originating Lender in the case of a Participant, of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(c) If a Lender or Participant or Agent is entitled to claim an exemption or reduction from withholding Tax in a jurisdiction other than the United States, such Lender or such Agent agrees with and in favor of Agent and Borrower or the Participant agrees with and in favor of the Originating Lender, to deliver to Agent and Borrower, or the Originating Lender in the case of a Participant, any such form or forms, as may be required under the laws of such jurisdiction as a condition to exemption from, or reduction of, foreign withholding or backup withholding tax before receiving its first payment under this Agreement, but only if such Lender or such Participant or such Agent is legally entitled to deliver such forms. Nothing in this Section 16.2 shall require a Lender or Participant or Agent to disclose any information or provide documentation (i) that in Lender's reasonable judgment such completion, execution or submission would subject Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender or (ii) that it deems to be confidential (including without limitation, its tax returns). Each Lender and each Participant and each Agent shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and to promptly notify Agent and Borrower, or the Originating Lender in the case of a Participant, of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(d) If a Lender or Participant claims exemption from, or reduction of, withholding Tax and such Lender or Participant sells, assigns, grants a participation in, or otherwise transfers all or part of the DIP Facility Obligations of Borrower to such Lender or Participant, such Lender or Participant agrees to notify Agent and Borrower (or, in the case of a sale of a participation interest, to the Lender granting the participation) of the percentage amount in which it is no longer the beneficial owner of DIP Facility Obligations of Borrower to such Lender or Participant. To the extent of such percentage amount, Agent and Borrower will treat such Lender's or the Originating Lender will treat such Participant's documentation provided pursuant to Section 16.2(a), 16.2(c) or 16.2(e) as no longer valid. With respect to such percentage amount, such Participant or Assignee shall provide new documentation to Agent and Borrower, or the Originating Lender in the case of a Participant, pursuant to Section 16.2(a), 16.2(c) or 16.2(e), if applicable. Borrower agrees that each Participant shall be entitled to the benefits of this Section 16 with respect to its participation in any portion of the DIP Loan Commitments and the DIP Facility Obligations so long as such Participant complies with the obligations set forth in this Section 16 with respect thereto.

(e) If a payment made to a Foreign Lender or Agent would be subject to United States federal withholding Tax imposed by FATCA if such Foreign Lender or Agent fails to comply with the applicable reporting requirements of FATCA, such Foreign Lender or Agent shall deliver to Agent and Borrower any documentation under any requirement of law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) or reasonably requested by Agent or Borrower sufficient for Agent or Borrower to comply with their obligations under FATCA and to determine whether such Foreign Lender or Agent has complied with such applicable reporting requirements. Solely for purposes of this paragraph (e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

16.3 Reductions.

(a) If a Lender or a Participant is entitled to a reduction in the applicable withholding Tax, Agent (or, in the case of a Participant, the Lender granting the participation) or Borrower may withhold from any payment to such Lender or such Participant an amount equivalent to the applicable withholding Tax after taking into account such reduction. If the forms or other documentation required by Section 16.2(a), 16.2(c) or 16.2(e) are not delivered to Agent (or, in the case of a Participant, to the Lender granting the participation), then Agent (or, in the case of a Participant, the Lender granting the participation) or Borrower may withhold from any payment to such Lender or such Participant not providing such forms or other documentation an amount equivalent to the applicable withholding tax as required by applicable law.

(b) If the IRS or any other Governmental Authority of the United States or other jurisdiction asserts a claim that Agent (or, in the case of a Participant, to the Lender granting the participation) did not properly withhold Tax from amounts paid to or for the account of any Lender or any Participant due to a failure on the part of the Lender or any Participant (because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify Agent (or such Participant failed to notify the Lender granting the participation) of a change in circumstances which rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason) such Lender shall indemnify and hold Agent

harmless (or, in the case of a Participant, such Participant shall indemnify and hold Agent and the Lender granting the participation harmless) for all amounts paid, directly or indirectly, by Agent (or, in the case of a Participant, to the Lender granting the participation), as Tax or otherwise, including penalties and interest, and including any taxes imposed by any jurisdiction on the amounts payable to Agent (or, in the case of a Participant, to the Lender granting the participation only) under this Section 16, together with all costs and expenses (including attorneys' fees and expenses). The obligation of the Lenders and the Participants under this subsection shall survive the payment of all DIP Facility Obligations and the resignation or replacement of Agent.

16.4 **Refunds.** If Agent or a Lender or Participant determines, in its sole discretion, that it has received a refund of any Indemnified Taxes with respect to which Borrower has paid additional amounts pursuant to this Section 16, so long as no Default or Event of Default has occurred and is continuing, it shall pay over such refund to Borrower (but only to the extent of payments made, or additional amounts paid, by Borrower under this Section 16 with respect to Indemnified Taxes giving rise to such a refund), net of all out-of-pocket expenses (including Taxes) of Agent or such Lender or such Participant and without interest (other than any interest paid by the applicable Governmental Authority with respect to such a refund); provided, that Borrower, upon the request of Agent or such Lender or such Participant, agrees to repay the amount paid over to Borrower (plus any penalties, interest or other charges, imposed by the applicable Governmental Authority, other than such penalties, interest or other charges imposed as a result of the willful misconduct, bad faith or gross negligence of Agent or such Lender or such Participant hereunder) to Agent or such Lender or such Participant in the event Agent or such Lender or such Participant is required to repay such refund to such Governmental Authority. Notwithstanding anything in this Agreement to the contrary, this Section 16 shall not be construed to require Agent or any Lender or any Participant to make available its tax returns (or any other confidential information) to Borrower or any other Person.

17. GENERAL PROVISIONS.

17.1 **Effectiveness.** Subject to the entry of the DIP Orders, this Agreement shall be binding and deemed effective when executed by Parent, Borrower, Agent, and each Lender whose signature is provided for on the signature pages hereof.

17.2 **Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

17.3 **Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender Group or Parent or Borrower, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

17.4 **Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

17.5 **[Intentionally Omitted]**.

17.6 **Debtor-Creditor Relationship.** The relationship between the Lenders and Agent, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. No member of the Lender Group has (or shall be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with the DIP Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between the members of the Lender Group, on the one hand, and the Loan Parties, on the other hand, by virtue of any DIP Loan Document or any transaction contemplated therein.

17.7 **Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other DIP Loan Document mutatis mutandis.

17.8 **Revival and Reinstatement of DIP Facility Obligations; Certain Waivers.** If any member of the Lender Group repays, refunds, restores, or returns in whole or in part, any payment or property (including any proceeds of DIP Collateral) previously paid or transferred to such member of the Lender Group in full or partial satisfaction of any DIP Facility Obligation or on account of any other obligation of any Loan Party under any DIP Loan Document, because the payment, transfer, or the incurrence of the obligation so satisfied is asserted or declared to be void, voidable, or otherwise recoverable under any law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent transfers, preferences, or other voidable or recoverable obligations or transfers (each, a "Voidable Transfer"), or because such member of the Lender Group elects to do so on the reasonable advice of its counsel in connection with a claim that the payment, transfer, or incurrence is or may be a Voidable Transfer, then, as to any such Voidable Transfer, or the amount thereof that such member of the Lender Group elects to repay, restore, or return (including pursuant to a settlement of any claim in respect thereof), and as to all reasonable costs, expenses, and attorneys' fees of such member of the Lender Group related thereto, the liability of the Loan Parties with respect to the amount or property paid, refunded, restored, or returned will automatically and immediately be revived, reinstated, and restored and will exist as if such Voidable Transfer had never been made. This Section 17.8 shall survive the termination of this Agreement and the repayment in full of the DIP Loans and other DIP Facility Obligations.

17.9 **Confidentiality.**

(a) Agent and Lenders each individually (and not jointly or jointly and severally) agree that information regarding Parent and its Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by

Agent and the Lenders in a confidential manner, and shall not be disclosed by Agent and the Lenders to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to any member of the Lender Group and to employees, directors and officers of any member of the Lender Group (the Persons in this clause (i), “Lender Group Representatives”) on a “need to know” basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of any member of the Lender Group, provided that any such Subsidiary or Affiliate shall have been informed of the confidential nature of the Confidential Information and instructed to keep such information confidential in accordance with the terms of this Section 17.9, (iii) as may be required or requested by regulatory authorities so long as such authorities are informed of the confidential nature of such information, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Borrower with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrower pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrower, (vi) as requested by any Governmental Authority or self-regulatory authority, provided, that, (x) prior to any disclosure under this clause (vi) (except in the case of routine reviews, audits and examinations) the disclosing party agrees to provide Borrower with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrower pursuant to the terms of the applicable request and by law and (y) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be requested by such Governmental Authority or self-regulatory authority pursuant to such applicable request, (vii) as required by any Governmental Authority pursuant to any subpoena or other legal process, provided, that, (x) prior to any disclosure under this clause (vii) the disclosing party agrees to provide Borrower with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrower pursuant to the terms of the subpoena or other legal process and (y) any disclosure under this clause (vii) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (viii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agent or the Lenders or the Lender Group Representatives), (ix) in connection with any assignment, participation or pledge of any Lender’s interest under this Agreement, provided that prior to receipt of Confidential Information any such assignee, participant, or pledgee (other than the Federal Reserve Bank or any central bank in connection with a pledge thereto pursuant to Section 13.1(g)) shall have agreed in writing to receive such Confidential Information either subject to the terms of this Section 17.9 or pursuant to confidentiality requirements substantially similar to those contained in this Section 17.9 (and such Person may disclose such Confidential Information to Persons employed or engaged by them as described in clause (i) above), (x) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other DIP Loan Documents; provided, that, prior to any disclosure

to any Person (other than any Loan Party, Agent, any Lender, any of their respective Affiliates, or their respective counsel) under this clause (x) with respect to litigation involving any Person (other than Borrower, Agent, any Lender, any of their respective Affiliates, or their respective counsel), the disclosing party agrees to provide Borrower with prior written notice thereof, (xi) to exercise of any secured creditor remedy under this Agreement or under any other DIP Loan Document, and (xii) for purposes of establishing a “due diligence” or similar defense in any legal proceeding.

(b) Anything in this Agreement to the contrary notwithstanding, Agent or any Lender may disclose information concerning the terms and conditions of this Agreement and the other DIP Loan Documents to loan syndication and pricing reporting services or in its marketing or promotional materials, with such information to consist of deal terms and other information customarily found in such publications or marketing or promotional materials and may otherwise use the name, logos, and other insignia of Borrower or the other Loan Parties and the DIP Loan Commitments provided hereunder in any “tombstone” or other advertisements, on its website or in other marketing materials of Agent or any Lender.

17.10 **Survival.** All representations and warranties made by the Loan Parties in the DIP Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other DIP Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the DIP Loan Documents and the making of any DIP Loans regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agent or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of, or any accrued interest on, any DIP Loan or any fee or any other amount payable under this Agreement is outstanding or unpaid and so long as the DIP Loan Commitments have not expired or been terminated.

17.11 **Patriot Act.** Each Lender that is subject to the requirements of the Patriot Act hereby notifies Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow such Lender to identify Borrower in accordance with the Patriot Act. In addition, if Agent is required by law or regulation or internal policies to do so, it shall have the right to periodically conduct (a) Patriot Act searches, OFAC/PEP searches, and customary individual background checks for the Loan Parties and (b) OFAC/PEP searches and customary individual background checks for the Loan Parties’ senior management and key principals, and Borrower agrees to cooperate in respect of the conduct of such searches and further agrees that the reasonable costs and charges for such searches shall constitute Lender Group Expenses hereunder and be for the account of Borrower.

17.12 **Integration.** This Agreement, together with the other DIP Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

17.13 **[Intentionally Omitted].**

17.14 **Judgment Currency.** If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other DIP Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of Borrower in respect of any such sum due from it to Agent or any Lender hereunder or under the other DIP Loan Documents shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “Agreement Currency”), be discharged only to the extent that on the Business Day following receipt by Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to Agent or any Lender from Borrower in the Agreement Currency, Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to Agent or any Lender in such currency, Agent or such Lender, as the case may be, agrees to return the amount of any excess to Borrower (or to any other Person who may be entitled thereto under applicable law).

17.15 **No Setoff.** All payments made by Borrower hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense.

17.16 **Acknowledgement and Consent to Bail-In of EEA Financial Institutions.** Notwithstanding anything to the contrary in any DIP Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any DIP Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

- (i) a reduction in full or in part or cancellation of any such liability;
- (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other DIP Loan Document; or

- (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[Signature pages to follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

PARENT GUARANTORS:

DREAM II HOLDINGS, LLC, a Delaware limited liability company

By: _____
Name:
Title:

HOLLANDER HOME FASHIONS HOLDINGS, LLC, a Delaware limited liability company

By: _____
Name:
Title:

BORROWER:

HOLLANDER SLEEP PRODUCTS, LLC, a Delaware limited liability company

By: _____
Name:
Title:

BARINGS FINANCE LLC, as Agent

By: _____
Name: Brady Sutton
Title: Managing Director

EXHIBIT 2.3(a)

FORM OF BORROWING NOTICE

Barings Finance LLC, as Agent
300 South Tryon Street
Suite 2500
Charlotte NC 28202
Attn: Eric Langerman
Fax No. [_____]

Ladies and Gentlemen:

Reference is made to that certain **DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT** (the "Credit Agreement") dated as of May [], 2019, by and among the lenders identified on the signature pages thereof (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), **BARINGS FINANCE LLC**, as the arranger and administrative agent for the Lenders ("Agent"), **DREAM II HOLDINGS, LLC**, a Delaware limited liability company ("Parent"), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company (together with Parent the "Parent Guarantors"), and **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company ("Borrower"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

1. The Borrower hereby requests a DIP Loan to be made on the terms set forth below:

- (a) Date of borrowing: []
- (b) Type of DIP Loan: []
- (c) Interest election: [Base Rate] / [LIBOR Rate with an Interest Period of [1][2][3] month(s)]
- (d) Principal amount: []

2. The Borrower hereby requests that the proceeds of the DIP Loan described in this Notice of Borrowing be disbursed to the accounts and in the amounts set forth next to each account on the funds flow attached hereto as Exhibit A.

3. As of the date hereof and after giving effect to the advance requested in this Notice of Borrowing, no Default or Event of Default has occurred and is continuing.

4. Each of the conditions set forth in Section [3.1/3.2] and Section 3.3 of the Credit Agreement is satisfied as of the date hereof and immediately after giving effect to the advance requested in this Notice of Borrowing.

5. The undersigned has been duly authorized by the Borrower to make this request for advance.

[signature page to follow]

BORROWER:

HOLLANDER SLEEP PRODUCTS, LLC, a
Delaware limited liability company

By: _____

Name: _____

Title: _____

Exhibit A

FUNDS FLOW

EXHIBIT 3.1

FORM OF OFFICER'S CERTIFICATE

OMNIBUS CERTIFICATE

May __, 2019

Each of the undersigned hereby certifies that he or she is a duly elected, qualified and acting authorized officer of the entities listed on each schedule attached hereto (each listed entity, a "Company", and collectively, the "Companies"). Each of the undersigned hereby further certifies, as of the date hereof, solely on behalf of each Company, as applicable, and in such capacity (and not individually), that he or she is authorized to execute this certificate (this "Certificate") on behalf of the Companies and further hereby certifies that:

- (a) This Certificate is furnished pursuant to (i) that certain Debtor-in-Possession Term Loan Credit Agreement entered into as of the date hereof (the "DIP Term Loan Credit Agreement"), by and among the lenders identified on the signature pages thereto, Barings Finance LLC, as administrative agent for each member of the Lender Group (as defined in the DIP Term Loan Credit Agreement) (in such capacity, together with its successors and assigns in such capacity, "DIP Term Loan Agent"), Dream II Holdings, LLC, a Delaware limited liability company ("Parent"), Hollander Home Fashions Holdings, LLC, a Delaware limited liability company ("HHFH" and together with Parent, the "Parent Guarantors"), and Hollander Sleep Products, LLC, a Delaware limited liability company ("HSP" or "Term Loan Borrower"), and (ii) that certain Debtor-in-Possession Credit Agreement entered into as of the date hereof (the "DIP ABL Credit Agreement" and, together with the DIP Term Loan Credit Agreement, the "Credit Agreements" and each, a "Credit Agreement"), by and among the lenders identified on the signature pages thereto, Wells Fargo Bank, National Association, as administrative agent for each member of the Lender Group (as defined in the DIP ABL Credit Agreement) and the Bank Product Providers (as defined in the DIP ABL Credit Agreement) (in such capacity, together with its successors and assigns in such capacity, "DIP ABL Agent"), Parent, HHFH, HSP, Hollander Sleep Products Kentucky, LLC, a Delaware limited liability company ("Hollander Kentucky"), Pacific Coast Feather Cushion, LLC, a Delaware limited liability company ("Cushion"), and Pacific Coast Feather, LLC, a Delaware limited liability company ("PCF"; HHFH, HSP, Hollander Kentucky, Cushion and PCF, are collectively, the "DIP ABL US Borrowers" and individually an "DIP ABL US Borrower"), and Hollander Sleep Products Canada Limited (formerly known as Hollander Canada Home Fashions Limited), a Canadian federal corporation ("DIP ABL Canadian Borrower," DIP ABL US Borrowers and DIP ABL Canadian Borrower are collectively, the "DIP ABL Borrowers" and individually a "DIP ABL Borrower"). Unless otherwise defined herein, capitalized terms used in this Certificate shall have the meanings set forth in the DIP Term Loan Credit

Agreement or the DIP ABL Credit Agreement, as applicable, as the context requires.

- (b) Attached hereto as Exhibit A are true, correct and complete copies of the Certificate of Formation of each Company (the “Formation Documents”) as certified by the Secretary of State of the State of Delaware together with all amendments thereto adopted through the date hereof. Except as attached hereto, such Formation Documents have not been amended, modified, revoked or rescinded since the date of adoption thereof and are in full force and effect on and as of the date hereof. No actions have been taken by any of the Companies in contemplation of the dissolution of any of the Companies.
- (c) Attached hereto as Exhibit B are true, correct and complete copies of the limited liability company agreement or operating agreement, as applicable, of each Company (the “Operating Agreements”) as in effect on the date hereof, together with all amendments thereto adopted through the date hereof. Such Operating Agreements have not been otherwise amended, modified, revoked or rescinded since the date of adoption thereof and are in full force and effect on and as of the date hereof.
- (d) Attached hereto as Exhibit C is a true, correct and complete copy of the resolutions duly adopted by each Company’s board of directors or the sole member, as applicable (the “Board”), approving and authorizing the execution, delivery and performance of the Credit Agreements and the other Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) and the transactions contemplated thereby. Such resolutions have not been amended, modified, revoked or rescinded since the date of adoption thereof, are in full force and effect on and as of the date hereof and are the only resolutions that have been adopted by the Board of each Company with respect to the subject matter thereof.
- (e) Each of the persons named on Exhibit D attached hereto are, on and as of the date hereof, duly elected, qualified and acting officers of each Company occupying the offices set forth opposite their respective names on Exhibit D, and the signatures set forth opposite their respective names are their true and genuine signatures, and each of such officers is duly authorized to execute and deliver on behalf of each Company each Credit Agreement and the other Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) and each of the related documents to which it is a party and any other agreement, instrument or document to be delivered by each Company pursuant to the Credit Agreements and the other Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) to which it is a party.
- (f) Attached hereto as Exhibit E is a true, correct and complete copy of the certificate of good standing for each Company (the “Good Standing Certificates”), certified as of a recent date by the Secretary of State of the State of Delaware. No change

has occurred in the legal existence and good standing of any Company since the date of the applicable Good Standing Certificate.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed on behalf of each Company listed on Schedule 1 and Schedule 2 attached hereto as of the date first written above.

By: _____
Name: Michael J. Fabian
Title: Vice President

I, Eric D. Bommer, as President of each Company listed on Schedule 1 and Schedule 2 attached hereto, do hereby certify on behalf of each such Company that Michael J. Fabian is the duly elected, qualified and acting Vice President of each such Company and that the signature set forth above is the genuine signature of such person.

By: _____
Name: Eric D. Bommer
Title: President

Schedule 1

1. Dream II Holdings, LLC, a Delaware limited liability company

Schedule 2

1. Hollander Home Fashions Holdings, LLC, a Delaware limited liability company
2. Hollander Sleep Products Kentucky, LLC, a Delaware limited liability company
3. Hollander Sleep Products, LLC, a Delaware limited liability company (f/k/a Hollander Home Fashions, LLC)
4. Pacific Coast Feather Cushion, LLC, a Delaware limited liability company (f/k/a Pacific Coast Feather Company, a Washington corporation)
5. Pacific Coast Feather, LLC, a Delaware limited liability company (f/k/a Pacific Coast Feather Cushion Co., a Washington corporation)

EXHIBIT A

Formation Documents

EXHIBIT B

Operating Agreements

EXHIBIT C

Resolutions

**OMNIBUS WRITTEN CONSENT IN LIEU OF MEETINGS
OF THE BOARD OF DIRECTORS AND SOLE MEMBER**

May [], 2019

The undersigned, being the board of directors or the sole member, as applicable (each, a “Board”), of each entity listed on Schedule 1 through Schedule 6 attached hereto (each, a “Company” and collectively the “Companies”), in lieu of holding a meeting of each Board, hereby take the following actions and adopt the following resolutions by unanimous written consent, pursuant to Section 18-404(d) of the Delaware Limited Liability Company Act and Section 18-302(d) of the Delaware Limited Liability Company Act, as applicable for each Company:

**APPROVAL OF THE DEBTOR-IN-POSSESSION TERM LOAN CREDIT
AGREEMENT**

RESOLVED, that the form, terms and provisions of the Debtor-in-Possession Term Loan Credit Agreement, together with all exhibits, schedules and annexes thereto (as may be amended, restated, supplemented or otherwise modified and in effect from time to time, the “DIP Term Loan Credit Agreement”; capitalized terms used but not otherwise defined herein shall have the meanings specified in the DIP Term Loan Credit Agreement and the DIP ABL Credit Agreement (as defined below), as applicable, as the context requires), by and among the lenders identified on the signature pages thereto, Barings Finance LLC, as administrative agent for each member of the Lender Group (as defined in the DIP Term Loan Credit Agreement) (in such capacity, together with its successors and assigns in such capacity, “DIP Term Loan Agent”), Dream II Holdings, LLC, a Delaware limited liability company (“Parent”), Hollander Home Fashions Holdings, LLC, a Delaware limited liability company (“HHFH” and together with Parent, the “Parent Guarantors”) and Hollander Sleep Products, LLC, a Delaware limited liability company (“HSP” or “DIP Term Loan Borrower”), and the transactions contemplated by the DIP Term Loan Credit Agreement and the other DIP Loan Documents (including, without limitation, the borrowings and other extensions of credit thereunder), and the guaranties, liabilities, obligations, security interest granted and notes issued, if any, in connection therewith, be and hereby are authorized, adopted and approved; and

RESOLVED, that each Company’s execution and delivery of, and its performance of its obligations in connection with the DIP Term Loan Credit Agreement and the other DIP Loan Documents, are hereby, in all respects, authorized and approved; and further resolved, that each of the Chief Executive Officer, the Chief Financial Officer, the President, any Vice President, any other officer of each Company and any officer of the sole member and/or any manager of each Company, as applicable (each an “Authorized Officer” and collectively, the “Authorized Officers”) is hereby authorized and directed to negotiate the terms of and to execute, deliver and perform its obligations under the DIP Term Loan Credit Agreement, the other DIP Loan Documents and any and all other documents, certificates, instruments or

agreements required to consummate the transactions contemplated by the DIP Term Loan Credit Agreement and the other DIP Loan Documents in the name and on behalf of each Company, in the form approved, with such changes therein and modifications and amendments thereto as any of the Authorized Officers may in his or her sole discretion approve, which approval shall be conclusively evidenced by his or her execution thereof. Such execution by any of the Authorized Officers is hereby authorized to be by facsimile, engraved or printed as deemed necessary and preferable; and

APPROVAL OF THE DEBTOR-IN-POSSESSION ABL CREDIT AGREEMENT

RESOLVED, that the form, terms and provisions of the Debtor-in-Possession Credit Agreement, together with all exhibits, schedules and annexes thereto (collectively, as amended, restated, supplemented or otherwise modified and in effect from time to time, the “DIP ABL Credit Agreement” and, together with the DIP Term Loan Credit Agreement, the “Credit Agreements” and each, a “Credit Agreement”), by and among the lenders identified on the signature pages thereto, Wells Fargo Bank, National Association, as administrative agent for each member of the Lender Group (as defined in the DIP ABL Credit Agreement) and the Bank Product Providers (as defined in the DIP ABL Credit Agreement) (in such capacity, together with its successors and assigns in such capacity, “DIP ABL Agent”), Parent, HHFH, HSP, Hollander Sleep Products Kentucky, LLC, a Delaware limited liability company (“Hollander Kentucky”), Pacific Coast Feather Cushion, LLC, a Delaware limited liability company (“Cushion”), and Pacific Coast Feather, LLC, a Delaware limited liability company (“PCF”; HHFH, HSP, Hollander Kentucky, Cushion and PCF, are collectively, the “DIP ABL US Borrowers” and individually an “DIP ABL US Borrower”), and Hollander Sleep Products Canada Limited (formerly known as Hollander Canada Home Fashions Limited), a British Columbia corporation (“DIP ABL Canadian Borrower,” DIP ABL US Borrowers and DIP ABL Canadian Borrower are collectively, the “DIP ABL Borrowers” and individually a “DIP ABL Borrower”), and the transactions contemplated by the DIP ABL Credit Agreement and the other Loan Documents (as defined in the DIP ABL Credit Agreement), and the guaranties, liabilities, obligations, and notes issued, if any, in connection therewith, be and hereby are authorized, adopted and approved; and

RESOLVED, that each Company’s execution and delivery of, and its performance of its obligations in connection with the DIP ABL Credit Agreement and the other Loan Documents, are hereby, in all respects, authorized and approved; and further resolved, that each of the Authorized Officers is hereby authorized and directed to negotiate the terms of and to execute, deliver and perform such Company’s obligations under the DIP ABL Credit Agreement, the other Loan Documents and any and all other documents, certificates, instruments or agreements required to consummate the transactions contemplated by the DIP ABL Credit Agreement and such other Loan Documents in the name and on behalf of each Company, in the form approved, with such changes therein and modifications and amendments thereto as any of the Authorized Officers may in his or her sole discretion approve, which approval shall be conclusively evidenced by his or her execution thereof. Such execution by any of the Authorized Officers is hereby authorized to be by facsimile, engraved or printed as deemed necessary and preferable; and

APPROVAL OF THE LOAN DOCUMENTS AND THE DIP LOAN DOCUMENTS

RESOLVED, that (i) the form, terms and provisions of the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) to which any or all of the Companies are a party, (ii) the incurrence of indebtedness and borrowing of funds under the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) (iii) the guarantee of all Obligations (as defined in the DIP ABL Credit Agreement) pursuant to the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Facility Obligations (as defined in the DIP Term Loan Credit Agreement) and the DIP Facility Obligations (as defined in the DIP Term Loan Credit Agreement) pursuant to the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) by the Guarantors (as defined in each of the Credit Agreements), and (iv) the grant of security interests in and pledges of all or substantially all of the real and personal property, assets and rights now or hereafter owned by any or all of the Companies as collateral (including pledges of equity and personal property as collateral) under the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement), be and hereby are, authorized, adopted and approved; and

RESOLVED, that each Company's execution and delivery of, and performance of its obligations under, the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) to which any or all of the Companies are a party, are hereby, in all respects, authorized and approved; and further resolved, that each of the Authorized Officers is hereby authorized and directed to negotiate the terms of and to execute, deliver and perform its obligations under the Loan Documents (as defined in the DIP ABL Credit Agreement) and the DIP Loan Documents (as defined in the DIP Term Loan Credit Agreement) to which any or all of the Companies are a party and any and all other documents, certificates, instruments or agreements required to consummate the transactions contemplated thereby in the name and on behalf of each Company, in the form approved, with such changes therein and modifications and amendments thereto as any of the Authorized Officers may in his/her sole discretion approve, which approval shall be conclusively evidenced by his/her execution thereof. Such execution by any of the Authorized Officers is hereby authorized to be by facsimile, engraved or printed as deemed necessary and preferable; and

GENERAL

RESOLVED, that in order to carry out fully the intent and effectuate the purposes of the foregoing resolutions, each of the Authorized Officers be, and hereby are, authorized and empowered to take all such further action including, without limitation, (i) to sell, transfer, lease, assign, set over, grant security interests in, mortgage or pledge any assets and properties of each Company, real personal, or mixed, tangible or intangible, now owned or hereafter acquired as such Authorized Officer determines necessary in connection with such financing and (ii) to arrange for, enter into or grant amendments and/or restatements (including, without limitation, amendments increasing or decreasing the amount of credit available under the Credit Agreements to the Companies acting as borrowers thereunder and/or extending the maturity of the same) and modifications to and waivers of the foregoing agreements (the

“Agreements”), and to arrange for and enter into supplemental agreements, instruments, certificates, financing statements and other documents relating to the transactions contemplated by the Agreements, and to execute, deliver and perform all such further amendments, modifications, waivers, supplemental agreements, instruments, certificates and documents as may be called for under or in connection with the Agreements, that may be determined by such Authorized Officer to be necessary or desirable, containing such terms and conditions and other provisions consistent with the Agreements, in the name and on behalf of each Company, and to pay all such fees and expenses, which shall in his or her judgment be deemed necessary, proper or advisable in order to perform each Company’s obligations under or in connection with the Agreements and the transactions contemplated thereby; and

RESOLVED, that all actions taken by any of the Authorized Officers of each Company prior to the date of this written consent which are within the authority conferred hereby are hereby in all respects authorized, ratified, confirmed and approved.

The actions taken by this consent shall have the same force and effect as if taken at a meeting of each Board of each Company, pursuant to the limited liability company agreement or operating agreement, as applicable, of each Company and the laws of the State of Delaware. This consent may be executed in one or more facsimile, electronic or original counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

* * * *

Schedule 1

2. Dream II Holdings, LLC, a Delaware limited liability company

Schedule 2

1. Hollander Home Fashions Holdings, LLC, a Delaware limited liability company

Schedule 3

1. Hollander Sleep Products Kentucky, LLC, a Delaware limited liability company

Schedule 4

1. Hollander Sleep Products, LLC, a Delaware limited liability company (f/k/a Hollander Home Fashions, LLC, a Delaware limited liability company)

Schedule 5

1. Pacific Coast Feather Cushion, LLC, a Delaware limited liability company (f/k/a Pacific Coast Feather Company, a Washington corporation)

Schedule 6

1. Pacific Coast Feather, LLC, a Delaware limited liability company (f/k/a Pacific Coast Feather Cushion Co., a Washington corporation)

IN WITNESS WHEREOF, the undersigned have executed this consent as of the date first set forth above.

Board of the Company
set forth on Schedule 1:

Eric D. Bommer

Michael J. Fabian

Steve Cumbow

Chris Baker

Matthew Kahn

IN WITNESS WHEREOF, the undersigned has executed this consent as of the date first set forth above.

Sole Member of the Company
set forth on Schedule 2:

Dream II Holdings, LLC, as Sole Member

By: _____
Name: Michael J. Fabian
Title: Vice President

IN WITNESS WHEREOF, the undersigned has executed this consent as of the date first set forth above.

Sole Member of the Company
set forth on Schedule 3:

Hollander Sleep Products, LLC, as Sole Member

By: _____
Name: Michael J. Fabian
Title: Vice President

IN WITNESS WHEREOF, the undersigned has executed this consent as of the date first set forth above.

Sole Member of the Company
set forth on Schedule 4:

Hollander Home Fashions Holdings, LLC, as
Sole Member

By: _____

Name: Michael J. Fabian

Title: Vice President

IN WITNESS WHEREOF, the undersigned has executed this consent as of the date first set forth above.

Sole Member of the Company
set forth on Schedule 5:

Pacific Coast Feather, LLC, as Sole Member

By: _____
Name: Michael J. Fabian
Title: Vice President

IN WITNESS WHEREOF, the undersigned has executed this consent as of the date first set forth above.

Sole Member of the Company
set forth on Schedule 6:

Hollander Sleep Products, LLC, as Sole Member

By: _____
Name: Michael J. Fabian
Title: Vice President

EXHIBIT D

Incumbency

Incumbency to Schedule 1

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Eric D. Bommer	President	_____
Michael J. Fabian	Vice President and Treasurer	_____
Steve Cumbow	Chief Financial Officer	_____
Chris Baker	Executive Chairman	_____
Marc L. Pfefferle	Chief Executive Officer	_____

Incumbency to Schedule 2

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Eric D. Bommer	President	_____
Michael J. Fabian	Vice President and Assistant Secretary	_____
Marc L. Pfefferle	Chief Executive Officer	_____

EXHIBIT E

Good Standing Certificates

EXHIBIT 5.2(b)

FORM OF COMPLIANCE CERTIFICATE

[on Borrower's letterhead]

To: Barings Finance LLC, as Agent
300 South Tryon Street
Suite 2500
Charlotte NC 28202
Attn: Eric Langerman
Fax No. [_____]

Re: Compliance Certificate dated _____

Ladies and Gentlemen:

Reference is made to that certain **DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT** (the "Credit Agreement") dated as of May [], 2019, by and among the lenders identified on the signature pages thereof (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), **BARINGS FINANCE LLC**, as the arranger and administrative agent for the Lenders ("Agent"), **DREAM II HOLDINGS, LLC**, a Delaware limited liability company ("Parent"), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company (together with Parent the "Parent Guarantors"), and **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company ("Borrower"). Capitalized terms used in this Compliance Certificate have the meanings set forth in the Credit Agreement unless specifically defined herein.

Pursuant to Schedule 5.1 of the Credit Agreement, the chief financial officer or other senior financial officer of Borrower hereby certifies, solely in his/her capacity as an officer of Borrower and not in his/her individual capacity, that:

a. The financial information of Parent and its Subsidiaries furnished in Schedule 1 attached hereto, has been prepared in accordance with GAAP (except, in the case of unaudited financial information, for year-end adjustments and the lack of footnotes), and fairly presents in all material respects the financial condition of Parent and its Subsidiaries as of the date hereof.

b. Such officer has reviewed the terms of the Credit Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and condition of Parent and its Subsidiaries during the accounting period covered by the financial statements delivered pursuant to paragraph 1 above.

c. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default, except for such conditions or events listed on Schedule 2 attached hereto, specifying the nature and period of existence thereof and what action Parent and its Subsidiaries have taken, are taking, or propose to take with respect thereto.

[signature page to follow]

IN WITNESS WHEREOF, this Compliance Certificate is executed by the
undersigned this _____ day of _____, _____.

HOLLANDER SLEEP PRODUCTS, LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____

SCHEDULE 1

Financial Information

SCHEDULE 2

Default or Event of Default

EXHIBIT A-1

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("Assignment Agreement") is entered into as of _____ between _____ ("Assignor") and _____ ("Assignee"). Reference is made to the Credit Agreement described in Annex I hereto (the "Credit Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

1. In accordance with the terms and conditions of Section 13 of the Credit Agreement, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, that interest in and to the Assignor's rights and obligations under the DIP Loan Documents as of the date hereof with respect to the DIP Facility Obligations owing to the Assignor, and Assignor's portion of the DIP Loan Commitments, all to the extent specified on Annex I.

2. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (b) makes no representation or warranty and assumes no responsibility with respect to (i) any statements, representations or warranties made in or in connection with the DIP Loan Documents, or (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the DIP Loan Documents or any other instrument or document furnished pursuant thereto; (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrower or any Guarantor or the performance or observance by Borrower or any Guarantor of any of their respective obligations under the DIP Loan Documents or any other instrument or document furnished pursuant thereto, and (d) represents and warrants that the amount set forth as the Purchase Price on Annex I represents the amount owed by Borrower to Assignor with respect to Assignor's share of the DIP Loans assigned hereunder, as reflected on Assignor's books and records.

3. The Assignee (a) confirms that it has received copies of the Credit Agreement and the other DIP Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon Agent, Assignor, or any other Lender, based upon such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under the DIP Loan Documents; (c) confirms that it is an Eligible Transferee; (d) appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers under the DIP Loan Documents as are delegated to Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the DIP Loan Documents are required to be performed by it as a Lender; and (f) attaches (i) the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement, or (ii) such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty.

4. Following the execution of this Assignment Agreement by the Assignor and Assignee, the Assignor will deliver this Assignment Agreement to Agent for recording by Agent. The

effective date of this Assignment (the “Settlement Date”) shall be the latest to occur of (a) the date of the execution and delivery hereof by the Assignor and the Assignee, (b) the receipt by Agent for its sole and separate account a processing fee in the amount of \$3,500 (if required by the Credit Agreement), (c) the receipt of any required consent of Agent or Borrower, if applicable, and (d) the date specified in Annex I.

5. As of the Settlement Date (a) the Assignee shall be a party to the Credit Agreement and, to the extent of the interest assigned pursuant to this Assignment Agreement, have the rights and obligations of a Lender thereunder and under the other DIP Loan Documents, and (b) the Assignor shall, to the extent of the interest assigned pursuant to this Assignment Agreement, relinquish its rights and be released from its obligations under the Credit Agreement and the other DIP Loan Documents, provided, however, that nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender’s obligations under Section 15 and Section 17.9(a) of the Credit Agreement.

6. Upon the Settlement Date, Assignee shall pay to Assignor the Purchase Price (as set forth in Annex I). From and after the Settlement Date, Agent shall make all payments that are due and payable to the holder of the interest assigned hereunder (including payments of principal, interest, fees and other amounts) to Assignor for amounts which have accrued up to but excluding the Settlement Date and to Assignee for amounts which have accrued from and after the Settlement Date. On the Settlement Date, Assignor shall pay to Assignee an amount equal to the portion of any interest, fee, or any other charge that was paid to Assignor prior to the Settlement Date on account of the interest assigned hereunder and that are due and payable to Assignee with respect thereto, to the extent that such interest, fee or other charge relates to the period of time from and after the Settlement Date.

7. This Assignment Agreement may be executed in counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. This Assignment Agreement may be executed and delivered by telecopier or other means of electronic transmission (including, without limitation, “.pdf” file) all with the same force and effect as if the same were a fully executed and delivered original manual counterpart.

8. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement and Annex I hereto to be executed by their respective officers, as of the first date written above.

[NAME OF ASSIGNOR]

as Assignor

By _____

Name:

Title:

[NAME OF ASSIGNEE]

as Assignee

By _____

Name:

Title:

ACCEPTED THIS _____ DAY OF

BARINGS FINANCE LLC, as Agent

By _____

Name:

Title:

[HOLLANDER SLEEP PRODUCTS, LLC, a

Delaware limited liability company

By: _____

Name: _____

Title:]¹ _____

¹ If required pursuant to the Terms of the Credit Agreement.

ANNEX FOR ASSIGNMENT AND ACCEPTANCE

ANNEX I

1. Borrower: Hollander Sleep Products, LLC, a Delaware limited liability company (“Borrower”)

2. Name and Date of Credit Agreement:

Debtor-In-Possession Term Loan Credit Agreement, dated as of May [], 2019, by and among Dream II Holdings, LLC, a Delaware limited liability company, Hollander Home Fashions Holdings, LLC, a Delaware limited liability company, Borrower, the lenders from time to time a party thereto, and Barings Finance LLC as the administrative agent for the Lenders

3. Date of Assignment Agreement: _____

4. Amounts:

(a) Assigned Amount of DIP Loans \$ _____

5. Settlement Date: _____

6. Purchase Price \$ _____

7. Notice and Payment Instructions, etc.

Assignee:

Assignor:

8. Agreed and Accepted:

[ASSIGNOR]

[ASSIGNEE]

By: _____
Title: _____

By: _____
Title: _____

ACCEPTED THIS _____ DAY OF

BARINGS FINANCE LLC, as Agent

By _____
Name:
Title:

[HOLLANDER SLEEP PRODUCTS, LLC], a
Delaware limited liability company

By: _____
Name: _____
Title:]² _____

² If required pursuant to the Terms of the Credit Agreement.

EXHIBIT I-1

FORM OF INITIAL APPROVED BUDGET

[To be provided.]

EXHIBIT I-2

FORM OF INTERIM DIP ORDER

[To be provided.]

EXHIBIT L-1

FORM OF LIBOR NOTICE

Barings Finance LLC, as Agent
300 South Tryon Street
Suite 2500
Charlotte NC 28202
Attn: Eric Langerman
Fax No. [_____]

Ladies and Gentlemen:

Reference is made to that certain **DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT** (the "Credit Agreement") dated as of May [], 2019, by and among the lenders identified on the signature pages thereof (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), **BARINGS FINANCE LLC**, as the arranger and administrative agent for the Lenders ("Agent"), **DREAM II HOLDINGS, LLC**, a Delaware limited liability company ("Parent"), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company (together with Parent the "Parent Guarantors"), and **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company ("Borrower"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

This LIBOR Notice represents Borrowers' request to elect the LIBOR Option with respect to outstanding DIP Loans in the amount of \$_____ (the "DIP Loan")[, **and is a written confirmation of the telephonic notice of such election given to Agent**].

The LIBOR Rate Loan will have an Interest Period of [**1, 2, 3 or 6**] month(s) commencing on_____.

This LIBOR Notice further confirms Borrowers' acceptance, for purposes of determining the rate of interest based on the LIBOR Rate under the Credit Agreement, of the LIBOR Rate as determined pursuant to the Credit Agreement.

[signature pages to follow]

Dated: _____

BORROWER:

HOLLANDER SLEEP PRODUCTS, LLC, a
Delaware limited liability company

By: _____

Name: _____

Title: _____

Acknowledged by:

BARINGS FINANCE LLC, as Agent

By _____

Name: _____

Title: _____

Schedule A-1

Agent's Account

Bank:

Bank:	U.S. Bank
ABA No:	091-000-022
Account Number:	[REDACTED]
Account Name:	Corporate Trust Agency Services
Reference:	Hollander

Schedule D-1

<u>Initial DIP Loan Commitment</u>	
<u>Lender</u>	<u>Commitment</u>
Allstate Insurance Company	
Barings Finance LLC	
GSO Capital Partners	
First Eagle Investment Management	
PennantPark Investment Corporation	
Total	\$15,000,000.00
<u>Final DIP Loan Commitment</u>	
<u>Lender</u>	<u>Commitment</u>
Allstate Insurance Company	
Barings Finance LLC	
GSO Capital Partners	
First Eagle Investment Management	
PennantPark Investment Corporation	
Total	\$7,000,000.00
<u>Budget Advance Date Commitment</u>	
<u>Lender</u>	<u>Commitment</u>
Allstate Insurance Company	
Barings Finance LLC	
GSO Capital Partners	
First Eagle Investment Management	
PennantPark Investment Corporation	
Total	\$6,000,000.00

Schedule P-1

Permitted Investments

None.

Schedule R-1

Real Property Collateral

<u>Loan Party</u>	<u>Address</u>	<u>County</u>	<u>State</u>
Pacific Coast Feather, LLC	220 Miriam Street Henderson, NC 27536	Vance	North Carolina

Schedule 1.1

As used in the Agreement, the following terms shall have the following definitions:

“ABL DIP Agent” means Wells Fargo Bank, National Association, in its capacity as administrative agent under the ABL DIP Facility Documents, together with its successors and assigns.

“ABL DIP Facility” has the meaning specified therefor in the recitals.

“ABL DIP Facility Agreement” means the Debtor-in-Possession Credit Agreement, dated as of the date hereof, as amended, restated, amended and restated, supplemented or otherwise modified from time to time, among the Borrower, the other borrowers party thereto from time to time, the lenders and other financial institutions party thereto from time to time and the ABL DIP Agent.

“ABL DIP Facility Documents” means the “Loan Documents” as defined in the ABL DIP Facility Agreement, as the same may be amended, supplemented, waived, otherwise modified, extended, renewed, refinanced, or replaced from time to time.

“ABL DIP Lenders” means the lenders under the ABL DIP Facility Agreement.

“ABL DIP Obligations” means the “Obligations” as defined under the ABL DIP Facility Agreement.

“ABL Priority Collateral” means “ABL Priority Collateral” as defined in the Intercreditor Agreement.

“Acceleration” has the meaning specified therefor in Section 8.4 of the Agreement.

“Account” means an account (as that term is defined in the Code).

“Account Debtor” means any Person who is obligated on an Account, chattel paper, or a general intangible.

“Accounting Changes” means changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or successor thereto or any agency with similar functions).

“Additional Documents” has the meaning specified therefor in Section 5.12 of the Agreement.

“Adequate Protection Liens” has the meaning specified therefor in the DIP Orders.

“Affected Lender” has the meaning specified therefor in Section 2.13(b) of the Agreement.

“Affiliate” means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Equity Interests, by contract, or otherwise; provided, that, for purposes of Section 6.10 of the Agreement: (a) any Person which owns directly or indirectly 10% or more of the Equity Interests having ordinary voting power for the election of directors or other members of the governing body of a Person or 10% or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

“Affiliated Lender” means any Sponsor Affiliated Entity other than any natural person.

“Agent” has the meaning specified therefor in the preamble to the Agreement.

“Agent-Related Persons” means Agent, together with Agent’s Affiliates, officers, directors, employees, attorneys, and agents.

“Agent’s Account” means the Deposit Account identified on Schedule A-1 as Agent’s Account (or such other Deposit Account that has been designated as such, in writing, by Agent to Borrower and the Lenders).

“Agent’s DIP Liens” means the DIP Liens granted by Parent or its Subsidiaries to Agent under the DIP Loan Documents and securing all or a portion of the DIP Facility Obligations.

“Agreement” has the meaning specified in the preamble to the Credit Agreement.

“Allowed Professional Fees” has the meaning specified in Section 2.14(d) of the Agreement.

“Application Event” means the occurrence of (a) a failure by Borrower to repay all of the DIP Facility Obligations in full on the Maturity Date or the date of any acceleration of the DIP Facility Obligations, or (b) an Event of Default and the election by the Required Lenders to require that payments and proceeds of DIP Collateral be applied pursuant to Section 2.4(b)(ii) of the Agreement.

“Approved Budget” means the Initial Approved Budget as amended and supplemented by any Weekly Cash Flow Forecast delivered in accordance with Section 5.2(a) and approved by the Agent and the Required Lenders in accordance with Section 5.20.

“Assignee” has the meaning specified therefor in Section 13.1(a) of the Agreement.

“Assignment and Acceptance” means an Assignment and Acceptance Agreement substantially in the form of Exhibit A-1 to the Agreement.

“Available DIP Obligations” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Bankruptcy Code” has the meaning specified therefor in the recitals.

“Bankruptcy Court” has the meaning specified therefor in the recitals.

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure and local rules of the Bankruptcy Court, each as amended, and applicable to the Cases.

“Bar Date” has the meaning specified therefor in Section 8.9(m)(iii) of the Agreement.

“Base Rate” means a floating rate of interest per annum equal to the greatest of (a) the rate last quoted by The Wall Street Journal (or, if such rate is no longer quoted by The Wall Street Journal, another national publication selected by Agent) as the U.S. “Prime Rate,” (b) the Federal Funds Rate plus ½%, and (c) the sum of (i) LIBOR for an Interest Period of one month (giving effect to the minimum LIBOR Rate of 1.00%) plus (ii) 1.00%.

“Base Rate Loan” means each portion of the DIP Loans that bears interest at a rate determined by reference to the Base Rate.

“Benefit Plan” means a “defined benefit plan” (as defined in Section 3(35) of ERISA) subject to Title IV of ERISA for which Parent or any of its Subsidiaries or ERISA Affiliates has been an “employer” (as defined in Section 3(5) of ERISA) within the past six years.

“Bidding Procedures” has the meaning specified therefor in Section 8.9(m)(ii) of the Agreement.

“Board of Directors” means, with respect to any Person, (a) in the case of any corporation, the board of directors of such Person or any committee thereof duly authorized to act on behalf of such board, (b) in the case of any limited liability company, the board of managers, board of directors, manager or managing member of such Person or the functional equivalent of the foregoing, (c) in the case of any partnership, the board of directors, board of managers, manager or managing member of a general partner of such Person or the functional equivalent of the foregoing and (d) in any other case, the functional equivalent of the foregoing.

“Board of Governors” means the Board of Governors of the Federal Reserve System of the United States (or any successor).

“Borrower” has the meaning set forth in the preamble to the Agreement.

“Borrowing” means a borrowing consisting of DIP Loans made on the same day by the Lenders (or Agent on behalf thereof).

“Budget Advance Date” has the meaning specified therefor in Section 2.1(c) of this Agreement.

“Budget Advance Date Commitment” means on the Budget Advance Date, with respect to each Lender holding a Budget Advance Date Commitment, the commitment of such Lender to make a Budget Advance DIP Loan, which commitment is in the amount set forth opposite such Lender’s name on Schedule D-1 under the caption “Budget Advance Date Commitment”, as amended to reflect Assignments; provided that such commitment shown on such Schedule shall, with the written consent of the Agent (which consent shall not be unreasonably withheld, delayed or conditioned), be increased by any portion of the Final DIP Loan Commitment of such Lender not funded on the Final Order Effective Date. The aggregate amount of the Budget Advance Date Commitments on the Budget Advance Date shall be (a) \$6,000,000 plus (b) to the extent approved by the Agent in accordance with the preceding sentence, the difference between \$28,000,000 minus the aggregate funded amount of Interim DIP Loans and Final DIP Loans. It is understood and agreed that the Budget Advance Date Commitments are in addition to the Interim DIP Loan Commitments and the Final DIP Loan Commitments, and not a replacement or substitute therefor.

“Budget Advance Date DIP Loans” means the single draw term loans to be made on the Budget Advance Date in an aggregate amount not to exceed the Budget Advance Date Commitments.

“Business Day” means any day that is not a Saturday, Sunday, or other day on which banks are authorized or required to close in the state of New York, except that if a determination of a Business Day shall relate to a LIBOR Rate Loan, the term “Business Day” also shall exclude any day on which banks are closed for dealings in Dollar deposits in the London interbank market.

“Canadian Benefit Plan” means any plan, fund, program, or policy, whether oral or written, formal or informal, funded or unfunded, insured or uninsured, providing material employee benefits, including medical, hospital care, dental, sickness, accident, disability, life insurance, pension, retirement or savings benefits, under which a Loan Party or a Subsidiary thereof has any liability with respect to any employee or former employee in Canada.

“Canadian Defined Benefit Plan” means any Canadian Pension Plan which contains a “defined benefit provision” as defined in subsection 147.1(1) of the Income Tax Act (Canada).

“Canadian Pension Plan” means each pension plan required to be registered under Canadian federal or provincial law that is maintained or contributed to, or to which there is or may be an obligation to contribute by a Loan Party or a Subsidiary thereof, for its employees or former employees, but does not include the Canada Pension Plan or the Quebec Pension Plan as maintained by the Government of Canada or the Province of Quebec, respectively.

“Canadian Pension Termination Event” means (a) the voluntary full or partial wind up of a Canadian Pension Plan by any Loan Party or Subsidiary thereof or initiation of any action or

filing to do so; (b) the institution of proceedings by any Governmental Authority to terminate in whole or in part or have a trustee appointed to administer any Canadian Pension Plan; or (c) any other event or condition which might constitute grounds for the termination of, winding up or partial termination of, winding up or the appointment of trustee to administer, any Canadian Pension Plan.

“Canadian Priority Payables” means (a) the amount past due and owing by any Canadian Subsidiary, or the accrued amount for which such Canadian Subsidiary has an obligation to remit, to a Governmental Authority or other Person pursuant to any applicable law, rule or regulation, in respect of (i) goods and services taxes, sales taxes, employee income taxes, municipal taxes and other taxes payable or to be remitted or withheld; (ii) workers’ compensation or employment insurance; (iii) vacation or holiday pay; and (iv) other like charges and demands, in each case, to the extent that any Governmental Authority or other Person may claim a lien, security interest, hypothec, trust or other claim; and (b) the aggregate amount of any other liabilities of any Canadian Subsidiary (i) in respect of which a trust or deemed trust has been or may be imposed to provide for payment, or (ii) in respect of unpaid or unremitted pension plan contributions, including amounts representing any unfunded liability, solvency deficiency or wind-up deficiency whether or not due with respect to a Canadian Pension Plan, or (iii) which are secured by a lien, security interest, pledge, charge, right or claim; in each case, pursuant to any applicable law, rule or regulation (such as liens, trusts, security interests, hypothecs, pledges, charges, rights or claims in favor of employees, landlords, warehousemen, customs brokers, carriers, mechanics, materialmen, labourers, or suppliers, or liens, trusts, security interests, hypothecs, pledges, charges, rights or claims for ad valorem, excise, sales, or other taxes where given priority under applicable law).

“Canadian Subsidiary” means any Subsidiary organized under the laws of Canada or any province (or other political subdivision) thereof.

“Capital Lease” means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

“Carve Out” has the meaning specified therefor in the DIP Orders.

“Carve Out Trigger Notice” has the meaning specified in Section 2.14(d) of the Agreement.

“Case Processionals” means any professional (other than an ordinary course professional) retained by the Borrower or the Committee pursuant to a final order of the Bankruptcy Court (which order has not been vacated or stayed, unless the stay has been vacated) under Sections 327, 328, 363 or 1103(a) of the Bankruptcy Code.

“Cash Equivalents” means (a) Domestic Cash Equivalents; and (b) Foreign Cash Equivalents.

“Cash Management Services” means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers

through the direct Federal Reserve Fedline system) and other customary cash management arrangements.

“CFC” means a controlled foreign corporation (as that term is defined in the IRC).

“Change in Control” means the occurrence of any of the following events: (a) Sponsor Affiliated Entity ceases to beneficially own and control, directly or indirectly, more than 50.0% of the voting and economic Equity Interests in Parent on a fully diluted basis, (b) any Person or “group” (within the meaning of Rules 13d-3 and 13d-5 promulgated under the Exchange Act) other than Sponsor Affiliated Entity shall have acquired beneficial ownership on a fully diluted basis of the voting Equity Interests of Parent sufficient (whether or not exercised) to elect a majority of the members of the Board of Directors of Parent, (c) Sponsor Affiliated Entity ceases to have the power to elect or designate, directly or indirectly, a majority of the Board of Directors of Parent by voting power, contract or otherwise, (d) Parent ceases to beneficially own and control, directly, all of the Equity Interests in HHFH, or (e) HHFH ceases to beneficially own and control, directly, all of the Equity Interests in Borrower.

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

“Chapter 11 Cases” has the meaning specified therefor in the recitals.

“Code” means the New York Uniform Commercial Code, as in effect from time to time.

“Collateral Account Bank” means a bank consented to in writing by the Collateral Agent (such consent not to be unreasonably withheld or delayed) which shall not be Wells Fargo Bank, National Association or any Affiliate or subsidiary thereof; provided, that Wells Fargo Bank, National Association shall be the Collateral Account Bank until such time as the Borrower is able after the Effective Date to establish the TL Deposit Account at a different bank.

“Committee” means the official committee of unsecured creditors, if any, appointed in the Chapter 11 Cases.

“Commodity Exchange Act” has the meaning specified therefor in the Guaranty and Security Agreement.

“Compliance Certificate” has the meaning specified therefor in Section 5.2(b) of the Agreement.

“Confidential Information” has the meaning specified therefor in Section 17.9(a) of the Agreement.

“Confirmation Date” has the meaning specified therefor in Section 8.9(m)(x) of this Agreement.

“Contractual Obligation” means as to any Person, any provision of any material security issued by such Person or of any material agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control Agreement” means a control agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by Parent or one of its Subsidiaries, Agent, and the applicable securities intermediary (with respect to a Securities Account) or bank (with respect to a Deposit Account).

“Copyright Security Agreement” has the meaning specified therefor in the Guaranty and Security Agreement.

“Default” means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

“Default Notice” has the meaning specified therefor in Section 8.4 of the Agreement.

“Defaulting Lender” means any Lender that (a) has failed to fund any amounts required to be funded by it under the Agreement within two (2) Business Days of the date that it is required to do so under the Agreement, unless such Lender notifies Agent and Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) notified Borrower, Agent, or any Lender in writing that it does not intend to comply with all or any portion of its funding obligations under the Agreement, (c) has made a public statement (which such public statement Borrower and Agent should reasonably be expected to have knowledge thereof) to the effect that it does not intend to comply with its funding obligations under the Agreement or under other agreements generally (as reasonably determined by Agent) under which it has committed to extend credit, (d) failed, within 1 Business Day after written request by Agent, to confirm that it will comply with the terms of the Agreement relating to its obligations to fund any amounts required to be funded by it under the Agreement, (e) otherwise failed to pay over to Agent or any other Lender any other amount required to be paid by it under the Agreement within two (2) Business Days of the date that it is required to do so under the Agreement, or (f) (i) becomes or is insolvent or has a parent company that has become or is insolvent, (ii) becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian or appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian appointed for it, or has taken any action in furtherance

of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment (in each case other than by way of an Undisclosed Administration, for which purpose “Undisclosed Administration” shall mean in relation to a Lender, or its direct or indirect parent company, the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator under or based on the law in the country where such Lender or such parent company is subject to home jurisdiction supervision if applicable law requires that such appointment is not to be publicly disclosed) or (iii) becomes the subject of a Bail-in Action.

“Deposit Account” means any deposit account (as that term is defined in the Code).

“DIP Collateral” means all the “DIP Collateral” (or equivalent term) as defined in the Guaranty and Security Agreement and assets and interests in assets and proceeds thereof now owned or hereafter acquired by any Loan Party in or upon which a DIP Lien is granted by such Person in favor of Agent or the Lenders under any of the DIP Loan Documents.

“DIP Facility Obligations” means all DIP Loans, debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), premiums, liabilities, obligations (including indemnification obligations) of any Loan Party, fees (including the fees provided for in the Fee Letter) of any Loan Party, Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding) of any Loan Party, guaranties of any Loan Party, and all covenants and duties of any other kind and description owing by any Loan Party arising out of, under, pursuant to, in connection with, or evidenced by the Agreement or any of the other DIP Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that any Loan Party is required to pay or reimburse by the DIP Loan Documents or by law or otherwise in connection with the DIP Loan Documents. Without limiting the generality of the foregoing, the DIP Facility Obligations under the DIP Loan Documents include the obligation to pay (i) the principal of the DIP Loans, (ii) interest accrued on the DIP Loans, (iii) Lender Group Expenses of any Loan Party, (iv) fees payable by any Loan Party under the Agreement or any of the other DIP Loan Documents, and (v) indemnities and other amounts payable by any Loan Party under any DIP Loan Document. Any reference in the Agreement or in the DIP Loan Documents to the DIP Facility Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

“DIP Liens” means the Liens granted to the Agent for the benefit of the Lenders under the DIP Loan Documents and authorized by the DIP Orders.

“DIP Loan Commitments” means the Interim DIP Loan Commitments, the Final DIP Loan Commitments, and the Budget Advance Date Commitments, each as set forth of Schedule D-1.

“DIP Loan Documents” means the Agreement, any promissory note issued pursuant to Section 2.5, the Fee Letter, the Guaranty and Security Agreement, the DIP Orders, each instrument and document executed and/or delivered as contemplated by Section 3, and any other document, instrument or agreement executed in connection with the DIP Facility, each as amended, supplemented, waived or otherwise modified from time to time.

“DIP Loans” means the Interim DIP Loans, the Final DIP Loans, and the Budget Advance Date DIP Loans.

“DIP Orders” means, collectively, the Interim DIP Order and Final DIP Order.

“DIP Superpriority Claim” has the meaning specified therefor in Section 2.14(b) of the Agreement.

“Disclosure Statement” has the meaning specified therefor in Section 8.9(m)(iv) of the Agreement.

“Disqualified Equity Interests” means any Equity Interests that, by their terms (or by the terms of any security or other Equity Interests into which they are convertible or for which they are exchangeable), or upon the happening of any event or condition (a) matures or are mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale or other disposition or casualty event so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale or other disposition or casualty event shall be subject to the prior repayment in full of the Loans and all other DIP Facility Obligations that are accrued and payable and the termination of the DIP Loan Commitments), (b) are redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provide for the scheduled payments of dividends in cash, or (d) are or become convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 180 days after the Maturity Date (as determined on the date of the issuance thereof).

“Disqualified Lender” means (i) those Persons that are competitors of Parent and its Subsidiaries identified by name in writing to Agent from time to time, (ii) those banks, financial institutions, institutional lenders and other persons or entities that have been specified to Agent by Parent or the Sponsor prior to the date hereof, which list may be updated once per quarter absent the existence and continuance of an Event of Default; provided that (A) subject to clause (B) below, no Person that is a Lender on the Effective Date or has otherwise become a Lender hereunder in accordance with the assignment and participations provisions described in Section 13.1 of the Agreement, respectively, or any Affiliate of any such Person, may be added to the list of Disqualified Lenders after the Effective Date unless such list was updated to add such Person to the list prior to the time such Person became a Lender or Affiliate thereof, and (B) if (1) any Lender enters into a binding commitment to assign any DIP Loan or participate any portion of its interest therein (in each case in accordance with Section 13.1 of the Agreement) to a Person that such Lender has not been advised is a Disqualified Lender, (2) such assigning Lender has requested the consent of Borrower if such Lender is required to do so in the case of an assignment to such Person prior to entering into such binding commitment and (3) such

assigning or participating Lender has confirmed with Agent (based solely on Agent's review of the list of Disqualified Lenders then provided to Agent by Borrower) that such Person is not a Disqualified Lender prior to entering into such binding assignment or participation, then such assignee or participant, as applicable, shall not be a Disqualified Lender, and (iii) any Person that is an Affiliate of a Person referred to clauses (i) and (ii) above, in each case, if such Affiliate is clearly identifiable as such based on its name (excluding bona fide debt funds); provided that, during the existence and continuance of an (x) an Event of Default, there shall be deemed to be no Disqualified Lenders.

"Dollars" or "\$" means United States dollars.

"Domestic Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within 1 year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within 1 year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either Standard & Poor's Rating Group ("S&P") or Moody's Investors Service, Inc. ("Moody's"), (c) commercial paper maturing no more than 270 days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within 1 year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than (x) \$250,000,000 in the case of U.S. banks and (y) \$1,000,000,000 (or the dollar equivalent thereof as of the date of determination in the case of any United States branch of a foreign bank), (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than (x) \$250,000,000 in the case of U.S. banks and (y) \$1,000,000,000 (or dollar equivalent thereof as of the date of determination) in the case of any United States branch of a foreign bank, having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above and (i) investment funds investing at least 90% of their assets in securities of the types described in clauses (a) through (h) above.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established

in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegate) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means May ___, 2019.

“Effective Tax Rate” means the aggregate Federal, state and local Tax rate applicable to an individual resident in the city of New York (or such other jurisdiction having the highest aggregate Federal, state and local Tax rate applicable to any equity owner of Parent) subject to tax at the highest marginal rates provided for under the applicable Federal, state and local laws then in effect, taking into account the character of income and assuming full deductibility of state and local taxes.

“Election Notice” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Election Period” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Eligible Transferee” means (a) any Lender (other than a Defaulting Lender), any Affiliate of any Lender and any Related Fund of any Lender; (b) (i) a commercial bank organized under the laws of the United States or any state thereof, and having total assets in excess of \$250,000,000; (ii) a savings and loan association or savings bank organized under the laws of the United States or any state thereof, and having total assets in excess of \$250,000,000; or (iii) a commercial bank organized under the laws of any other country or a political subdivision thereof; provided that (A) (x) such bank is acting through a branch or agency located in the United States or (y) such bank is organized under the laws of a country that is a member of the Organization for Economic Cooperation and Development or a political subdivision of such country, and (B) such bank has total assets in excess of \$250,000,000; (c) any other entity (other than a natural person) that is an “accredited investor” (as defined in Regulation D under the Securities Act) that extends credit or buys loans as one of its businesses including insurance companies, investment or mutual funds and lease financing companies, and having total assets in excess of \$250,000,000; and (d) during the continuation of an Event of Default, any other Person approved by Agent; provided, that no Disqualified Lender shall qualify as an Eligible Transferee.

“Employee Benefit Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA, (a) that is or within the preceding 6 years has been sponsored, maintained or contributed to by any Loan Party or ERISA Affiliate or (b) to which any Loan Party or ERISA Affiliate has, or has had at any time within the preceding 6 years, any liability, contingent or otherwise, excluding any Canadian Benefit Plan or Canadian Pension Plan.

“Environmental Action” means any written complaint, demand, summons, citation, notice, directive, order, claim, litigation, judicial or administrative proceeding, judgment, letter,

or other written communication from any Governmental Authority or any third party involving liabilities under Environmental Laws, violations of Environmental Laws or releases of Hazardous Materials (a) from any assets, properties, or businesses of Parent, any Subsidiary of Parent, or any of their predecessors in interest, (b) from adjoining properties or businesses, or (c) from or onto any facilities which received Hazardous Materials generated by Parent, any Subsidiary of Parent, or any of their predecessors in interest.

“Environmental Law” means any applicable United States or foreign federal, state, provincial, territorial, municipal or local statute, law, rule having the force and effect of law, regulation, ordinance, code, binding and enforceable guideline, or rule of common law now or hereafter in effect and in each case as amended, or any binding and enforceable judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, in each case, relating to the environment, Hazardous Materials affecting employee or worker health or safety, or Hazardous Materials, in each case as amended from time to time. Without limitation, Environmental Law includes the *Resource Conservation and Recovery Act* (“RCRA”), the *Comprehensive Environmental Response, Compensation and Liability Act* (“CERCLA”), the *Canadian Environmental Protection Act* (Canada), the *Fisheries Act* (Canada), the *Transportation of Dangerous Goods Act* (Canada) and the *Ontario Water Resources Act* (Ontario).

“Environmental Liabilities” means all liabilities, obligations (including monetary obligations), losses, damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred (i) as a result of or related to any Environmental Action or Remedial Action or (ii) under Environmental Law.

“Environmental Lien” means any Lien in favor of any Governmental Authority related to or arising out of Environmental Liabilities.

“Equipment” means equipment (as that term is defined in the Code).

“Equity Documents” means, collectively, the (i) Amended and Restated Limited Liability Company Agreement of Parent, dated as of October 21, 2014, (ii) Securityholders Agreement, dated as of October 21, 2014, by and among Parent and other Persons party thereto, (iii) Registration Rights Agreement, dated as of October 21, 2014, by and among Parent and the other Persons party thereto, (iv) Contribution and Exchange Agreement, dated as of September 18, 2014, by and among Parent and the other Persons party thereto, (v) Subscription Agreements, dated as of October 21, 2014, by and among Parent and the other Persons party thereto, (vi) Securities Purchase Agreement, dated as of September 18, 2014, by and among HHFH, HHF Holdings, LLC, Hollander Home Fashions Corp., Jeffrey Hollander Irrevocable Exempt Trust dated October 29, 2012 and each of the other Persons party thereto, (vii) certificate of incorporation, bylaws, operating agreement or other organizational document of the Loan Parties and their Canadian Subsidiaries as of the Effective Date, and (viii) Management Services Agreement, in each case, as amended.

“Equity Interests” means, with respect to a Person, all of the shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person,

whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto.

“ERISA Affiliate” means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of Parent or its Subsidiaries under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of Parent or its Subsidiaries under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which Parent or any of its Subsidiaries is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any Person subject to ERISA that is a party to an arrangement with Parent or any of its Subsidiaries and whose employees are aggregated with the employees of Parent or its Subsidiaries under IRC Section 414(o).

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Event of Default” has the meaning specified therefor in Section 8 of the Agreement.

“Exchange Act” means the Securities Exchange Act of 1934, as in effect from time to time.

“Excluded Actions” has the meaning specified therefor in Section 5.12 of the Agreement.

“Excluded Collateral” has the meaning specified therefor in the Guaranty and Security Agreement.

“Excluded Subsidiary” means any Subsidiary of Parent (a) [reserved], (b) that is an Immaterial Subsidiary, (c) acquired after the Effective Date (i) that is prohibited from guaranteeing the DIP Facility Obligations by applicable law, rule or regulation or by any contractual obligation existing on the date such Subsidiary is acquired (so long as, in respect of any such contractual prohibition, such prohibition is not incurred in contemplation of such acquisition and with respect to any Subsidiary that has material assets, Borrower and the Subsidiary Guarantors shall have used commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to remove such prohibition), or (ii) that would require governmental (including regulatory) consent, approval, license or authorization to provide a Guaranty, (d) that is a (i) Foreign Subsidiary of Parent that is a CFC, (ii) US Foreign Holdco, (iii) US Person that is a Subsidiary of a CFC, or (iv) Subsidiary the provision of a Guaranty by which would result in a material adverse tax consequence (as a result of the operation of Section 956 of the IRC) to Parent or one of its Subsidiaries (as reasonably determined by Parent in consultation with Agent), (e) any not-for-profit Subsidiaries, captive insurance companies or other special purpose Subsidiaries (so long as such special purpose Subsidiary is not created in contemplation of circumventing the guarantee obligations), and (f) any other Subsidiary if the costs to the Loan Parties of providing such guaranty are excessive (as determined by Agent in

consultation with Borrower) in relation to the benefits to Agent and the Lenders afforded thereby; provided, that notwithstanding the foregoing clauses (a) through (f), any Person that guarantees all or any portion of the US Obligations (as defined in the ABL DIP Facility Agreement as in effect on the date hereof) other than the Canadian Loan Parties (as defined in the ABL DIP Facility Agreement as in effect on the date hereof) shall not be an Excluded Subsidiary.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to, or required to be withheld or deducted from a payment to a Lender or Agent: (i) any Tax imposed on or measured by the net income or net profits (however denominated) of any Lender or Agent (including any branch profits taxes or franchise Taxes imposed in lieu thereof), in each case (A) imposed by the jurisdiction (or by any political subdivision or taxing authority thereof) in which such Lender or Agent is organized or the jurisdiction (or by any political subdivision or taxing authority thereof) in which such Lender’s or Agent’s principal office is located or (B) as a result of a present or former connection between such Lender or Agent and the jurisdiction or taxing authority imposing the Tax (other than any such connection arising from such Lender or Agent having executed, delivered, become a party to, performed its obligations under, received payment under, received or perfected a security interest under, enforced its rights or remedies under or engaged in any other transaction pursuant to the Agreement or any other DIP Loan Document or sold or assigned an interest in any DIP Loan or DIP Loan Document); (ii) United States federal Taxes that would not have been imposed but for a Lender’s or Agent’s failure to comply with the requirements of Section 16.2 of the Agreement, (iii) [intentionally omitted], (iv) any United States federal withholding Taxes that would be imposed on amounts payable to a Lender or Agent based upon the applicable law in effect at the time such Lender or Agent becomes a party to the Agreement (or designates a new lending office), except that Excluded Taxes shall not include any Tax amount that such Lender or Participant or Agent (or its assignor, if any) was previously entitled to receive pursuant to Section 16.1 of the Agreement, if any, with respect to such withholding Tax at the time of designation of a new lending office (or assignment); and (v) withholding Taxes imposed under FATCA.

“Extensions of Credit” means the advancing of DIP Loans under this Agreement on the Effective Date and the Final Order Effective Date, as applicable.

“Extraordinary Receipt” means any cash received by or paid to or for the account of any Person that is not contemplated in the Approved Budget and is not in the ordinary course of business (other than any such cash received or paid from Recovery Events), including tax refunds, pension plan reversions, indemnity payments and any purchase price adjustments; provided, however, that an Extraordinary Receipt shall not include indemnity payments to the extent that payments are received by any Person in respect of any third party claim against such Person and applied to pay (or to reimburse such Person for its prior payment of) such claim and the costs and expenses of such Person with respect thereto; provided, further, that Extraordinary Receipts shall not include items of ABL Priority Collateral or Proceeds of any assets of the categories in the definition of ABL Priority Collateral.

“FATCA” means Sections 1471 through 1474 of the IRC as of the date of this Agreement (or any amended or successor version to the extent such version is substantively comparable and not materially more onerous to comply with), any current or future regulations or official

interpretations thereof, and any intergovernmental agreements entered into pursuant to Section 1471(b)(1) of the IRC.

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

“Federal District Court” has the meaning specified therefor in Section 12.(b) of the Agreement.

“Fee Letter” means the fee letter, dated as of the Effective Date, between Borrower and the Lenders.

“Final DIP Loan Commitment” means on the Final Order Effective Date, with respect to each Lender holding a Final DIP Loan Commitment, the commitment of such Lender to make a Final DIP Loan, which commitment is in the amount set forth opposite such Lender’s name on Schedule D-1 under the caption “Final DIP Loan Commitment”, as amended to reflect Assignments; provided that such commitment shown on such Schedule shall, with the written consent of the Agent (which consent shall not be unreasonably withheld, delayed or conditioned), be increased by any portion of the Interim DIP Loan Commitment of such Lender not funded on the Effective Date. The aggregate amount of the Final DIP Loan Commitments on the Final Order Effective Date shall be the lesser of (a) \$7,000,000.00 and (b) such amount as approved by the Bankruptcy Court for funding on the Final Order Effective Date pursuant to the Final DIP Order. It is understood and agreed that the Final DIP Loan Commitments are in addition to the Interim DIP Loan Commitments and not a replacement or substitute therefor.

“Final DIP Loans” means the single draw term loans to be made on the Final Order Effective Date in an aggregate amount not to exceed the Final DIP Loan Commitments.

“Final DIP Order” means the order of the Bankruptcy Court entered in the Chapter 11 Cases after notice and final hearing pursuant to the Bankruptcy Rules or such other procedures as approved by the Bankruptcy Court which, among other matters (but not by way of limitation), authorizes the Borrower to obtain credit and the Loan Parties to incur (or guaranty) the DIP Facility Obligations and grant DIP Liens under the DIP Loan Documents, as the case may be, and provides for the superpriority of the Agent’s and the Lenders’ claims, and authorizes the use of cash collateral, as the same shall be approved by, and may be modified or supplemented from time to time after the Final Order Effective Date with the written consent of, the Agent and Required Lenders in their sole and absolute discretion.

“Final Order Effective Date” means the date on which the conditions under Sections 3.2 and 3.3 are satisfied or waived as reasonably determined by the Agent and the Required Lenders.

“Financial Officer” of any Person means the chief financial officer, the treasurer, any assistant treasurer, any vice president of finance, the chief accountant or the controller of such

Person, the Financial Advisor or any officer with substantially equivalent responsibilities of any of the foregoing (which may be a Person employed by the Financial Advisor).

“Financial Advisor” means Carl Marks Advisory Group LLC.

“First Day Hearing” means the first day of the hearing scheduled on which entry of the Interim DIP Order shall be heard.

“Flow Through Entity” means an entity that (a) for federal income tax purposes constitutes (i) a “partnership” (within the meaning of Section 7701(a)(2) of the Code) other than a “publicly traded partnership” (as defined in Section 7704 of the Code), or (ii) any other business entity that is disregarded as an entity separate from its owners under the IRC, or any published administrative guidance of the Internal Revenue Service (each of the entities described in the preceding clauses (i) and (ii), a “Federal Flow Through Entity”), and (b) for state and local jurisdictions is subject to treatment on a basis under applicable state or local income tax law substantially similar to a Federal Flow Through Entity.

“Foreign Cash Equivalents” means, in the case of any Subsidiary (other than a Loan Party or other Subsidiary organized under the laws of the United States or a political subdivision thereof), investments denominated in the currency of the jurisdiction in which such Subsidiary is organized or in Dollars, in each case which are of substantially the same type as the items specified in the definition of Domestic Cash Equivalents.

“Foreign Lender” means any Lender or Participant that is not a United States person within the meaning of IRC section 7701(a)(30).

“Foreign Asset Sale” means an sale or disposition of assets consummated by a Foreign Subsidiary.

“Foreign Subsidiary” means any Subsidiary that is not a U.S. Person.

“Funding Losses” has the meaning specified therefor in Section 2.12(b)(ii) of the Agreement.

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States, consistently applied.

“Governing Documents” means, with respect to any Person, the certificate or articles of incorporation or formation (or equivalent thereof), by-laws (or equivalent thereof), or other organizational documents of such Person.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank).

“Guarantors” means (a) the Parent Guarantors and (b) each Subsidiary that is a U.S. Person and that is not an Excluded Subsidiary; provided that, notwithstanding the foregoing, any Person that guarantees all or any portion of the US Obligations (as defined in the ABL DIP Facility Agreement as in effect on the date hereof) other than the Canadian Loan Parties (as defined in the ABL DIP Facility Agreement as in effect on the date hereof) shall be a Guarantor.

“Guarantee Obligation” means as to any Person (the “guaranteeing person”), any obligation of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any such obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person’s maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

“Guaranty and Security Agreement” means that certain DIP Loan Guaranty and Security Agreement, dated as of the Effective Date, executed and delivered by each Loan Party to Agent.

“Hazardous Materials” means (a) substances that are regulated under Environmental Laws or are defined or listed in, or otherwise classified pursuant to, any Environmental Laws as “hazardous substances,” “hazardous materials,” “hazardous wastes,” “toxic substances,” or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or “EP toxicity”, (b) oil, petroleum, or petroleum derived substances, natural gas, natural gas liquids, synthetic gas, drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas, or geothermal resources, (c) any flammable substances or explosives or any radioactive materials, (d) asbestos in any form, and (e) electrical equipment that contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million.

“Hedge Agreement” means a “swap agreement” as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

“HHFH” has the meaning specified therefor in the preamble to the Agreement.

“Hollander China” means Hollander Home Fashions Trading (Shanghai) Co., Ltd, a company organized under the laws of China.

“Immaterial Subsidiary” means each Subsidiary set forth on Schedule 4.25 hereto, provided that:

(i) the Immaterial Subsidiaries, taken together, do not, in the aggregate (x) comprise more than the lesser of \$1,000,000 and 1.00% of the total revenue of Parent and its Subsidiaries for the period of 12 months most recently ended on April 30, 2019 and (y) do not hold consolidated assets representing more than the lesser of \$1,000,000 and 1.00% of the total consolidated assets of Parent and its Subsidiaries on the last day of the most recent 12 month period ended on April 30, 2019,

(ii) no Immaterial Subsidiary (x) comprises more than the lesser of \$1,000,000 and 1.00% of the total revenue of Parent and its Subsidiaries for the period of 12 months most recently ended on April 30, 2019 or (y) holds consolidated assets representing more than the lesser of \$1,000,000 and 1.00% of the total consolidated assets of Parent and its Subsidiaries on the last day of the most recent 12 month period ended on April 30, 2019, and

(iii) if, at any time, the limits set forth in clauses (i) and (ii) are not satisfied as at or for the 12 month period ended on the most recently ended fiscal month for which financial statements have been delivered or required to be delivered to Agent hereunder on or prior to such date, Parent shall promptly (and in any event within 5 Business Days from the date such financial statements have been delivered or required to be delivered hereunder) re-designate one or more Immaterial Subsidiaries as no longer an Immaterial Subsidiary as may be necessary such that the foregoing limits shall be satisfied, and any such Subsidiary shall thereafter be deemed to no longer be an Immaterial Subsidiary hereunder.

“Indebtedness” as to any Person means (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets and any earn-out or similar obligations (to the extent included, or required to be included, as a liability on the balance sheet of such Person at such time) (other than (i) trade payables incurred in the ordinary course of business and repayable in accordance with customary trade practices, (ii) royalty payments payable in the ordinary course of business in respect of non-exclusive licenses, (iii) working capital and other similar purchase price adjustments), (iv) any earn-out obligation that is not yet due and payable unless such obligation is not paid promptly after becoming due and payable, (v) customary cash pooling and cash management practices and other intercompany indebtedness having a term not

exceeding 364 days (inclusive of any roll-over or extensions of terms) incurred in the ordinary course of business, (vi) accruals for payroll or other employee compensation and other liabilities incurred in the ordinary course of business and (vii) any accrued or deferred management fees, including pursuant to the Management Services Agreement, (f) all monetary obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) the liquidation value of any Disqualified Equity Interests of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness, and (ii) the amount of any Indebtedness which is limited or is non-recourse to a Person or for which recourse is limited to an identified asset shall be valued at the lesser of (A) if applicable, the limited amount of such obligations, and (B) if applicable, the fair market value of such assets securing such obligation.

“Indemnified Liabilities” has the meaning specified therefor in Section 10.3 of the Agreement.

“Indemnified Person” has the meaning specified therefor in Section 10.3 of the Agreement.

“Indemnified Taxes” means (a) any Taxes imposed on or with respect to a payment under or on account of any Loan Document, other than Excluded Taxes and (b) to the extent not described in (a), Other Taxes.

“Initial Approved Budget” means the 17-week operating budget (or such shorter, or longer, period, as applicable, to coincide with the Life of the Case) setting forth, on a consolidated basis with respect to the Loan Parties and their respective Subsidiaries, all forecasted consolidated cash receipts, consolidated cash disbursements and consolidated net cash flow on a weekly basis for the relevant period beginning as of the week of the Petition Date, broken down by week, including the anticipated weekly uses of the proceeds of the DIP Facility for such period, which shall include, among other things, available cash, cash flow, trade payables and ordinary course expenses, total expenses and capital expenditures, fees and expenses relating to the DIP Facility, fees and expenses related to the Chapter 11 Cases, and working capital and other general corporate needs, which forecast shall be in form and substance reasonably satisfactory to the Agent at the direction of the Required Lenders. Such Initial Approved Budget shall be in the form set forth in Exhibit I-1 hereto. For all purposes hereunder, the Initial Approved Budget shall constitute an “Approved Budget”.

“Initial DIP Loans” means the DIP Loans made on the Effective Date.

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other provincial, state or federal bankruptcy or insolvency law, each as now and hereafter in effect, any successors to such

statutes, and any similar laws in any jurisdiction including, without limitation, any laws relating to assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief and any law permitting a debtor to obtain a stay or a compromise of the claims of its creditors.

“Intellectual Property” has the meaning specified therefor in Section 4.26 of the Agreement.

“Intercompany Subordination Agreement” means an Intercompany Subordination Agreement, in form and substance satisfactory to Agent in its sole discretion, to be executed and delivered by Parent and each of its Subsidiaries and Agent, in accordance with this Agreement.

“Intercreditor Agreement” means the Amended and Restated Intercreditor Agreement, dated as of the date hereof, between Agent and ABL DIP Agent.

“Interest Period” means, with respect to each LIBOR Rate Loan, a period commencing on the date of the making of such LIBOR Rate Loan (or the continuation of a LIBOR Rate Loan or the conversion of a Base Rate Loan to a LIBOR Rate Loan) and ending 1, 2, 3, or 6 months thereafter; provided, that (a) interest shall accrue at the applicable rate based upon the LIBOR Rate from and including the first day of each Interest Period to, but excluding, the day on which any Interest Period expires, (b) any Interest Period that would end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day, (c) with respect to an Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period), the Interest Period shall end on the last Business Day of the calendar month that is 1, 2, 3 or 6 months after the date on which the Interest Period began, as applicable, and (d) Borrower may not elect an Interest Period which will end after the Maturity Date.

“Interim DIP Loan Commitment” means on the Effective Date, with respect to each Lender holding an Interim DIP Loan Commitment, the commitment of such Lender to make an Interim DIP Loan, which commitment is in the amount set forth opposite such Lender’s name on Schedule D-1 under the caption “Interim DIP Loan Commitment”, as amended to reflect Assignments. The aggregate amount of the Interim DIP Loan Commitments on the Effective Date shall be the lesser of (a) \$15,000,000.00 and (b) such amount as approved by the Bankruptcy Court pursuant to the Interim DIP Order.

“Interim DIP Loans” means the single draw term loans to be made on the Effective Date but prior to the Final Order Effective Date, in an aggregate amount not to exceed the Interim DIP Loan Commitments.

“Interim DIP Order” means the order of the Bankruptcy Court substantially in the form of Exhibit I-2 (except as may otherwise be agreed in writing or on the record by the Agent and the Required Lenders at the interim hearing with respect to such order in the Chapter 11 Cases) entered in the Chapter 11 Cases after an interim hearing pursuant to the Bankruptcy Rules,

which, among other matters (but not by way of limitation), authorizes, on an interim basis, the Borrower to obtain credit and the Loan Parties to incur (or guaranty) the DIP Facility Obligations and grant DIP Liens under the DIP Loan Documents, as the case may be, and provides for the superpriority of the Agent's and the Lenders' claims, and authorizes the use of cash collateral, as the same shall be approved by, and may be modified or supplemented from time to time after the Interim Order Effective Date but before the Final Order Effective Date, with the written consent of the Agent and Required Lenders in their sole and absolute discretion.

"Inventory" means inventory (as that term is defined in the Code).

"Investment" means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business, and (b) *bona fide* accounts receivable arising in the ordinary course of business), or acquisitions of Indebtedness, Equity Interests, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustment for increases or decreases in value, or write-ups, write-downs, or write-offs with respect to such Investment.

"IRC" means the Internal Revenue Code of 1986, as amended, and any successor statutes, and all regulations and guidance promulgated thereunder. Any reference to a specific section of the IRC shall be deemed to be a reference to such section of the IRC and any successor statutes, and all regulations promulgated thereunder.

"Lender" has the meaning set forth in the preamble to the Agreement and shall also include any other Person made a party to the Agreement pursuant to the provisions of Section 13.1 of the Agreement and "Lenders" means each of the Lenders or any one or more of them.

"Lender Group" means each of the Lenders and Agent, or any one or more of them.

"Lender Group Expenses" means, without duplication, all (a) reasonable and documented or invoiced costs or expenses (including taxes and insurance premiums) required to be paid by Parent or its Subsidiaries under any of the DIP Loan Documents that are paid, advanced, or incurred by the Agent, (b) reasonable and documented out-of-pocket fees or charges paid or incurred by Agent in connection with the Lender Group's transactions with Parent and its Subsidiaries under any of the DIP Loan Documents, including, photocopying, notarization, couriers and messengers, telecommunication, public record searches, filing fees, recording fees, publication, real estate surveys, real estate title policies and endorsements, and environmental audits, (c) Agent's customary fees and charges imposed or incurred in connection with any background checks or OFAC/PEP searches related to Parent or its Subsidiaries, (d) Agent's customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of Borrower (whether by wire transfer or otherwise), together with any documented or invoiced out-of-pocket costs and expenses incurred in connection therewith, (e) customary charges imposed or incurred by Agent resulting from the

dishonor of checks payable by or to any Loan Party, (f) reasonable documented out-of-pocket costs and expenses paid or incurred by the Lender Group to correct any default or enforce any provision of the DIP Loan Documents, or during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the DIP Collateral, or any portion thereof, irrespective of whether a sale is consummated (which, in the case of attorneys' fees, shall be limited to reasonable documented out-of-pocket attorneys' fees of one primary outside counsel to the Lender Group, which shall be King & Spalding LLP, and to the extent applicable, one local (including foreign) counsel in each relevant jurisdiction, and specialty counsel, regulatory counsel and, in the event of an actual or perceived conflict, counsel to avoid conflicts of interest as are required or advisable and in any case, shall not be duplicative of attorneys' fees pursuant to clause (i) below), (g) [intentionally omitted], (h) Agent's reasonable and documented costs and out-of-pocket expenses (including reasonable documented attorneys' fees and expenses of one outside counsel, except that such limitation shall not apply to the extent local (including foreign) counsel, specialty counsel, regulatory counsel or counsel to avoid conflicts of interest are required or advisable) relative to third party claims or any other lawsuit or adverse proceeding paid or incurred, whether in enforcing or defending the DIP Loan Documents or otherwise in connection with the transactions contemplated by the DIP Loan Documents, Agent's DIP Liens in and to the DIP Collateral, or the Lender Group's relationship with Parent or any of its Subsidiaries, (i) Agent's reasonable documented out-of-pocket costs and expenses, including due diligence expenses (which, in the case of attorneys' fees, shall be limited to reasonable documented out-of-pocket attorneys' fees of one primary outside counsel for Agent, and to the extent applicable, one local (including foreign) counsel in each relevant jurisdiction, and specialty counsel, regulatory counsel and counsel to avoid conflicts of interest as are required or advisable and in any case, shall not be duplicative of attorneys' fees pursuant to clause (f) above) incurred in advising, structuring, drafting, reviewing, administering (including travel, meals, and lodging), or amending, waiving, or modifying the DIP Loan Documents and in connection with the Chapter 11 Cases and the Recognition Proceedings, and (j) Agent's and each Lender's reasonable documented costs and expenses (including reasonable documented attorneys, accountants, consultants, and other advisors fees and expenses) incurred in terminating, enforcing (including attorneys, accountants, consultants, and other advisors fees and expenses incurred in connection with a response to a third-party subpoena or investigation, a "workout," a "restructuring," or an Insolvency Proceeding concerning Parent or any of its Subsidiaries or in exercising rights or remedies under the DIP Loan Documents), or defending the DIP Loan Documents, irrespective of whether a lawsuit or other adverse proceeding is brought, or in taking any enforcement action or any Remedial Action with respect to the DIP Collateral, which, in the case of attorneys' fees, shall be limited to reasonable documented out-of-pocket attorneys' fees of one primary outside counsel for each of the Agent and Lenders, and to the extent applicable, one local (including foreign) counsel in each relevant jurisdiction, and specialty counsel, regulatory counsel and counsel to avoid conflicts of interest as are required or advisable and in any case, shall not be duplicative of attorneys' fees pursuant to clauses (f) and (g) above).

"Lender Group Representatives" has the meaning specified therefor in Section 17.9 of the Agreement.

"Lender-Related Person" means, with respect to any Lender, such Lender, together with such Lender's Affiliates, officers, directors, employees, attorneys, and agents.

“LIBOR Deadline” has the meaning specified therefor in Section 2.12(b)(i) of the Agreement.

“LIBOR Notice” means a written notice in the form of Exhibit L-1 to the Agreement.

“LIBOR Option” has the meaning specified therefor in Section 2.12(a) of the Agreement.

“LIBOR Rate” means the rate *per annum* (rounded upwards to the nearest 1/100th of 1.0%), for each Interest Period, equal to the greater of (i) the rate administered by ICE Benchmark Administration Limited at which US dollar deposits are offered by leading banks in the London interbank deposit market on the first day of each month for the relevant Interest Period and that appears on the Reuters Screen LIBOR01 Page as displayed in the Bloomberg Financial Markets System at 11:00 a.m. London time (or, if not so appearing, as published in the “Money Rates” section of The Wall Street Journal or another national publication selected by the Collateral Agent) two Business Days prior to the first day of such Interest Period, and (ii) one percent (1.00%) *per annum*; provided that the determination of the LIBOR Rate shall be made by Agent and shall be conclusive in the absence of manifest error.

“LIBOR Rate Loan” means each portion of the DIP Loans that bears interest at a rate determined by reference to the LIBOR Rate.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, hypothec or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

“Life of the Case” means the period beginning on the Petition Date and lasting through (and including) the Plan Effective Date of the Proposed Plan.

“Loan Parties” means Borrower and Guarantors.

“Management Services Agreement” means that certain Amended and Restated Management Services Agreement, dated as of June 9, 2017, by and between Sponsor and Parent, as the same may be further amended in accordance with the terms hereof.

“Margin Stock” has the meaning specified therefor in Regulation U of the Board of Governors as in effect from time to time.

“Material Adverse Effect” means any event, circumstance or condition that has had or would reasonably be expected to have a material and adverse effect on (a) the business or financial condition of the Loan Parties and their Subsidiaries, taken as a whole, (b) the ability of Loan Parties, taken as a whole, to perform their payment obligations under the DIP Loan Documents, or (c) the rights and remedies of Agent and the Lenders under the DIP Loan Documents, taken as a whole, in each case, except for the events leading up to the Chapter 11 Cases, the commencement of the Chapter 11 Cases and the events that customarily and reasonably result from the commencement of the Chapter 11 Cases.

“Maturity Date” means the earliest to occur of (a) the date that is one hundred fifty (150) days after the Petition Date, (b) the date that any sale of all or substantially all of the assets of the Loan Parties pursuant to Section 363 of the Bankruptcy Code is consummated, (c) if the Final DIP Order has not been entered, the date that is forty (40) days after the date of the First Day Hearing; (d) the Plan Effective Date of a Proposed Plan; and (e) the date of any acceleration of the DIP Loans hereunder or the termination of the DIP Loan Commitments hereunder.

“Milestones” has the meaning specified therefor in Section 8.9(m) of the Agreement.

“MNPI” means any material Nonpublic Information regarding Parent and its Subsidiaries or the DIP Loans or securities of any of them that has not been disclosed to the Lenders generally (other than Lenders who elect not to receive such information). For purposes of this definition “material Nonpublic Information” shall mean nonpublic information with respect to the business of Parent, Borrower or any of their Subsidiaries that would reasonably be expected to be material to a decision by any Lender to assign or acquire any DIP Loans or to enter into any of the transactions contemplated thereby or would otherwise be material for purposes of United States Federal and state securities laws.

“Moody’s” has the meaning specified therefor in the definition of Cash Equivalents.

“Mortgages” means, individually and collectively, one or more mortgages, deeds of trust, or deeds to secure debt, executed and delivered by Parent or one of its Subsidiaries in favor of Agent, in form and substance reasonably satisfactory to Agent, that encumber any Real Property.

“Multiemployer Plan” means any multiemployer plan within the meaning of Section 3(37) or 4001(a)(3) of ERISA with respect to which any Loan Party has an obligation to contribute or has any liability, (including on behalf of an ERISA Affiliate) or could be assessed Withdrawal Liability assuming a complete withdrawal from any such multiemployer plan.

“Net Cash Proceeds” means:

(a) with respect to any sale or disposition by Parent or any of its Subsidiaries of assets, the amount of cash proceeds received (directly or indirectly) from time to time (whether as initial consideration or through the payment of deferred consideration) by or on behalf of Parent or such Subsidiary, in connection therewith after deducting therefrom only (i) the amount of any Indebtedness secured by any Permitted Lien on any asset (other than (A) Indebtedness owing to Agent or any Lender under the Agreement or the other DIP Loan Documents and (B) Indebtedness assumed by the purchaser of such asset) which (subject to the Intercreditor Agreement and the DIP Orders) is required to be, and is, repaid in connection with such sale or disposition, (ii) reasonable fees, commissions, and expenses related thereto and required to be paid by Parent or such Subsidiary in connection with such sale or disposition, excluding amounts payable to a Loan Party or Affiliate thereof, (iii) taxes paid or payable to any taxing authorities by Parent or such Subsidiary in connection with such sale or disposition, in each case to the extent, but only to the extent, that the amounts so deducted are actually paid or anticipated to be payable, and are properly attributable to such transaction, and (iv) all amounts that are set aside as a reserve (A) for adjustments in respect of the purchase price of such assets, (B) for any liabilities associated with such sale or casualty, to the extent such reserve is required by GAAP,

and (C) for the payment of unassumed liabilities relating to the assets sold or otherwise disposed of at the time of, or within 90 days after, the date of such sale or other disposition, to the extent that in each case the funds described above in this clause (iv) are (x) deposited into escrow with a third party escrow agent or set aside in a separate Deposit Account that is subject to a Control Agreement in favor of Agent and (y) paid to Agent as a prepayment of the applicable DIP Facility Obligations in accordance with Section 2.4(e) of the Agreement at such time when such amounts are no longer required to be set aside as such a reserve.

“New York Courts” has the meaning specified therefor in Section 12.(b) of the Agreement.

“New York Supreme Court” has the meaning specified therefor in Section 12.(b) of the Agreement.

“Non-Consenting Lender” has the meaning specified therefor in Section 14.2(a) of the Agreement.

“Non-Defaulting Lender” means each Lender other than a Defaulting Lender.

“Notice of Intent to Assign” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Notification Event” means (a) the occurrence of a “reportable event” described in Section 4043(c) of ERISA with respect to a Pension Plan for which the 30-day notice requirement has not been waived by applicable regulations issued by the PBGC, (b) the withdrawal of any Loan Party or ERISA Affiliate from a Pension Plan during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA, (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC or any Pension Plan or Multiemployer Plan administrator, (e) any other event or condition that would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (f) the imposition of a Lien pursuant to the IRC or ERISA in connection with any Employee Benefit Plan or the existence of any facts or circumstances that could reasonably be expected to result in the imposition of a Lien, (g) the partial or complete withdrawal of any Loan Party or ERISA Affiliate from a Multiemployer Plan (other than any withdrawal that would not constitute an Event of Default under Section 8.11), (h) any event or condition that results in the insolvency of a Multiemployer Plan under Section 4245 of ERISA, (i) any event or condition that results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by the PBGC of proceedings to terminate or to appoint a trustee to administer a Multiemployer Plan under ERISA, (j) any Pension Plan being in “at risk status” within the meaning of IRC Section 430(i), (k) any Multiemployer Plan being in “endangered status” or “critical status” within the meaning of IRC Section 432(b) or the determination that any Multiemployer Plan is or is expected to be insolvent within the meaning of Title IV of ERISA, (l) with respect to any Pension Plan, any Loan Party or ERISA Affiliate incurring a substantial cessation of operations within the meaning of ERISA Section 4062(e),

(m) an “accumulated funding deficiency” within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA) or the failure of any Pension Plan or Multiemployer Plan to meet the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA), in each case, whether or not waived, (n) the filing of an application for a waiver of the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 of the IRC or Section 302 of ERISA) with respect to any Pension Plan or Multiemployer Plan, (o) the failure to make by its due date a required payment or contribution with respect to any Pension Plan or Multiemployer Plan, or (p) any event that results in or could reasonably be expected to result in a liability by a Loan Party pursuant to Title I of ERISA or the excise tax provisions of the IRC relating to Employee Benefit Plans or any event that results in or could reasonably be expected to result in a liability to any Loan Party or ERISA Affiliate pursuant to Title IV of ERISA or Section 401(a)(29) of the IRC.

“OFAC” means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Originating Lender” has the meaning specified therefor in Section 13.1(e) of the Agreement.

“Other Taxes” has the meaning specified therefor in Section 16.1 of the Agreement.

“Parent” has the meaning specified therefor in the preamble to the Agreement.

“Parent Guarantors” has the meaning specified therefor in the preamble to the Agreement.

“Participant” has the meaning specified therefor in Section 13.1(e) of the Agreement.

“Participant Register” has the meaning set forth in Section 13.1(i) of the Agreement.

“Patent Security Agreement” has the meaning specified therefor in the Guaranty and Security Agreement.

“Patriot Act” has the meaning specified therefor in Section 4.13 of the Agreement.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor agency.

“Pending Assignment Notice” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Pension Plan” means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV or Section 302 of ERISA or Sections 412 or 430 of the Code sponsored, maintained, or contributed to by any Loan Party or which any Loan Party has any liability (including on behalf of an ERISA Affiliate), excluding any Canadian Pension Plan.

“Permitted Dispositions” means:

(a) sales, abandonment, or other dispositions of Equipment that is substantially worn, damaged, or obsolete or no longer used or useful in the ordinary course of business and leases or subleases (or the termination or abandonment thereof) of Real Property not useful in any material respect in the conduct of the business of Parent and its Subsidiaries,

(b) sales of ABL Priority Collateral permitted under the ABL DIP Facility Documents and in accordance with the Intercreditor Agreement,

(c) the use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of the Agreement or the other DIP Loan Documents,

(d) the licensing or sub-licensing of Intellectual Property rights in the ordinary course of business,

(e) the granting of Permitted Liens,

(f) the sale or discount, in each case without recourse, of accounts receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof,

(g) any involuntary loss, damage or destruction of property,

(h) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property,

(i) the leasing or subleasing of assets of Parent or its Subsidiaries in the ordinary course of business,

(j) the making of Restricted Payments that are expressly permitted to be made pursuant to the Agreement,

(k) the making of Permitted Investments that are expressly permitted to be made pursuant to the Agreement,

(l) the expiration, abandonment or lapse of patents, trademarks, copyrights, domain names or other intellectual property of Parent and its Subsidiaries (i) to the extent immaterial or not economically desirable in the conduct of their business (ii) in accordance with their respective statutory terms, or (iii) in the ordinary course of business,

(m) sales or dispositions between or among Loan Parties,

(n) voluntary terminations of any Hedge Agreements,

(o) the discount or compromise of notes or accounts receivable (other than Eligible Accounts (as defined in the ABL DIP Facility Documents)) for less than the face value in the resolution of disputes that occur in the ordinary course of business,

(p) the sale or disposition of shares of Equity Interests of any Subsidiary of Borrower (i) in order to qualify members of the governing body of the Subsidiary if and to the extent required by applicable law or (ii) to nationals of the jurisdiction of organization of any Subsidiary to the extent required by applicable law, and

(q) so long as no Event of Default has occurred and is continuing, sales of fixed assets in Toronto for cash consideration in an amount not to exceed \$500,000 in the aggregate.

“Permitted Indebtedness” means:

(a) the DIP Facility Obligations, including Indebtedness evidenced by the Agreement or the other DIP Loan Documents,

(b) the Pre-Petition Term Obligations incurred by the Loan Parties pursuant to the Pre-Petition Term Facility,

(c) Indebtedness constituting Permitted Investments,

(d) Indebtedness of the Parent or any of its Subsidiaries arising from the honoring of a check, draft or similar instrument of such Person drawn against insufficient funds in the ordinary course of business, provided that such Indebtedness is extinguished within five Business Days of its incurrence;

(e) Indebtedness of the Parent or any Subsidiary in respect of (A) letters of credit, bankers’ acceptances or other similar instruments or obligations issued, or relating to liabilities or obligations incurred in the ordinary course of business under indemnity, performance, surety, statutory, appeal and similar bonds, worker’s compensation claims, bonds, letters of credit and completion guarantees, or (B) completion guarantees, surety, judgment, appeal or performance bonds, or other similar bonds, instruments or obligations, provided, or relating to liabilities or obligations incurred, in the ordinary course of business or (C) netting, overdraft protection and other arrangements arising under standard business terms of any bank at which the Parent or any of its Subsidiaries maintains an overdraft, cash pooling or other similar facility or arrangement,

(f) Indebtedness under the ABL DIP Facility Documents in an aggregate principal amount not to exceed the amount thereof permitted under the DIP Orders, together with any Refinancing (as defined in the Intercreditor Agreement) thereof in accordance with the Intercreditor Agreement,

(g) the Senior ABL Facility Obligations incurred by the Loan Parties pursuant to the Senior ABL Facility Documents, in a maximum principal amount for all such Indebtedness at any time outstanding not to exceed the amount thereof permitted under the DIP Orders, together with any Refinancing (as defined in the Intercreditor Agreement) thereof in accordance with the Intercreditor Agreement,

(h) Indebtedness incurred in the ordinary course of business in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called “procurement cards” or “P-cards”), or Cash Management Services,

- (i) Indebtedness permitted to be incurred in accordance with the DIP Orders,
- (j) Indebtedness incurred in the ordinary course of business owed to any Person providing property, casualty, liability, or other insurance to Parent or any of its Subsidiaries, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Indebtedness is incurred and such Indebtedness is outstanding only during such year,
- (k) endorsement of instruments or other payment items for deposit,
- (l) the incurrence by Parent or its Subsidiaries of Indebtedness under Hedge Agreements that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with Parent's and its Subsidiaries' operations and not for speculative purposes,
- (m) unsecured Indebtedness (subject to customary rights of setoff) incurred in respect of netting services, overdraft protection, and other like services, in each case, incurred in the ordinary course of business,
- (n) Indebtedness representing deferred compensation or similar obligations to employees incurred in the ordinary course of business,
- (o) accrual of interest, accretion or amortization of original issue discount, or the payment of interest in kind, in each case, on Indebtedness that otherwise constitutes Permitted Indebtedness,
- (p) to the extent constituting Indebtedness, unsecured Indebtedness consisting of take-or-pay obligations contained in supply agreements entered into by any Loan Party in the ordinary course of business consistent with past practices not to exceed at any time outstanding an amount equal to \$500,000,
- (q) Indebtedness in respect of workers' compensation claims, self-insurance obligations, export or import indemnities or similar instruments, customs bonds, governmental contracts and leases provided a by Loan Party in the ordinary course of its business and under any letters of credit, bank guarantees or similar instruments supporting the same,
- (r) Indebtedness in respect of taxes, assessments or governmental charges to the extent that payment thereof shall not at the time be required to be made in accordance with Section 5.5,
- (s) Indebtedness owing to a landlord arising under a lease of Real Property as a result of an ordinary course "build out" provision in connection with the financing by such landlord of leasehold improvements,
- (t) unsecured guarantees issued by (x) Loan Parties to guaranty the underlying Indebtedness of another Loan Party and (y) a Subsidiary of Parent that is not a Loan Party to guaranty the underlying indebtedness of any other Subsidiary of Parent to the extent that such Subsidiary is a party to an Intercompany Subordination Agreement, in each case to the extent

that such Indebtedness is permitted under this Agreement (other than guaranties by US Borrower (as defined in the ABL DIP Facility Agreement) or any US Guarantor (as defined in the ABL DIP Facility Agreement) of any Indebtedness of any Canadian Loan Party (as defined in the ABL DIP Facility Documents), except for the US Guaranty (as defined in the ABL DIP Facility Agreement)),

(u) Indebtedness of a Foreign Subsidiary (other than Canadian Borrower (as defined in the ABL DIP Facility Agreement) or any Subsidiary organized under the laws of Canada or a province thereof) in an aggregate principal amount not to exceed \$1,000,000 at any time, and

(v) Indebtedness outstanding on the Petition Date and set forth on Schedule 4.14 to the Agreement.

“Permitted Intercompany Advances” means loans and other Investments made by (a) a Loan Party to another Loan Party, (b) a Subsidiary of Parent that is not a Loan Party to another Subsidiary of Parent that is not a Loan Party, (c) a Subsidiary of Parent that is not a Loan Party to a Loan Party, so long as the parties thereto are party to the Intercompany Subordination Agreement, (d) a Loan Party to a Subsidiary of Parent that is not a Loan Party so long as (i) the aggregate amount of all such loans and other Investments after the Effective Date does not exceed the greater of \$500,000 outstanding at any one time and the amount of such loan or Investment permitted to be made as “other payables” under the Approved Budget, and (ii) at the time of the making of such loan or other Investment, no Default Event of Default has occurred and is continuing or would result therefrom, and (e) loans made from proceeds of a Canadian Borrowing (as defined in the ABL DIP Facility Agreement) by the Canadian Borrower (as defined in the ABL DIP Facility Agreement) to any US Borrower (as defined in the ABL DIP Facility Agreement) secured against assets of the US Borrowers (as defined in the ABL DIP Facility Agreement) pursuant to the DIP Orders, provided that such security is junior to the Liens securing the Existing Secured US Obligations (as defined in the ABL DIP Facility Agreement) and the US Obligations (as defined in the ABL DIP Facility Agreement).

“Permitted Investments” means:

- (a) Investments in cash and Cash Equivalents,
- (b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business,
- (c) advances and extensions of trade credit made in connection with purchases of goods or services in the ordinary course of business and consistent with past practices,
- (d) Investments received in settlement of amounts due to any Loan Party or any of its Subsidiaries effected in the ordinary course of business or owing to any Loan Party or any of its Subsidiaries as a result of Insolvency Proceedings involving an Account Debtor, upon the foreclosure or enforcement of any Lien in favor of a Loan Party or its Subsidiaries or in connection with an out-of-court restructuring of an Account Debtor,
- (e) Investments owned by any Loan Party or any of its Subsidiaries on the Effective Date and set forth on Schedule P-1 to the Agreement,

- (f) guarantees permitted under the definition of Permitted Indebtedness,
- (g) Permitted Intercompany Advances,
- (h) receivables owing to the Parent or any of its Subsidiaries, if created or acquired in the ordinary course of business,
- (i) [reserved],
- (j) deposits of cash outstanding on the Petition Date made in the ordinary course of business to secure performance of operating leases,
- (k) Equity Interests or other securities acquired in connection with the satisfaction or enforcement of Indebtedness or claims due or owing to a Loan Party or its Subsidiaries (in bankruptcy of customers or suppliers or otherwise outside the ordinary course of business) or as security for any such Indebtedness or claims,
- (l) [reserved],
- (m) so long as no Event of Default has occurred and is continuing at the time such Investment is made or would result therefrom, any other Investments in an aggregate amount not to exceed the lesser of \$250,000 outstanding at any time and the amounts therefor permitted in compliance with the Approved Budget,
- (n) Investments (i) by Borrower or any Subsidiary that is a Loan Party in Borrower or any Subsidiary that is a Loan Party, (ii) by any non-Loan Party in any other non-Loan Party that is a Subsidiary and (iii) by any non-Loan Party in Borrower or any Subsidiary that is a Loan Party,
- (o) Investments consisting of obligations under Hedge Agreements permitted by Section 6.1,
- (p) advances in connection with purchases of goods or services in the ordinary course of business and consistent with past practice solely to the extent set forth in Approved Budget, and
- (q) Advances of payroll payments to employees in the ordinary course of business to the extent set forth in the Approved Budget.

“Permitted Liens” means

- (a) Liens granted to, or for the benefit of, Agent to secure any of the DIP Facility Obligations,
- (b) Liens for unpaid Taxes, assessments, or other governmental charges or levies, and other statutory inchoate Liens, in each case that either (i) are not more than thirty days past due or (ii) the underlying Taxes, assessments, charges, levies or other obligations are the subject of Permitted Protests,

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 8.3 of the Agreement so long as such judgments are stayed during the pendency of the Chapter 11 Cases,

(d) the interests of lessors and sublessors under operating leases and subleases and non-exclusive licensors and sublicensors under license agreements and sublicense agreements, in each case, incurred in the ordinary course of business,

(e) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, contractor, or suppliers, construction liens and other like liens, in each case incurred in the ordinary course of business and not in connection with the borrowing of money, and which Liens either (i) are for sums not more than thirty days past due, or (ii) are the subject of Permitted Protests,

(f) Liens on amounts deposited to secure Parent's and its Subsidiaries obligations in connection with worker's compensation or other unemployment insurance and other social security legislation or other insurance related obligations (including obligations in respect of letters of credit, bank guarantees or similar instruments) securing the same,

(g) Liens on amounts or Cash Equivalents deposited to secure Parent's and its Subsidiaries obligations in connection with the making or entering into of bids, tenders, contracts, or leases in the ordinary course of business, or statutory obligations and, in each case not in connection with the borrowing of money,

(h) Liens on amounts deposited to secure Parent's and its Subsidiaries reimbursement obligations with respect to surety, performance, bid, or appeal bonds, completion guarantees and similar obligations, or letters of credit, bank guarantees or similar instruments obtained in the ordinary course of business,

(i) with respect to any Real Property, (i) easements, covenants, conditions, reservations, declarations, rights of way, and zoning restrictions (including deed restrictions utilized in connection with any Remedial Actions required under Environmental Laws) and other similar matters of record affecting title to such Real Property, (ii) any state of facts that a current accurate survey and visual inspection would disclose, in either case, that do not materially interfere with or impair the use or operation thereof and (iii) all Liens and other matters disclosed in any Mortgage title insurance policy,

(j) licenses and sublicenses of Intellectual Property rights in existence as of the Effective Date or thereafter in the ordinary course of business,

(k) Liens granted or authorized by the DIP Orders, including, without limitation, replacement Liens granted to Senior ABL Facility Agent and Liens granted by US Borrowers (as defined in the ABL DIP Facility Agreement) to the Canadian Borrower (as defined in the ABL DIP Facility Agreement) to secure Permitted Intercompany Advances,

(l) (i) rights of setoff or bankers' liens upon deposits of funds in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of Deposit Accounts in the ordinary course of business, (ii) Liens of a collection bank arising under

Section 4-208 of the Uniform Commercial Code on the items in the course of collection, and (iii) Liens attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business and not for speculative purposes,

(m) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties not yet delinquent in connection with the importation of goods,

(n) Liens on amounts deposited to secure amounts incurred in the ordinary course of business owing to public utilities or to any municipalities or Governmental Authorities or other public authority when required by the utility, municipality or Governmental Authorities or other public authority in connection with the supply of services or utilities to any Loan Party,

(o) Liens on specific items of inventory or other goods and proceeds thereof of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or such other goods in the ordinary course of business,

(p) Liens securing the (x) Senior ABL Facility Obligations, (y) ABL DIP Facility Obligation, and (z) the Pre-Petition Term Facility Obligations,

(q) contractual rights of set-off relating to purchase orders and other agreements entered into in the ordinary course of business,

(r) inchoate Liens in respect of Canadian Priority Payables and Liens for which a "Canadian Priority Payables Reserve" (as defined therein) for the amount of such Lien has been established under the ABL DIP Facility Agreement,

(s) Liens set forth on Schedule 1.1A to the Agreement; provided, that to qualify as a Permitted Lien, any such Lien described on Schedule 1.1A to the Agreement shall only secure the Indebtedness that it secures on the Effective Date,

(t) Liens on assets securing the Senior ABL Facility Obligations subject to the Intercreditor Agreement,

(u) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under Section 6.1,

(v) Liens granted to, or for the benefit of, Pre-Petition Term Agent to secure the Pre-Petition Term Facility Obligations,

(w) Liens in the nature of precautionary UCC or PPSA filings (or similar filings) by lessors under operating leases,

(x) any interest of a lessee or sublessee or licensee under any lease or license of excess office, warehouse or other space by a Loan Party in the ordinary course of business consistent with past practices, and

(y) the Administration Charge (as defined in the ABL Facility Documents).

“Permitted Priority Lien” means Permitted Liens that, under applicable law, are senior to, and have not been subordinated to, the liens of the Agents under the DIP Loan Documents, but only to the extent that such liens are valid, enforceable and non-avoidable liens as of the Petition Date (or as may be permitted to be perfected on the Petition Date pursuant to Section 546 of the Bankruptcy Code).

“Permitted Protest” means the right of Parent or any of its Subsidiaries to protest any Lien (other than any Lien that secures the DIP Facility Obligations), Taxes, or rental or other lease payment, provided that (a) a reserve with respect to such obligation is established on Parent’s or its Subsidiaries’ books and records in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted in accordance with applicable law diligently by Parent or its Subsidiary, as applicable, in good faith, and (c) Agent is reasonably satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Agent’s Liens.

“Permitted Tax Distributions” means, except as otherwise noted in this definition below, for the calendar year (or portion thereof) ending December 31, 2019 and each calendar year (or portion thereof) ending December 31 thereafter, distributions in the aggregate amount (1) if (A) Parent is not a Flow Through Entity and (B) Borrower is not a Flow Through Entity and Parent is a member (other than the parent) of a consolidated, combined or other similar group for tax purposes, an amount necessary to permit the parent of the aforementioned group to pay estimated or final federal income tax attributable to the taxable income of Borrower and its Subsidiaries for U.S. federal income tax purposes, provided that such payments shall not exceed the amount Borrower and its Subsidiaries would be required to pay if they filed as part of a consolidated, combined, or other similar group for tax purposes separately from the common parent with Borrower as the parent of such hypothetical group, or (2) if Borrower, Holdings and Parent are all Flow Through Entities, an amount equal to the sum of the aggregate net taxable income of Borrower for U.S. federal income tax purposes for the taxable year multiplied by the Effective Tax Rate; provided that such aggregate net taxable income shall be computed (i) as if all excess taxable losses and excess taxable credits of the company were carried forward (taking into account the character of any such loss carryforward as capital or ordinary) and (ii) taking into account any special basis adjustment resulting from an election under IRC Section 754. Borrower shall be permitted to make estimated tax distributions based on good faith estimates of the taxable income of Borrower and its Subsidiaries. Within ten (10) days of the filing of the federal income tax return of Parent it shall provide Agent with a signed declaration of the accountant that prepared such return of the amount of taxable income or loss from Borrower and its Subsidiaries that was reflected on such tax return. To the extent estimated Permitted Tax Distributions exceed final Permitted Tax Distributions for any calendar year, such excess, if already distributed, shall be returned to the Borrower. For purposes of this definition, “taxable income” of Borrower and its Subsidiaries shall include the taxable income of Borrower and its Subsidiaries (included pursuant to Section 951 and Section 951A of the IRC) only to the extent Borrower and its Subsidiaries receive from such Excluded Subsidiary an amount sufficient to pay all income taxes attributable to such taxable income.

“Permitted Variances” means, with respect to determining compliance with Section 6.19 relating to the Borrower’s cash receipts, cash disbursements and net cash flow, (i) all variances favorable to the Borrowers and their Subsidiaries; (ii) with respect to determining compliance with Section 6.19(e) or 6.19(f) as of the end of any Testing Period, an unfavorable cumulative variance of 10.0% (in each case compared to the relevant amounts forecast for the same period in the Approved Budget); and (iii) with respect to determining compliance with Section 6.19(g) as of the end of any Testing Period, an unfavorable cumulative variance of 15.0% (in each case compared to the amount forecast for the same period in the Approved Budget).

“Persons” means natural persons, corporations, limited liability companies, limited partnerships, unlimited liability companies, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

“Petition Date” has the meaning specified therefor in the recitals.

“Plan Effective Date” means the date in which all conditions precedent to the effectiveness of a Proposed Plan has been satisfied or waived in accordance with the Proposed Plan.

“Post-Carve Out Trigger Notice Cap” has the meaning specified therefor in Section 2.14(d) of the Agreement.

“Pre-Petition Payment” means a payment (by way of adequate protection or otherwise) of principal or interest or otherwise on account of any pre-petition Indebtedness, trade payables or other pre-petition claims against any Loan Party.

“Pre-Petition Term Agent” means Barings Finance LLC in its capacity as agent for the Pre-Petition Term Lenders under the Pre-Petition Term Facility Documents, or any successor agent under the Pre-Petition Term Facility Documents.

“Pre-Petition Term Facility Agreement” means that certain Term Loan Credit Agreement, dated as of June 9, 2017, by and among the Borrower, the Parent Guarantors, the Pre-Petition Term Agent, the Pre-Petition Term Lenders, as the same may be amended, supplemented, waived or otherwise modified from time to time.

“Pre-Petition Term Facility” means the Pre-Petition Term Facility Agreement, any Pre-Petition Term Facility Documents, any notes issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages, and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time.

“Pre-Petition Term Facility Documents” means the “Loan Documents” as defined in the Pre-Petition Term Facility Agreement, as the same may be amended, supplemented, waived, or otherwise modified from time to time.

“Pre-Petition Term Lenders” means the lenders from time to time party to the Pre-Petition Term Facility Agreement.

“Pre-Petition Term Liens” means the Liens securing the Pre-Petition Term Obligations.

“Pre-Petition Term Obligations” means the “Obligations” under and as defined in the Pre-Petition Term Facility Agreement.

“Prepayment Date” has the meaning specified therefor in Section 2.4(f) of the Agreement.

“Proposed Plan” has the meaning specified therefor in Section 8.9(m)(iv) of this Agreement.

“Pro Rata Share” means, as of any date of determination:

(a) with respect to a Lender’s obligation to make all or a portion of the DIP Loans of any tranche, with respect to such Lender’s right to receive payments of interest, fees, and principal with respect to the DIP Loans of such tranche, and with respect to all other computations and other matters related to the DIP Loans of such tranche, the percentage obtained by dividing (i) the DIP Loan Commitments (or, if such DIP Loan Commitments are terminated, the outstanding DIP Loans) of such tranche owed to such Lender by (ii) the aggregate DIP Loan Commitments (or, if such DIP Loan Commitments are terminated, the aggregate outstanding DIP Loans) of such tranche owed to all Lenders, and

(b) with respect to all other matters and for all other matters as to a particular Lender (including the indemnification obligations arising under Section 15.7 of the Agreement), the percentage obtained by dividing (i) the DIP Loan Commitments (or, if such DIP Loan Commitments are terminated, the outstanding DIP Loans) of the relevant tranche owed to such Lender by (ii) the aggregate DIP Loan Commitments (or, if such DIP Loan Commitments are terminated, the aggregate outstanding DIP Loans) of the relevant tranche owed to all Lenders, in any such case as the applicable percentage may be adjusted by assignments permitted pursuant to Section 13.1; provided, that if all of the DIP Loans of the relevant tranche have been repaid in full, and all DIP Loan Commitments of the relevant tranche have been terminated, Pro Rata Share under this clause shall be determined as if the DIP Loans of the relevant tranche had not been repaid and shall be based upon the DIP Loans of the relevant tranche as they existed immediately prior to their repayment.

“Qualified Equity Interests” means and refers to any Equity Interests issued by Parent (and not by one or more of its Subsidiaries) that is not a Disqualified Equity Interest.

“Real Property” means any estates or interests in real property now owned or hereafter acquired by Parent or one of its Subsidiaries and the improvements thereto, including without limitation the Real Property Collateral.

“Real Property Collateral” means the Real Property identified on Schedule R-1 to the Agreement and any Real Property hereafter acquired by any Loan Party in fee simple with a fair market value greater than \$1,000,000.

“Recipient” means (a) Agent and (b) any Lender, as applicable.

“Recognition Proceedings” means the recognition proceeding commenced under Part IV of the Companies’ Creditors Arrangement Act in the Ontario Superior Court of Justice (Commercial List) to recognize the Chapter 11 Cases as “foreign main proceedings”.

“Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Recovery Event” means any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of any Loan Party giving rise to Net Cash Proceeds to such Loan Party, as the case may be, to the extent that such settlement or payment does not constitute reimbursement or compensation for amounts previously paid by the Borrower or any other Loan Party in respect of such casualty or condemnation.

“Register” has the meaning set forth in Section 13.1(h) of the Agreement.

“Registered Loan” has the meaning set forth in Section 13.1(h) of the Agreement.

“Related Agreements” means the DIP Loan Documents, the RSA and all other agreements or instruments executed in connection with the Related Transactions.

“Related Fund” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

“Related Transactions” means (i) the execution, delivery and performance by the Loan Parties of this Agreement and each other DIP Loan Document to which they are a party, the initial borrowing under of the DIP Loan and the use of the proceeds thereof, and the grant of DIP Liens by the Borrower on the DIP Collateral pursuant to this Agreement, the DIP Orders and the Guaranty and Security Agreement, (ii) the commencement and filing of the Chapter 11 Cases and (iii) the payment of all fees, costs and expenses associated with all of the foregoing.

“Remedial Action” means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address Hazardous Materials in the environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other actions with respect to Hazardous Materials required by Environmental Laws.

“Replacement Lender” has the meaning specified therefor in Section 2.13(b) of the Agreement.

“Required Lenders” means, at any time, Lenders having or holding more than 50% of the sum of the aggregate outstanding DIP Loans of all Lenders; provided, that the outstanding DIP Loans of any Defaulting Lender shall be disregarded in the determination of the Required Lenders; provided, further, that if at any time there are two (2) or more Lenders, then at least two (2) Lenders shall be necessary to constitute Required Lenders (for purposes of this proviso, a Lender and any other Lenders that are Affiliates or Related Funds of such Lender shall be counted as a single Lender).

“Responsible Officer” of any Person means the chief executive officer, the president, executive vice president, any senior vice president, any vice president, the chief operating officer, the legal representative, the general manager or any Financial Officer of such Person and any other individual or similar official thereof responsible for the administration of the obligations of such Person in respect of the Agreement. Agent and each Lender shall be entitled to conclusively presume that (i) any document delivered hereunder that is signed by a Responsible Officer of a Loan Party has been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party, and (ii) such Responsible Officer has acted on behalf of such Loan Party.

“Restricted Asset Sale Proceeds” means, in respect of a Foreign Asset Sale, an amount equal to the Net Cash Proceeds attributable thereto if and solely to the extent that the repatriation of such Net Cash Proceeds to Borrower (a) would result in material (relative to the amount of the Foreign Asset Sale) adverse Tax consequences to Parent or any of its Subsidiaries (taking into account any foreign tax credit that would be realized in connection with such repatriation) or (b) would be prohibited (but only for so long as such prohibition is in effect) or restricted (but only to the extent of such restriction and, then, only for so long as such restriction is in effect) by applicable law, rule or regulation, organizational document of the applicable Foreign Subsidiary, or pre-existing contract (so long as (i) such contractual obligation or restriction or organizational document was not entered into or imposed in contemplation of such repatriation and (ii) unless such prohibition or restriction is required to be included under applicable law, rule, or regulation, if there are commercially reasonable measures available to remove such prohibition or restriction from its organizational documents, such Foreign Subsidiary has taken such commercially reasonable measures). For purposes of this definition, if an officer’s certificate setting forth a calculation in reasonable detail of the amount of Restricted Asset Sale Proceeds in respect of any Foreign Asset Sale is delivered to Agent, such certificate shall be prima facie evidence of such amount unless Agent or any Lender notifies Borrower within 10 Business Days after such certificate is received by Agent that it (i) disagrees with such determination (including a description of the basis upon which it disagrees) or (ii) reasonably requires additional information in order to determine whether it agrees or disagrees with such determination.

“Restricted Payment” means to (a) declare or pay any dividend or make any other payment or distribution, directly or indirectly, on account of Equity Interests issued by Parent (including any such payment in connection with any merger, amalgamation or consolidation involving Parent) or to the direct or indirect holders of Equity Interests issued by Parent in their capacity as such (other than dividends or distributions payable in Qualified Equity Interests issued by Parent), or (b) purchase, redeem, make any sinking fund or similar payment, or otherwise acquire or retire for value (including in connection with any merger, amalgamation or consolidation involving Parent) any Equity Interests issued by Parent, and (c) make any payment

to retire, or to obtain the surrender of, any outstanding warrants, options, or other rights to acquire Equity Interests of Parent now or hereafter outstanding.

“RSA” means a Restructuring Support Agreement, dated as of the date hereof, entered into by the Loan Parties, the Agent, and certain of the Pre-Petition Term Lenders, and the other parties thereto.

“Sanctioned Entity” means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a comprehensive country sanctions program administered and enforced by OFAC.

“Sanctioned Person” means a person named on the list of Specially Designated Nationals maintained by OFAC.

“S&P” has the meaning specified therefor in the definition of Cash Equivalents.

“SEC” means the United States Securities and Exchange Commission and any successor thereto.

“Securities Account” means a securities account (as that term is defined in the Code).

“Securities Act” means the Securities Act of 1933, as amended from time to time, and any successor statute.

“Security Documents” means the Guaranty and Security Agreement, each Mortgage related to any mortgaged real property, and all other similar security documents hereafter delivered to the Agent granting or perfecting a DIP Lien on any asset or assets of any Person to secure the obligations and liabilities of the Loan Parties hereunder and/or under any of the other DIP Loan Documents or to secure any guarantee of any such obligations and liabilities, in each case, as amended, supplemented, waived or otherwise modified from time to time. For the avoidance of doubt, the DIP Orders shall constitute “Security Documents” for all purposes hereunder.

“Selling Lender” has the meaning specified therefor in Section 13.1(l) of the Agreement.

“Senior ABL Agreement” means the Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among the Parent Guarantors, Borrower, Hollander Sleep Products Canada Limited, certain subsidiaries of Parent, the Senior ABL Facility Agent, the lenders party thereto and the other parties thereto.

“Senior ABL Facility Agent” means Wells Fargo Bank, National Association, in its capacity as administrative agent under the Senior ABL Facility Documents, together with its successors and assigns.

“Senior ABL Facility” means the Senior ABL Agreement, any Senior ABL Facility Documents, any notes and letters of credit issued pursuant thereto and any guarantee and

collateral agreement, patent and trademark security agreement, mortgages, letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time.

“Senior ABL Facility Documents” means the “Loan Documents” as defined in the Senior ABL Agreement, as the same may be amended, supplemented, waived, otherwise modified, extended, renewed, refinanced or replaced from time to time.

“Senior ABL Facility Lenders” means the lenders under the Senior ABL Agreement.

“Senior ABL Facility Obligations” means the “Obligations”, as defined in the Senior ABL Agreement.

“Sponsor” means Sentinel Capital Partners, L.L.C.

“Sponsor Affiliated Entity” means Sponsor or any of its Affiliates (other than Loan Parties or their Subsidiaries and other than operating portfolio companies of Sponsor and its Affiliates).

“Subsidiary” of a Person means a corporation, partnership, limited liability company, unlimited liability company or other entity in which that Person directly or indirectly owns or controls the Equity Interests having ordinary voting power to elect a majority of the Board of Directors of such corporation, partnership, limited liability company, unlimited liability company, or other entity.

“Taxes” or “taxes” means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto.

“Tax Lender” has the meaning specified therefor in Section 14.2(a) of the Agreement.

“Term Loan Priority Collateral” has the meaning specified therefor in the Intercreditor Agreement.

“Termination Event” has the meaning specified therefor in Section 8.9 of the Agreement.

“Testing Period” means (x) as of end of the week that is the third Friday after the Petition Date, the period commencing with the first day of the first calendar week covered by the Approved Budget and ending with the last day of such week; and (y) as of the end of each consecutive two-week period ending thereafter (ending with the last such full two-week period ending during the Life of the Case), the period commencing with the first day of the first calendar week covered by the Approved Budget and ending with the last day of the applicable week referenced in this clause (y).

“TL Deposit Account” means a non-interest bearing cash collateral account established and maintained by the Borrower at an office of the Collateral Account Bank in the name, and, subject to the DIP Orders, under the “control” (as defined in the Uniform Commercial Code as in effect from time to time in the State of New York) of the Agent for the benefit of the Secured Parties; provided that until such time as such account subject to a lien or control agreement securing the Obligations is established, TL Deposit Account shall mean arrangements of substantially similar effect reasonably satisfactory to the Agent (and set forth in the DIP Orders) for such funds to be deposited with and maintained in the Debtors’ account(s) at Wells Fargo). For the avoidance of doubt, any requirement to enter into a control agreement with respect to the TL Deposit Account shall be satisfied by entering into such agreement with the Agent, with control to be exercised in accordance with the DIP Orders.

“Trademark Security Agreement” has the meaning specified therefor in the Guaranty and Security Agreement.

“Unasserted Contingent Indemnification Obligations” means contingent indemnification obligations to the extent no demand or claim has been made with respect thereto and no claim giving rise thereto has been asserted.

“United States” means the United States of America.

“US Foreign Holdco” means any Subsidiary of Parent organized under the laws of a State of the United States or the District of Columbia substantially all of whose assets consist of stock or other equity (or instruments treated as equity for U.S. federal income tax purposes) of one or more CFCs and other assets of *de minimis* value (including, without limitation, any Canadian Subsidiary).

“US Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the IRC.

“Variance Report” has the meaning specified therefor in Section 5.2(a) of the Agreement.

“Voidable Transfer” has the meaning specified therefor in Section 17.8 of the Agreement.

“Weekly Cash Flow Forecast” has the meaning specified therefor in Section 5.2(a) of the Agreement.

“Withdrawal Liability” means liability with respect to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule

Schedule 1.1A

Permitted Liens

Name of Debtor	Secured Party	Jurisdiction/Office	File Number/ Date Filed	Type of Lien	Description of Collateral
HOLLANDER SLEEP PRODUCTS, LLC	TOYOTA INDUSTRIES COMMERCIAL FINANCE, INC. NATIONWIDE LIFT TRUCKS INC.	Delaware - Secretary of State	2017 0983046 02/13/2017	UCC-1	Leased equipment
HOLLANDER SLEEP PRODUCTS, LLC	IBM CREDIT LLC	Delaware - Secretary of State	2017 7995188 12/04/2017	UCC-1	Leased equipment
HOLLANDER SLEEP PRODUCTS, LLC	CANNON FINANCIAL SERVICES, INC.	Delaware - Secretary of State	2018 3435233 05/21/2018	UCC-1	Leased equipment
HOLLANDER SLEEP PRODUCTS, LLC	HYG FINANCIAL SERVICES, INC.	Delaware - Secretary of State	2018 7480524 10/29/2018	UCC-1	Leased equipment
Hollander Sleep Products, LLC	MAC CROSSING, L.L.C.	Texas - Dallas County, Clerk	201800098247 04/16/2018	UCC-1	All of Debtor's property situated in or upon, or used in connection with, the Premises or the Project located at 2615 Gifford Street, Grand Prairie, Texas 75050
PACIFIC COAST FEATHER COMPANY	NMHG FINANCIAL SERVICES, INC.	Washington - Department of Licensing	2012-156-8434- 8 06/04/2012	UCC-1	Leased equipment
PACIFIC COAST FEATHER COMPANY	DE LANDEN FINANCIAL SERVICES, INC.	Washington - Department of Licensing	2013-259-9054- 4 09/16/2013	UCC-1	Leased equipment

Schedule 4.1(b)

Subscriptions, Options, Warrants, Calls of Parent

There are a total of 11,428,571 options issued with respect to all classes of the outstanding units in Dream II Holdings, LLC that include time and exit options as well as two classes of performance options.

Schedule 4.1(c)
Capitalization of Parent's Subsidiaries

Issuer	Holder	Class of Equity Interest	Number of Authorized Shares	Number of Shares Issued and Outstanding	Percentage Owned by Holder
Hollander Home Fashions Holdings, LLC	Dream II Holdings, LLC	Membership interests	1,358,214 Common Units	N/A	100%
Hollander Sleep Products, LLC	Hollander Home Fashions Holdings, LLC	Membership interests	1,000 units	N/A	100%
Hollander Sleep Products Kentucky, LLC	Hollander Sleep Products, LLC	Membership interests	1,000 units	N/A	100%
Hollander Home Fashions Trading (Shanghai) Co., Ltd.	Hollander Sleep Products, LLC	Membership interests	N/A	N/A	100%
Hollander Sleep Products Canada Limited	Dream II Holdings, LLC	Common shares	1 common share	1	100%
Pacific Coast Feather, LLC	Hollander Sleep Products, LLC	Membership interests	N/A	N/A	100%
Pacific Coast Feather Cushion, LLC	Pacific Coast Feather, LLC	Membership interests	N/A	N/A	100%
PCF (Shanghai) Quality Management Consulting Co., Ltd.	Pacific Coast Feather, LLC	Equity interest	N/A	N/A	100%

Schedule 4.1(d)

Subscriptions, Options, Warrants, Calls of Parent's Subsidiaries

None.

Schedule 4.6(a)

Litigation

1. The Bankruptcy Cases, the Recognition Proceedings and any litigation resulting therefrom

Schedule 4.10

Benefit Plans

None.

Schedule 4.11

Environmental Matters

None.

Schedule 4.14

Permitted Indebtedness

1. To the extent constituting Indebtedness, Capitalized Lease Obligations secured by the Liens set forth on Schedule P-2

Schedule 4.25

Immaterial Subsidiaries

None.

Schedule 4.26

Intellectual Property

Schedules 2, 4 and 6 to the Guaranty and Security Agreement are herein incorporated by reference.

Schedule 4.27

Insurance

COVERAGE	INSURER	POLICY NUMBER	POLICY TERM
Workers Compensation/Employers Liability	Safety First Insurance Co.	FCL 4059909	1/1/19-1/1/20
Automobile Liability & Physical Damage	Safety National Casualty Corp	CAF 4059905	1/1/19-1/1/20
General Liability	Safety National Casualty Corp	GLF 4059904	1/1/19-1/1/20
Umbrella Liability Excess Umbrella	Continental Insurance Co. The Ohio Casualty Insurance Co.	TBD TBD	1/1/19-1/1/20
Foreign Package	Insurance Co. of the State of PA (AIG)	WS11001075	1/1/19-1/1/20
Property Terrorism	Lexington Insurance Co. (Primary) James River Ins. Co. (\$25MM xs \$25MM) Landmark American (\$50MM xs \$50MM) Lloyds of London (Hiscox)	061818976 000812520 LHD903070 UTS2555987.19	2/1/18-2/1/19 2/1/18-2/1/19 2/1/18-2/1/19 1/1/19-2/1/20
Stock Throughput/Cargo	Lloyds of London	B0509MARCW1900022	1/1/19-1/1/20
Commercial Crime	Travelers	106205672	1/1/19-1/1/20
Cyber (Privacy & Network Liability)	ACE American Insurance Co.	G25666707004	1/1/19-1/1/20
Special Crime (K&R)	National Union Fire Ins Co (AIG)	82867529	1/1/18-11/1/19
Employment Practices Liability	Travelers Casualty and Surety Company of America	106876796	1/1/19-1/1/20

Schedule 6.10

Affiliate Transactions

1. Last Out DIP Obligations

**DEBTOR-IN-POSSESSION TERM LOAN GUARANTY AND SECURITY
AGREEMENT**

This **DEBTOR-IN-POSSESSION TERM LOAN GUARANTY AND SECURITY AGREEMENT** (this “Agreement”), dated as of May [], 2019, among the Persons listed on the signature pages hereof as “Grantors” and those additional entities that hereafter become parties hereto by executing the form of Joinder attached hereto as Annex 1 (each, a “Grantor” and collectively, the “Grantors”), and **BARINGS FINANCE LLC**, in its capacity as administrative agent for the Lender Group (in such capacity, together with its successors and permitted assigns in such capacity, “Agent”).

WITNESSETH:

WHEREAS, on the Petition Date, the Borrower and the Guarantors commenced the Chapter 11 Cases by filing with the Bankruptcy Court voluntary petitions for relief under chapter 11 the Bankruptcy Code;

WHEREAS, each of the Loan Parties is continuing in the possession of its assets and in the management of its business as a debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, the Borrower has requested the Lenders to extend credit to the Borrower in the form of the DIP Facility subject to that certain Debtor-In-Possession Term Loan Credit Agreement of even date herewith (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the “DIP Term Loan Credit Agreement”) by and among the lenders identified on the signature pages thereto (each of such lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”, as that term is thereafter further defined), Agent, Parent, Holdings and Borrower and, when entered, the Interim DIP Order, and the Final DIP Order, as applicable, which will be used in accordance with the Approved Budget;

WHEREAS, the Borrower has requested the ABL DIP Lenders to extend credit to the Borrower in the form of an ABL DIP Facility pursuant to the terms of that certain ABL DIP Facility Agreement;

WHEREAS, in connection with the execution and delivery of the DIP Term Loan Credit Agreement, the Grantors have agreed to enter into this Agreement;

WHEREAS, Agent has agreed to act as agent for the benefit of the Lender Group in connection with the transactions contemplated by the DIP Term Loan Credit Agreement and this Agreement;

WHEREAS, in order to induce the Lender Group to enter into the DIP Term Loan Credit Agreement and the other DIP Loan Documents, and to induce the Lender Group to make financial accommodations to Borrower as provided for in the DIP Term Loan Credit Agreement and the other DIP Loan Documents, (a) each Grantor has agreed to grant to Agent, for the benefit of the Lender Group, in each case subject to the Carve-Out, with DIP Liens on the DIP Collateral in order to secure the prompt and complete payment, observance and performance of, among

other things, the DIP Secured Obligations and (b) each Grantor has agreed to guaranty the DIP Guaranteed Obligations; and

WHEREAS, each Grantor is an Affiliate or a Subsidiary of Borrower and, as such, will benefit by virtue of the financial accommodations extended to Borrower by the Lender Group.

WHEREAS, the Intercreditor Agreement governs the relative rights and priorities of the Lender Group and the “Lender Group” under the Senior ABL Agreement in respect of the Term Loan Priority Collateral as defined in the Intercreditor Agreement and the ABL Priority Collateral as defined in the Intercreditor Agreement (and with respect to certain other matters as described therein).

NOW, THEREFORE, for and in consideration of the recitals made above and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions; Construction.

(a) All initially capitalized terms used herein (including in the preamble and recitals hereof) without definition shall have the meanings ascribed thereto in the DIP Term Loan Credit Agreement (including Schedule 1.1 thereto). Any terms (whether capitalized or lower case) used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein or in the DIP Term Loan Credit Agreement; provided that to the extent that the Code is used to define any term used herein and if such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern. In addition to those terms defined elsewhere in this Agreement, as used in this Agreement, the following terms shall have the following meanings:

(i) “Account” means an account (as that term is defined in Article 9 of the Code).

(ii) “Account Debtor” means an account debtor (as that term is defined in the Code).

(iii) “Activation Instruction” has the meaning specified therefor in Section 7(k).

(iv) “Agent” has the meaning specified therefor in the preamble to this Agreement.

(v) “Agreement” has the meaning specified therefor in the preamble to this Agreement.

(vi) “Applicable Trigger” has the meaning specified therefor in Section 7(k)(ii).

(vii) “Books” means books and records (including each Grantor’s Records indicating, summarizing, or evidencing such Grantor’s assets (including the DIP

Collateral) or liabilities, each Grantor's Records relating to such Grantor's business operations or financial condition, and each Grantor's goods or General Intangibles related to such information).

(viii) "Borrower" has the meaning specified therefor in the recitals to this Agreement.

(ix) [Reserved].

(x) "Chattel Paper" means chattel paper (as that term is defined in the Code), and includes tangible chattel paper and electronic chattel paper.

(xi) "Code" means the New York Uniform Commercial Code, as in effect from time to time; provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the perfection, priority, or remedies with respect to Agent's DIP Lien on any DIP Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such perfection, priority, or remedies.

(xii) "Commercial Tort Claims" means commercial tort claims (as that term is defined in the Code), and includes those commercial tort claims listed on Schedule 1.

(xiii) "Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

(xiv) "Controlled Account" has the meaning specified therefor in Section 7(k).

(xv) [Reserved].

(xvi) "Controlled Account Bank" has the meaning specified therefor in Section 7(k).

(xvii) "Copyrights" means any and all rights in any works of authorship, including (whether statutory or common law, whether established or registered in the United States or any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished), including (A) copyrights and moral rights, (B) copyright registrations and recordings thereof and all applications in connection therewith including those listed on Schedule 2 and (C) renewals and extensions thereof.

(xviii) "Copyright Security Agreement" means each Copyright Security Agreement executed and delivered by Grantors, or any of them, and Agent, in substantially the form of Exhibit A.

(xix) "Deposit Account" means a deposit account (as that term is defined in the Code).

(xx) "DIP Collateral" has the meaning specified therefor in Section 3.

(xxi) “DIP Guaranteed Obligations” means all of the DIP Facility Obligations now or hereafter existing, whether for principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), fees (including the fees provided for in the Fee Letters), Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), or otherwise. Without limiting the generality of the foregoing, DIP Guaranteed Obligations shall include all amounts that constitute part of the DIP Guaranteed Obligations and would be owed by Borrower to Agent or any other member of the Lender Group but for the fact that they are unenforceable or not allowable, including due to the existence of a bankruptcy, reorganization, other Insolvency Proceeding or similar proceeding involving Borrower or any guarantor,

(xxii) “DIP Secured Obligations” means each and all of the following: (A) all of the present and future obligations of each of the Grantors arising from, or owing under or pursuant to, this Agreement (including the Guaranty), the DIP Term Loan Credit Agreement, or any of the other DIP Loan Documents and (B) all other DIP Facility Obligations of Borrower and all other DIP Guaranteed Obligations of each Guarantor (including, in the case of each of clauses (A) and (B), Lender Group Expenses and any interest, fees, or expenses that accrue after the filing of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any Insolvency Proceeding).

(xxiii) “DIP Supporting Obligations” means supporting obligations (as such term is defined in the Code), and includes letters of credit and guaranties issued in support of Accounts, Chattel Paper, documents, General Intangibles, instruments or Investment Property.

(xxiv) “DIP Term Loan Credit Agreement” has the meaning specified therefor in the recitals to this Agreement.

(xxv) “Equipment” means equipment (as that term is defined in the Code).

(xxvi) “Excluded DIP Collateral” has the meaning specified therefor in Section 3.

(xxvii) “Excluded Deposit Accounts and Securities Accounts” means (a) Deposit Accounts established solely (I) for the purposes of funding payroll, payroll taxes, escrow trust and employee wage and benefits payments (which aggregate balance in such accounts shall not exceed the total amount estimated by the Borrower in good faith to be payable in the following 30 days from such account or such greater amount as required by law), (II) as tax accounts, including, without limitation, sales tax accounts, (III) as escrow, defeasance and redemption accounts in respect of transactions permitted under the DIP Term Loan Credit Agreement or (IV) as fiduciary or trust accounts, (b) Deposit Account and Securities Accounts with aggregate balances for all such excluded accounts not to exceed \$250,000 in the aggregate, and (c) those certain Deposit Accounts with account numbers 245101145 and 245101145 to the extent that the amounts deposited therein (i) secure the DIP Collateral (as each is defined in the applicable Cash Collateral Agreement dated as of June 9, 2017, by and between Pacific Coast Feather Company and Bank of America, N.A.) and (ii) do not exceed \$3,208,989 and \$200,000, respectively.

(xxviii) “Farm Products” means farm products (as that term is defined in the Code).

(xxix) “Fixtures” means fixtures (as that term is defined in the Code).

(xxx) “Foreclosed Grantor” has the meaning specified therefor in Section 2(i)(iii).

(xxxii) “General Intangibles” means general intangibles (as that term is defined in the Code), and includes payment intangibles, contract rights, rights to payment, rights under Hedge Agreements (including the right to receive payment on account of the termination (voluntarily or involuntarily) of such Hedge Agreements), rights arising under common law, statutes, or regulations, choses or things in action, goodwill, Intellectual Property (together with any income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, and rights to sue for past, present and future infringements thereof), Intellectual Property Licenses, purchase orders, customer lists, monies due or recoverable from pension funds, route lists, rights to payment and other rights under any royalty or licensing agreements, including Intellectual Property Licenses, infringement claims, pension plan refunds, pension plan refund claims, insurance premium rebates, tax refunds, and tax refund claims, interests in a partnership or limited liability company which do not constitute a security under Article 8 of the Code, and any other personal property other than Commercial Tort Claims, money, Accounts, Chattel Paper, Deposit Accounts, goods, Investment Property, Negotiable DIP Collateral, and oil, gas, or other minerals before extraction.

(xxxiii) “Grantor” and “Grantors” have the respective meanings specified therefor in the preamble to this Agreement.

(xxxiv) “Guarantor” means each Grantor other than Borrower.

(xxxv) “Guaranty” means the guaranty set forth in Section 2 hereof.

(xxxvi) “Intellectual Property” means any and all Patents, Copyrights, Trademarks, trade secrets, know-how, inventions (whether or not patentable), algorithms, software programs (including source code and object code), processes, product designs, industrial designs, data, URLs and Internet domain names, and any other forms of technology or proprietary information of any kind, including all rights therein and all applications for registration or registrations thereof.

(xxxvii) “Intellectual Property Licenses” means, with respect to any Person (the “Specified Party”), (A) any licenses or other similar rights, including covenants not to sue, provided to the Specified Party in or with respect to Intellectual Property owned, made or controlled by any other Person, and (B) any licenses or other similar rights, including covenants not to sue, provided to any other Person in or with respect to Intellectual Property owned, made or controlled by the Specified Party, in each case, including (x) any software license agreements (other than license agreements for commercially available off-the-shelf software that is generally available to the public), (y) the license agreements listed on Schedule 3, and (z) the right to use any

of the licenses or other similar rights described in this definition, as permitted by the applicable license, in connection with the enforcement of the Lender Group's rights under the DIP Loan Documents.

(xxxvii) "Inventory" means inventory (as that term is defined in the Code).

(xxxviii) "Investment Property" means (A) any and all investment property (as that term is defined in the Code), and (B) any and all of the following (regardless of whether classified as investment property under the Code): all Pledged Interests, Pledged Intercompany Notes, Pledged Operating Agreements, and Pledged Partnership Agreements.

(xxxix) "Joinder" means each Joinder to this Agreement executed and delivered by Agent and each of the other parties listed on the signature pages thereto, in substantially the form of Annex 1.

(xl) "Lender" and "Lenders" have the respective meanings specified therefor in the recitals to this Agreement.

(xli) "Negotiable DIP Collateral" means letters of credit, letter-of-credit rights, instruments, promissory notes, drafts and documents (as each such term is defined in the Code).

(xlii) "Parent" has the meaning specified therefor in the recitals to this Agreement.

(xliii) "Patents" means patents and patent applications (whether established or registered or filed in the United States or any other country or any political subdivision thereof), including (A) the patents and patent applications listed on Schedule 4, (B) all inventions and improvements described in or claimed therein and (C) all continuations, divisionals, continuations-in-part, re-examinations, and reissues thereof and improvements thereon.

(xliv) "Patent Security Agreement" means each Patent Security Agreement executed and delivered by Grantors, or any of them, and Agent, in substantially the form of Exhibit B.

(xlv) "Pledged Companies" means each Person listed on Schedule 5 as a "Pledged Company", together with each other Person, all or a portion of whose Equity Interests (other than Equity Interests constituting Excluded DIP Collateral) are acquired or otherwise owned by a Grantor after the date of this Agreement.

(xlvi) "Pledged Intercompany Notes" means all of each Grantor's rights, title and interest to all the intercompany loans and notes now owned or hereafter acquired by such Grantor.

(xlvii) "Pledged Interests" means all of each Grantor's right, title and interest in and to all of the Equity Interests now owned or hereafter acquired by such Grantor (other than Equity Interests constituting Excluded DIP Collateral), regardless of class or designation, including in each of the Pledged Companies owned by it, and all substitutions therefor

and replacements thereof, all proceeds thereof and all rights relating thereto, also including any certificates representing the Equity Interests, the right to receive any certificates representing any of the Equity Interests, all warrants, options, share appreciation rights and other rights, contractual or otherwise, in respect thereof and the right to receive all dividends, distributions of income, profits, surplus, or other compensation by way of income or liquidating distributions, in cash or in kind, and all cash, instruments, and other property from time to time received, receivable, or otherwise distributed in respect of or in addition to, in substitution of, on account of, or in exchange for any or all of the foregoing.

(xlviii) “Pledged Interests Addendum” means a Pledged Interests Addendum substantially in the form of Exhibit C.

(xlix) “Pledged Notes” has the meaning specified therefor in Section 6(l).

(l) “Pledged Operating Agreements” means all of each Grantor’s rights, powers, and remedies under the limited liability company operating agreements of each of the Pledged Companies that are limited liability companies, if any.

(li) “Pledged Partnership Agreements” means all of each Grantor’s rights, powers, and remedies under the partnership agreements of each of the Pledged Companies that are partnerships, if any.

(lii) “Proceeds” has the meaning specified therefor in Section 3.

(liii) “PTO” means the United States Patent and Trademark Office.

(liv) “Real Property” means any estates or interests in real property now owned or hereafter acquired by any Grantor or any Subsidiary of any Grantor and the improvements thereto.

(lv) “Record” means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form.

(lvi) “Rescission” has the meaning specified therefor in Section 7(k).

(lvii) “Securities Account” means a securities account (as that term is defined in the Code).

(lviii) “Security Interest” has the meaning specified therefor in Section 3.

(lix) “Trademarks” means any and all trademarks, trade names, trade dress, registered trademarks, trademark applications, service marks, registered service marks and service mark applications (whether statutory or common law and whether established or registered in the United States or any other country or any political subdivision thereof), including (A) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 6, (B) goodwill of the business symbolized thereby or connected with the use thereof and (C) all renewals thereof.

(ix) “Trademark Security Agreement” means each Trademark Security Agreement executed and delivered by Grantors, or any of them, and Agent, in substantially the form of Exhibit D.

(ixi) “URL” means “uniform resource locator,” an internet web address.

(b) Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms “includes” and “including” are not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein or in the DIP Term Loan Credit Agreement). The words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties.

(c) Any reference herein to the satisfaction, repayment, or payment in full of the DIP Secured Obligations shall mean (i) the payment or repayment in full in immediately available funds in Dollars of (A) the principal amount of, and interest accrued with respect to, all outstanding DIP Loans, together with the payment of any premium applicable to the repayment of the DIP Loans, (B) all Lender Group Expenses that have accrued regardless of whether demand has been made therefor, (C) all fees or charges that have accrued hereunder or under any other DIP Loan Document, (ii) the receipt by Agent of cash collateral in order to secure any other contingent DIP Secured Obligations for which a claim or demand for payment has been made at such time or in respect of matters or circumstances known to Agent or a Lender at the time that are reasonably expected to result in any loss, cost, damage or expense (including reasonable out-of-pocket attorneys’ fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent DIP Secured Obligations, (iii) the payment or repayment in full in immediately available funds of all other DIP Secured Obligations (as the case may be) other than, in each case of clauses (i) to (iii), Unasserted Contingent Indemnification Obligations, and (iv) the termination of all of the DIP Loan Commitments of the Lenders.

(d) Any reference herein to the satisfaction, repayment, or payment in full of the DIP Guaranteed Obligations shall mean, in each case, solely with respect to DIP Facility Obligations (i) the payment or repayment in full in immediately available funds of (A) the principal amount of, and interest accrued with respect to, all outstanding DIP Loans, together with the payment of any premium applicable to the repayment of the DIP Loans, (B) all Lender Group Expenses that have accrued regardless of whether demand has been made therefor, (C) all fees or charges that have accrued hereunder or under any other DIP Loan Document (ii) the receipt by Agent of cash collateral in order to secure any other contingent DIP Guaranteed Obligations for which a claim or demand for payment has been made at such time or in respect

of matters or circumstances known to Agent or a Lender at the time that are reasonably expected to result in any loss, cost, damage or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent DIP Guaranteed Obligations, (iii) the payment or repayment in full in immediately available funds of all other DIP Guaranteed Obligations other than, in each case of clauses (i) to (iii), Unasserted Contingent Indemnification Obligations, and (iv) the termination of all of the DIP Loan Commitments of the Lenders.

(e) All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

2. Guaranty.

(a) In recognition of the direct and indirect benefits to be received by Guarantors from the proceeds of the DIP Loans and by virtue of the financial accommodations to be made to Borrower, each of the Guarantors, jointly and severally, hereby unconditionally and irrevocably guarantees as a primary obligor and not merely as a surety the full and prompt payment when due, whether upon maturity, acceleration, or otherwise, of all of the DIP Guaranteed Obligations. If any or all of the DIP Facility Obligations becomes due and payable, each of the Guarantors, unconditionally and irrevocably, and without the need for demand, protest, or any other notice or formality, promises to pay such DIP Facility Obligations to Agent, for the benefit of the Lender Group, together with any and all Lender Group Expenses that may be incurred by Agent or any other member of the Lender Group in demanding, enforcing, or collecting any of the DIP Guaranteed Obligations (including the enforcement of any collateral for such DIP Facility Obligations or any collateral for the obligations of the Guarantors under this Guaranty). If claim is ever made upon Agent or any other member of the Lender Group for repayment or recovery of any amount or amounts received in payment of or on account of any or all of the DIP Facility Obligations and any of Agent or any other member of the Lender Group repays all or part of said amount by reason of (i) any judgment, decree, or order of any court or administrative body having jurisdiction over such payee or any of its property, or (ii) any settlement or compromise of any such claim effected by such payee with any such claimant (including any Borrower or any Guarantor), then and in each such event, each of the Guarantors agrees that any such judgment, decree, order, settlement, or compromise shall be binding upon the Guarantors, notwithstanding any revocation (or purported revocation) of this Guaranty or other instrument evidencing any liability of any Grantor, and the Guarantors shall be and remain liable to the aforesaid payees hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by any such payee.

(b) Additionally, each of the Guarantors unconditionally and irrevocably guarantees the payment of any and all of the DIP Facility Obligations to Agent, for the benefit of the Lender Group, whether or not due or payable by any Loan Party upon the occurrence of any of the events specified in Section 8.4 or 8.5 of the DIP Term Loan Credit Agreement, and irrevocably and unconditionally promises to pay such indebtedness to Agent, for the benefit of the Lender Group, without the requirement of demand, protest, or any other notice or other formality, in lawful money of the United States.

(c) The liability of each of the Guarantors hereunder is primary, absolute, and unconditional, and is independent of any security for or other guaranty of the DIP Facility Obligations, whether executed by any other Guarantor or by any other Person, and the liability of each of the Guarantors hereunder shall not be affected or impaired by (i) any payment on, or in reduction of, any such other guaranty or undertaking (other than payment in full of the DIP Guaranteed Obligations), (ii) any dissolution, termination, or increase, decrease, or change in personnel by any Grantor, (iii) any payment made to Agent or any other member of the Lender Group which Agent or such other member of the Lender Group repays to any Grantor pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding (or any settlement or compromise of any claim made in such a proceeding relating to such payment), and each of the Guarantors waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding, or (iv) any action or inaction by Agent or any other member of the Lender Group, or (v) any invalidity, irregularity, avoidability, or unenforceability of all or any part of the DIP Facility Obligations or of any security therefor.

(d) This Guaranty includes all present and future DIP Guaranteed Obligations including any under transactions continuing, compromising, extending, increasing, modifying, releasing, or renewing the DIP Guaranteed Obligations, changing the interest rate, payment terms, or other terms and conditions thereof, or creating new or additional DIP Guaranteed Obligations after prior DIP Guaranteed Obligations have been satisfied in whole or in part. To the maximum extent permitted by law, each Guarantor hereby waives any right to revoke this Guaranty as to future DIP Guaranteed Obligations. If such a revocation is effective notwithstanding the foregoing waiver, each Guarantor acknowledges and agrees that (i) no such revocation shall be effective until written notice thereof has been received by Agent, (ii) no such revocation shall apply to any DIP Guaranteed Obligations in existence on the date of receipt by Agent of such written notice (including any subsequent continuation, extension, or renewal thereof, or change in the interest rate, payment terms, or other terms and conditions thereof), (iii) no such revocation shall apply to any DIP Guaranteed Obligations made or created after such date to the extent made or created pursuant to a legally binding commitment of any member of the Lender Group in existence on the date of such revocation, (iv) no payment by any Guarantor, any Borrower, or from any other source, prior to the date of Agent's receipt of written notice of such revocation shall reduce the maximum obligation of such Guarantor hereunder, and (v) any payment by any Borrower or from any source other than such Guarantor subsequent to the date of such revocation shall first be applied to that portion of the DIP Guaranteed Obligations as to which the revocation is effective and which are not, therefore, guaranteed hereunder, and to the extent so applied shall not reduce the maximum obligation of such Guarantor hereunder. This Guaranty shall be binding upon each Guarantor, its successors and assigns and inure to the benefit of and be enforceable by Agent (for the benefit of the Lender Group) and its successors, transferees, or permitted assigns.

(e) The guaranty by each of the Guarantors hereunder is a guaranty of payment and not of collection. The obligations of each of the Guarantors hereunder are independent of the obligations of any other Guarantor or Grantor or any other Person and a separate action or actions may be brought and prosecuted against one or more of the Guarantors whether or not action is brought against any other Guarantor or Grantor or any other Person and whether or not any other Guarantor or Grantor or any other Person be joined in any such action or actions. Each of the Guarantors waives, to the fullest extent permitted by law, the benefit of

any statute of limitations affecting its liability hereunder or the enforcement hereof. Any payment by any Grantor or other circumstance which operates to toll any statute of limitations as to any Grantor shall operate to toll the statute of limitations as to each of the Guarantors.

(f) Each of the Guarantors authorizes Agent and the other members of the Lender Group without notice or demand (except for such notices expressly agreed to be provided by Agent under the DIP Loan Documents), and without affecting or impairing its liability hereunder, from time to time to:

(i) change the manner, place, or terms of payment of, or change or extend the time of payment of, renew, increase, accelerate, or alter: (A) any of the DIP Facility Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon); or (B) any security therefor or any liability incurred directly or indirectly in respect thereof, and this Guaranty shall apply to the DIP Facility Obligations as so changed, extended, renewed, or altered;

(ii) take and hold security for the payment of the DIP Facility Obligations and sell, exchange, release, impair, surrender, realize upon, collect, settle, or otherwise deal with in any manner and in any order any property at any time pledged or mortgaged to secure the DIP Facility Obligations or any of the DIP Guaranteed Obligations (including any of the obligations of all or any of the Guarantors under this Guaranty) incurred directly or indirectly in respect thereof or hereof, or any offset on account thereof;

(iii) exercise or refrain from exercising any rights against any Grantor;

(iv) release or substitute any one or more endorsers, guarantors, any Grantor, or other obligors;

(v) settle or compromise any of the DIP Facility Obligations, any security therefor, or any liability (including any of those of any of the Guarantors under this Guaranty) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of any Grantor to its creditors;

(vi) apply any sums by whomever paid or however realized to any liability or liabilities of any Grantor to Agent or any other member of the Lender Group regardless of what liability or liabilities of such Grantor remain unpaid;

(vii) consent to or waive any breach of, or any act, omission, or default under, this Agreement, any other DIP Loan Document or any of the instruments or agreements referred to herein or therein, or otherwise amend, modify, or supplement this Agreement, any other DIP Loan Document or any of such other instruments or agreements; or

(viii) take any other action that could, under otherwise applicable principles of law, give rise to a legal or equitable discharge of one or more of the Guarantors from all or part of its liabilities under this Guaranty.

(g) It is not necessary for Agent or any other member of the Lender Group to inquire into the capacity or powers of any of the Guarantors or the officers, directors, partners or agents acting or purporting to act on their behalf, and any DIP Facility Obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

(h) Each Guarantor jointly and severally guarantees that the DIP Guaranteed Obligations will be paid strictly in accordance with the terms of the DIP Loan Documents, regardless of any law, regulation, or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any member of the Lender Group with respect thereto. The obligations of each Guarantor under this Guaranty are independent of the DIP Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce such obligations, irrespective of whether any action is brought against any other Guarantor or whether any other Guarantor is joined in any such action or actions. The liability of each Guarantor under this Guaranty shall be absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives, to the fullest extent permitted by applicable law, any defense (other than a defense of payment in full of the DIP Guaranteed Obligations) it may now or hereafter have in any way relating to, any or all of the following:

(i) any lack of validity or enforceability of any DIP Loan Document or any agreement or instrument relating thereto;

(ii) any change in the time, manner, or place of payment of, or in any other term of, all or any of the DIP Guaranteed Obligations, or any other amendment or waiver, supplement, restatement, extension, novation, renewal, replacement or continuation of or any consent to departure from any DIP Loan Document, including any increase in the DIP Guaranteed Obligations resulting from the extension of additional credit;

(iii) any taking, exchange, release, or non-perfection of any DIP Lien in and to any DIP Collateral, or any taking, release, amendment, waiver of, or consent to departure from any other guaranty, for all or any of the DIP Guaranteed Obligations;

(iv) the existence of any claim, set-off, defense (other than payment in full of the DIP Guaranteed Obligations), or other right that any Guarantor may have at any time against any Person, including Agent or any other member of the Lender Group;

(v) any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the DIP Guaranteed Obligations or any security therefor;

(vi) any right or defense arising by reason of any claim or defense based upon an election of remedies by any member of the Lender Group including any defense based upon an impairment or elimination of such Guarantor's rights of subrogation, reimbursement, contribution, or indemnity of such Guarantor against any other Grantor or any guarantors or sureties;

(vii) any change, restructuring, or termination of the corporate, limited liability company, or partnership structure or existence of any Grantor; or

(viii) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or any other Guarantor or surety (other than a defense of payment in full of the DIP Guaranteed Obligations).

(i) Waivers:

(i) Each of the Guarantors waives (to the fullest extent permitted by applicable law) any right (except as shall be required by applicable statute or law and cannot be waived) to require Agent or any other member of the Lender Group to (i) proceed against any other Grantor or any other Person, (ii) proceed against or exhaust any security held from any other Grantor or any other Person, or (iii) protect, secure, perfect, or insure any security interest or DIP Lien on any property subject thereto or exhaust any right to take any action against any other Grantor, any other Person, or any collateral, or (iv) pursue any other remedy in any member of the Lender Group's power whatsoever. Each of the Guarantors waives, to the fullest extent permitted by applicable law, any defense based on or arising out of any defense of any Grantor or any other Person, other than payment of the DIP Facility Obligations to the extent of such payment, based on or arising out of the disability of any Grantor or any other Person, or the validity, legality, or unenforceability of the DIP Facility Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Grantor other than payment of the DIP Facility Obligations to the extent of such payment. Agent may, at the election of the Required Lenders, foreclose upon any DIP Collateral held by Agent by one or more judicial or nonjudicial sales or other dispositions, whether or not every aspect of any such sale is commercially reasonable or otherwise fails to comply with applicable law or may exercise any other right or remedy Agent or any other member of the Lender Group may have against any Grantor or any other Person, or any security, in each case, without affecting or impairing in any way the liability of any of the Guarantors hereunder except to the extent the DIP Facility Obligations have been paid.

(ii) Each of the Guarantors waives all presentments, demands for performance, protests and notices, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation, or incurring of new or additional DIP Facility Obligations or other financial accommodations. Each of the Guarantors waives notice of any Default or Event of Default under any of the DIP Loan Documents. Each of the Guarantors assumes all responsibility for being and keeping itself informed of each Grantor's financial condition and assets and of all other circumstances bearing upon the risk of nonpayment of the DIP Facility Obligations and the nature, scope, and extent of the risks which each of the Guarantors assumes and incurs hereunder, and agrees that neither Agent nor any of the other members of the Lender Group shall have any duty to advise any of the Guarantors of information known to them regarding such circumstances or risks.

(iii) To the fullest extent permitted by applicable law, each Guarantor hereby waives: (A) any right to assert against any member of the Lender Group, any defense (legal or equitable) (other than the defense that all of the DIP Guaranteed Obligations have been paid in full), set-off, counterclaim, or claim which each Guarantor may now or at any time hereafter have against any Borrower or any other party liable to any member of the Lender Group; (B) any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the DIP Guaranteed Obligations or any security therefor; (C) any right or defense arising by reason of any

claim or defense based upon an election of remedies by any member of the Lender Group including any defense based upon an impairment or elimination of such Guarantor's rights of subrogation, reimbursement, contribution, or indemnity of such Guarantor against any Borrower or other guarantors or sureties; and (D) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement thereof, and any act which shall defer or delay the operation of any statute of limitations applicable to the DIP Guaranteed Obligations shall similarly operate to defer or delay the operation of such statute of limitations applicable to such Guarantor's liability hereunder.

(iv) No Guarantor will exercise any rights that it may now or hereafter acquire against any Grantor or any other guarantor that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Guaranty, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of Agent or any other member of the Lender Group against any Grantor or any other guarantor or any DIP Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to take or receive from any Grantor or any other guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right, unless and until all of the DIP Guaranteed Obligations and all other amounts payable under this Guaranty shall have been paid in full and all of the DIP Loan Commitments have been terminated. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence, such amount shall be held in trust for the benefit of Agent, for the benefit of the Lender Group, and shall forthwith be paid to Agent to be credited and applied to the DIP Guaranteed Obligations and all other amounts payable under this Guaranty, whether matured or unmatured, in accordance with the terms of the DIP Term Loan Credit Agreement, or to be held as DIP Collateral for any DIP Guaranteed Obligations or other amounts payable under this Guaranty thereafter arising. Notwithstanding anything to the contrary contained in this Guaranty, no Guarantor may exercise any rights of subrogation, contribution, indemnity, reimbursement or other similar rights against, and may not proceed or seek recourse against or with respect to any property or asset of, any other Grantor (the "Foreclosed Grantor"), including after payment in full of the DIP Guaranteed Obligations, if all or any portion of the DIP Facility Obligations have been satisfied in connection with an exercise of remedies in respect of the Equity Interests of such Foreclosed Grantor whether pursuant to this Agreement or otherwise.

(v) Each of the Guarantors represents, warrants, and agrees that each of the waivers set forth above is made with full knowledge of its significance and consequences and that if any of such waivers are determined to be contrary to any applicable law or public policy, such waivers shall be effective to the maximum extent permitted by law.

(j) Upon payment in full of the DIP Guaranteed Obligations, the Guaranty made hereby shall automatically terminate.

3. Grant of Security. Each Grantor hereby grants and pledges to Agent for the benefit of each member of the Lender Group, to secure the DIP Secured Obligations, a continuing security interest (hereinafter referred to as the "Security Interest") in all of such Grantor's right, title, and interest in and to the following, whether now owned or hereafter acquired or arising and wherever located (the "DIP Collateral"):

- (a) all of such Grantor's Accounts;
- (b) all of such Grantor's Books;
- (c) all of such Grantor's Chattel Paper;
- (d) all of such Grantor's Commercial Tort Claims;
- (e) all of such Grantor's Deposit Accounts;
- (f) all of such Grantor's Equipment;
- (g) all of such Grantor's Farm Products;
- (h) all of such Grantor's Fixtures;
- (i) all of such Grantor's General Intangibles (including Intellectual Property (together with any income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, and rights to sue for past, present and future infringements thereof) and Intellectual Property Licenses);
- (j) all of such Grantor's Inventory;
- (k) all of such Grantor's Investment Property;
- (l) all of such Grantor's Negotiable DIP Collateral;
- (m) all of such Grantor's Pledged Interests (including all of such Grantor's Pledged Intercompany Notes, Pledged Operating Agreements and Pledged Partnership Agreements);
- (n) all of such Grantor's Securities Accounts;
- (o) all of such Grantor's DIP Supporting Obligations;
- (p) all of such Grantor's money, Cash Equivalents, or other assets of such Grantor that now or hereafter come into the possession, custody, or control of Agent (or its agent or designee) or any other member of the Lender Group;
- (q) all present and future claims, rights, interests, assets and properties recovered by or on behalf of such Grantor or any trustee of any Grantor (whether in the Chapter 11 Cases or any subsequent case to which any Chapter 11 Case is converted), including, without limitation, all such property recovered as a result of transfers or obligations avoided or actions maintained or taken pursuant to, inter alia, Sections 542, 544, 545, 547, 548, 549, 550, 552 and 553 of the Bankruptcy Code, subject to the terms of the DIP Orders; and
- (r) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or

Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Property, Negotiable DIP Collateral, Pledged Interests, Securities Accounts, DIP Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing (the “Proceeds”). Without limiting the generality of the foregoing, the term “Proceeds” includes whatever is receivable or received when Investment Property or proceeds are sold, exchanged, collected, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes proceeds of any indemnity or guaranty payable to any Grantor or Agent from time to time with respect to any of the Investment Property.

Notwithstanding anything contained in this Agreement to the contrary, the term “DIP Collateral” and any defined term used therein shall not include, and the Security Interest shall not attach to, the following property (such property, the “Excluded DIP Collateral”): (i) voting Equity Interests of any first-tier CFC or US Foreign Holdco, to the extent that such Equity Interests represent more than 65% of the outstanding voting Equity Interests of such first-tier CFC or US Foreign Holdco or any of the Equity Interest of a CFC or US Foreign Holdco that is owned by another CFC or US Foreign Holdco; (ii) any of the assets of any CFC or any US Foreign Holdco; (iii) any rights or interest in any General Intangible, contract, lease, permit, license, or license agreement covering real or personal property of any Grantor, including Intellectual Property Licenses, if under the terms of such General Intangible, contract, lease, permit, license, or license agreement, or applicable law with respect thereto, the grant of a security interest or lien therein is prohibited as a matter of law or under the terms of such General Intangible, contract, lease, permit, license, or license agreement (or the grant of a security interest or lien therein would invalidate such General Intangible, contract, lease, permit, license, or license agreement or breach, default or create a right of termination in favor of any other party thereto) and such prohibition or restriction has not been waived or the consent of the other party to such General Intangible, contract, lease, permit, license, or license agreement has not been obtained (provided, that, (A) the foregoing exclusions of this paragraph shall in no way be construed (1) to apply to the extent that any described prohibition or restriction is ineffective under Section 9-406, 9-407, 9-408, or 9-409 of the Code or other applicable law, or (2) to apply to the extent that any consent or waiver has been obtained that would permit Agent’s Security Interest or lien to attach notwithstanding the prohibition or restriction on the pledge of such General Intangible, contract, lease, permit, license, or license agreement, (B) the foregoing exclusions of this clause (iii) shall in no way be construed to limit, impair, or otherwise affect any of Agent’s or any other member of the Lender Group’s continuing security interests in and liens upon any rights or interests of any Grantor in or to (1) monies due or to become due under or in connection with any described General Intangible, contract, lease, permit, license, license agreement (including any Accounts or Equity Interests), or (2) any proceeds from the sale, license, lease, or other dispositions of any such General Intangible, contract, lease, permit,

license, license agreement (including any Equity Interests), (C) with respect to assets with a fair market value in excess of \$3,750,000 in the aggregate or otherwise material to the business or operations of the Grantors, taken as a whole (such assets, "material assets"), the Grantors shall use commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to obtain any applicable consent or waiver of such prohibition and (D) with respect to any lease, license or other agreement or arrangement entered into after the date of this Agreement, the Grantors shall use commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to not enter into such prohibitions); (iv) any United States intent-to-use trademark applications for which an amendment to allege use or a statement of use has not been filed and accepted by the PTO, to the extent that, and solely during the period in which, the grant, attachment or perfection of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law, provided that upon submission and acceptance by the PTO of an amendment to allege use or a statement of use pursuant to 15 U.S.C. Section 1051(c) or (d) (or any successor provision), such intent-to-use trademark application shall be considered DIP Collateral; (v) any Equipment or Fixture of a Grantor that is subject to a perfected DIP Lien that constitutes a Permitted Lien under clause (f) of the definition of "Permitted Lien" if and for so long as the grant of a security interest therein to Agent in such Equipment or Fixture shall constitute or result in a breach or termination pursuant to the terms of, or a default under, the agreement entered into in connection with such Permitted Lien on such Equipment or Fixture, provided however that such security interest shall attach immediately at such time as the term restricting the attachment of a security interest in such Equipment or Fixture is no longer operative or the attachment of a security interest in such Equipment or Fixture would not constitute or result in a breach or termination pursuant to the terms of, or a default under, such agreement; (vi) Equity Interests in Unrestricted Subsidiaries; (vii) those assets as to which the Agent reasonably agrees that the costs of obtaining a security interest therein or perfection thereof are excessive in relation to the benefit to the Lender Group of the security to be afforded thereby; (viii) Excluded Deposit Accounts and Securities Accounts and (ix) interests in partnerships, joint ventures and non-wholly-owned subsidiaries which cannot be pledged without the consent of one or more third parties (provided, that, (A) the foregoing exclusions of this clause (ix) shall in no way be construed (1) to apply to the extent that any described prohibition or restriction is ineffective under Section 9-406, 9-407, 9-408, or 9-409 of the Code or other applicable law, or (2) to apply to the extent that any consent or waiver has been obtained that would permit Agent's Security Interest or lien to attach notwithstanding the prohibition or restriction on the pledge of such interests, (B) the foregoing exclusions of this clause (ix) shall in no way be construed to limit, impair, or otherwise affect any of Agent's, any other member of the Lender Group's continuing security interests in and liens upon any rights or interests of any Grantor in or to (1) monies due or to become due under or in connection with any described interests (including any Accounts or Equity Interests), or (2) any proceeds from the sale, license, lease, or other dispositions of any such interests (including any Equity Interests), (C) with respect to material assets, the Grantors shall use commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to obtain any applicable consent or waiver of such prohibition and (D) with respect to any such interests acquired after the date of this Agreement, the Grantors shall use commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to not enter into such prohibitions).

4. Security for DIP Secured Obligations . The Security Interest created hereby secures the payment and performance of the DIP Secured Obligations , whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the DIP Secured Obligations and would be owed by Grantors, or any of them, to Agent, the Lender Group or any of them, but for the fact that they are unenforceable or not allowable (in whole or in part) as a claim in an Insolvency Proceeding involving any Grantor due to the existence of such Insolvency Proceeding.

5. Grantors Remain Liable. Anything herein to the contrary notwithstanding, (a) each of the Grantors shall remain liable under the contracts and agreements included in the DIP Collateral, including the Pledged Operating Agreements, the Pledged Partnership Agreements and the Pledged Intercompany Notes, to perform all of the duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Agent or any other member of the Lender Group of any of the rights hereunder shall not release any Grantor from any of its duties or obligations under such contracts and agreements included in the DIP Collateral, and (c) none of the members of the Lender Group shall have any obligation or liability under such contracts and agreements included in the DIP Collateral by reason of this Agreement, nor shall any of the members of the Lender Group be obligated to perform any of the obligations or duties of any Grantors thereunder or to take any action to collect or enforce any claim for payment assigned hereunder. Unless an Event of Default has occurred and is continuing and Agent has provided the requisite notice to the Grantors pursuant to this Agreement, except as otherwise provided in this Agreement, the DIP Term Loan Credit Agreement, or any other DIP Loan Document, Grantors shall have the right to possession and enjoyment of the DIP Collateral for the purpose of conducting the ordinary course of their respective businesses, subject to and upon the terms hereof and of the DIP Term Loan Credit Agreement, the other DIP Loan Documents and the DIP Orders. Without limiting the generality of the foregoing, it is the intention of the parties hereto that record and beneficial ownership of the Pledged Interests, including all voting, consensual, dividend, and distribution rights, shall remain in the applicable Grantor until (i) the occurrence and continuance of an Event of Default and (ii) Agent has notified the applicable Grantor in writing of Agent's election to exercise such rights with respect to the Pledged Interests in accordance with Section 16.

6. Representations and Warranties. In order to induce Agent to enter into this Agreement for the benefit of the Lender Group, each Grantor makes the following representations and warranties to the Lender Group which shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of this Agreement, and shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of the making of each DIP Loan (or other extension of credit) made thereafter, as though made on and as of the date of such DIP Loan (or other extension of credit) (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date) and such representations and warranties shall survive the execution and delivery of this Agreement:

(a) The name (within the meaning of Section 9-503 of the Code) and jurisdiction of organization of each Grantor and each of its Subsidiaries is set forth on Schedule 7 (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under the DIP Loan Documents).

(b) The chief executive office of each Grantor is located at the address indicated on Schedule 7 (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under the DIP Loan Documents).

(c) Each Grantor's tax identification numbers and organizational identification numbers in each case, if any, are identified on Schedule 7 (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under the DIP Loan Documents).

(d) As of the date of this Agreement, no Grantor holds any commercial tort claims that has a likelihood of recovery in excess of \$315,000 in amount, except as set forth on Schedule 1.

(e) Set forth on Schedule 9 is a listing, as of the date of this Agreement, of all of Grantors' and their Subsidiaries' Deposit Accounts and Securities Accounts, including, with respect to each bank or securities intermediary (a) the name and address of such Person, and (b) the account numbers of the Deposit Accounts or Securities Accounts maintained with such Person.

(f) Schedule 8 sets forth all Real Property owned by any of the Grantors as of the date of this Agreement.

(g) As of the date of this Agreement: (i) Schedule 2 provides a complete and correct list of all registered Copyrights owned by any Grantor and all applications for registration of United States or Canadian Copyrights owned by any Grantor; (ii) Schedule 3 provides a complete and correct list of all Intellectual Property Licenses entered into by any Grantor pursuant to which any Person has granted to any Grantor any license or other rights in Intellectual Property owned or controlled by such Person that is material to the business of such Grantor, including any such Intellectual Property that is incorporated in any Inventory, software, or other product marketed, sold, licensed, or distributed by such Grantor (but excluding licenses of commercially available off-the-shelf software programs); (iii) Schedule 4 provides a complete and correct list of all issued United States or Canadian Patents owned by any Grantor and all applications for United States or Canadian Patents owned by any Grantor; and (iv) Schedule 6 provides a complete and correct list of all registered United States or Canadian Trademarks owned by any Grantor, and all applications for registration of United States or Canadian Trademarks owned by any Grantor.

(h) Except as set forth on Schedule 6(h),

(i) to each Grantor's knowledge, each Grantor owns exclusively, has the right to use or holds licenses in, all Intellectual Property that is necessary and material to the conduct of its business;

(ii) to each Grantor's knowledge, no Person is currently infringing or misappropriating any Intellectual Property rights owned by such Grantor that is necessary and material to the conduct of its business that is, or reasonably expected to have, a Material Adverse Effect;

(iii) (A) to each Grantor's knowledge, such Grantor is not currently (and the conduct of such Grantor's business is not currently) infringing or misappropriating any Intellectual Property rights of any Person, in each case, except where such infringement or misappropriation either individually or in the aggregate could not reasonably be expected to result in a Material Adverse Effect, and (B) there are no infringement or misappropriation claims or proceedings pending against any Grantor, and no Grantor has received any written notice or written communication, within the previous three (3) years, of any actual or alleged infringement or misappropriation by any Grantor of any Intellectual Property rights of any Person, in each case, except where such infringement or misappropriation claims either individually or in the aggregate could not reasonably be expected to result in a Material Adverse Effect; and

(iv) to each Grantor's knowledge and except as otherwise set forth on Schedule 2, Schedule 4 or Schedule 6, as applicable, all registered Copyrights, registered Trademarks and issued Patents that are owned by such Grantor and material to the conduct of its business are subsisting and a Grantor has made or performed all filings and payments and other actions that are required, in such Grantor's reasonable business judgment, to maintain such Intellectual Property in full force and effect.

(i) This Agreement and the DIP Orders create a valid security interest in the DIP Collateral of each Grantor. Pursuant to the terms of the DIP Orders, no filing or other action will be necessary to perfect or protect such security interests, provided that the Agent may, in its discretion, undertake all filings and other actions to protect such security interest, including filings in the jurisdictions listed next to such Grantor's name on Schedule 11. Upon the entry of the DIP Orders, Agent shall have a first priority perfected security interest in the DIP Collateral of each Grantor (subject to the Carve Out and Permitted Priority Liens).

(j) (i) Except for the Security Interest created hereby, each Grantor is and will at all times (unless otherwise permitted by the DIP Term Loan Credit Agreement) be the sole holder of record and the legal and beneficial owner, free and clear of all Liens other than Permitted Liens, of the Pledged Interests indicated on Schedule 5 as being owned by such Grantor and, when acquired by such Grantor, any Pledged Interests acquired after the date of this Agreement; (ii) all of the Pledged Interests are duly authorized, validly issued, fully paid and nonassessable, as applicable, and the Pledged Interests constitute or will constitute the percentage of the issued and outstanding Equity Interests of the Pledged Companies of such Grantor identified on Schedule 5 as supplemented or modified by any Pledged Interests Addendum or any Joinder to this Agreement; (iii) such Grantor has the right and requisite authority to pledge, the Investment Property pledged by such Grantor to Agent as provided herein; (iv) all actions necessary or desirable to perfect and establish the first priority of, or otherwise protect, Agent's DIP Liens (subject to Permitted Liens) in the Investment Property pledged by such Grantor to Agent as provided herein, and the proceeds thereof, have been duly taken, upon (A) the execution and delivery of this Agreement; (B) the taking of possession by Agent (or its agent or designee) of any certificates representing the Pledged Interests, to the

extent such Pledged Interests are represented by certificates, together with undated powers (or other documents of transfer reasonably acceptable to Agent) endorsed in blank by the applicable Grantor; (C) the entry of the DIP Orders, and to the extent the Agent deems advisable the filing of financing statements in the applicable jurisdiction set forth on Schedule 11 for such Grantor with respect to the Pledged Interests of such Grantor that are not represented by certificates, (D) with respect to any Securities Accounts (other than Excluded Deposit Accounts and Securities Accounts), the delivery of Control Agreements with respect thereto and (E) with respect to the Pledged Intercompany Notes, the taking of possession by Agent (or its agent or designee) thereof; and (v) each Grantor has delivered to and deposited with Agent (or, with respect to any Pledged Interests or Pledged Intercompany Notes created or obtained after the date of this Agreement, will deliver and deposit in accordance with Sections 7(a) and 9 hereof) all certificates representing the Pledged Interests owned by such Grantor to the extent such Pledged Interests are represented by certificates, and undated powers (or other documents of transfer reasonably acceptable to Agent) endorsed in blank with respect to such certificates, and has delivered all Pledged Intercompany Notes to Agent. None of the Pledged Interests owned or held by such Grantor has been issued or transferred in violation of any securities registration, securities disclosure, or similar laws of any jurisdiction to which such issuance or transfer may be subject.

(k) Subject to the entry of the DIP Orders, no consent, approval, authorization, or other order or other action by, and no notice to or filing with, any Governmental Authority or any other Person is required (i) for the grant of a Security Interest by such Grantor in and to the DIP Collateral pursuant to this Agreement or for the execution, delivery, or performance of this Agreement by such Grantor, or (ii) for the exercise by Agent of the voting or other rights provided for in this Agreement with respect to the Investment Property or the remedies in respect of the DIP Collateral pursuant to this Agreement, except as may be required in connection with such disposition of Investment Property by laws affecting the offering and sale of securities generally and except for consents, approvals, authorizations, or other orders or actions that have been obtained or given (as applicable) and that are still in force.

7. Covenants. Each Grantor, jointly and severally, covenants and agrees with Agent that from and after the date of this Agreement and until the date of termination of this Agreement in accordance with Section 23:

(a) Possession of DIP Collateral. In the event that any DIP Collateral, including Proceeds, is evidenced by or consists of Negotiable DIP Collateral (other than checks received in the ordinary course of business and promptly deposited in a Deposit Account of a Grantor in accordance with customary practices), certificated Investment Property, or Chattel Paper, in each case, having an aggregate value or face amount of \$315,000 or more for all such Negotiable DIP Collateral, Investment Property, or Chattel Paper, the Grantors shall within five (5) Business Days of the acquisition thereof (or such longer period as agreed to by Agent), notify Agent thereof, and if and to the extent that perfection or priority of Agent's Security Interest is dependent on or enhanced by possession, the applicable Grantor, within five (5) Business Days (or such longer period as reasonably agreed to by Agent) after written request by Agent, shall execute such other documents and instruments as shall be reasonably requested in writing by Agent or, if applicable, endorse and deliver physical possession of such Negotiable DIP Collateral, Investment Property, or Chattel Paper to Agent, together with such undated powers

(or other relevant document of transfer acceptable to Agent) endorsed in blank as shall be reasonably requested in writing by Agent, and shall do such other acts reasonably deemed necessary or desirable by Agent to protect Agent's Security Interest therein;

(b) Chattel Paper.

(i) Within five (5) Business Days (or such longer period as agreed to by Agent) after written request by Agent, each Grantor shall take all steps reasonably necessary to grant Agent control of all electronic Chattel Paper in accordance with the Code and all "transferable records" as that term is defined in Section 16 of the Uniform Electronic Transaction Act and Section 201 of the federal Electronic Signatures in Global and National Commerce Act as in effect in any relevant jurisdiction, to the extent that the aggregate value or face amount of such electronic Chattel Paper equals or exceeds \$315,000;

(ii) [Reserved];

(c) Control Agreements.

(i) Except to the extent otherwise excused by Section 7(k)(i), each Grantor shall obtain an authenticated Control Agreement (which may include a Controlled Account Agreement) from each bank maintaining a Deposit Account or Securities Account for such Grantor (other than with respect to Excluded Deposit Accounts and Securities Accounts) including, without limitation, in respect of the TL Deposit Account subject to Section 5.19 of the DIP Term Loan Credit Agreement;

(ii) Except to the extent otherwise excused by Section 7(k)(i), each Grantor shall obtain an authenticated Control Agreement from each issuer of uncertificated securities (other than with respect to uncertificated securities which constitute Excluded DIP Collateral), securities intermediary, or commodities intermediary issuing or holding any financial assets or commodities to or for any Grantor, or maintaining a Securities Account for such Grantor (other than with respect to Excluded Deposit Accounts and Securities Accounts); and

(iii) Except to the extent otherwise provided in Sections 7(a) or 7(k)(i), each Grantor shall obtain an authenticated Control Agreement with respect to all of such Grantor's Investment Property, except for any such Investment Property which constitutes a General Intangible or Excluded DIP Collateral;

(d) Letter-of-Credit Rights. If the Grantors (or any of them) are or become the beneficiary of letters of credit having a face amount or value of \$315,000 or more in the aggregate, then the applicable Grantor or Grantors shall within five (5) Business Days (or such longer period as agreed to by Agent), notify Agent thereof and, promptly after written request by Agent, such Grantor or Grantors shall use commercially reasonable efforts to enter into a tri-party agreement with Agent and the issuer or confirming bank with respect to letter-of-credit rights assigning such letter-of-credit rights to Agent and directing all payments thereunder to Agent's Account, all in form and substance reasonably satisfactory to Agent;

(e) Commercial Tort Claims. If the Grantors (or any of them) obtain Commercial Tort Claims having a value, or involving an asserted claim, in the amount of \$315,000 or more in the aggregate for all Commercial Tort Claims, then the applicable Grantor or Grantors shall promptly (and in any event within five (5) Business Days of obtaining such Commercial Tort Claim), notify Agent upon incurring or otherwise obtaining such Commercial Tort Claims and, promptly (and in any event within five (5) Business Days) after written request by Agent (or such longer period as agreed to by Agent), amend Schedule 1 to describe such Commercial Tort Claims in a manner that reasonably identifies such Commercial Tort Claims and which is otherwise reasonably satisfactory to Agent, and hereby authorizes the filing of additional financing statements or amendments to existing financing statements describing such Commercial Tort Claims, and agrees to do such other acts or things reasonably deemed necessary or desirable by Agent to give Agent a first priority, perfected security interest in any such Commercial Tort Claim, subject to Permitted Liens;

(f) Government Contracts. Other than Accounts and Chattel Paper the aggregate value of which does not at any one time exceed \$625,000, if any Account or Chattel Paper arises out of a contract or contracts with the United States of America or any department, agency, or instrumentality thereof, Grantors shall promptly (and in any event within five (5) Business Days of the creation thereof or such longer period as reasonably agreed to by Agent) notify Agent thereof and, promptly (and in any event within five (5) Business Days) after request by Agent, execute any instruments or take any steps reasonably required by Agent in order that all moneys due or to become due under such contract or contracts shall be assigned to Agent, for the benefit of the Lender Group, and, after written request by Agent, shall provide written notice thereof under the Assignment of Claims Act or other applicable law;

(g) Intellectual Property.

(i) Upon the written request of Agent, in order to facilitate filings with the PTO and the United States Copyright Office, each Grantor shall execute and deliver to Agent one or more Copyright Security Agreements, Trademark Security Agreements, or Patent Security Agreements to further evidence Agent's DIP Lien on such Grantor's issued or applied-for Patents, registered or applied-for Trademarks, or applied-for Copyrights, in each case that do not constitute Excluded DIP Collateral;

(ii) Each Grantor shall, subject to its reasonable business judgment, with respect to Intellectual Property that is now owned or later becomes owned by such Grantor that is material to the conduct of such Grantor's business, protect and enforce and defend at such Grantor's expense such material Intellectual Property, including, subject to its reasonable business judgment, (A) to enforce and defend, by promptly suing for infringement, misappropriation, or dilution and to recover any and all damages for such infringement, misappropriation, or dilution, and filing opposition, interference, and cancellation of proceedings against conflicting Intellectual Property rights of any Person, (B) to prosecute diligently any trademark application or service mark application that is material to the conduct of any Grantor's business pending as of the date hereof or hereafter until the termination of this Agreement, (C) to prosecute diligently any patent application that is material to the conduct of any Grantor's business pending as of the date hereof or hereafter until the termination of this Agreement, and (D) to take reasonable and necessary action to preserve and maintain all of such Grantor's registered Trademarks, issued Patents and

registered Copyrights that are material to the conduct of any Grantor's business, and its rights therein, including paying all maintenance fees and filing of applications for renewal, affidavits of use, and affidavits of noncontestability. Each Grantor further agrees not to knowingly abandon any material Intellectual Property owned by such Grantor or material Intellectual Property License to which such Grantor is a party that, in such Grantor's reasonable business judgment, is necessary in the conduct of such Grantor's business;

(iii) Grantors acknowledge and agree that the Lender Group shall have no duties with respect to any Intellectual Property or Intellectual Property Licenses of any Grantor. Without limiting the generality of this Section 7(g)(iii), Grantors acknowledge and agree that no member of the Lender Group shall be under any obligation to take any steps necessary to preserve rights in the DIP Collateral consisting of Intellectual Property or Intellectual Property Licenses against any other Person, but any member of the Lender Group may do so at its option from and after the occurrence and during the continuance of an Event of Default, and all expenses incurred in connection therewith (including reasonable fees and expenses of attorneys and other professionals) shall be for the sole account of the Borrower;

(iv) [Intentionally Omitted].

(v) On a quarterly basis with the delivery of a Compliance Certificate pursuant to Section 5.2 of the DIP Term Loan Credit Agreement (or, if an Event of Default has occurred and is continuing, more frequently if requested by Agent), each Grantor shall provide Agent with a written report of all new Patents, Trademarks or Copyrights that are registered or the subject of pending applications for registrations, and of all Intellectual Property Licenses (but excluding licenses of off-the-shelf commercially available software programs), that are material to the conduct of such Grantor's business, in each case, which would not be considered Excluded DIP Collateral and which were acquired, registered, or for which applications for registration were filed by any Grantor during such fiscal quarter and copies of any statement of use or amendment to allege use with respect to intent to use trademark applications. In the case of such registrations or applications therefor, which were acquired by any Grantor from another Person, each such Grantor shall file the necessary documents with the appropriate Governmental Authority in the United States identifying the applicable Grantor as the owner (or as a co-owner thereof, if such is the case) of such Intellectual Property. In each of the foregoing cases, the applicable Grantor shall promptly cause to be prepared, executed, and delivered to Agent supplemental schedules to the applicable DIP Loan Documents to identify such Patent, Trademark and Copyright registrations and applications therefor and Intellectual Property Licenses, in each case to the extent not constituting Excluded DIP Collateral, as being subject to the security interests created thereunder; and

(vi) [Intentionally Omitted]

(vii) With respect to any Intellectual Property License (x) entered into after the date hereof, (y) that is material to the conduct of the business, and (z) by which any Grantor receives a license or rights in any material Intellectual Property of another Person, subject to its reasonable business judgment, Grantor shall use commercially reasonable efforts (not involving expending money in excess of de minimis amounts) to permit the assignment of or grant a security interest in such Intellectual Property License (and all rights of Grantor thereunder) to Agent (and any transferees of Agent).

(h) Investment Property.

(i) If any Grantor shall acquire or obtain any Pledged Interests constituting a “security” (as defined in the Code) or Pledged Intercompany Notes that do not constitute Excluded DIP Collateral after the date of this Agreement, such Grantor shall, within the time period prescribed in Section 5.11 of the DIP Term Loan Credit Agreement, deliver to Agent a duly executed Pledged Interests Addendum identifying such Pledged Interests and/or Pledged Intercompany Notes, as applicable, and deliver such newly acquired Pledged Interests or Pledged Intercompany Notes;

(ii) Upon the occurrence and during the continuance of an Event of Default, following the written request of Agent, all sums of money and property paid or distributed in respect of the Investment Property that are received by any Grantor shall be held by the Grantors in trust for the benefit of Agent segregated from such Grantor’s other property, and such Grantor shall deliver it forthwith to Agent in the exact form received;

(iii) Each Grantor agrees that it will cooperate with Agent in obtaining all necessary approvals and making all necessary filings under federal, state, local, or foreign law to effect the perfection of the Security Interest on the Investment Property or, after an Event of Default has occurred and is continuing and following receipt of notice pursuant to Section 16, to effect any sale or transfer thereof;

(iv) As to all limited liability company or partnership interests, issued under any Pledged Operating Agreement or Pledged Partnership Agreement, each Grantor hereby covenants that the Pledged Interests issued pursuant to such agreement (A) are not and shall not be dealt in or traded on securities exchanges or in securities markets, (B) do not and will not constitute investment company securities, and (C) are not and will not be held by such Grantor in a securities account. In addition, none of the Pledged Operating Agreements, the Pledged Partnership Agreements, or any other agreements governing any of the Pledged Interests issued under any Pledged Operating Agreement or Pledged Partnership Agreement, provide or shall provide that such Pledged Interests are securities governed by Article 8 of the Uniform Commercial Code as in effect in any relevant jurisdiction while any Pledged Interests are pledged pursuant to this Agreement; provided, however, such Pledged Operating Agreement or Pledged Partnership Agreement, as applicable, may provide that such an Article 8 election can be made with the consent of all pledgees of such units and percentage ownership or the delivery of any applicable certificate or control agreement necessary to perfect each such pledgee’s interests in the applicable units or percentage ownership.

(v) With regard to any Pledged Interests constituting a “security” (as defined in the Code) that are not certificated, any such Grantor of such non-certificated Pledged Interests (i) agrees promptly to note on its books the security interests granted to Agent and confirmed under this Agreement, (ii) agrees that after the occurrence and during the continuation of an Event of Default, it will comply with instructions of Agent or its nominee with respect to the applicable Pledged Interests without further consent by the applicable Grantor, (iii) to the extent permitted by law, agrees that the “issuer’s jurisdiction” (as defined in Section 8-110 of the UCC) is the State of New York, U.S.A., (iv) agrees to notify Agent upon obtaining knowledge of any interest in favor of any person in the applicable Pledged Interests that is materially adverse to the

interest of the Agent therein, other than any Permitted Liens and (v) waives any right or requirement at any time hereafter to receive a copy of this Agreement in connection with the registration of any Pledged Interests hereunder in the name of Agent or its nominee or the exercise of voting rights by Agent or its nominee.

(i) [Intentionally Omitted].

(j) Transfers and Other Liens. Grantors shall not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the DIP Collateral, except as expressly permitted by the DIP Term Loan Credit Agreement or the other DIP Loan Documents, or (ii) create or permit to exist any Lien upon or with respect to any of the DIP Collateral of any Grantor, except for Permitted Liens. The inclusion of Proceeds in the DIP Collateral shall not be deemed to constitute Agent's consent to any sale or other disposition of any of the DIP Collateral except as expressly permitted in this Agreement or the other DIP Loan Documents;

(k) Deposit Accounts; Securities Accounts.

(i) With respect to each Deposit Account and each Securities Account (excluding, in each case, any Excluded Deposit Accounts and Securities Accounts) set forth on Schedule 10 as of the date of this Agreement, each Grantor shall establish and maintain a Control Agreement (in form and substance reasonably acceptable to Agent) with Agent and the applicable bank set forth on Schedule 10 ("Controlled Account Bank"). Each Grantor shall promptly notify the Agent of any opening or closing of a deposit account or securities account (other than any Excluded Deposit Accounts and Securities Accounts). Notwithstanding anything to the contrary provided herein, (a) to the extent a Control Agreement is required for a Deposit Account or Securities Account that does not constitute an Excluded Deposit Account and Securities Account (1) on the date of this Agreement, such Control Agreement shall not be required to be delivered until the date that falls 90 days following the date of this Agreement (or such later date as the Agent may reasonably agree) and (2) thereafter, with respect to the formation or acquisition of any new direct or indirect wholly owned Subsidiary by any Grantor or any Subsidiary that becomes a Grantor, such Control Agreement shall not be required to be delivered until the date that falls 90 days after the date of such occurrence (or such later date as the Agent may reasonably agree) and (b) no Grantor shall enter into a Control Agreement with respect a Deposit Account or a Securities Account with ABL DIP Agent unless (1) Agent is made a party to such Control Agreement or (2) such Grantor has previously entered, or concurrently therewith enters, into a Control Agreement (in form and substance reasonably acceptable to Agent) with respect to such Deposit Account or Securities Account with Agent.

(ii) So long as no Default or Event of Default has occurred and is continuing, Borrower may amend Schedule 10 to add or replace a Controlled Account Bank or Controlled Account and shall upon such addition or replacement provide to Agent an amended Schedule 10; provided, however, that (A) such prospective Controlled Account Bank shall be reasonably satisfactory to Agent and (B) prior to or concurrently with the time of the opening of such Controlled Account, the applicable Grantor and such prospective Controlled Account Bank shall have executed and delivered to Agent a Control Agreement (in form and substance reasonably acceptable to Agent) with respect to such Controlled Account.

(iii) No Grantor will make, acquire, or permit to exist Permitted Investments consisting of cash, Cash Equivalents, or amounts credited to Deposit Accounts or Securities Accounts unless Grantor and the applicable bank or securities intermediary have entered into Control Agreements with Agent governing such Permitted Investments in order to perfect (and further establish) Agent's DIP Liens in such Permitted Investments (unless constituting Excluded Deposit Accounts and Securities Accounts).

(iv) [Reserved].

(l) Name, Etc. No Grantor will change its name, organizational identification number, jurisdiction of organization or organizational identity; provided, that notwithstanding the foregoing any Grantor may change its name upon at least five (5) days' (or such shorter period agreed to by Agent) prior written notice to Agent.

8. Relation to Other Security Documents. The provisions of this Agreement shall be read and construed with the other DIP Loan Documents referred to below in the manner so indicated.

(a) DIP Term Loan Credit Agreement. In the event of any conflict between any provision in this Agreement and a provision in the DIP Term Loan Credit Agreement, such provision of the DIP Term Loan Credit Agreement shall control.

(b) Patent, Trademark, Copyright Security Agreements. The provisions of the Copyright Security Agreements, Trademark Security Agreements, and Patent Security Agreements are supplemental to the provisions of this Agreement, and nothing contained in the Copyright Security Agreements, Trademark Security Agreements, or the Patent Security Agreements shall limit any of the rights or remedies of Agent hereunder. In the event of any conflict between any provision in this Agreement and a provision in a Copyright Security Agreement, Trademark Security Agreement or Patent Security Agreement, such provision of this Agreement shall control.

9. Further Assurances.

(a) Subject to the limitations in this Agreement, the DIP Orders and the other DIP Loan Documents, each Grantor agrees that from time to time, at its own expense, such Grantor will promptly execute and deliver all further instruments and documents, and take all further action, that Agent may reasonably request in writing, in order to perfect (if and to the extent such perfection is required by this Agreement and, with respect to Intellectual Property, could be achieved by the filings required by this Agreement) and protect the Security Interest granted hereby, to create, perfect (if and to the extent such perfection is required by this Agreement and, with respect to Intellectual Property, could be achieved by the filings required by this Agreement) or protect the Security Interest purported to be granted hereby or to enable Agent to exercise and enforce its rights and remedies hereunder with respect to any of the DIP Collateral.

(b) Each Grantor authorizes the filing by Agent of financing or continuation statements, or amendments thereto, and such Grantor will execute and deliver to Agent such

other instruments or notices, as Agent may reasonably request in writing, in order to perfect (if and to the extent such perfection is required by this Agreement and, with respect to Intellectual Property, could be achieved by the filings required by this Agreement) and preserve the Security Interest granted or purported to be granted hereby.

(c) Each Grantor authorizes Agent at any time and from time to time to file, transmit, or communicate, as applicable, financing statements and amendments (i) describing the DIP Collateral as “all personal property of debtor, whether now owned or hereafter acquired or arising” or “all assets of debtor, whether now owned or hereafter acquired or arising” or words of similar effect, (ii) describing the DIP Collateral as being of equal or lesser scope or with greater detail, or (iii) that contain any information required by part 5 of Article 9 of the Code for the sufficiency or filing office acceptance. Each Grantor also hereby ratifies any and all financing statements or amendments previously filed by Agent in any jurisdiction.

(d) Each Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement filed in connection with this Agreement without the prior written consent of Agent, subject to such Grantor’s rights under Section 9-509(d)(2) of the Code.

10. Agent’s Right to Perform Contracts, Exercise Rights, etc. Subject to the DIP Orders, upon the occurrence and during the continuance of an Event of Default and with concurrent notice to the Grantors, Agent (or its designee) (a) may proceed to perform any and all of the obligations of any Grantor contained in any contract, lease, or other agreement (in each case, that does not constitute Excluded DIP Collateral) and exercise any and all rights of any Grantor therein contained as fully as such Grantor itself could, (b) shall have the right to use any Grantor’s rights under Intellectual Property Licenses that do not constitute Excluded DIP Collateral (to the extent not prohibited under the applicable Intellectual Property License or under applicable law) in connection with the enforcement of Agent’s rights hereunder, including the right to prepare for sale and sell any and all Inventory or Equipment now or hereafter owned by any Grantor and now or hereafter covered by such licenses, and (c) shall, upon notice to Grantors of Agent’s election to exercise such rights pursuant to Section 16, have the right to request that any Equity Interests that are pledged hereunder be registered in the name of Agent or any of its nominees.

11. Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints (until the termination of this Agreement) Agent its attorney-in-fact for the purposes provided in this Section 11, with full authority in the place and stead of such Grantor and in the name of such Grantor, solely at such time as an Event of Default has occurred and is continuing under the DIP Term Loan Credit Agreement, to take any action and to execute any instrument which Agent may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Accounts or any other DIP Collateral of such Grantor;

(b) to receive and open all mail addressed to such Grantor and to notify postal authorities to change the address for the delivery of mail to such Grantor to that of Agent;

(c) to receive, indorse, and collect any drafts or other instruments, documents, Negotiable DIP Collateral or Chattel Paper;

(d) to file any claims or take any action or institute any proceedings which Agent may reasonably deem necessary for the collection of any of the DIP Collateral of such Grantor or otherwise to enforce the rights of Agent with respect to any of the DIP Collateral;

(e) to repair, alter, or supply goods, if any, necessary to fulfill in whole or in part the purchase order of any Person obligated to such Grantor in respect of any Account of such Grantor;

(f) to use any Intellectual Property Licenses (to the extent not prohibited under the applicable Intellectual Property License or otherwise under applicable law) of such Grantor that does not constitute Excluded DIP Collateral, or any labels, Patents, Trademarks, trade names, URLs, domain names, industrial designs, Copyrights or advertising matter owned by such Grantor that does not constitute Excluded DIP Collateral, in preparing for sale, advertising for sale, or selling Inventory or other DIP Collateral and to collect any amounts due under Accounts, contracts or Negotiable DIP Collateral of such Grantor; and

(g) Agent, on behalf of the Lender Group, shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Intellectual Property and Intellectual Property Licenses (to the extent not prohibited under the applicable Intellectual Property License and otherwise permitted under applicable law), in each case that constitutes DIP Collateral and that does not constitute Excluded DIP Collateral which are necessary and material to the operation of Grantor's business and, if Agent shall commence any such suit, the appropriate Grantor shall, at the written request of Agent, do any and all lawful acts and execute any and all proper documents reasonably required by Agent in aid of such enforcement.

To the extent permitted by law, each Grantor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. If requested by a Grantor, upon termination of this Agreement, Agent shall furnish evidence of termination of the power of attorney given to Agent under this Section 11.

12. Agent May Perform. Upon the occurrence and during the continuation of an Event of Default, if any Grantor fails to perform any agreement contained herein, Agent may itself, upon concurrent notice to the applicable Grantor, perform, or cause performance of, such agreement, and the reasonable, documented and out-of-pocket expenses of Agent incurred in connection therewith shall be payable, jointly and severally, by Grantors.

13. Agent's Duties. The powers conferred on Agent hereunder are solely to protect Agent's interest in the DIP Collateral, for the benefit of the Lender Group, and shall not impose any duty upon Agent to exercise any such powers. Except for the safe custody of any DIP Collateral in its actual possession and the accounting for moneys actually received by it

hereunder, Agent shall have no duty as to any DIP Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any DIP Collateral. Agent shall be deemed to have exercised reasonable care in the custody and preservation of any DIP Collateral in its actual possession if such DIP Collateral is accorded treatment substantially equal to that which Agent accords its own property.

14. Collection of Accounts, General Intangibles and Negotiable DIP Collateral. Subject to the Dip Orders, at any time upon the occurrence and during the continuation of an Event of Default, Agent or Agent's designee may (a) notify Account Debtors of any Grantor that the Accounts, General Intangibles Chattel Paper or Negotiable DIP Collateral of such Grantor have been assigned to Agent, for the benefit of the Lender Group, or that Agent has a security interest therein, and (b) collect the Accounts, General Intangibles and Negotiable DIP Collateral of any Grantor directly, and any collection costs and expenses shall constitute part of such Grantor's DIP Secured Obligations under the DIP Loan Documents.

15. Disposition of Pledged Interests by Agent. None of the Pledged Interests existing as of the date of this Agreement are, and none of the Pledged Interests hereafter acquired on the date of acquisition thereof will be, registered or qualified under the various federal or state securities laws of the United States and disposition thereof after an Event of Default has occurred and is continuing may be restricted to one or more private (instead of public) sales in view of the lack of such registration. Each Grantor understands that in connection with such disposition, Agent may approach only a restricted number of potential purchasers and further understands that a sale under such circumstances may yield a lower price for the Pledged Interests than if the Pledged Interests were registered and qualified pursuant to federal and state securities laws and sold on the open market. Each Grantor, therefore, agrees that: (a) if Agent shall, pursuant to the terms of this Agreement, sell or cause the Pledged Interests or any portion thereof to be sold at a private sale, Agent shall have the right to rely upon the advice and opinion of any nationally recognized brokerage or investment firm (but shall not be obligated to seek such advice and the failure to do so shall not be considered in determining the commercial reasonableness of such action) as to the best manner in which to offer the Pledged Interest or any portion thereof for sale and as to the best price reasonably obtainable at the private sale thereof; and (b) such reliance shall be conclusive evidence that Agent has handled the disposition in a commercially reasonable manner.

16. Voting and Other Rights in Respect of Pledged Interests.

(a) Subject to the DIP Orders, upon the occurrence and during the continuation of an Event of Default, (i) Agent may, at its option, immediately upon prior written notice to such Grantor of Agent's intention to exercise its remedies pursuant to this Section 16(a), and in addition to all rights and remedies available to Agent under any other agreement, at law, in equity, or otherwise, exercise all voting rights, or any other ownership or consensual rights (including any dividend or distribution rights) in respect of the Pledged Interests owned by such Grantor, but under no circumstances is Agent obligated by the terms of this Agreement to exercise such rights, and (ii) each Grantor hereby appoints Agent, such Grantor's true and lawful attorney-in-fact and IRREVOCABLE PROXY to vote such Pledged Interests in any manner Agent deems advisable for or against all matters submitted or which may be submitted to a vote of shareholders, partners or members, as the case may be. The power-of-attorney and proxy

granted hereby is coupled with an interest and shall be irrevocable until the payment in full of the DIP Secured Obligations in accordance with the provisions of the DIP Term Loan Credit Agreement and the DIP Loan Commitments have expired or have been terminated.

(b) For so long as any Grantor shall have the right to vote the Pledged Interests owned by it, such Grantor covenants and agrees that it will not, without the prior written consent of Agent, vote or take any consensual action with respect to such Pledged Interests which would materially adversely affect the rights of Agent, the other members of the Lender Group or the value of the Pledged Interests, other than to the extent expressly permitted by the DIP Term Loan Credit Agreement.

17. Remedies. Subject to the DIP Orders, upon the occurrence and during the continuance of an Event of Default:

(a) Agent may, and, at the instruction of the Required Lenders, shall exercise in respect of the DIP Collateral, in addition to other rights and remedies provided for herein, in the other DIP Loan Documents, or otherwise available to it, all the rights and remedies of a secured party on default under the Code or any other applicable law. Without limiting the generality of the foregoing, each Grantor expressly agrees that, in any such event, Agent without demand of performance or other demand, advertisement or notice of any kind (except a notice specified below of time and place of public or private sale) to or upon any Grantor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the Code or any other applicable law), may take immediate possession of all or any portion of the DIP Collateral and (i) require Grantors to, and each Grantor hereby agrees that it will at its own expense and upon written request of Agent forthwith, assemble all or part of the DIP Collateral as directed by Agent and make it available to Agent at one or more locations where such Grantor regularly maintains Inventory, and (ii) without notice except as specified below, sell the DIP Collateral or any part thereof in one or more parcels at public or private sale, at any of Agent's offices or elsewhere, for cash, on credit, and upon such other terms as Agent may deem commercially reasonable. Each Grantor agrees that, to the extent notification of sale shall be required by law, at least ten (10) days' prior notification by mail to the applicable Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification and, specifically, such notification shall constitute a reasonable "authenticated notification of disposition" within the meaning of Section 9-611 of the Code (or its equivalent in other jurisdictions). Agent shall not be obligated to make any sale of DIP Collateral regardless of notification of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Grantor agrees that (A) the internet shall constitute a "place" for purposes of Section 9-610(b) of the Code and (B) to the extent notification of sale shall be required by law, notification by mail of the URL where a sale will occur and the time when a sale will commence at least ten (10) days prior to the sale shall constitute a reasonable notification for purposes of Section 9-611(b) of the Code.

(b) Upon the occurrence and during the continuance of an Event of Default, Agent is hereby granted a non-exclusive license or other right to use, without liability for royalties or any other charge to Grantors, each Grantor's DIP Collateral constituting Intellectual

Property including but not limited to, any labels, Patents, Trademarks, trade names, URLs, domain names, industrial designs, Copyrights, and advertising matter, whether owned by any Grantor or with respect to which any Grantor has rights under license, sublicense, or other agreements (including any Intellectual Property License) to the extent not prohibited under the applicable license, sublicense or other agreement (including any Intellectual Property License) and otherwise permitted under applicable law, as it pertains to the DIP Collateral, in preparing for sale, advertising for sale and selling any DIP Collateral, and each Grantor's rights under all licenses, sublicenses or other agreements (including any Intellectual Property Licenses) shall inure to the benefit of Agent to the extent not prohibited under the applicable license, sublicense or other agreement (including any Intellectual Property License) and otherwise permitted under applicable law.

(c) Agent may, in addition to other rights and remedies provided for herein, in the other DIP Loan Documents, or otherwise available to it under applicable law and without the requirement of notice to or upon any Grantor or any other Person (which notice is hereby expressly waived to the maximum extent permitted by the Code or any other applicable law), (i) with respect to any Grantor's Deposit Accounts in which Agent's DIP Liens are perfected by control under Section 9-104 of the Code, instruct the bank maintaining such Deposit Account for the applicable Grantor to pay the balance of such Deposit Account to or for the benefit of Agent, and (ii) with respect to any Grantor's Securities Accounts in which Agent's DIP Liens are perfected by control under Section 9-106 of the Code, instruct the securities intermediary maintaining such Securities Account for the applicable Grantor to (A) transfer any cash in such Securities Account to or for the benefit of Agent, or (B) liquidate any financial assets in such Securities Account that are customarily sold on a recognized market and transfer the cash proceeds thereof to or for the benefit of Agent.

(d) Any cash held by Agent as DIP Collateral and all cash proceeds received by Agent in respect of any sale of, collection from, or other realization upon all or any part of the DIP Collateral shall be applied against the DIP Secured Obligations in the order set forth in the DIP Term Loan Credit Agreement. In the event the proceeds of DIP Collateral are insufficient to satisfy all of the DIP Secured Obligations in full, each Grantor shall remain jointly and severally liable for any such deficiency.

(e) Each Grantor hereby acknowledges that the DIP Secured Obligations arise out of a commercial transaction, and agrees that if an Event of Default shall occur and be continuing Agent shall have the right to an immediate writ of possession without notice of a hearing. Agent shall have the right to the appointment of a receiver for the properties and assets of each Grantor, and each Grantor hereby consents to such rights and such appointment and hereby waives any objection such Grantor may have thereto or the right to have a bond or other security posted by Agent.

18. Remedies Cumulative. Each right, power, and remedy of Agent or any other member of the Lender Group as provided for in this Agreement or the other DIP Loan Documents now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement and the other DIP Loan Documents or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by

Agent or any other member of the Lender Group of any one or more of such rights, powers, or remedies shall not preclude the simultaneous or later exercise by Agent, such other member of the Lender Group of any or all such other rights, powers, or remedies.

19. Marshaling. Agent shall not be required to marshal any present or future collateral security (including but not limited to the DIP Collateral) for, or other assurances of payment of, the DIP Secured Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights and remedies hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, each Grantor hereby agrees that it will not invoke any law relating to the marshaling of collateral which might cause delay in or impede the enforcement of Agent's rights and remedies under this Agreement or under any other instrument creating or evidencing any of the DIP Secured Obligations or under which any of the DIP Secured Obligations is outstanding or by which any of the DIP Secured Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, each Grantor hereby irrevocably waives the benefits of all such laws.

20. [Intentionally Omitted].

21. Merger, Amendments; Etc. THIS AGREEMENT, TOGETHER WITH THE OTHER DIP LOAN DOCUMENTS, REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES. No waiver of any provision of this Agreement, and no consent to any departure by any Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No amendment of any provision of this Agreement shall be effective unless the same shall be in writing and signed by Agent and each Grantor to which such amendment applies.

22. Addresses for Notices. All notices and other communications provided for hereunder shall be given in the form and manner and delivered to Agent at its address specified in the DIP Term Loan Credit Agreement, and to any of the Grantors at their respective addresses specified in the DIP Term Loan Credit Agreement or Guaranty, as applicable, or, as to any party, at such other address as shall be designated by such party in a written notice to the other party.

23. Continuing Security Interest: Assignments under DIP Term Loan Credit Agreement.

(a) This Agreement and the DIP Orders shall create a continuing security interest in the DIP Collateral and shall (i) remain in full force and effect until the DIP Secured Obligations have been paid in full, (ii) be binding upon each Grantor, and their respective successors and assigns, including without limitation any trustee appointed upon the conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, and (iii) inure to the benefit of, and be enforceable by, Agent, and its successors, permitted transferees and permitted

assigns. Without limiting the generality of the foregoing clause (iii), any Lender may, in accordance with the provisions of the DIP Term Loan Credit Agreement, assign or otherwise transfer all or any portion of its rights and obligations under the DIP Term Loan Credit Agreement to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise. Upon (i) payment in full of the DIP Secured Obligations, the Security Interest granted hereby shall automatically terminate and all rights to the DIP Collateral shall revert to Grantors or any other Person entitled thereto and (ii) any disposition of DIP Collateral (including a disposition of all of the Equity Interests or all or substantially all of the assets of a Guarantor) permitted by the terms of the DIP Term Loan Credit Agreement (including, without limitation, pursuant to a waiver or consent) and receipt by Agent of the Net Cash Proceeds thereof to the extent required pursuant to the terms of the DIP Loan Documents, as applicable, (x) the Security Interest granted hereby in such DIP Collateral shall automatically terminate and all rights to such DIP Collateral shall revert to a Person entitled thereto and (y) if such disposition is of all of the Equity Interests of a Guarantor, such Guarantor shall automatically be released from its DIP Guaranteed Obligations hereunder. At such time of (i) or (ii) above, Agent will authorize the filing of appropriate termination statements to terminate such Security Interests or release such Guarantor, will execute and deliver to Grantors all releases or other documents reasonably necessary or desirable to evidence such release and will take any further actions as may be reasonably requested by Grantors to evidence such termination and release. Each Grantor shall automatically be released from its obligations hereunder and the Security Interest in the DIP Collateral of such Grantor shall be automatically released if such Grantor becomes an Excluded Subsidiary (as certified in writing by a Responsible Officer) pursuant to the terms of the DIP Term Loan Credit Agreement.

(b) Each Grantor agrees that, if any payment made by any Grantor or other Person and applied to the DIP Guaranteed Obligations or DIP Secured Obligations (as applicable) is at any time annulled, avoided, set, aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, or the proceeds of any DIP Collateral are required to be returned by Agent or any other member of the Lender Group to such Grantor, its estate, trustee, receiver or any other party, including any Grantor, under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or repayment, any Lien or other DIP Collateral securing such liability shall be and remain in full force and effect, as fully as if such payment had never been made. If, prior to any of the foregoing, (i) any Lien or other DIP Collateral securing such Grantor's liability hereunder shall have been released or terminated by virtue of the foregoing clause (a), or (ii) any provision of the Guaranty hereunder shall have been terminated, cancelled or surrendered, such Lien, other DIP Collateral or provision shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any such Grantor in respect of any Lien or other DIP Collateral securing such obligation or the amount of such payment.

24. Survival. All representations and warranties made by the Grantors in this Agreement and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agent or any Lender may have had notice or knowledge of any Default or Event of Default

or incorrect representation or warranty at the time any credit is extended under the DIP Term Loan Credit Agreement, and shall continue in full force and effect until the DIP Secured Obligations are paid in full.

25. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.

(a) THE VALIDITY OF THIS AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE COURTS AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY DIP COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH DIP COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH GRANTOR AND AGENT WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 25(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTOR AND AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH GRANTOR AND AGENT REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL

JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY GRANTOR AGAINST THE AGENT OR ANY LENDER, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION HEREWITH, AND EACH GRANTOR HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

Notwithstanding any other provision of this Section 25, the Bankruptcy Court shall have exclusive jurisdiction over any action or dispute involving, relating to or arising out of this Agreement.

26. New Subsidiaries. Pursuant to Section 5.11 of the DIP Term Loan Credit Agreement, certain Subsidiaries (whether by acquisition or creation) of any Grantor are required to enter into this Agreement by executing and delivering in favor of Agent a Joinder to this Agreement in substantially the form of Annex 1. Upon the execution and delivery of Annex 1 by any such new Subsidiary, such Subsidiary shall become a Guarantor and Grantor hereunder with the same force and effect as if originally named as a Guarantor and Grantor herein. The execution and delivery of any instrument adding an additional Guarantor or Grantor as a party to this Agreement shall not require the consent of any other Guarantor or Grantor hereunder. The rights and obligations of each Guarantor and Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor or Grantor hereunder.

27. Agent. Each reference herein to any right granted to, benefit conferred upon or power exercisable by the "Agent" shall be a reference to Agent, for the benefit of each member of the Lender Group.

28. Miscellaneous.

(a) This Agreement is a DIP Loan Document. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic

method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other DIP Loan Document *mutatis mutandis*.

(b) Any provision of this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

(c) Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

(d) Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against any member of the Lender Group or any Grantor, whether under any rule of construction or otherwise. This Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

(e) Agent shall not by any act, delay, omission or otherwise, be deemed to have waived any of its rights or remedies hereunder, unless such waiver is in writing and signed by Agent and then only to the extent therein set forth. A waiver by Agent of any right or remedy on any occasion shall not be construed as a bar to the exercise of any such right or remedy which Agent would otherwise have had on any other occasion.

(f) This Agreement is subject in all respects to the terms and conditions of the Intercreditor Agreement. In the event of any conflict between any provision in this Agreement and a provision in the Intercreditor Agreement, such provision of the Intercreditor Agreement shall control between Agent, on the one hand, and Wells Fargo Bank, National Association, as the administrative agent under the ABL Agreement (the “ABL DIP Agent”), on the other hand. Notwithstanding any provisions to the contrary contained in this Agreement, subject to the terms of the Intercreditor Agreement, any obligation of any Grantor under any provision in this Agreement or in any other DIP Loan Document with respect to delivery and control of DIP Collateral (including, without limitation, the requirements to endorse, assign, and/or deliver any certificates, instruments, documents, or other possessory collateral to Agent), the novation of any lien on any certificate of title, bill of lading, or other document, the giving of any notice to any bailee or other Person, the provision of voting rights or the obtaining of any consent of any Person shall be deemed to be satisfied if the applicable Grantor complies with the requirements of the analogous provision in the applicable ABL DIP Facility Document. Any reference in this Agreement to a “first priority security interest” or words of similar effect in describing the security interests created hereunder shall be understood to refer to such priority subject to, in the case of ABL Priority Collateral (as defined in the Intercreditor Agreement), the claims of the ABL DIP Agent under the ABL DIP Loan Documents.

[signature pages follow]

IN WITNESS WHEREOF, the undersigned parties hereto have caused this Agreement to be executed and delivered as of the day and year first above written.

GRANTORS:

DREAM II HOLDINGS, LLC

By:_____

Name:

Title:

HOLLANDER HOME FASHIONS
HOLDINGS, LLC

By:_____

Name:

Title:

HOLLANDER SLEEP
PRODUCTS, LLC

By:_____

Name:

Title:

HOLLANDER SLEEP PRODUCTS
KENTUCKY, LLC

By:_____

Name:

Title:

PACIFIC COAST FEATHER, LLC

By:_____

Name:

Title:

PACIFIC COAST FEATHER
CUSHION, LLC

By:_____

Name:

Title:

AGENT:

BARINGS FINANCE LLC, as
Agent

By: _____
Name: Brady Sutton
Title: Managing Director

ANNEX 1 TO
DEBTOR-IN-POSSESSION TERM LOAN GUARANTY AND SECURITY AGREEMENT
FORM OF JOINDER

Joinder No. ____ (this “Joinder”), dated as of _____ 20____, to the Debtor-In-Possession Term Loan Guaranty and Security Agreement, dated as of May [], 2019 (as amended, restated, supplemented, or otherwise modified from time to time, the “DIP Guaranty and Security Agreement”), by and among each of the parties listed on the signature pages thereto and those additional entities that thereafter become parties thereto (collectively, jointly and severally, “Grantors” and each, individually, a “Grantor”) and **BARINGS FINANCE LLC**, in its capacity as agent for the Lender Group (in such capacity, together with its successors and permitted assigns in such capacity, “Agent”).

W I T N E S S E T H:

WHEREAS, pursuant to that certain DIP Term Loan Credit Agreement dated as of May [], 2019 (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the “DIP Term Loan Credit Agreement”) by and among **DREAM II HOLDINGS, LLC**, a Delaware limited liability company (“Parent”), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company, **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company, each other Affiliate or Subsidiary of Parent from time to time party thereto, the lenders party thereto as “Lenders” (each of such Lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”), and Agent, the Lender Group has agreed to make certain financial accommodations available to Borrower from time to time pursuant to the terms and conditions thereof; and

WHEREAS, initially capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the DIP Guaranty and Security Agreement or, if not defined therein, in the DIP Term Loan Credit Agreement, and this Joinder shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the DIP Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*; and

WHEREAS, Grantors have entered into the DIP Guaranty and Security Agreement in order to induce the Lender Group to make certain financial accommodations to Borrower as provided for in the DIP Term Loan Credit Agreement and the other DIP Loan Documents; and

WHEREAS, pursuant to Section 5.11 of the DIP Term Loan Credit Agreement and Section 26 of the DIP Guaranty and Security Agreement, certain Subsidiaries of the Loan Parties, must execute and deliver certain DIP Loan Documents, including the DIP Guaranty and Security Agreement, and the joinder to the DIP Guaranty and Security Agreement by the undersigned new Grantor or Grantors (collectively, the “New Grantors”) may be accomplished by the execution of this Joinder in favor of Agent, for the benefit of the Lender Group; and

WHEREAS, each New Grantor (a) is [**an Affiliate**] [**a Subsidiary**] of Borrower and, as such, will benefit by virtue of the financial accommodations extended to Borrower by the Lender

Group and (b) by becoming a Grantor will benefit from certain rights granted to the Grantors pursuant to the terms of the DIP Loan Documents;

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each New Grantor hereby agrees as follows:

29. In accordance with Section 26 of the DIP Guaranty and Security Agreement, each New Grantor, by its signature below, becomes a “Grantor” and “Guarantor” under the DIP Guaranty and Security Agreement with the same force and effect as if originally named therein as a “Grantor” and “Guarantor” and each New Grantor hereby (a) agrees to all of the terms and provisions of the DIP Guaranty and Security Agreement applicable to it as a “Grantor” or “Guarantor” thereunder and (b) represents and warrants that the representations and warranties made by it as a “Grantor” or “Guarantor” thereunder are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that are already qualified or modified by materiality in the text thereof) on and as of the date hereof. In furtherance of the foregoing, each New Grantor hereby (a) jointly and severally unconditionally and irrevocably guarantees as a primary obligor and not merely as a surety the full and prompt payment when due, whether upon maturity, acceleration, or otherwise, of all of the DIP Guaranteed Obligations, and (b) grants and pledges to Agent, for the benefit of each member of the Lender Group, to secure the DIP Secured Obligations, a continuing security interest in and to all of such New Grantor’s right, title and interest in the DIP Collateral. Each reference to a “Grantor” or “Guarantor” in the DIP Guaranty and Security Agreement shall be deemed to include each New Grantor. The DIP Guaranty and Security Agreement is incorporated herein by reference.

30. Schedule 1, “Commercial Tort Claims”, Schedule 2, “Copyrights”, Schedule 3, “Intellectual Property Licenses”, Schedule 4, “Patents”, Schedule 5, “Pledged Companies”, Schedule 6, “Trademarks”, Schedule 7, Name; Chief Executive Office; Tax Identification Numbers and Organizational Numbers, Schedule 8, “Owned Real Property”, Schedule 9, “Deposit Accounts and Securities Accounts”, Schedule 10, “Controlled Account Banks”, and Schedule 11, “List of Uniform Commercial Code Filing Jurisdictions”, attached hereto supplement Schedule 1, Schedule 2, Schedule 3, Schedule 4, Schedule 5, Schedule 6, Schedule 7, Schedule 8, Schedule 9, Schedule 10 and Schedule 11 respectively, to the DIP Guaranty and Security Agreement and shall be deemed a part thereof for all purposes of the DIP Guaranty and Security Agreement.

31. Each New Grantor authorizes Agent at any time and from time to time to file, transmit, or communicate, as applicable, financing statements and amendments thereto (i) describing the DIP Collateral as “all personal property of debtor, whether now owned or hereafter acquired or arising” or “all assets of debtor, whether now owned or hereafter acquired or arising” or words of similar effect, (ii) describing the DIP Collateral as being of equal or lesser scope or with greater detail, or (iii) that contain any information required by part 5 of Article 9 of the Code for the sufficiency or filing office acceptance. Each New Grantor also hereby ratifies any and all financing statements or amendments previously filed by Agent in any jurisdiction in connection with the DIP Loan Documents.

32. Each New Grantor represents and warrants to Agent and the Lender Group that this Joinder has been duly executed and delivered by such New Grantor and constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium, or other similar laws affecting creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

33. This Joinder is a DIP Loan Document. This Joinder may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Joinder. Delivery of an executed counterpart of this Joinder by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Joinder. Any party delivering an executed counterpart of this Joinder by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Joinder but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Joinder.

34. The DIP Guaranty and Security Agreement, as supplemented hereby, shall remain in full force and effect.

35. THIS JOINDER SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN SECTION 25 OF THE DIP GUARANTY AND SECURITY AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Joinder to the DIP Guaranty and Security Agreement to be executed and delivered as of the day and year first above written.

NEW GRANTORS:

[NAME OF NEW GRANTOR]

By: _____
Name: _____
Title: _____

[NAME OF NEW GRANTOR]

By: _____
Name: _____
Title: _____

AGENT:

BARINGS FINANCE LLC

By: _____
Name: _____
Title: _____

[Signature Page to Joinder No. [] to Debtor-In-Possession Term Loan Guaranty and Security Agreement]

EXHIBIT A

COPYRIGHT SECURITY AGREEMENT

This COPYRIGHT SECURITY AGREEMENT (this “Copyright Security Agreement”) is made this ____ day of _____, 20____, by and among Grantors listed on the signature pages hereof (collectively, jointly and severally, “Grantors” and each individually “Grantor”), and **BARINGS FINANCE LLC**, in its capacity as administrative agent for the Lender Group (in such capacity, together with its successors and permitted assigns in such capacity, “Agent”).

WITNESSETH:

WHEREAS, pursuant to that certain DIP Term Loan Credit Agreement dated as of May [], 2019 (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the “DIP Term Loan Credit Agreement”) by and among **DREAM II HOLDINGS, LLC**, a Delaware limited liability company (“Parent”), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company, **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company, each other Affiliate or Subsidiary of Parent from time to time party thereto, the lenders party thereto as “Lenders” (each of such Lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”), and Agent, the Lender Group has agreed to make certain financial accommodations available to Borrower (as defined therein) from time to time pursuant to the terms and conditions thereof; and WHEREAS, the members of the Lender Group are willing to make the financial accommodations to Borrower as provided for in the DIP Term Loan Credit Agreement and the other DIP Loan Documents, but only upon the condition, among others, that Grantors shall have executed and delivered to Agent, for the benefit of the Lender Group, that certain Debtor-In-Possession Term Loan Guaranty and Security Agreement, dated as of May [], 2019 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the “DIP Guaranty and Security Agreement”); and

WHEREAS, pursuant to the DIP Guaranty and Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of the Lender Group, this Copyright Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors hereby agree as follows:

1. DEFINED TERMS. All initially capitalized terms used herein (including in the preamble and recitals hereof) but not otherwise defined herein shall have the meanings ascribed thereto in the DIP Guaranty and Security Agreement or, if not defined therein, in the DIP Term Loan Credit Agreement, and this Copyright Security Agreement shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the DIP Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*.

2. GRANT OF SECURITY INTEREST IN COPYRIGHT DIP COLLATERAL. Each Grantor hereby grants and pledges to Agent for the benefit of each member of the Lender Group, to secure the DIP Secured Obligations, a continuing security interest (hereinafter

referred to as the “Security Interest”) in all of such Grantor’s right, title, and interest in and to the following, whether now owned or hereafter acquired or arising and wherever located (collectively, the “Copyright DIP Collateral”):

(a) any and all rights in any works of authorship, including (whether statutory or common law, whether established or registered in the United States or any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished), including (A) copyrights and moral rights, (B) copyright registrations and recordings thereof and all applications in connection therewith including those listed on Schedule I and (C) renewals and extensions thereof; and

(b) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Property, Negotiable DIP Collateral, Pledged Interests, Securities Accounts, DIP Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing.

Notwithstanding anything contained in this Copyright Security Agreement to the contrary, the term “Copyright DIP Collateral” and any defined term used therein shall not include, and the Security Interest shall not attach to Excluded DIP Collateral (as defined in the DIP Guaranty and Security Agreement).

3. SECURITY FOR DIP SECURED OBLIGATIONS . This Copyright Security Agreement and the Security Interest created hereby secures the payment and performance of the DIP Secured Obligations , whether now existing or arising hereafter.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Copyright Security Agreement is granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group, pursuant to the DIP Guaranty and Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the Security Interest in the Copyright DIP Collateral made and granted hereby are more fully set forth in the DIP Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any conflict between this Copyright Security Agreement and the DIP Guaranty and Security Agreement, the DIP Guaranty and Security Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. Without limiting Grantors’ obligations under this Section, Grantors hereby authorize Agent unilaterally to modify this Copyright Security Agreement by amending Schedule I to include any future registered copyrights or

applications therefor of each Grantor (except for those constituting Excluded DIP Collateral). Notwithstanding the foregoing, no failure to so modify this Copyright Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all DIP Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Copyright Security Agreement is a DIP Loan Document. This Copyright Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Copyright Security Agreement. Delivery of an executed counterpart of this Copyright Security Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Copyright Security Agreement. Any party delivering an executed counterpart of this Copyright Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Copyright Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Copyright Security Agreement.

7. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.

(a) THE VALIDITY OF THIS COPYRIGHT SECURITY AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS COPYRIGHT SECURITY AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE COURTS AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY DIP COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH DIP COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH GRANTOR AND AGENT WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 25(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTOR AND AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS COPYRIGHT

SECURITY AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH GRANTOR AND AGENT REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS COPYRIGHT SECURITY AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS COPYRIGHT SECURITY AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS COPYRIGHT SECURITY AGREEMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS COPYRIGHT SECURITY AGREEMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY GRANTOR AGAINST THE AGENT OR ANY LENDER, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS COPYRIGHT SECURITY AGREEMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION HERewith, AND EACH GRANTOR HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Copyright Security Agreement to be executed and delivered as of the day and year first above written.

GRANTORS:

By: _____
Name: _____
Title: _____
Location: _____

By: _____
Name: _____
Title: _____
Location: _____

**ACCEPTED AND ACKNOWLEDGED
BY:**

AGENT:

BARINGS FINANCE LLC

By: _____
Name: _____
Title: _____
Location: _____

SCHEDULE I
to
COPYRIGHT SECURITY AGREEMENT

Copyright Registrations

Grantor	Country	Copyright	Registration No.	Registration Date

EXHIBIT B

PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this “Patent Security Agreement”) is made this ____ day of, 20__, by and among the Grantors listed on the signature pages hereof (collectively, jointly and severally, “Grantors” and each individually “Grantor”), and **BARINGS FINANCE LLC**, in its capacity as administrative agent for the Lender Group (in such capacity, together with its successors and permitted assigns in such capacity, “Agent”).

WITNESSETH:

WHEREAS, pursuant to that certain DIP Term Loan Credit Agreement dated as of May [], 2019 (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the “DIP Term Loan Credit Agreement”) by and among **DREAM II HOLDINGS, LLC**, a Delaware limited liability company (“Parent”), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company, **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company, each other Affiliate or Subsidiary of Parent from time to time party thereto, the lenders party thereto as “Lenders” (each of such Lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”), and Agent, the Lender Group has agreed to make certain financial accommodations available to Borrower from time to time pursuant to the terms and conditions thereof; and WHEREAS, the members of Lender Group are willing to make the financial accommodations to Borrower as provided for in the DIP Term Loan Credit Agreement and the other DIP Loan Documents, but only upon the condition, among others, that the Grantors shall have executed and delivered to Agent, for the benefit of the Lender Group, that certain Debtor-In-Possession Term Loan Guaranty and Security Agreement, dated as of May [], 2019 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the “DIP Guaranty and Security Agreement”); and

WHEREAS, pursuant to the DIP Guaranty and Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of the Lender Group, this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. **DEFINED TERMS.** All initially capitalized terms used herein (including in the preamble and recitals hereof) but not otherwise defined herein shall have the meanings ascribed thereto in the DIP Guaranty and Security Agreement or, if not defined therein, in the DIP Term Loan Credit Agreement, and this Patent Security Agreement shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the DIP Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*.

2. **GRANT OF SECURITY INTEREST IN PATENT DIP COLLATERAL.** Each Grantor hereby grants and pledges to Agent for the benefit of each member of the Lender Group, to secure the DIP Secured Obligations , a continuing security interest (hereinafter referred to as

the “Security Interest”) in all of such Grantor’s right, title, and interest in and to the following, whether now owned or hereafter acquired or arising and wherever located (collectively, the “Patent DIP Collateral”):

(a) patents and patent applications (whether established or registered or filed in the United States or any other country or any political subdivision thereof), including (A) the patents and patent applications listed on Schedule I, (B) all inventions and improvements described in or claimed therein and (C) all continuations, divisionals, continuations-in-part, re-examinations, and reissues thereof and improvements thereon; and

(b) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Property, Negotiable DIP Collateral, Pledged Interests, Securities Accounts, DIP Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing.

Notwithstanding anything contained in this Patent Security Agreement to the contrary, the term “Patent DIP Collateral” and any defined term used therein shall not include, and the Security Interest shall not attach to Excluded DIP Collateral (as defined in the DIP Guaranty and Security Agreement).

3. SECURITY FOR DIP SECURED OBLIGATIONS . This Patent Security Agreement and the Security Interest created hereby secures the payment and performance of the DIP Secured Obligations , whether now existing or arising hereafter.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group, pursuant to the DIP Guaranty and Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the Security Interest in the Patent DIP Collateral made and granted hereby are more fully set forth in the DIP Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any conflict between this Patent Security Agreement and the DIP Guaranty and Security Agreement, the DIP Guaranty and Security Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. Without limiting Grantors’ obligations under this Section, Grantors hereby authorize Agent unilaterally to modify this Patent Security Agreement by amending Schedule I to include any such newly Patents or applications therefor of Grantor (except for those constituting Excluded DIP Collateral). Notwithstanding the foregoing,

no failure to so modify this Patent Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all DIP Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Patent Security Agreement is a DIP Loan Document. This Patent Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Patent Security Agreement. Delivery of an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Patent Security Agreement. Any party delivering an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Patent Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Patent Security Agreement.

7. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.

(a) THE VALIDITY OF THIS PATENT SECURITY AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS PATENT SECURITY AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE COURTS AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY DIP COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH DIP COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH GRANTOR AND AGENT WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 25(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTOR AND AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS PATENT SECURITY AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY

CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH GRANTOR AND AGENT REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS PATENT SECURITY AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS PATENT SECURITY AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS PATENT SECURITY AGREEMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS PATENT SECURITY AGREEMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY GRANTOR AGAINST THE AGENT OR ANY LENDER, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS PATENT SECURITY AGREEMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION HERewith, AND EACH GRANTOR HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTORS:

By: _____
Name: _____
Title: _____
Location: _____

By: _____
Name: _____
Title: _____
Location: _____

**ACCEPTED AND ACKNOWLEDGED
BY:**

AGENT:

BARINGS FINANCE LLC

By: _____
Name: _____
Title: _____

Location: _____

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Patents

Grantor	Country	Patent	Application/ Patent No.	Filing Date/Issue Date

EXHIBIT C

PLEDGED INTERESTS ADDENDUM

This Pledged Interests Addendum, dated as of __, 20__ (this “Pledged Interests Addendum”), is delivered pursuant to Section 7 of the DIP Guaranty and Security Agreement referred to below. The undersigned hereby agrees that this Pledged Interests Addendum may be attached to that certain Debtor-In-Possession Term Loan Guaranty and Security Agreement, dated as of May __, 2019 (as amended, restated, supplemented, or otherwise modified from time to time, the “DIP Guaranty and Security Agreement”), made by the undersigned, together with the other Grantors named therein, to **BARINGS FINANCE LLC**, as Agent. Initially capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the DIP Guaranty and Security Agreement or, if not defined therein, in the DIP Term Loan Credit Agreement, and this Pledged Interests Addendum shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the DIP Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*. The undersigned hereby agrees that the additional interests listed on Schedule I shall be and become part of the Pledged Interests pledged by the undersigned to Agent in the DIP Guaranty and Security Agreement and any pledged company set forth on Schedule I shall be and become a “Pledged Company” under the DIP Guaranty and Security Agreement, each with the same force and effect as if originally named therein.

This Pledged interests Addendum is a DIP Loan Document. Delivery of an executed counterpart of this Pledged Interests Addendum by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Pledged Interests Addendum. If the undersigned delivers an executed counterpart of this Pledged Interests Addendum by telefacsimile or other electronic method of transmission, the undersigned shall also deliver an original executed counterpart of this Pledged Interests Addendum but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Pledged Interests Addendum.

The undersigned hereby certifies that the representations and warranties set forth in Section 6 of the DIP Guaranty and Security Agreement of the undersigned are true and correct as to the Pledged Interests listed herein on and as of the date hereof.

THIS PLEDGED INTERESTS ADDENDUM SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN SECTION 25 OF THE DIP GUARANTY AND SECURITY AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, *MUTATIS MUTANDIS*.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Pledged Interests Addendum to be executed and delivered as of the day and year first above written.

By:_____

Name:

Title:

[Signature Page to Pledged Interests Addendum]

SCHEDULE I
to
PLEDGED INTERESTS ADDENDUM

Pledged Interests

Name of Grantor	Name of Pledged Company	Number of Shares/Units	Class of Interests	Percentage of Class Owned	Certificate Nos.

EXHIBIT D

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this “Trademark Security Agreement”) is made this ____ day of , 20__, by and among Grantors listed on the signature pages hereof (collectively, jointly and severally, “Grantors” and each individually “Grantor”), and **BARINGS FINANCE LLC**, in its capacity as administrative agent for the Lender Group (in such capacity, together with its successors and permitted assigns in such capacity, “Agent”).

W I T N E S S E T H:

WHEREAS, pursuant to that certain DIP Term Loan Credit Agreement dated as of May [], 2019 (as amended, restated, extended, refinanced, supplemented, or otherwise modified from time to time, the “DIP Term Loan Credit Agreement”) by and among **DREAM II HOLDINGS, LLC**, a Delaware limited liability company (“Parent”), **HOLLANDER HOME FASHIONS HOLDINGS, LLC**, a Delaware limited liability company, **HOLLANDER SLEEP PRODUCTS, LLC**, a Delaware limited liability company, each other Affiliate or Subsidiary of Parent from time to time party thereto, the lenders party thereto as “Lenders” (each of such Lenders, together with its successors and permitted assigns, is referred to hereinafter as a “Lender”), and Agent, the Lender Group has agreed to make certain financial accommodations available to Borrower from time to time pursuant to the terms and conditions thereof; and WHEREAS, the members of the Lender Group are willing to make the financial accommodations to Borrower as provided for in the DIP Term Loan Credit Agreement and the other DIP Loan Documents, but only upon the condition, among others, that Grantors shall have executed and delivered to Agent, for the benefit of Lender Group, that certain Debtor-In-Possession Term Loan Guaranty and Security Agreement, dated as of May [], 2019 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the “DIP Guaranty and Security Agreement”); and

WHEREAS, pursuant to the DIP Guaranty and Security Agreement, Grantors are required to execute and deliver to Agent, for the benefit of Lender Group, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All initially capitalized terms used herein (including in the preamble and recitals hereof) but not otherwise defined herein shall have the meanings ascribed thereto in the DIP Guaranty and Security Agreement or, if not defined therein, in the DIP Term Loan Credit Agreement, and this Trademark Security Agreement shall be subject to the rules of construction set forth in Sections 1(b) through 1(d) of the DIP Guaranty and Security Agreement, which rules of construction are incorporated herein by this reference, *mutatis mutandis*.

2. GRANT OF SECURITY INTEREST IN TRADEMARK DIP COLLATERAL. Each Grantor hereby grants and pledges to Agent for the benefit of each member of the Lender Group, to secure the DIP Secured Obligations , a continuing security interest (hereinafter

referred to as the “Security Interest”) in all of such Grantor’s right, title, and interest in and to the following, whether now owned or hereafter acquired or arising and wherever located (collectively, the “Trademark DIP Collateral”):

(a) any and all trademarks, trade names, trade dress, registered trademarks, trademark applications, service marks, registered service marks and service mark applications (whether statutory or common law and whether established or registered in the United States or any other country or any political subdivision thereof), including (A) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule I, (B) goodwill of the business symbolized thereby or connected with the use thereof and (C) all renewals thereof; and

(b) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Property, Negotiable DIP Collateral, Pledged Interests, Securities Accounts, DIP Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing.

Notwithstanding anything contained in this Trademark Security Agreement to the contrary, the term “Trademark DIP Collateral” and any defined term used therein shall not include, and the Security Interest shall not attach to Excluded DIP Collateral (as defined in the DIP Guaranty and Security Agreement), including the following: any United States intent-to-use trademark applications for which an amendment to allege use or a statement of use has not been filed and accepted by the PTO, to the extent that, and solely during the period in which, the grant, attachment or perfection of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications or the resulting trademark registration under applicable federal law, provided that upon submission and acceptance by the PTO of an amendment to allege use or a statement of use pursuant to 15 U.S.C. Section 1051(c) or (d) (or any successor provision), such intent-to-use trademark application shall be considered DIP Collateral.

3. SECURITY FOR DIP SECURED OBLIGATIONS. This Trademark Security Agreement and the Security Interest created hereby secures the payment and performance of the DIP Secured Obligations, whether now existing or arising hereafter.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group, pursuant to the DIP Guaranty and Security Agreement.

Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the Security Interest in the Trademark DIP Collateral made and granted hereby are more fully set forth in the DIP Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any conflict between this Trademark Security Agreement and the DIP Guaranty and Security Agreement, the DIP Guaranty and Security Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. Without limiting Grantors' obligations under this Section, Grantors hereby authorize Agent unilaterally to modify this Trademark Security Agreement by amending Schedule I to include any new registered Trademarks or application thereof of each Grantor (except for those constituting Excluded DIP Collateral). Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Agent's continuing security interest in all DIP Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Trademark Security Agreement is a DIP Loan Document. This Trademark Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Trademark Security Agreement. Delivery of an executed counterpart of this Trademark Security Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Trademark Security Agreement. Any party delivering an executed counterpart of this Trademark Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Trademark Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Trademark Security Agreement.

7. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.

(a) THE VALIDITY OF THIS TRADEMARK SECURITY AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS TRADEMARK SECURITY AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE COURTS AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY DIP COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH DIP

COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH GRANTOR AND AGENT WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 25(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTOR AND AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS TRADEMARK SECURITY AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH GRANTOR AND AGENT REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS TRADEMARK SECURITY AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS TRADEMARK SECURITY AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS TRADEMARK SECURITY AGREEMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS TRADEMARK SECURITY AGREEMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY GRANTOR AGAINST THE AGENT OR ANY LENDER, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS TRADEMARK SECURITY AGREEMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION HERewith, AND EACH GRANTOR HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Trademark Security Agreement to be executed and delivered as of the day and year first above written.

GRANTORS:

By: _____
Name: _____
Title: _____
Location: _____

By: _____
Name: _____
Title: _____
Location: _____

**ACCEPTED AND ACKNOWLEDGED
BY:**

AGENT:

BARINGS FINANCE LLC

By: _____
Name: _____
Title: _____

Location: _____

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

Trademark Registrations/Applications

Grantor	Country	Mark	Application/ Registration No.	App/Reg Date

SCHEDULE 1

COMMERCIAL TORT CLAIMS

None.

SCHEDULE 2

REGISTERED OR APPLIED-FOR COPYRIGHTS

UNITED STATES COPYRIGHT REGISTRATIONS AND APPLICATIONS:

Title	Registration No.	Current Record Owner
Hollander Sleep Products, LLC	VA0001276670	Double support (feather & down fill)
Hollander Sleep Products, LLC	VA0001256354	Basics Double Support : down alternative fill

SCHEDULE 3

MATERIAL INTELLECTUAL PROPERTY LICENSES

1. License Agreement, dated as of August 20, 2008, by and between Croscill, Inc. and Louisville Bedding Company, as amended;
2. Trademark License Agreement, dated as of May 24, 2013, by and between Dreamwell, Ltd. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC);
3. License Agreement, dated as of January 1, 2006, by and between Nautica Apparel, Inc. and Louisville Bedding Company, as amended;
4. License Agreement, dated as of May 1, 2012 (renewed as of May 1, 2019), by and among PRL USA, Inc., The Polo/Lauren Company, L.P., Ralph Lauren Home Collection, Inc., Hollander Sleep Products, LLC, Hollander Sleep Products Canada Limited, Hollander Sleep Products Quebec Inc. and Hollander Sleep Products Montreal, Inc.;
5. Trademark License Agreement, dated May 24, 2013, by and between Simmons Canada Inc. and Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC);
6. Intellectual Property License Agreement, dated December 1, 2011, by and among Ther-A-Pedic Associates, Inc., Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), and Hollander Canada Home Fashions, Ltd.;
7. Letter Agreement, dated as of November 6, 2009, by and among The Versailles Foundation, Inc., Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC) and Hollander Canada Home Fashions Ltd.;
8. License Agreement, dated as of September 30, 2010, by and among Icon De Holdings LLC (by assignment from Studio IP Holdings LLC), Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), and Hollander Canada Home Fashions Limited, as amended;
9. Joint Seal Licensing Agreement, dated as of July 1, 2006, by and among Hollander Home Fashions, LLC (now known as Hollander Sleep Products, LLC), Hollander Canada Home Fashions Ltd., the Asthma and Allergy Foundation of America and Allergy Standards Ltd., as amended;
10. Documents related to the use of the Supima® trademark.
11. Exclusive Selling and Commission Agreement: ComfortMax, dated February 15, 2017, between Pacific Coast Feather Company and Hop Lion.
12. Avendra Supplier Agreement, dated February 1, 2010, between Pacific Coast Feather Company and Avendra, as amended.
13. The SAP License Agreement, undated, between Pacific Coast Feather Company and Kamyk Daunen s.r.o.
14. R/3 Software Individual End-User License Agreement, dated March 8, 1995, between Pacific Coast Feather Company and SAP America, as supplemented and amended from time to time.

15. Master Services Agreement, dated April 26, 2016, between Pacific Coast Feather Company and Rimini Street, Inc., with the statements of work and schedules thereto, as amended from time to time.
16. Supply and License Agreement, dated September 2, 2015 between Pacific Coast Feather Company and Cocona Inc.
17. Endorsement Agreement by and between Pacific Coast Feather Company (as successor-in-interest to the rights of United Feather & Down, Inc.) and James B. Maas, dated as of December 7, 2010, as amended effective December 31, 2015.
18. Trademark License Agreement by and between Pacific Coast Feather Company and Elie Tahari Ltd., dated March 13, 2014.
19. Trademark License Agreement by and between Pacific Coast Feather Company and SHEEX, Inc., dated as of April 22, 2016.
20. Spring Air International LLC License Agreement by and between Spring Air International LLC, Spring Air IP Holdings, LLC, and Pacific Coast Feather Company, dated July 28, 2013.
21. Sublicense Agreement, by and between Crown Crafts Designer, Inc., and Pacific Coast Feather Company, dated November 1, 1999, as amended by Amendment to the Sublicense Agreement by and between Pacific Coast Feather Company and Calvin Klein, Inc., effective October 1, 2001, and as further amended from time to time.
22. Trademark License Agreement by and between Pacific Coast Feather Company and Kamyk Daunen s.r.o., dated August 11, 2016, grants Pacific Coast Feather Company an exclusive license to use the trademark "CANNSTATTER" (Canada filing number: TMA881243) in Canada.
23. Trademark License Agreement by and between Pacific Coast Feather Company and Kamyk Daunen s.r.o., dated August 11, 2016, grants Pacific Coast Feather Company an exclusive license to use the trademark "CANNSTATTER" (U.S. filing number: 4218093) in the U.S.
24. Master Purchase Agreement (Domestic Vendors), dated February 25, 2015, between Pacific Coast Feather Company and Williams-Sonoma, Inc.
25. J.C. Penney Corporation, Inc. Trading Partner Agreement for U.S. Merchandise Vendors.
26. Manufacturing and Supply Agreement, effective July 1, 2015, by and between Best Western International, Inc. and Pacific Coast Feather Company.
27. Master Goods Agreement by and between Pacific Coast Feather Company and Six Continents Hotels, Inc., dated June 30, 2016.

SCHEDULE 4

ISSUED PATENTS AND PATENT APPLICATIONS

UNITED STATES PATENT REGISTRATIONS AND APPLICATIONS:

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
Adjustable Pillow	Pending	62818877	3/15/2019			Hollander Sleep Products, LLC	United States of America
Adjustable Pillow	Pending	16374051	4/3/2019			Hollander Sleep Products, LLC	United States of America
Baffle Box Comforter	Pending	15229760	8/5/2016			Hollander Sleep Products, LLC	United States of America
Baffle Box Comforter	Registered	12553885	9/3/2009	8,561,229	10/22/2013	Hollander Sleep Products, LLC	United States of America
Baffle Box Pillow	Registered	12694194	1/26/2010	8,028,360	10/4/2011	Hollander Sleep Products, LLC	United States of America
Bedding Article With Overlaying Portions	Registered	11192602	7/29/2005	7,080,421	7/25/2006	Hollander Sleep Products, LLC	United States of America
Comforter With Fitted Border	Registered	13442608	4/9/2012	9,451,839	9/27/2016	Hollander Sleep Products, LLC	United States of America
Contour Pillow With Interior Baffle Walls	Registered	10935261	9/7/2004	7,210,178	5/1/2007	Hollander Sleep Products, LLC	United States of America
Domed Comforter	Registered	11673165	2/9/2007	7,647,657	1/19/2010	Hollander Sleep Products, LLC	United States of America
Featherbed With Hourglass Construction	Registered	11567575	12/6/2006	7,681,268	3/23/2010	Hollander Sleep Products, LLC	United States of America
Filled Bedding Construction Having Channels With Alternating Length Portions	Registered	10808637	3/25/2004	6,961,970	11/8/2005	Hollander Sleep Products, LLC	United States of America
Filling Material And Process For Making Same	Registered	10759610	1/16/2004	7,074,242	7/11/2006	Hollander Sleep Products, LLC	United States of America
Gusseted Pillow With Pleated Top And Bottom Sections	Registered	10402605	3/28/2003	6,760,935	7/13/2004	Hollander Sleep Products, LLC	United States of America
High Loft Comforter	Registered	9474878	12/29/1999	6,301,730	10/16/2001	Hollander Sleep Products, LLC	United States of America
Multi-layer Multi-chamber Pillow With Unfilled Center Chamber In The Top Layer	Registered	11192605	7/29/2005	7,152,263	12/26/2006	Hollander Sleep Products, LLC	United States of America

No Shift Chambered Body Pillow	Registered	12112426	4/30/2008	7,669,266	3/2/2010	Hollander Sleep Products, LLC	United States of America
Pillow	Registered	29577568	9/14/2016	D839,636	2/5/2019	Hollander Sleep Products, LLC	United States of America
Pillow	Pending	29675102	12/28/2018			Hollander Sleep Products, LLC	United States of America
Pillow	Registered	29444405	1/30/2013	D706,553	6/10/2014	Hollander Sleep Products, LLC	United States of America
Pillow Covering	Registered	29200339	2/26/2004	D507,920	8/2/2005	Hollander Sleep Products, LLC	United States of America
Pillow Kit With Removable Interior Cores	Registered	10810150	3/26/2004	7,222,379	5/29/2007	Hollander Sleep Products, LLC	United States of America
Pillow With Baffles Within An Outer Pillow Shell	Registered	11671874	2/6/2007	7,562,405	7/21/2009	Hollander Sleep Products, LLC	United States of America
Pillow With Central Area Having Lower Fill Volume	Registered	10685884	10/14/2003	6,931,682	8/23/2005	Hollander Sleep Products, LLC	United States of America
Tubule Featherbed	Registered	11618476	12/29/2006	7,356,864	4/15/2008	Hollander Sleep Products, LLC	United States of America
Universal Support Pillow	Registered	12419591	4/7/2009	7,874,033	1/25/2011	Hollander Sleep Products, LLC	United States of America
Non-gusset Pillow	Registered	14666047	3/23/2015	9,980,587	5/29/2018	Hollander Sleep Products, LLC	United States of America
Pillow Cover With Closure And Pouch Member Therefor	Registered	10359865	2/7/2003	6,910,237	6/28/2005	Hollander Sleep Products, LLC	United States of America
Quilted-top Featherbed	Registered	9474339	12/29/1999	6,745,419	6/8/2004	Hollander Sleep Products, LLC	United States of America
Blended Fiber Containing Silver, Blended Filling Containing Silver Fibers, And Method For Making Same	Registered	12022435	1/30/2008	7,814,623	10/19/2010	Hollander Sleep Products, LLC	United States of America
Baffle Box Comforter Structure Designed To Resist Shifting Of Fill	Registered	13887203	5/3/2013	8,776,288	7/15/2014	Hollander Sleep Products, LLC	United States of America

CANADIAN PATENT REGISTRATIONS AND APPLICATIONS:

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
Baffle Box Comforter	Registered	2940071	8/24/2016	2940071	12/4/2018	Hollander Sleep Products, LLC	Canada
Domed Comforter	Registered	2620502	2/8/2008	2620502	9/13/2011	Hollander Sleep Products, LLC	Canada
High Loft Comforter	Registered	2329698	12/28/2000	2329698	7/7/2009	Hollander Sleep Products, LLC	Canada
Pillow	Registered	149537	1/30/2013	149537	3/31/2014	Hollander Sleep Products, LLC	Canada
Pillow	Registered	175209	11/24/2016	175209	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow	Registered	175210	11/24/2016	175210	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow	Registered	171783	11/24/2016	171783	7/12/2017	Hollander Sleep Products, LLC	Canada
Pillow With Baffles Within An Outer Pillow Shell	Registered	2619522	2/6/2008	2619522	11/3/2015	Hollander Sleep Products, LLC	Canada
Quilted-top Featherbed	Registered	2329699	12/28/2000	2329699	8/29/2006	Hollander Sleep Products, LLC	Canada

SCHEDULE 5

PLEDGED COMPANIES

Name of Grantor	Name of Pledged Company	Number of Shares/Units	Class of Interests	Represents Percentage of Class Owned	Percentage of Class Pledged	Certificate Nos.
Dream II Holdings, LLC	Hollander Home Fashions Holdings, LLC	1,358,214 common units	Membership interests	100%	100%	N/A
Dream II Holdings, LLC	Hollander Sleep Products Canada Limited	0.65 common share	Common shares	65%	65%	C-1
Hollander Home Fashions Holdings, LLC	Hollander Sleep Products, LLC	1,000 units	Membership interests	100%	100%	N/A
Hollander Sleep Products, LLC	Hollander Sleep Products Kentucky, LLC	1,000 units	Membership interests	100%	100%	N/A
Hollander Sleep Products, LLC	Hollander Home Fashions Trading (Shanghai) Co., Ltd.	N/A	Membership interests	100%	65%	N/A
Hollander Sleep Products, LLC	Pacific Coast Feather, LLC	1,000	Common Units	100%	100%	N/A
Pacific Coast Feather, LLC	Pacific Coast Feather Cushion, LLC	1,000	Common Units	100%	100%	N/A
Pacific Coast Feather, LLC	PCF (Shanghai) Quality Management Consulting Co., Ltd.	1	Equity interest	100%	65%	N/A

SCHEDULE 6

REGISTERED OR APPLIED-FOR TRADEMARKS

UNITED STATES TRADEMARK REGISTRATIONS AND APPLICATIONS:

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
...THE ULTIMATE LUXURY (DESIGN)	Registered	85430242	9/23/2011	4,433,031	11/12/2013	Hollander Sleep Products, LLC	United States of America
A WORLD OF COMFORT	Registered	86799377	10/26/2015	4,988,090	6/28/2016	Hollander Sleep Products, LLC	United States of America
ABUNDANCE	Registered	86174993	1/24/2014	4,856,184	11/17/2015	Hollander Sleep Products, LLC	United States of America
ABUNDANCE	Registered	86206712	2/27/2014	4,856,226	11/17/2015	Hollander Sleep Products, LLC	United States of America
AFFIRM	Registered	85032141	5/6/2010	3,999,384	7/19/2011	Hollander Sleep Products, LLC	United States of America
ALLERREST	Registered	86269248	5/1/2014	4,625,073	10/21/2014	Hollander Sleep Products, LLC	United States of America
ALLER-SURE	Registered	77672914	2/18/2009	4,026,525	9/13/2011	Hollander Sleep Products, LLC	United States of America
ALLERX	Registered	78260439	6/10/2003	3,298,680	9/25/2007	Hollander Sleep Products, LLC	United States of America
ALLUNA	Registered	86464313	11/25/2014	4,842,758	10/27/2015	Hollander Sleep Products, LLC	United States of America
ARCTIC FRESH	Registered	86202314	2/24/2014	4,782,838	7/28/2015	Hollander Sleep Products, LLC	United States of America
BARRIER WEAVE	Registered	85085541	7/15/2010	3,923,124	2/22/2011	Hollander Sleep Products, LLC	United States of America
BED ARMOR	Registered	85364720	7/6/2011	4,114,357	3/20/2012	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BED GLOVE	Registered	74426312	8/17/1993	1,870,583	12/27/1994	Hollander Sleep Products, LLC	United States of America
BED SAVER	Registered	76035627	4/28/2000	2,551,016	3/19/2002	Hollander Sleep Products, LLC	United States of America
BEYOND COMFORT	Registered	74577708	9/23/1994	2,014,240	11/5/1996	Hollander Sleep Products, LLC	United States of America
BIG COMFY	Registered	77868219	11/9/2009	3,927,089	3/1/2011	Hollander Sleep Products, LLC	United States of America
BIG COZY	Registered	77856380	10/23/2009	3,901,745	1/4/2011	Hollander Sleep Products, LLC	United States of America
BIG COZY	Registered	77869628	11/10/2009	4,094,155	1/31/2012	Hollander Sleep Products, LLC	United States of America
BIG SHOT	Registered	76298016	8/13/2001	2,687,366	2/11/2003	Hollander Sleep Products, LLC	United States of America
BIG Z	Registered	75458046	5/27/1998	2,270,499	8/17/1999	Hollander Sleep Products, LLC	United States of America
BOOMERANG	Registered	75728906	6/15/1999	2,613,680	9/3/2002	Hollander Sleep Products, LLC	United States of America
BOTANICAL DOWN	Registered	77789088	7/24/2009	3,846,731	9/7/2010	Hollander Sleep Products, LLC	United States of America
Brain Logo	Registered	87203456	10/14/2016	5,590,859	10/23/2018	Hollander Sleep Products, LLC	United States of America
BREATHE WELL	Registered	75474996	4/27/1998	2,492,969	9/25/2001	Hollander Sleep Products, LLC	United States of America
BREATHE-COOL	Registered	86241474	4/3/2014	4,960,744	5/17/2016	Hollander Sleep Products, LLC	United States of America
BREATHEMESH	Registered	86432141	10/23/2014	4,755,370	6/16/2015	Hollander Sleep Products, LLC	United States of America
BREATHEWELL	Registered	87525646	7/12/2017	5,587,384	10/16/2018	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BREATHWELL	Registered	86420197	10/10/2014	5,492,445	6/12/2018	Hollander Sleep Products, LLC	United States of America
BREATHWELL PILLOW	Registered	86443928	11/4/2014	4,999,040	7/12/2016	Hollander Sleep Products, LLC	United States of America
CAPTURE TOP	Registered	77675946	2/23/2009	3,679,383	9/8/2009	Hollander Sleep Products, LLC	United States of America
CHILDREN'S BEDTIME PILLOW	Registered	75455371	3/23/1998	2,262,691	7/20/1999	Hollander Sleep Products, LLC	United States of America
CLEARFRESH	Registered	86258997	4/22/2014	4,652,260	12/9/2014	Hollander Sleep Products, LLC	United States of America
CLEARFRESH	Registered	86440768	10/31/2014	4,919,075	3/15/2016	Hollander Sleep Products, LLC	United States of America
CLUSTER PUFF	Registered	78238380	4/16/2003	2,899,498	11/2/2004	Hollander Sleep Products, LLC	United States of America
COMFORT CENTRAL	Registered	74481802	1/24/1994	1,882,267	3/7/1995	Hollander Sleep Products, LLC	United States of America
COMFORT CHAMBER	Registered	76352308	12/26/2001	2,792,349	12/9/2003	Hollander Sleep Products, LLC	United States of America
COMFORT LOCK	Registered	74483254	1/27/1994	1,998,955	9/10/1996	Hollander Sleep Products, LLC	United States of America
COMFORT-FORME	Registered	87357944	3/3/2017	5,449,759	4/17/2018	Hollander Sleep Products, LLC	United States of America
CONFORMANCE	Registered	85776213	11/9/2012	4,589,386	8/19/2014	Hollander Sleep Products, LLC	United States of America
CORE SLEEP	Registered	85365760	7/7/2011	4,222,894	10/9/2012	Hollander Sleep Products, LLC	United States of America
COVER PLUS	Registered	85729756	9/14/2012	4,572,981	7/22/2014	Hollander Sleep Products, LLC	United States of America
CROWN OF DOWN	Registered	74437383	9/20/1993	1,946,007	1/2/1996	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
CRYSTALLINE	Registered	86194194	2/14/2014	4,694,537	3/3/2015	Hollander Sleep Products, LLC	United States of America
CUDDLE ROLL	Registered	75778188	8/17/1999	2,375,118	8/8/2000	Hollander Sleep Products, LLC	United States of America
CUDDLEBED	Registered	85219868	1/18/2011	4,052,079	11/8/2011	Hollander Sleep Products, LLC	United States of America
CUDDLEBED	Registered	77939688	2/19/2010	4,455,249	12/24/2013	Hollander Sleep Products, LLC	United States of America
CUDDLEFOAM	Registered	86567779	3/18/2015	4,974,488	6/7/2016	Hollander Sleep Products, LLC	United States of America
CUDDLELOFT	Registered	85307476	4/28/2011	4,425,944	10/29/2013	Hollander Sleep Products, LLC	United States of America
CURVATION	Registered	77084983	1/17/2007	3,841,863	8/31/2010	Hollander Sleep Products, LLC	United States of America
DOUBLE STUFF	Registered	85780553	11/15/2012	4,576,625	7/29/2014	Hollander Sleep Products, LLC	United States of America
DOUBLE SUPPORT	Registered	86120315	11/15/2013	4,822,764	9/29/2015	Hollander Sleep Products, LLC	United States of America
DOUBLE SUPPORT	Registered	78137048	6/19/2002	2,818,380	2/24/2004	Hollander Sleep Products, LLC	United States of America
DOWN EMBRACE	Registered	75455209	3/23/1998	2,244,632	5/11/1999	Hollander Sleep Products, LLC	United States of America
DOWN ENRAPTURE	Registered	85484775	12/1/2011	4,259,027	12/11/2012	Hollander Sleep Products, LLC	United States of America
DOWN ON TOP	Registered	74437385	9/20/1993	1,946,008	1/2/1996	Hollander Sleep Products, LLC	United States of America
DOWN SURROUND	Registered	74437384	9/20/1993	1,949,403	1/16/1996	Hollander Sleep Products, LLC	United States of America
DOWN WRAP	Registered	76052619	5/22/2000	2,479,644	8/21/2001	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DOWNAROUND	Registered	73445911	9/29/1983	1,292,323	8/28/1984	Hollander Sleep Products, LLC	United States of America
DOWNLOCK	Registered	74576144	9/20/1994	2,095,513	9/9/1997	Hollander Sleep Products, LLC	United States of America
DOWNWORKS	Registered	77044395	11/15/2006	3,870,768	11/2/2010	Hollander Sleep Products, LLC	United States of America
DOWNWORKS	Registered	85776239	11/9/2012	4,522,827	4/29/2014	Hollander Sleep Products, LLC	United States of America
DREAMLOFT	Registered	77780564	7/14/2009	4,067,713	12/6/2011	Hollander Sleep Products, LLC	United States of America
DREAM-LOFT	Registered	86244594	4/7/2014	4,863,911	12/1/2015	Hollander Sleep Products, LLC	United States of America
DREAMSCAPE	Registered	75258742	3/17/1997	2,158,623	5/19/1998	Hollander Sleep Products, LLC	United States of America
DREAMSCAPE	Registered	77662373	2/3/2009	3,663,632	8/4/2009	Hollander Sleep Products, LLC	United States of America
DREAMY NIGHTS	Registered	76407514	5/14/2002	2,795,796	12/16/2003	Hollander Sleep Products, LLC	United States of America
DUAL ZONE	Registered	77489595	6/3/2008	3,540,297	12/2/2008	Hollander Sleep Products, LLC	United States of America
DURAFIL	Registered	73657595	4/27/1987	1,473,201	1/19/1988	Hollander Sleep Products, LLC	United States of America
ECO-SMART	Registered	78924315	7/7/2006	3,538,930	11/25/2008	Hollander Sleep Products, LLC	United States of America
ECO-SMART	Registered	87203501	10/14/2016	5,336,781	11/14/2017	Hollander Sleep Products, LLC	United States of America
ELEMENTA	Registered	78778597	12/21/2005	3,665,120	8/4/2009	Hollander Sleep Products, LLC	United States of America
EMBRACE	Registered	74197577	8/23/1991	1,772,376	5/18/1993	Hollander Sleep Products, LLC	United States of America

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EMBRACE	Registered	77448341	4/15/2008	3,808,912	6/29/2010	Hollander Sleep Products, LLC	United States of America
EMCOMPASS	Registered	76121955	9/5/2000	2,569,503	5/14/2002	Hollander Sleep Products, LLC	United States of America
EURO REST	Registered	75852933	11/17/1999	2,663,759	12/17/2002	Hollander Sleep Products, LLC	United States of America
EURO STAR	Registered	76024225	4/12/2000	2,430,066	2/20/2001	Hollander Sleep Products, LLC	United States of America
EURODOWN	Registered	73546201	7/2/1985	1,411,336	9/30/1986	Hollander Sleep Products, LLC	United States of America
EUROFEATHER	Registered	76514399	5/15/2003	2,896,731	10/26/2004	Hollander Sleep Products, LLC	United States of America
EVEN EDGE	Registered	87277960	12/22/2016	5,245,937	7/18/2017	Hollander Sleep Products, LLC	United States of America
EVENREST	Registered	85032125	5/6/2010	4,071,381	12/13/2011	Hollander Sleep Products, LLC	United States of America
EVERLASTING LOFT	Registered	86024994	7/31/2013	4,893,314	1/26/2016	Hollander Sleep Products, LLC	United States of America
EXPAND A GRIP	Registered	74040636	3/21/1990	1,649,144	6/25/1991	Hollander Sleep Products, LLC	United States of America
EXPAND A GRIP and Design	Registered	77716514	4/17/2009	3,794,644	5/25/2010	Hollander Sleep Products, LLC	United States of America
FEATHER BEST	Registered	86553361	3/4/2015	4,994,980	7/5/2016	Hollander Sleep Products, LLC	United States of America
FEATHERSOFT	Registered	76016034	4/3/2000	2,499,127	10/16/2001	Hollander Sleep Products, LLC	United States of America
FILLED WITH THOUGHT	Registered	78760650	11/23/2005	3,671,015	8/18/2009	Hollander Sleep Products, LLC	United States of America
FLAWLESS FIT	Registered	85776309	11/9/2012	4,586,759	8/19/2014	Hollander Sleep Products, LLC	United States of America

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FLEXIBLE COMFORT	Registered	86783179	10/9/2015	4,987,328	6/28/2016	Hollander Sleep Products, LLC	United States of America
FLEXILOFT	Registered	76151853	10/23/2000	2,558,362	4/9/2002	Hollander Sleep Products, LLC	United States of America
FLEXO-TECH	Registered	87249386	11/28/2016	5,371,395	1/2/2018	Hollander Sleep Products, LLC	United States of America
FLUFFY FOR LIFE	Registered	87118751	7/27/2016	5,155,793	3/7/2017	Hollander Sleep Products, LLC	United States of America
FOREVER FIRM	Registered	85790985	11/29/2012	4,438,818	11/26/2013	Hollander Sleep Products, LLC	United States of America
FOREVER FIT	Registered	85766694	10/30/2012	4,478,885	2/4/2014	Hollander Sleep Products, LLC	United States of America
FOUR STAR	Registered	76345671	12/6/2001	2,692,542	3/4/2003	Hollander Sleep Products, LLC	United States of America
FRESHNESS ASSURED	Registered	76394171	4/10/2002	2,883,566	9/14/2004	Hollander Sleep Products, LLC	United States of America
GEN (Stylized)	Registered	85429472	9/22/2011	4,656,551	12/16/2014	Hollander Sleep Products, LLC	United States of America
GRAND EMBRACE	Registered	75455208	3/23/1998	2,244,631	5/11/1999	Hollander Sleep Products, LLC	United States of America
GRAND LOFT	Registered	86411802	10/1/2014	5,027,679	8/23/2016	Hollander Sleep Products, LLC	United States of America
GRAPH-X	Registered	86428704	10/20/2014	5,508,825	7/3/2018	Hollander Sleep Products, LLC	United States of America
GRAPH-X and Design	Registered	86428660	10/20/2014	5,508,824	7/3/2018	Hollander Sleep Products, LLC	United States of America
GREAT SLEEP	Registered	75472656	4/23/1998	2,301,602	12/21/1999	Hollander Sleep Products, LLC	United States of America
GREAT SLEEP	Registered	87203471	10/14/2016	5,530,920	7/31/2018	Hollander Sleep Products, LLC	United States of America

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GREATFIT	Registered	85766690	10/30/2012	4,359,455	6/25/2013	Hollander Sleep Products, LLC	United States of America
HEALTHY HOME	Registered	77848622	10/14/2009	4,335,138	5/14/2013	Hollander Sleep Products, LLC	United States of America
HEALTHY HOME	Registered	77848609	10/14/2009	3,771,544	4/6/2010	Hollander Sleep Products, LLC	United States of America
Heart Logo	Registered	87203489	10/14/2016	5,590,861	10/23/2018	Hollander Sleep Products, LLC	United States of America
HOLLANDER	Registered	74295197	7/15/1992	1,781,457	7/13/1993	Hollander Sleep Products, LLC	United States of America
HOLLANDER SLEEP PRODUCTS	Registered	86060516	9/10/2013	5,281,490	9/5/2017	Hollander Sleep Products, LLC	United States of America
HOMESPUN	Registered	85673317	7/10/2012	5,082,443	11/15/2016	Hollander Sleep Products, LLC	United States of America
HUGE	Registered	78320367	10/29/2003	2,926,375	2/15/2005	Hollander Sleep Products, LLC	United States of America
HUGE	Registered	75307538	6/12/1997	2,322,531	2/22/2000	Hollander Sleep Products, LLC	United States of America
HUNK	Registered	74281877	6/3/1992	1,747,136	1/19/1993	Hollander Sleep Products, LLC	United States of America
HUNK	Registered	86308201	6/12/2014	4,902,512	2/16/2016	Hollander Sleep Products, LLC	United States of America
HYDRAFRESH	Registered	86481949	12/16/2014	5,498,091	6/19/2018	Hollander Sleep Products, LLC	United States of America
HYDROGEL	Registered	87525570	7/12/2017	5,587,383	10/16/2018	Hollander Sleep Products, LLC	United States of America
HYDROGEL and Design	Registered	87308746	1/20/2017	5,284,781	9/12/2017	Hollander Sleep Products, LLC	United States of America
HYPERCLEAN	Registered	74648845	3/20/1995	2,065,582	5/27/1997	Hollander Sleep Products, LLC	United States of America

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I AM	Registered	87176737	9/20/2016	5,716,014	4/2/2019	Hollander Sleep Products, LLC	United States of America
I AM & DESIGN	Registered	75781525	8/23/1999	2,786,754	11/25/2003	Hollander Sleep Products, LLC	United States of America
IDEAL	Registered	77941722	2/22/2010	4,029,492	9/20/2011	Hollander Sleep Products, LLC	United States of America
INFINILOFT	Registered	86194562	2/14/2014	4,564,329	7/8/2014	Hollander Sleep Products, LLC	United States of America
INFINILOFT	Registered	86346952	7/24/2014	5,023,076	8/16/2016	Hollander Sleep Products, LLC	United States of America
INFINITY	Registered	86281974	5/15/2014	4,664,910	12/30/2014	Hollander Sleep Products, LLC	United States of America
INSULOFT	Registered	74682517	5/31/1995	1,964,294	3/26/1996	Hollander Sleep Products, LLC	United States of America
LC Boot Logo	Registered	86799359	10/26/2015	4,988,088	6/28/2016	Hollander Sleep Products, LLC	United States of America
LC Boot Logo	Registered	85426084	9/19/2011	4,433,022	11/12/2013	Hollander Sleep Products, LLC	United States of America
LC BOOT LOGO	Registered	86348011	7/25/2014	5,448,763	4/17/2018	Hollander Sleep Products, LLC	United States of America
LITE-LOFT	Registered	85933949	5/16/2013	4,458,890	12/31/2013	Hollander Sleep Products, LLC	United States of America
LIVE ACTIVE	Registered	85429497	9/22/2011	4,656,553	12/16/2014	Hollander Sleep Products, LLC	United States of America
LIVE COMFORTABLY	Registered	86799364	10/26/2015	4,988,089	6/28/2016	Hollander Sleep Products, LLC	United States of America
LIVE COMFORTABLY	Registered	86348023	7/25/2014	5,443,535	4/10/2018	Hollander Sleep Products, LLC	United States of America
LIVE COMFORTABLY	Registered	78115624	3/18/2002	2,751,427	8/12/2003	Hollander Sleep Products, LLC	United States of America

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LIVE COMFORTABLY	Registered	85426071	9/19/2011	4,448,232	12/10/2013	Hollander Sleep Products, LLC	United States of America
LIVE NOW!	Registered	85429491	9/22/2011	4,656,552	12/16/2014	Hollander Sleep Products, LLC	United States of America
LOVES TO BE WASHED	Registered	87079290	7/21/2016	5,145,463	2/21/2017	Hollander Sleep Products, LLC	United States of America
LUNALUXE	Registered	85473959	11/16/2011	4,369,363	7/16/2013	Hollander Sleep Products, LLC	United States of America
LUX LOFT	Registered	85137710	9/24/2010	4,471,153	1/21/2014	Hollander Sleep Products, LLC	United States of America
LUXEFILL	Registered	77912125	1/14/2010	3,941,758	4/5/2011	Hollander Sleep Products, LLC	United States of America
LUXEGUARD	Registered	77415386	3/6/2008	3,530,379	11/11/2008	Hollander Sleep Products, LLC	United States of America
LYOCELL DOWN	Registered	85795227	12/5/2012	4,599,592	9/9/2014	Hollander Sleep Products, LLC	United States of America
MAXILOFT	Registered	76151535	10/23/2000	2,747,902	8/5/2003	Hollander Sleep Products, LLC	United States of America
MICRO CLUSTER	Registered	74735992	9/29/1995	2,285,747	10/12/1999	Hollander Sleep Products, LLC	United States of America
MICROFIL	Registered	74465476	12/6/1993	1,932,149	10/31/1995	Hollander Sleep Products, LLC	United States of America
MICROGUARD	Registered	75083902	4/4/1996	2,221,909	2/2/1999	Hollander Sleep Products, LLC	United States of America
MICROMAX	Registered	86511410	1/22/2015	4,803,617	9/1/2015	Hollander Sleep Products, LLC	United States of America
NATURAL BALANCE	Registered	76386744	5/25/2002	2,952,284	5/17/2005	Hollander Sleep Products, LLC	United States of America
NECKRIGHT	Registered	85323141	5/17/2011	4,270,575	1/8/2013	Hollander Sleep Products, LLC	United States of America

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NEVER FLAT	Registered	78238885	4/17/2003	3,107,498	6/20/2006	Hollander Sleep Products, LLC	United States of America
NORTHERN STAR DOWN BLANKET	Registered	76024250	4/12/2000	2,551,812	3/26/2002	Hollander Sleep Products, LLC	United States of America
NOTION	Registered	78630881	5/16/2005	3,738,196	1/12/2010	Hollander Sleep Products, LLC	United States of America
NSP	Registered	85775084	11/8/2012	4,334,982	5/14/2013	Hollander Sleep Products, LLC	United States of America
OPTAFIL	Registered	74080092	7/20/1990	1,717,102	9/15/1992	Hollander Sleep Products, LLC	United States of America
OPULUXE	Registered	86498928	1/8/2015	5,161,606	3/14/2017	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST	Registered	74648042	3/17/1995	1,949,211	1/16/1996	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST	Registered	85626829	5/16/2012	4,495,425	3/11/2014	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST	Registered	85770700	11/2/2012	4,429,909	11/5/2013	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST	Registered	86442842	11/3/2014	4,743,698	5/26/2015	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST	Registered	86847029	12/11/2015	5,007,654	7/26/2016	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST FEATHER CO	Registered	86803847	10/29/2015	5,335,950	11/14/2017	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST FEATHER CO SINCE 1884 and Design	Registered	86455279	11/14/2014	5,057,088	10/11/2016	Hollander Sleep Products, LLC	United States of America

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PACIFIC COAST FEATHER CO. SINCE 1884 and Design	Registered	75000867	10/2/1995	1,997,118	8/27/1996	Hollander Sleep Products, LLC	United States of America
PACIFIC COAST GRAND	Registered	76975951	11/5/2001	2,792,723	12/9/2003	Hollander Sleep Products, LLC	United States of America
PACIFIC PILLOWS	Registered	78696103	8/19/2005	4,721,903	4/21/2015	Hollander Sleep Products, LLC	United States of America
PEACHY	Registered	76024553	4/13/2000	2,489,420	9/11/2001	Hollander Sleep Products, LLC	United States of America
PERFECT REST	Registered	85164795	10/29/2010	4,547,877	6/10/2014	Hollander Sleep Products, LLC	United States of America
PERFECT SUPPORT	Registered	74640191	2/24/1995	2,005,391	10/1/1996	Hollander Sleep Products, LLC	United States of America
PERFECT-FOR-FOAM	Registered	86025000	7/31/2013	4,569,844	7/15/2014	Hollander Sleep Products, LLC	United States of America
PERFORMANCE GRIP	Registered	85776299	11/9/2012	4,905,430	2/23/2016	Hollander Sleep Products, LLC	United States of America
PHYSIOFORM	Registered	86014430	7/18/2013	4,594,242	8/26/2014	Hollander Sleep Products, LLC	United States of America
POLYFIBER COILS	Registered	75494639	6/1/1998	2,394,404	10/10/2000	Hollander Sleep Products, LLC	United States of America
POWER FILL	Registered	74450485	10/25/1993	2,072,070	6/17/1997	Hollander Sleep Products, LLC	United States of America
PRESTIGE	Registered	77755289	6/9/2009	4,063,779	11/29/2011	Hollander Sleep Products, LLC	United States of America
PROFORMANCE	Registered	78594110	3/24/2005	3,641,199	6/16/2009	Hollander Sleep Products, LLC	United States of America
PROGUARD	Registered	76102911	8/3/2000	2,531,647	1/22/2002	Hollander Sleep Products, LLC	United States of America

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PROGUARD	Registered	85776252	11/9/2012	4,905,429	2/23/2016	Hollander Sleep Products, LLC	United States of America
PURE SENSATION	Registered	86386221	9/5/2014	4,833,337	10/13/2015	Hollander Sleep Products, LLC	United States of America
RADIANCE	Registered	74494257	2/25/1994	1,928,681	10/17/1995	Hollander Sleep Products, LLC	United States of America
RELIAGRIP (STYLIZED)	Registered	76455729	10/4/2002	2,752,549	8/19/2003	Hollander Sleep Products, LLC	United States of America
REMMY	Registered	86088677	10/10/2013	4,600,145	9/9/2014	Hollander Sleep Products, LLC	United States of America
RENOVA	Registered	77922713	1/28/2010	4,049,909	11/1/2011	Hollander Sleep Products, LLC	United States of America
REPLENISH	Registered	85007635	4/6/2010	4,264,928	12/25/2012	Hollander Sleep Products, LLC	United States of America
REPLENISH	Registered	85007634	4/6/2010	4,264,927	12/25/2012	Hollander Sleep Products, LLC	United States of America
RESILIA	Registered	86340140	7/17/2014	4,911,903	3/8/2016	Hollander Sleep Products, LLC	United States of America
RESPONSIBLE LUXURY	Registered	86272989	5/6/2014	5,317,377	10/24/2017	Hollander Sleep Products, LLC	United States of America
RESTFUL NIGHTS	Registered	76463983	11/4/2002	2,747,025	8/5/2003	Hollander Sleep Products, LLC	United States of America
ROYALLOFT (STYLIZED)	Registered	76556624	11/3/2003	2,901,394	11/9/2004	Hollander Sleep Products, LLC	United States of America
R-TECH	Registered	85029408	5/4/2010	4,060,884	11/22/2011	Hollander Sleep Products, LLC	United States of America
Running Human Logo	Registered	87203462	10/14/2016	5,590,860	10/23/2018	Hollander Sleep Products, LLC	United States of America
SECURE WEAVE	Registered	85796622	12/6/2012	4,549,360	6/10/2014	Hollander Sleep Products, LLC	United States of America

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SECUREFIT	Registered	76130775	9/20/2000	2,523,708	12/25/2001	Hollander Sleep Products, LLC	United States of America
SENSACOOOL	Registered	85655930	6/19/2012	4,632,783	11/4/2014	Hollander Sleep Products, LLC	United States of America
SIDE-BY-SIDE	Registered	78745714	11/2/2005	3,189,146	12/26/2006	Hollander Sleep Products, LLC	United States of America
SIMPLE COMFORT	Registered	86259009	4/22/2014	4,960,759	5/17/2016	Hollander Sleep Products, LLC	United States of America
SIX STAR	Registered	76345672	12/6/2001	2,692,543	3/4/2003	Hollander Sleep Products, LLC	United States of America
SLEEP FOR SUCCESS	Registered	85109698	8/17/2010	4,195,182	8/21/2012	Hollander Sleep Products, LLC	United States of America
SLEEP FOR SUCCESS!	Registered	87662690	10/27/2017	5,578,548	10/9/2018	Hollander Sleep Products, LLC	United States of America
SLEEP SAFE	Registered	85631966	5/22/2012	5,241,684	7/11/2017	Hollander Sleep Products, LLC	United States of America
SLEEP SATIONS	Registered	85142876	10/1/2010	4,272,674	1/8/2013	Hollander Sleep Products, LLC	United States of America
SLUMBER CORE	Registered	76410016	5/20/2002	2,798,849	12/23/2003	Hollander Sleep Products, LLC	United States of America
SLUMBER'S ALLURE	Registered	85484782	12/1/2011	4,584,846	8/12/2014	Hollander Sleep Products, LLC	United States of America
SLUMBER'S ALLURE	Registered	85979427	12/1/2011	4,385,616	8/13/2013	Hollander Sleep Products, LLC	United States of America
SMART FOAM	Registered	75618046	1/9/1999	2,364,063	7/4/2000	Hollander Sleep Products, LLC	United States of America
SMART GRIP	Registered	85766699	10/30/2012	4,660,112	12/23/2014	Hollander Sleep Products, LLC	United States of America
SMARTFLEX	Registered	85133374	9/20/2010	4,143,506	5/15/2012	Hollander Sleep Products, LLC	United States of America

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SMARTFLEX	Registered	85133384	9/20/2010	4,265,005	12/25/2012	Hollander Sleep Products, LLC	United States of America
SMOOTH GRIP	Registered	77700895	3/27/2009	3,761,840	3/16/2010	Hollander Sleep Products, LLC	United States of America
SMOOTH GRIP and Design	Registered	77716507	4/17/2009	3,791,297	5/18/2010	Hollander Sleep Products, LLC	United States of America
SNUG KNIT	Registered	76229652	3/26/2001	2,944,241	4/26/2005	Hollander Sleep Products, LLC	United States of America
SOMNUS	Registered	76580852	3/15/2004	2,951,135	5/17/2005	Hollander Sleep Products, LLC	United States of America
SOUTHERN STAR	Registered	76024251	4/12/2000	2,430,069	2/20/2001	Hollander Sleep Products, LLC	United States of America
STARLIGHT DUVET INSERT	Registered	76024226	4/12/2000	2,430,067	2/20/2001	Hollander Sleep Products, LLC	United States of America
STAYFLUFF	Registered	77814352	8/27/2009	3,877,872	11/16/2010	Hollander Sleep Products, LLC	United States of America
SUPER FILLED	Registered	85785361	11/21/2012	4,545,331	6/3/2014	Hollander Sleep Products, LLC	United States of America
SUPER FIT	Registered	85755198	10/16/2012	4,632,904	11/4/2014	Hollander Sleep Products, LLC	United States of America
SUPER SUPPORT	Registered	85371305	7/14/2011	4,344,316	5/28/2013	Hollander Sleep Products, LLC	United States of America
SUPERFLUFF	Registered	77645906	1/8/2009	4,276,011	1/15/2013	Hollander Sleep Products, LLC	United States of America
SUPERGRIP	Registered	77826176	9/14/2009	3,923,874	2/22/2011	Hollander Sleep Products, LLC	United States of America
SUPERSIDE	Registered	78381047	3/9/2004	2,984,220	8/9/2005	Hollander Sleep Products, LLC	United States of America
SUPRACELL	Registered	86241535	4/3/2014	4,698,518	3/10/2015	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SUREHOLD	Registered	76107510	8/14/2000	2,587,466	7/2/2002	Hollander Sleep Products, LLC	United States of America
TERRALOFT	Registered	86625201	5/11/2016	5,096,349	12/6/2016	Hollander Sleep Products, LLC	United States of America
THE BEAST	Registered	86452246	11/12/2014	5,266,349	8/15/2017	Hollander Sleep Products, LLC	United States of America
THE JUMBO	Registered	78325794	11/10/2003	2,932,133	3/8/2005	Hollander Sleep Products, LLC	United States of America
THIS YEAR	Registered	85162559	10/27/2010	4,411,408	10/1/2013	Hollander Sleep Products, LLC	United States of America
TOUCH OF DOWN	Registered	78732065	10/12/2005	3,153,679	10/10/2006	Hollander Sleep Products, LLC	United States of America
TRANQUIL HARMONY	Registered	85484764	12/1/2011	4,251,405	11/27/2012	Hollander Sleep Products, LLC	United States of America
TRIA	Registered	77084967	1/17/2007	3,599,036	3/31/2009	Hollander Sleep Products, LLC	United States of America
TRILLIUM	Registered	78594123	3/24/2005	3,716,946	11/24/2009	Hollander Sleep Products, LLC	United States of America
TRI-LOFT	Registered	85135421	9/22/2010	4,335,240	5/14/2013	Hollander Sleep Products, LLC	United States of America
TRILOGY	Registered	74674187	5/15/1995	2,007,760	10/15/1996	Hollander Sleep Products, LLC	United States of America
TRIPLE COMFORT	Registered	86585852	4/2/2015	5,187,072	4/18/2017	Hollander Sleep Products, LLC	United States of America
TROPICAL STAR (STYLIZED)	Registered	76024227	4/12/2000	2,430,068	2/20/2001	Hollander Sleep Products, LLC	United States of America
TWO STAR (STYLIZED)	Registered	76345673	12/6/2001	2,692,544	3/4/2003	Hollander Sleep Products, LLC	United States of America
ULTIMATE FIT	Registered	86550234	3/2/2015	4,787,723	8/4/2015	Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
UNCRUSHABLE (STYLIZED)	Registered	76462052	10/28/2002	3,294,379	9/18/2007	Hollander Sleep Products, LLC	United States of America
UNE VIE DOUILLETT	Registered	78157787	8/26/2002	2,851,928	6/8/2004	Hollander Sleep Products, LLC	United States of America
UNITED FEATHER & DOWN	Registered	87433862	5/2/2017	5728516	4/16/2019	United Feather & Down, LLC.	United States of America
US SMART	Registered	86020081	7/25/2013	4,657,173	12/16/2014	Hollander Sleep Products, LLC	United States of America
US SMART and Design	Registered	86020094	7/25/2013	4,657,174	12/16/2014	Hollander Sleep Products, LLC	United States of America
WAKE UP! AND LIVE	Registered	85250424	2/24/2011	4,564,473	7/8/2014	Hollander Sleep Products, LLC	United States of America
WHERE HOME IS ON THE WAY	Registered	85663071	6/27/2012	4,272,374	1/8/2013	Hollander Sleep Products, LLC	United States of America
WONDER LOFT	Registered	75383284	11/3/1997	2,362,736	6/27/2000	Hollander Sleep Products, LLC	United States of America
WON'T GO FLAT	Registered	85307645	4/28/2011	4,163,367	6/26/2012	Hollander Sleep Products, LLC	United States of America
WON'T GO FLAT	Registered	86599686	4/16/2015	4,915,237	3/8/2016	Hollander Sleep Products, LLC	United States of America
3W (Stylized)	Pending	87902261	5/1/2018			Hollander Sleep Products, LLC	United States of America
A WORLD OF COMFORT	Pending	87708942	12/5/2017			Hollander Sleep Products, LLC	United States of America
ALLSLEEP	Pending	88290665	2/6/2019			Hollander Sleep Products, LLC	United States of America
AQUACHILL	Pending	88208272	11/28/2018			Hollander Sleep Products, LLC	United States of America
ARCTIC DOWN	Pending	87662622	10/27/2017			Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
ARCTIC FRESH	Pending	88253450	1/8/2019			Hollander Sleep Products, LLC	United States of America
BLUE DIAMOND	Pending	88186043	11/8/2018			Hollander Sleep Products, LLC	United States of America
COMFORT '365	Pending	86959503	3/31/2016			Hollander Sleep Products, LLC	United States of America
COMFORT '365 (Design)	Pending	88129193	9/24/2018			Hollander Sleep Products, LLC	United States of America
COMFORT-LITE	Pending	88285679	2/1/2019			Hollander Sleep Products, LLC	United States of America
DIAMONDCOOL	Pending	88219720	12/6/2018			Hollander Sleep Products, LLC	United States of America
ECO-SMART	Pending	88219558	12/6/2018			Hollander Sleep Products, LLC	United States of America
EMBRACE	Pending	88279342	1/28/2019			Hollander Sleep Products, LLC	United States of America
FLEXILOFT (STYLIZED)	Pending	88219808	12/6/2018			Hollander Sleep Products, LLC	United States of America
GREAT SLEEP	Pending	87927118	5/18/2018			Hollander Sleep Products, LLC	United States of America
GREAT SLEEP	Pending	88175067	10/30/2018			Hollander Sleep Products, LLC	United States of America
GREAT SLEEP	Pending	88308125	2/20/2019			Hollander Sleep Products, LLC	United States of America
GREAT THINGS COME FROM GREAT SLEEP	Pending	88158144	10/17/2018			Hollander Sleep Products, LLC	United States of America
HEALTHY LIVING	Pending	86436763	10/28/2014			Hollander Sleep Products, LLC	United States of America
HYDROCOOL	Pending	87166802	9/9/2016			Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
I AM	Pending	87927124	5/18/2018			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88127310	9/21/2018			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88175746	10/31/2018			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295982	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295968	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295953	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295961	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295943	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295894	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	88295902	2/11/2019			Hollander Sleep Products, LLC	United States of America
I AM	Pending	87691276	11/20/2017			Hollander Sleep Products, LLC	United States of America
I AM YOGA	Pending	87742061	1/3/2018			Hollander Sleep Products, LLC	United States of America
LIVE COMFORTABLY	Pending	87931722	5/22/2018			Hollander Sleep Products, LLC	United States of America
LIVECOMFORTABLY (Stylized)	Pending	88310029	2/21/2019			Hollander Sleep Products, LLC	United States of America
LYODOWN	Pending	88212430	11/30/2018			Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LYODOWN SURROUND	Pending	88212247	11/30/2018			Hollander Sleep Products, LLC	United States of America
MIRACLE FIBER	Pending	86929044	3/4/2016			Hollander Sleep Products, LLC	United States of America
MIRACLE FIBER	Pending	87153590	8/29/2016			Hollander Sleep Products, LLC	United States of America
NATURAL ELEMENTS	Pending	87308348	1/20/2017			Hollander Sleep Products, LLC	United States of America
NATURALLY COOL	Pending	88134008	9/27/2018			Hollander Sleep Products, LLC	United States of America
NEVERFLAT	Pending	87509017	6/28/2017			Hollander Sleep Products, LLC	United States of America
OPTITEMP	Pending	88258277	1/11/2019			Hollander Sleep Products, LLC	United States of America
PACIFIC COAST FEATHER CO	Pending	88158175	10/17/2018			Hollander Sleep Products, LLC	United States of America
PERFECT REST	Pending	88279357	1/28/2019			Hollander Sleep Products, LLC	United States of America
POP CORNER	Pending	88176018	10/31/2018			Hollander Sleep Products, LLC	United States of America
RESPONSIBLE LUXURY	Pending	88219562	12/6/2018			Hollander Sleep Products, LLC	United States of America
SLEEP 4 A's	Pending	88176004	10/31/2018			Hollander Sleep Products, LLC	United States of America
SLZZP	Pending	87304233	1/17/2017			Hollander Sleep Products, LLC	United States of America
SMARTFLEX	Pending	88167359	10/24/2018			Hollander Sleep Products, LLC	United States of America
STRETCHFIT	Pending	88258336	1/11/2019			Hollander Sleep Products, LLC	United States of America

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT	Pending	88175996	10/31/2018			Hollander Sleep Products, LLC	United States of America
TEMPZONE	Pending	88258284	1/11/2019			Hollander Sleep Products, LLC	United States of America
Three Arc Design	Pending	87784733	2/5/2018			Hollander Sleep Products, LLC	United States of America
TRI-COOL	Pending	87691494	11/20/2017			Hollander Sleep Products, LLC	United States of America
TWICE COOL	Pending	86924842	3/1/2016			Hollander Sleep Products, LLC	United States of America
US SMART	Pending	88219557	12/6/2018			Hollander Sleep Products, LLC	United States of America
US SMART & Design	Pending	88219553	12/6/2018			Hollander Sleep Products, LLC	United States of America
V-NECK	Pending	88279329	1/28/2019			Hollander Sleep Products, LLC	United States of America

CANADIAN TRADEMARK REGISTRATIONS AND APPLICATIONS:

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
A WORLD OF COMFORT	Registered	1752828	10/30/2015	TMA999,487	6/20/2018	Hollander Sleep Products, LLC	Canada
A.H.F.	Registered	1421286	12/10/2008	TMA758656	2/2/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
ACTIVECOOL	Registered	1654979	12/5/2013	TMA957136	12/5/2016	Hollander Sleep Products, LLC	Canada
AFFIRM	Registered	1481169	5/14/2010	TMA826628	6/19/2012	Hollander Sleep Products, LLC	Canada
AHF & DESIGN	Registered	1421287	12/10/2008	TMA758655	2/2/2010	Hollander Sleep Products, LLC	Canada
ALLERREST	Registered	1209830	3/16/2004	TMA711231	4/8/2008	Hollander Sleep Products, LLC	Canada
ALLER-SURE	Registered	1442239	6/19/2009	TMA854200	6/28/2013	Hollander Sleep Products, LLC	Canada
ALLERX	Registered	1371733	11/13/2007	TMA748573	9/23/2009	Hollander Sleep Products, LLC	Canada
ARCTIC FRESH	Registered	1498171	10/1/2010	TMA916923	10/13/2015	Hollander Sleep Products, LLC	Canada

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BABY BLUE	Registered	1487405	7/5/2010	TMA796525	5/2/2011	Hollander Sleep Products, LLC	Canada
BARRIER WEAVE	Registered	1501835	10/29/2010	TMA833243	9/28/2012	Hollander Sleep Products, LLC	Canada
BASIC COMFORT	Registered	1477224	4/16/2010	TMA791232	2/21/2011	Hollander Sleep Products, LLC	Canada
BED ARMOR	Registered	1168865	2/21/2003	TMA643658	7/6/2005	Hollander Sleep Products, LLC	Canada
BEYOND COMFORT	Registered	1440876	6/9/2009	TMA875807	4/15/2014	Hollander Sleep Products, LLC	Canada
BEYOND DOWN	Registered	1555263	12/7/2011	TMA838340	12/12/2012	Hollander Sleep Products, LLC	Canada
BEYOND SLEEP	Registered	1320820	10/19/2006	TMA783454	11/25/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BIG COMFORT	Registered	1418469	11/17/2008	TMA757693	1/22/2010	Hollander Sleep Products, LLC	Canada
BIO-BAG	Registered	1424031	1/9/2009	TMA762644	3/25/2010	Hollander Sleep Products, LLC	Canada
BIO-BAG...& DESIGN	Registered	1424136	1/12/2009	TMA763908	4/12/2010	Hollander Sleep Products, LLC	Canada
BIOCRYSTAL	Registered	1439354	5/27/2009	TMA766718	5/13/2010	Hollander Sleep Products, LLC	Canada
BREATHE WELL	Registered	894571	10/27/1998	TMA553109	10/31/2001	Hollander Sleep Products, LLC	Canada
BREATHE-COOL	Registered	1672011	4/9/2014	TMA992765	3/20/2018	Hollander Sleep Products, LLC	Canada
BREATHEWELL	Registered	1705939	12/5/2014	TMA995431	4/27/2018	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
BUG BLOCK	Registered	1517755	3/4/2011	TMA817566	2/14/2012	Hollander Sleep Products, LLC	Canada
CANADA SMART	Registered	1637354	7/30/2013	TMA962733	2/14/2017	Hollander Sleep Products, LLC	Canada
CANADA SMART Logo	Registered	1655188	12/6/2013	TMA954199	11/3/2016	Hollander Sleep Products, LLC	Canada
CANNSTATTER	Registered	1442808	6/25/2009	TMA881243	7/4/2014	Hollander Sleep Products, LLC	Canada
CAPTURE TOP	Registered	1371711	11/13/2007	TMA757842	1/26/2010	Hollander Sleep Products, LLC	Canada
CHAMBERCOMBE	Registered	1461288	12/2/2009	TMA822977	4/26/2012	Hollander Sleep Products, LLC	Canada
CLEAN COMFORT	Registered	1371773	11/13/2007	TMA729336	11/24/2008	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
CLEAN LIVING	Registered	1385283	2/28/2008	TMA729332	11/24/2008	Hollander Sleep Products, LLC	Canada
CLEANLOFT	Registered	1386815	3/11/2008	TMA729334	11/24/2008	Hollander Sleep Products, LLC	Canada
CLEAR FRESH	Registered	1534918	7/8/2011	TMA910814	8/11/2015	Hollander Sleep Products, LLC	Canada
CLUSTAIRE	Registered	1309744	7/19/2006	TMA795171	4/11/2011	Hollander Sleep Products, LLC	Canada
CLUSTER PUFF	Registered	1221423	6/23/2004	TMA662003	3/31/2006	Hollander Sleep Products, LLC	Canada
COMFORT CORE	Registered	0848198	6/17/1997	TMA593052	10/24/2003	Hollander Sleep Products, LLC	Canada
COMFORT LOCK	Registered	0768647	11/15/1994	TMA488350	1/27/1998	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
COMFORT WRAP	Registered	1394765	5/8/2008	TMA763665	4/8/2010	Hollander Sleep Products, LLC	Canada
CONFORMANCE	Registered	1603389	11/21/2012	TMA965187	3/8/2017	Hollander Sleep Products, LLC	Canada
CONFORT ET RESPECT DE L'ENVIRO	Registered	1377886	1/3/2008	TMA735,546	3/3/2009	Hollander Sleep Products, LLC	Canada
CORE SLEEP	Registered	1540395	8/19/2011	TMA883014	7/29/2014	Hollander Sleep Products, LLC	Canada
COTON D'OR	Registered	1379243	1/15/2008	TMA729330	11/24/2008	Hollander Sleep Products, LLC	Canada
COTTON D'OR	Registered	1379251	1/15/2008	TMA729331	11/24/2008	Hollander Sleep Products, LLC	Canada
CRYSTALLINE	Registered	1700233	10/29/2014	TMA984,327	11/6/2017	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
CUDDLESOFT	Registered	1254954	4/21/2005	TMA661418	3/24/2006	Hollander Sleep Products, LLC	Canada
DOUBLE STUFF	Registered	1603384	11/21/2012	TMA918325	10/26/2015	Hollander Sleep Products, LLC	Canada
DOWN AROUND	Registered	0818663	7/23/1996	TMA502795	10/26/1998	Hollander Sleep Products, LLC	Canada
DOWN CRADLE	Registered	1438962	5/22/2009	TMA826867	6/21/2010	Hollander Sleep Products, LLC	Canada
DOWN ENHANCE	Registered	1458920	11/12/2009	TMA831845	9/12/2012	Hollander Sleep Products, LLC	Canada
DOWN ENRAPTURE	Registered	1556714	12/16/2011	TMA921503	11/27/2015	Hollander Sleep Products, LLC	Canada
DOWN SURROUND	Registered	1603711	11/23/2012	TMA879063	5/29/2014	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DOWN WRAP	Registered	1442733	6/25/2009	TMA768528	6/2/2010	Hollander Sleep Products, LLC	Canada
DOWNLOCK	Registered	0768646	11/15/1994	TMA511258	4/28/1999	Hollander Sleep Products, LLC	Canada
DOWNWORKS	Registered	1603385	11/21/2012	TMA918328	10/26/2015	Hollander Sleep Products, LLC	Canada
DREAM SOLUTIONS	Registered	1304909	6/9/2006	TMA805965	9/2/2011	Hollander Sleep Products, LLC	Canada
DREAMSCAPE	Registered	846340	5/28/1997	537853	11/28/2000	Hollander Sleep Products, LLC	Canada
DUAL ZONE	Registered	1398619	1/9/2007	TMA810191	10/25/2011	Hollander Sleep Products, LLC	Canada
EARTH ESSENTIALS	Registered	1378501	1/9/2008	TMA762747	3/26/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
ECOCOMFORT	Registered	1387259	3/13/2008	TMA729339	11/24/2008	Hollander Sleep Products, LLC	Canada
EUROFEATHER	Registered	0782569	5/10/1995	TMA492650	4/8/1998	Hollander Sleep Products, LLC	Canada
EVENDREAM	Registered	1441466	6/15/2009	TMA849032	4/19/2013	Hollander Sleep Products, LLC	Canada
EXPAND A GRIP and Design	Registered	1435253	4/21/2009	TMA822446	4/18/2012	Hollander Sleep Products, LLC	Canada
EXPAND-A-GRIP	Registered	0666903	9/20/1990	TMA402264	9/4/1992	Hollander Sleep Products, LLC	Canada
FLAWLESS FIT	Registered	1625829	5/8/2013	TMA937108	5/6/2016	Hollander Sleep Products, LLC	Canada
FOREVER FIRM	Registered	1606548	12/13/2012	TMA918324	10/26/2015	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
FOREVER FIT	Registered	1655830	12/11/2013	TMA917331	10/16/2015	Hollander Sleep Products, LLC	Canada
GEN Stylized	Registered	1547226	10/11/2011	TMA933616	4/4/2016	Hollander Sleep Products, LLC	Canada
GRAND LOFT	Registered	1696599	10/3/2014	TMA982124	10/4/2017	Hollander Sleep Products, LLC	Canada
GREAT SLEEP	Registered	1544177	9/20/2011	TMA831859	9/12/2012	Hollander Sleep Products, LLC	Canada
HEALTHY HOME	Registered	829436	11/20/1996	494,096	5/7/1998	Hollander Sleep Products, LLC	Canada
HEALTHY LIVING	Registered	1384373	2/21/2008	TMA785748	12/22/2010	Hollander Sleep Products, LLC	Canada
HOLLANDER HOME FASHIONS	Registered	543705	6/13/1985	322219	12/26/1986	Hollander Sleep Products, LLC	Canada

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HUGE	Registered	1489883	7/23/2010	TMA854631	7/5/2013	Hollander Sleep Products, LLC	Canada
HUNK	Registered	0746734	2/1/1994	TMA443659	6/9/1995	Hollander Sleep Products, LLC	Canada
HYDRAFRESH	Registered	1716186	2/20/2015	TMA959519	1/9/2017	Hollander Sleep Products, LLC	Canada
HYDROCOOL	Registered	1653474	11/25/2013	TMA960082	1/12/2017	Hollander Sleep Products, LLC	Canada
HYPERCLEAN	Registered	0782570	5/10/1995	TMA522690	2/7/2000	Hollander Sleep Products, LLC	Canada
HYPERCOOL	Registered	1720665	3/24/2015	TMA1008609	11/9/2018	Hollander Sleep Products, LLC	Canada
I AM	Registered	1814488	12/15/2016	TMA995331	4/26/2018	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
IDEAL	Registered	1470983	2/25/2010	TMA836196	11/9/2012	Hollander Sleep Products, LLC	Canada
INFINILOFT	Registered	1598576	10/17/2012	TMA926730	1/21/2016	Hollander Sleep Products, LLC	Canada
LBC	Registered	1486934	6/29/2010	TMA797668	5/16/2011	Hollander Sleep Products, LLC	Canada
LBC CANADA	Registered	1486935	6/29/2010	TMA797667	5/16/2011	Hollander Sleep Products, LLC	Canada
LC Boot Logo	Registered	1545110	9/26/2011	TMA694979	8/11/2016	Hollander Sleep Products, LLC	Canada
LC Boot Logo	Registered	1752829	10/30/2015	TMA999949	6/28/2018	Hollander Sleep Products, LLC	Canada
LITE-LOFT	Registered	1655829	12/11/2013	TMA957,841	12/13/2016	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LIVE ACTIVE	Registered	1547220	10/11/2011	TMA933,843	4/6/2016	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1151245	8/29/2002	TMA620,784	9/28/2004	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1545102	9/26/2011	TMA964994	3/7/2017	Hollander Sleep Products, LLC	Canada
LIVE COMFORTABLY	Registered	1752655	10/29/2015	TMA999951	6/28/2018	Hollander Sleep Products, LLC	Canada
LIVE NOW	Registered	1547219	10/11/2011	TMA933604	4/4/2016	Hollander Sleep Products, LLC	Canada
LOVES TO BE WASHED	Registered	1716144	2/20/2015	TMA949671	9/19/2016	Hollander Sleep Products, LLC	Canada
LUXEGUARD	Registered	1300562	5/5/2006	TMA774802	8/17/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LUXIA	Registered	1615486	2/25/2013	TMA888541	10/22/2014	Hollander Sleep Products, LLC	Canada
LUX-LOFT	Registered	1665911	2/28/2014	TMA1008353	11/6/2018	Hollander Sleep Products, LLC	Canada
LUNALUXE	Registered	1552990	11/21/2011	TMA979323	8/24/2017	Hollander Sleep Products, LLC	Canada
MICROMAX	Registered	1713441	2/2/2015	TMA966629	3/23/2017	Hollander Sleep Products, LLC	Canada
MIRACLE DREAMS	Registered	1390225	4/7/2008	TMA742935	7/2/2009	Hollander Sleep Products, LLC	Canada
MODERN HOME	Registered	1389289	3/31/2008	TMA729329	11/24/2008	Hollander Sleep Products, LLC	Canada
NATIONAL SLEEP PRODUCTS	Registered	0782145	5/5/1995	TMA494924	5/20/1998	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
NATURAL BALANCE	Registered	1477078	4/15/2010	TMA875808	4/15/2014	Hollander Sleep Products, LLC	Canada
NATURAL ELEMENTS	Registered	1395929	5/15/2008	TMA755671	12/18/2009	Hollander Sleep Products, LLC	Canada
NATURAL LIVING	Registered	1155201	10/8/2002	TMA651523	10/26/2005	Hollander Sleep Products, LLC	Canada
NATURAL SLUMBER	Registered	1477260	4/16/2010	TMA878554	5/23/2014	Hollander Sleep Products, LLC	Canada
NEVER FLAT	Registered	1270917	9/2/2005	TMA669,135	8/2/2006	Hollander Sleep Products, LLC	Canada
NSP	Registered	1603382	11/21/2012	TMA918288	10/26/2015	Hollander Sleep Products, LLC	Canada
PACIFIC COAST	Registered	0787886	7/19/1995	TMA467336	12/9/1996	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PACIFIC COAST	Registered	1595092	9/20/2012	TMA909705	7/28/2015	Hollander Sleep Products, LLC	Canada
PACIFIC COAST	Registered	1602737	11/16/2012	TMA920131	11/13/2015	Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER CO SINCE	Registered	1708504	12/22/2014	TMA988,348	1/12/2018	Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER COMPANY	Registered	1760510	12/21/2015	TMA967093	3/29/2017	Hollander Sleep Products, LLC	Canada
POWER SLEEP	Registered	1548332	10/19/2011	TMA917149	10/15/2015	Hollander Sleep Products, LLC	Canada
POWERLOFT	Registered	1140435	5/13/2002	TMA598840	1/8/2004	Hollander Sleep Products, LLC	Canada
PROFORMANCE	Registered	1277594	10/28/2005	TMA788243	1/21/2011	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
PROGUARD	Registered	1603391	11/21/2012	TMA998241	6/6/2018	Hollander Sleep Products, LLC	Canada
PÜR COMFORT	Registered	1558617	1/5/2012	TMA839518	1/8/2013	Hollander Sleep Products, LLC	Canada
PÜR SUPPORT	Registered	1558618	1/5/2012	TMA839517	1/8/2013	Hollander Sleep Products, LLC	Canada
PÜR VALUE	Registered	1558619	1/5/2012	TMA844892	2/27/2013	Hollander Sleep Products, LLC	Canada
QUEST	Registered	1510560	1/10/2011	TMA815264	1/10/2012	Hollander Sleep Products, LLC	Canada
RELIAGRIP (STYLIZED)	Registered	1476545	4/12/2010	TMA800129	6/16/2011	Hollander Sleep Products, LLC	Canada
RENOVA	Registered	1487429	7/5/2010	TMA854513	7/4/2013	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
RESILIA	Registered	1685975	7/18/2014	TMA974466	6/27/2017	Hollander Sleep Products, LLC	Canada
RESTFUL NIGHTS	Registered	1166003	1/27/2003	TMA658115	2/6/2006	Hollander Sleep Products, LLC	Canada
SENSACOOOL	Registered	1583150	6/21/2012	TMA973842	6/19/2017	Hollander Sleep Products, LLC	Canada
SIDE-BY-SIDE	Registered	1278498	11/4/2005	TMA697400	9/27/2007	Hollander Sleep Products, LLC	Canada
SILVER SURE	Registered	1361794	8/30/2007	TMA791673	2/25/2011	Hollander Sleep Products, LLC	Canada
SIMPLE COMFORT	Registered	1312384	7/31/2006	TMA693163	7/31/2007	Hollander Sleep Products, LLC	Canada
SLEEP CLASSICS	Registered	1450539	9/3/2009	TMA773119	7/28/2010	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SLEEPSATIONS	Registered	1341356	3/29/2007	TMA793831	3/25/2011	Hollander Sleep Products, LLC	Canada
SLEEPSATIONS	Registered	1498089	10/1/2010	TMA812456	11/23/2011	Hollander Sleep Products, LLC	Canada
SLZZP	Registered	1818741	1/18/2017	TMA1002051	8/2/2018	Hollander Sleep Products, LLC	Canada
SMART FIBRE	Registered	1275403	10/12/2005	TMA740173	5/14/2009	Hollander Sleep Products, LLC	Canada
SMARTFLEX	Registered	1500121	10/18/2010	TMA878219	5/20/2014	Hollander Sleep Products, LLC	Canada
SMOOTH GRIP	Registered	1432902	3/30/2009	TMA822189	4/16/2012	Hollander Sleep Products, LLC	Canada
SMOOTH GRIP and Design	Registered	1435254	4/21/2009	TMA822445	4/18/2012	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SNUG KNIT	Registered	1103001	5/15/2001	TMA667734	7/14/2006	Hollander Sleep Products, LLC	Canada
STRATUS	Registered	1442058	6/18/2009	TMA848287	4/11/2013	Hollander Sleep Products, LLC	Canada
STRETCHFIT	Registered	1082908	11/16/2000	TMA599736	1/16/2004	Hollander Sleep Products, LLC	Canada
STUDENT CHOICE	Registered	1371683	11/6/2007	TMA729335	11/24/2008	Hollander Sleep Products, LLC	Canada
STUDENT EDITIONS	Registered	1371654	11/5/2007	TMA729333	11/24/2008	Hollander Sleep Products, LLC	Canada
SUPER FIT	Registered	1598577	10/17/2012	TMA965370	3/10/2017	Hollander Sleep Products, LLC	Canada
SUPERGRIP	Registered	1451988	9/16/2009	TMA828203	7/17/2012	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
SUPERSIDE	Registered	1452964	9/24/2009	TMA834458	10/17/2012	Hollander Sleep Products, LLC	Canada
SUPERSIDE	Registered	1225865	8/4/2004	TMA641078	6/1/2005	Hollander Sleep Products, LLC	Canada
THE BLUE WHALE	Registered	0858547	10/14/1997	TMA498787	8/17/1998	Hollander Sleep Products, LLC	Canada
THE BLUE WHALE	Registered	1504934	11/23/2010	TMA807902	9/28/2011	Hollander Sleep Products, LLC	Canada
TOP SHIELD	Registered	1458051	11/5/2009	TMA781429	11/2/2010	Hollander Sleep Products, LLC	Canada
TOUCH OF DOWN	Registered	1277793	10/31/2005	TMA710684	4/1/2008	Hollander Sleep Products, LLC	Canada
TRIA	Registered	1332303	2/23/2007	TMA811790	11/16/2011	Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
TRILLIUM	Registered	1340704	3/23/2007	TMA805969	9/2/2011	Hollander Sleep Products, LLC	Canada
TRUECLEAN	Registered	1487425	7/5/2010	TMA881261	7/4/2014	Hollander Sleep Products, LLC	Canada
ULTRA ESSENCE	Registered	1533355	6/27/2011	TMA879395	6/4/2014	Hollander Sleep Products, LLC	Canada
UNE VIE DOUILLETT	Registered	1151246	8/29/2002	TMA638,406	4/27/2005	Hollander Sleep Products, LLC	Canada
3W (Stylized)	Pending	1897263	5/3/2018			Hollander Sleep Products, LLC	Canada
ARCTIC DOWN	Pending	1903904	6/12/2018			Hollander Sleep Products, LLC	Canada
ARCTIC FRESH	Pending	1940803	1/15/2019			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
DIAMONDCOOL	Pending	1705941	12/5/2014			Hollander Sleep Products, LLC	Canada
DIET EXERCISE SLEEP Arrows Logo	Pending	1903763	6/12/2018			Hollander Sleep Products, LLC	Canada
DURAFIL	Pending	1882474	2/9/2018			Hollander Sleep Products, LLC	Canada
ECO-SMART	Pending	1935566	12/12/2018			Hollander Sleep Products, LLC	Canada
ECO-SMART	Pending	1818740	1/18/2017			Hollander Sleep Products, LLC	Canada
EMBRACE	Pending	1944396	2/4/2019			Hollander Sleep Products, LLC	Canada
FLEXILOFT	Pending	1948064	2/25/2019			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
FLEXILOFT (STYLIZED)	Pending	1935546	12/12/2018			Hollander Sleep Products, LLC	Canada
GREAT SLEEP	Pending	1900368	5/22/2018			Hollander Sleep Products, LLC	Canada
GREAT THINGS COME FROM GREAT SLEEP	Pending	1927369	10/26/2018			Hollander Sleep Products, LLC	Canada
I AM	Pending	1935568	12/12/2018			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945575	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945574	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945584	2/11/2019			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
I AM	Pending	1945583	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945582	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945581	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1945578	2/11/2019			Hollander Sleep Products, LLC	Canada
I AM	Pending	1846279	7/7/2017			Hollander Sleep Products, LLC	Canada
I AM	Pending	1900369	5/22/2018			Hollander Sleep Products, LLC	Canada
I AM	Pending	1825704	3/3/2017			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
LIVE COMFORTABLY	Pending	1900537	5/23/2018			Hollander Sleep Products, LLC	Canada
EVEN COOLER	Pending	1819177	1/20/2017			Hollander Sleep Products, LLC	Canada
NATURAL ELEMENTS	Pending	1819507	1/24/2017			Hollander Sleep Products, LLC	Canada
OPTITEMP	Pending	1941279	1/17/2019			Hollander Sleep Products, LLC	Canada
PACIFIC COAST FEATHER CO	Pending	1927365	10/26/2018			Hollander Sleep Products, LLC	Canada
PERFECT REST	Pending	1944398	2/4/2019			Hollander Sleep Products, LLC	Canada
POP CORNER	Pending	1928679	11/5/2018			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
RESPONSIBLE LUXURY	Pending	1935556	12/12/2018			Hollander Sleep Products, LLC	Canada
RESPONSIBLE LUXURY	Pending	1948060	2/25/2019			Hollander Sleep Products, LLC	Canada
SLEEP 4 A'S	Pending	1928705	11/5/2018			Hollander Sleep Products, LLC	Canada
SMARTFLEX	Pending	1927370	10/26/2018			Hollander Sleep Products, LLC	Canada
TECHNOLOGY THAT ADAPTS TO YOUR COMFORT	Pending	1928695	11/5/2018			Hollander Sleep Products, LLC	Canada
TEMPZONE	Pending	1941283	1/17/2019			Hollander Sleep Products, LLC	Canada
TRI-COOL	Pending	1903632	6/11/2018			Hollander Sleep Products, LLC	Canada

Title	Case Status	Appln. No.	Appln. Date	Reg. No.	Reg. Date	Owner	Country
TRI-COOL	Pending	1905773	6/22/2018			Hollander Sleep Products, LLC	Canada
WON'T GO FLAT	Pending	1810952	11/23/2016			Hollander Sleep Products, LLC	Canada

SCHEDULE 6(h)

INTELLECTUAL PROPERTY MATTERS

None.

SCHEDULE 7

NAME; CHIEF EXECUTIVE OFFICE; TAX IDENTIFICATION NUMBERS AND ORGANIZATIONAL NUMBERS

Legal Name	Chief Executive Office	Organizational Number	Federal Taxpayer Identification Number	Jurisdiction of Formation
Hollander Sleep Products, LLC	901 Yamato Rd, Suite 250 Boca Raton, Florida 33431	4707584	27-0542143	Delaware
Hollander Home Fashions Holdings, LLC	901 Yamato Rd, Suite 250 Boca Raton, Florida 33431	4707581	27-0542063	Delaware
Hollander Sleep Products Kentucky, LLC	901 Yamato Rd, Suite 250 Boca Raton, Florida 33431	5391198	90-1014119	Delaware
Dream II Holdings, LLC	330 Madison Avenue, 27 th Floor New York, NY 10017	5573985	47-1927915	Delaware
Pacific Coast Feather, LLC	1964 Fourth Avenue South Seattle, WA 98134	6446302	91-0891445	Delaware
Pacific Coast Feather Cushion, LLC	7600 Industry Avenue Pico Rivera, CA 90660	6445445	93-1063119	Delaware

SCHEDULE 8

OWNED REAL PROPERTY

<u>Loan Party</u>	<u>Address</u>	<u>County</u>	<u>State</u>
Pacific Coast Feather, LLC	220 Miriam Street Henderson, NC 27536	Vance	North Carolina

SCHEDULE 9

DEPOSIT ACCOUNTS AND SECURITIES ACCOUNTS

OWNER	TYPE OF ACCOUNT	BANK OR INTERMEDIARY NAME AND ADDRESS	ACCOUNT NUMBERS	EXCLUDED Y/N
Hollander Sleep Products, LLC	Plant Payroll	Wells Fargo Bank 5131 Congress Ave Boca Raton, FL 33487	4123486169	Y
Hollander Sleep Products, LLC	Depository Account	Wells Fargo Bank 350 East Las Olas Blvd Fort Lauderdale, FL 33301	4965524234	N
Hollander Sleep Products, LLC	Operating Account	Wells Fargo Bank 350 East Las Olas Blvd Fort Lauderdale, FL 33301	4965524226	N
Hollander Sleep Products, LLC	Disbursement Account	Wells Fargo Bank 350 East Las Olas Blvd Fort Lauderdale, FL 33301	8019001471	Y
Pacific Coast Feather, LLC	Merchant Deposit	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	4089248066	N
Dream II Holdings, LLC	US\$ Depository Account - Pacific Coast Feather, LLC	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	4218612851	Y
Dream II Holdings, LLC	US\$ Depository Account - Pacific Coast Feather Cushion, LLC	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	4249792581	Y
Dream II Holdings, LLC	Operating - Healthcomp	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	801-9060451	Y
Pacific Coast Feather Cushion, LLC	Manual check book	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	449-1312005	N
Pacific Coast Feather Cushion, LLC	Merchant Deposit	Wells Fargo Bank 5355 Town Center Road Ste 301 Boca Raton, FL 33486	461-10587339	N

SCHEDULE 10

CONTROLLED ACCOUNT BANKS

Schedule 9 is herein incorporated by reference, other than with respect to Excluded Deposit Accounts and Securities Accounts.

SCHEDULE 11

LIST OF UNIFORM COMMERCIAL CODE FILING JURISDICTIONS

<u>Grantor</u>	<u>Jurisdiction</u>
Hollander Sleep Products, LLC	Delaware Secretary of State
Dream II Holdings, LLC	Delaware Secretary of State
Hollander Home Fashions Holdings, LLC	Delaware Secretary of State
Hollander Sleep Products Kentucky, LLC	Delaware Secretary of State
Pacific Coast Feather, LLC	Delaware Secretary of State
Pacific Coast Feather Cushion, LLC	Delaware Secretary of State

Exhibit C to the Amended and Restated Restructuring Support and Settlement Agreement

Exit Term Loan Commitment Letter

CONFIDENTIAL

May 19, 2019

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

Hollander Sleep Products, LLC
\$30,000,000 New Money Exit Term Loan Facility
Exit Backstop Commitment Letter

Mr. Pfefferle:

Reference is made to:

- that certain Term Loan Credit Agreement, dated as of June 9, 2017, by and among Hollander Sleep Products, LLC (“HSP”), the guarantors party thereto, the lenders from time to time party thereto (the “Pre-Petition Term Lenders”), and Barings Finance LLC, as the administrative agent for the Pre-Petition Term Lenders (the “Pre-Petition Term Agent”), as the same may be amended, supplemented, waived or otherwise modified from time to time;
- that certain Restructuring Support Agreement, dated as of the date hereof, between HSP, the Pre-Petition Term Agent, certain of the Pre-Petition Term Lenders, and certain other parties thereto; and
- the Summary of Proposed Terms and Conditions attached hereto as Exhibit A (the “Exit Term Loan Term Sheet” and, together with this letter, the “Exit Backstop Commitment Letter”).

Capitalized terms used herein without definition have the meanings assigned to such terms in the Exit Term Loan Term Sheet.

Backstop Commitments.

Each of the undersigned (collectively, the “Exit Backstop Commitment Parties” and each individually, an “Exit Backstop Commitment Party”) hereby, severally but not jointly, (i) commits to provide (directly and/or through one or more of its affiliates, accounts managed or sub-managed by it or its affiliates and direct or indirect subsidiaries, each such affiliate, account subsidiary or any other lender under the Exit Term Loan Facility, as hereinafter defined, an “Exit Backstop Lender”) its pro rata share (such commitment, the “Pro Rata Share Commitment”) set forth on Schedule I hereto of a \$30,000,000 senior secured term loan credit facility (the “New Money Exit Term Loan Facility”) to HSP (the “Borrower”), which such Pro Rata Share Commitment shall be automatically increased ratably in accordance with each Exit Backstop Commitment Party’s Pro Rata Share Commitment until such calculation results in the full amount of the New Money Exit Term Loan Facility being committed (the “Backstop Commitment”) and (ii) commits to roll-up its portion (and the portion held by its affiliates, accounts managed or sub-

managed by it or its affiliates and direct or indirect subsidiaries) of the \$28,000,000 DIP Term Loan Facility as Rolled Exit Term Loans (as defined in the Exit Term Loan Term Sheet) (the “Rollup Exit Commitment”). Each Exit Backstop Commitment Party’s Backstop Commitment shall be determined as set forth in the preceding sentence on the date that is one (1) business day after the entry of the Final DIP Order; provided, however, that each Exit Backstop Commitment Party’s Backstop Commitment in respect of the New Money Exit Term Loan Facility shall be reduced proportionately (based upon its Pro Rata Share Commitment) by any commitment to provide the New Money Exit Term Loan Facility that is assigned to and assumed in writing by one or more lenders on or prior to the Closing Date, subject to the provisions under “Assignments and Amendments” below.

The New Money Exit Term Loan Facility, along with the roll-up of the outstanding obligations of the Borrower under its post-petition superpriority senior secured debtor-in-possession term loan credit agreement as Rolled Exit Term Loans, are the “Exit Term Loan Facility”.

Conditions Precedent.

The Exit Backstop Commitment Parties’ commitments to fund the Exit Term Loan Facility (and their Rollup Exit Commitments) are subject to satisfaction or waiver by the Exit Backstop Commitment Parties of the following conditions precedent:

- (i) there shall not exist any breach, violation or default under this Exit Backstop Commitment Letter;
- (ii) the execution of definitive documentation evidencing the Exit Term Loan Facility on substantially the terms set forth in the Exit Term Loan Term Sheet and otherwise reasonably satisfactory to the Exit Backstop Commitment Parties and you;
- (iii) HSP shall have filed, no later than 10 days after the commencement of the Chapter 11 Cases, a motion in the Chapter 11 Cases seeking approval of the Bankruptcy Court to assume this Exit Backstop Commitment Letter and to authorize the payment of all fees set forth in the Fee Letter (as defined below).
- (iv) the Bankruptcy Court shall have entered, no later than 40 days after the scheduled first day hearing in the Chapter 11 Cases, an order approving the assumption of this Exit Backstop Commitment Letter and authorizing the payment of all fees set forth in the Fee Letter;
- (v) no later than the date the Bankruptcy Court enters an order confirming a plan of reorganization in the Bankruptcy Cases, HSP shall have entered into a commitment letter reasonably acceptable to the Exit Backstop Commitment Parties with respect to the funding of an exit asset-backed credit facility;
- (vi) payment of all fees then due and owing pursuant to this Exit Backstop Commitment Letter, the Fee Letter, and any other fees agreed to in writing by the Debtors and the Exit Backstop Commitment Parties in connection with the Exit Term Loan Facility; and
- (vii) the satisfaction of (or express written waiver by each of the Exit Backstop Commitment Parties of) each of the conditions set forth under the section

heading “Conditions Precedent to the Closing of the Exit Term Loan Facility” set forth in the Exit Term Loan Term Sheet.

Expenses.

Regardless of whether the Exit Term Loan Facility closes, you hereby agree to pay or reimburse the Exit Backstop Commitment Parties for all reasonable and documented out-of-pocket expenses incurred by the Exit Backstop Commitment Parties, their affiliates or funds managed or sub-managed by the Exit Backstop Commitment Parties (whether incurred before or after the date hereof) in connection with the Exit Term Loan Facility (including, but not limited to, (a) all reasonable costs and out-of-pocket expenses of one primary legal counsel and, if necessary, one local counsel in all appropriate jurisdictions for all Exit Backstop Commitment Parties), and (b) all reasonable and documented costs and out-of-pocket expenses of one financial advisor (if any) for all Exit Backstop Commitment Parties).

Confidentiality.

You agree that you will not disclose, directly or indirectly, this Exit Backstop Commitment Letter and the contents hereof or the Fee Letter dated as of the date hereof (the “Fee Letter”) among the Exit Backstop Commitment Parties and the Borrower and the contents thereof or the Exit Backstop Commitment Parties’ involvement with the Exit Term Loan Facility to any third party (including, without limitation, any financial institution or intermediary) without each Exit Backstop Commitment Party’s prior written consent, other than to (a) those individuals who are your directors, officers, employees, attorneys, agents or advisors in connection with the Exit Term Loan Facility; provided that this Exit Backstop Commitment Letter may be disclosed to (i) Sentinel Capital Partners, L.L.C. and its affiliates, and its directors, officers, employees, attorneys, agents and advisors, and (ii) to the providers of your debtor-in-possession asset-backed revolving credit facility in the Chapter 11 Cases and to the providers of any asset-backed revolving credit facility to be provided to the Borrower upon emerging from bankruptcy and their officers, employees, attorneys, agents and advisors, in each case on a confidential basis (it being understood any such disclosure pursuant to this clause (a)(ii) shall be limited to a general description of the fees to be paid and does not authorize the distribution of the Fee Letter to such persons), (b) the Bankruptcy Court (as defined in the DIP Term Loan Credit Agreement) for approval of this Exit Backstop Commitment Letter, (c) any official committee appointed in the Chapter 11 Cases and their respective legal and financial advisers, (d) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform the Exit Backstop Commitment Parties promptly thereof), (e) to the extent necessary in connection with the exercise of any remedies or enforcement of any rights hereunder and (f) other recipients as required by the Bankruptcy Court, or as part of the Borrower and its subsidiaries’ disclosure statement soliciting votes in support of a plan of reorganization, whether before or after the commencement of the Chapter 11 Cases (it being understood any such disclosure pursuant to this clause (f) shall be limited to a general description of the fees to be paid in the Borrower’s solicitation materials and does not authorize the distribution, filing with the Bankruptcy Court, or other action that results in the Fee Letter being made available to such other recipients). Except in connection with the disclosure statement soliciting votes in support of a plan of reorganization, you agree to inform all such persons who receive information concerning this Exit Backstop Commitment Letter or the Fee Letter that such information is confidential and may not be used for any other purpose. The Exit Backstop Commitment Parties reserve the right to review and approve, in advance, all materials, press releases, advertisements and disclosures that contain their name or any name of any affiliate or the name of any account managed or sub-

managed by, or any related fund of, the Exit Backstop Commitment Parties or describe their respective financing commitments (such approval not to be unreasonably withheld, delayed or conditioned).

The Borrower hereby agrees that if the Fee Letter is required to be filed with any bankruptcy court or disclosed to any U.S. Trustee for purposes of obtaining approval to pay any fees provided for therein or otherwise, then it shall promptly notify the Exit Backstop Commitment Parties and take all commercially reasonable actions necessary to prevent the Fee Letter from becoming publicly available, including, without limitation, filing a motion pursuant to sections 105(a) and 107(b) of the Bankruptcy Code and Rule 9018 of the Federal Rules of Bankruptcy Procedure seeking a bankruptcy court order authorizing the Borrower to file the Fee Letter under seal to the maximum extent permitted by applicable law; provided, however, that if the applicable bankruptcy court or applicable law does not permit such filing under seal, then any such filing shall be redacted to the maximum extent permitted by such bankruptcy court and such law. Notwithstanding the "Survival" section herein, the obligations of the foregoing sentence shall survive any termination or completion of the arrangement provided by this Exit Backstop Commitment Letter.

Indemnity.

Regardless of whether the Exit Term Loan Facility closes or is closed, you agree to (a) indemnify, defend and hold each of the Exit Backstop Commitment Parties, and their respective affiliates and funds managed or advised by the Exit Backstop Commitment Parties or their affiliates and the principals, directors, officers, employees, representatives, agents, attorneys and third party advisors of each of them (each, an "Indemnified Person"), harmless from and against all losses, disputes, claims, investigations, litigation, proceedings, expenses (including, but not limited to, attorneys' fees), damages, and liabilities of any kind to which any Indemnified Person may become subject arising out of or in connection with any claim, litigation, investigation or proceeding (any of the foregoing, a "Proceeding") relating to or in connection with this Exit Backstop Commitment Letter, the Fee Letter, the Exit Term Loan Facility, the use or the proposed use of the proceeds thereof, or any other transaction contemplated by this Exit Backstop Commitment Letter (each, a "Claim", and collectively, the "Claims"), regardless of whether such Indemnified Person is a party thereto (and regardless of whether such matter is initiated by a third party, you, or any of your or its respective affiliates), and (b) reimburse each Indemnified Person upon demand (together with reasonably detailed backup documentation in summary form supporting such demand) for all reasonable and documented legal and other out-of-pocket expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any Proceeding (each, an "Expense") by one counsel to the Indemnified Persons taken as a whole and, if necessary, one firm of local counsel in each appropriate jurisdiction to the Indemnified Persons taken as a whole, and, in the case of an actual conflict of interest, one additional counsel to the affected Indemnified Persons taken as a whole; provided that no Indemnified Person shall be entitled to indemnity hereunder in respect of any Claim or Expense to the extent that the same (i) is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence, willful misconduct or bad faith of such Indemnified Person or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors, (ii) is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from a material breach of the obligations of such Indemnified Person or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors under this Exit Backstop Commitment Letter or (iii) arises from any dispute among Indemnified Persons that does not involve or relate

to an act or omission by you and that is brought by an Indemnified Person against another Indemnified Person. Notwithstanding any other provision of this Exit Backstop Commitment Letter, and without limitation of your indemnification and reimbursement obligations set forth herein, no party hereto shall be liable for any special, indirect, consequential or punitive damages in connection with the Exit Term Loan Facilities, this Exit Backstop Commitment Letter, the Exit Term Loan Term Sheet, the Fee Letter or any other transaction contemplated hereby or thereby; provided that this foregoing sentence shall not limit your indemnity obligations to the extent set forth above in respect of any actual Claims and Expenses incurred or paid by an Indemnified Person to a third party unaffiliated with the Exit Backstop Commitment Parties that are otherwise required to be indemnified in accordance with the terms hereof.

Furthermore, you hereby acknowledge and agree that the use of electronic transmission is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse. You agree to assume and accept such risks and hereby authorize the use of transmission of electronic transmissions, and that none of the Exit Backstop Commitment Parties nor any of their respective affiliates will have any liability for any damages arising from the use of such electronic transmission systems, except to the extent such damages have been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Exit Backstop Commitment Party or any of its affiliates and their principals, directors, officers, employees, representatives, agents, attorneys or third party advisors.

Notwithstanding the above, (a) you shall not be liable for any settlement of any Proceedings effected without your consent (which consent shall not be unreasonably conditioned, withheld or delayed), but if settled with your written consent or if there is a judgment for the plaintiff against any Indemnified Person in any such Proceedings, you agree to indemnify and hold harmless each Indemnified Person from and against any and all Claims and Expenses by reason of such settlement or judgment in accordance with this section and (b) each Indemnified Person shall be obligated to refund or return any and all amounts paid by you under the preceding paragraph to such Indemnified Person for any losses, claims, damages liabilities or expenses to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with the terms hereof. You shall not, without the prior written consent of an Indemnified Person (which consent shall not be unreasonably conditioned, withheld or delayed), effect any settlement or consent to the entry of any judgment of any pending or threatened Proceedings in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability or claims that are the subject matter of such Proceedings, (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person and (iii) contains customary confidentiality and nondisparagement provisions.

In the event that an Indemnified Person is requested or required to appear as a witness in any action brought by or on behalf of or against you or any of your subsidiaries or affiliates in which such Indemnified Person is not named as a defendant, or a demand to produce documents or otherwise respond to discovery requests is made on an Indemnified Person, you agree to reimburse such Indemnified Person for all reasonable expenses incurred by it in connection with such Indemnified Person's appearing and preparing to appear as such a witness, including, without limitation, the reasonable fees and expenses of its legal counsel.

Sharing Information; Absence of Fiduciary Relationship.

You acknowledge that the Exit Backstop Commitment Parties and their respective affiliates may be providing debt financing, equity capital or other services to other companies with which you may have conflicting interests. Neither the Exit Backstop Commitment Parties nor any of their affiliates will use confidential information obtained from you by virtue of the transactions contemplated by this Exit Backstop Commitment Letter or its other relationships with you in connection with the performance by it of services for other persons, and neither the Exit Backstop Commitment Parties nor any of their affiliates will furnish any such information to other persons except as permitted under the "Confidentiality" section herein. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and any of the Exit Backstop Commitment Parties has been or will be created in respect of any of the transactions contemplated by this Exit Backstop Commitment Letter, irrespective of whether the Exit Backstop Commitment Parties and/or their respective affiliates have advised or are advising you on other matters and (b) you will not assert any claim against any of the Exit Backstop Commitment Parties for breach or alleged breach of fiduciary duty in respect of any of the transactions contemplated by this Exit Backstop Commitment Letter and agree that none of the Exit Backstop Commitment Parties shall have any direct or indirect liability to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors.

Assignments and Amendments.

This Exit Backstop Commitment Letter shall not be assignable by you without the prior written consent of each of the Exit Backstop Commitment Parties (and any purported assignment without such consent shall be null and void), and is solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the Indemnified Persons. The Exit Backstop Commitment Parties may assign their respective commitments hereunder, in whole or in part, (i) to any of their affiliates, any funds or accounts managed, advised, sub-managed or sub-advised by them or their affiliates, or (ii) subject to the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed) to any prospective lender under the Exit Term Loan Facility; provided that, (unless such assignee enters into a separate letter agreement with you affirming its commitments on the same terms as set forth herein with respect to such assigned portion of the commitments (such agreement not to be unreasonably conditioned, withheld or delayed by you)), any such assignment shall not release them of the obligations hereunder and each Exit Backstop Commitment Party shall retain exclusive control over all rights and obligations with respect to its commitments hereunder, including all rights with respect to consents, modifications, supplements, waivers and amendments, until after the closing and funding of the Exit Term Loan Facility has occurred. This Exit Backstop Commitment Letter may not be amended or waived except in a written instrument signed by you and the Exit Backstop Commitment Parties.

Counterparts and Governing Law.

This Exit Backstop Commitment Letter may be executed in counterparts, each of which shall be deemed an original and all of which counterparts shall constitute one and the same document. Delivery of an executed signature page of this Exit Backstop Commitment Letter by facsimile or electronic (including "PDF") transmission shall be effective as delivery of a manually executed counterpart hereof.

The laws of the State of New York shall govern all matters arising out of, in connection with or relating to this Exit Backstop Commitment Letter, including, without limitation, its validity,

interpretation, construction, performance and enforcement and any claims sounding in contract law or tort law arising out of the subject matter hereof.

Venue and Submission to Jurisdiction.

The parties hereto consent and agree that the federal bankruptcy court located in the Southern District of New York, shall have exclusive jurisdiction to hear and determine any claims or disputes between or among any of the parties hereto pertaining to this Exit Backstop Commitment Letter and the Fee Letter, any other transaction relating hereto or thereto, and any investigation, litigation, or proceeding in connection with, related to or arising out of any such matters or, if that court does not have subject matter jurisdiction, then the U.S. District Court for the Southern District of New York shall have such exclusive jurisdiction or, if that court does not have subject matter jurisdiction, then any state court located in New York County, State of New York shall have such exclusive jurisdiction; provided, that the parties hereto acknowledge that any appeal from those courts may have to be heard by a court located outside of such jurisdiction. The parties hereto expressly submit and consent in advance to such jurisdiction in any action or suit commenced in any such court, and hereby waive any objection, which each of the parties may have based upon lack of personal jurisdiction, improper venue or inconvenient forum.

Waiver of Jury Trial.

THE PARTIES HERETO, TO THE EXTENT PERMITTED BY LAW, WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF, IN CONNECTION WITH OR RELATING TO, THIS EXIT BACKSTOP COMMITMENT LETTER, THE FEE LETTER, AND ANY OTHER TRANSACTION RELATED HERETO OR THERETO. THIS WAIVER APPLIES TO ANY ACTION, SUIT OR PROCEEDING WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE.

Survival.

The provisions of this letter set forth under this heading and the headings “Expenses”, “Confidentiality”, “Indemnity”, “Sharing Information; Absence of Fiduciary Relationship”, “Assignments and Amendments”, “Counterparts and Governing Law”, “Venue and Submission to Jurisdiction” and “Waiver of Jury Trial” shall survive the termination or expiration of this Exit Backstop Commitment Letter and shall remain in full force and effect regardless of whether the Exit Term Loan Facility is closed or the credit documentation with respect to the Exit Term Loan Facility shall be executed and delivered; provided that if the Exit Term Loan Facility is closed and the credit documentation with respect to the Exit Term Loan Facility shall be executed and delivered, the provisions under the heading “Expenses”, “Confidentiality”, “Indemnity”, and “Sharing Information; Absence of Fiduciary Relationship” shall be superseded and deemed replaced by the terms of the credit documentation with respect to the Exit Term Loan Facility governing such matters.

Integration.

This Exit Backstop Commitment Letter and the Fee Letter supersede any and all discussions, negotiations, understandings or agreements, written or oral, express or implied, between or among the parties hereto and their affiliates as to the subject matter hereof.

Patriot Act.

The Exit Backstop Commitment Parties hereby notify you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), each Exit Backstop Lender may be required to obtain, verify and record information that identifies the Borrower and each guarantor, which information includes the name, address, tax identification number and other information regarding the Borrower and each guarantor that will allow such Exit Backstop Lender to identify the Borrower and each guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each Exit Backstop Lender.

Please indicate your acceptance of the terms hereof by signing in the appropriate space below. Unless extended in writing by the Exit Backstop Commitment Parties, the commitments and agreements of the Exit Backstop Parties contained herein (subject to the provisions under the heading "Survival") shall automatically expire on the first to occur of (a) 5:00 p.m. New York time on October 17, 2019, and (b) execution and delivery of the credit documentation with respect to the Exit Term Loan Facility and funding and/or roll-up of the Exit Term Loan Facility.

Very truly yours,

CERTAIN FUNDS AND INVESTMENT ACCOUNTS
MANAGED BY BARINGS LLC

By: _____
Name: _____
Title: _____

PENNANTPARK INVESTMENT CORPORATION

By: _____
Name: _____
Title: _____



PENNANTPARK FLOATING RATE FUNDING I, LLC

By: _____
Name: _____
Title: _____



PENNANTPARK CREDIT OPPORTUNITIES FUND
II, LP

By: _____
Name: _____
Title: _____



Accepted and agreed to as of
the date first written above:

HOLLANDER SLEEP PRODUCTS, LLC

By:  _____
Name: Marc L. Pfefferle
Title: Chief Executive Officer

Schedule I

Exit Backstop Lender	Pro Rata Share Commitment for New Money Exit Term Loan Facility
Barings	
PennantPark Investment Corporation	
Total	100.0%

EXHIBIT A

[Exit Term Loan Term Sheet]

HOLLANDER SLEEP PRODUCTS, LLC, et al.
EXIT TERM FACILITY TERM SHEET

Capitalized terms used but not defined in this Exhibit A (this “Term Sheet”) shall have the meanings ascribed thereto in the Commitment Letter to which this Exhibit A is attached (the “Commitment Letter”). In the case of any such capitalized term that is subject to multiple and differing definitions, the appropriate meaning thereof in this Exhibit A shall be determined by reference to the context in which it is used.¹

Borrower: Hollander Sleep Products, LLC, as a reorganized debtor (the “Borrower”) upon emergence from a case filed under Chapter 11 of Title 11 of the United States Code (“Chapter 11”) in the United States Bankruptcy Court for the Southern District of New York (together with the Chapter 11 cases (collectively, the “Chapter 11 Cases”) of the Borrower’s affiliated debtors and debtors in possession (collectively with the Borrower, the “Debtors”).

Guarantors: Each of (i) the Borrower’s existing and future direct and indirect domestic subsidiaries, (ii) all Guarantors (each as a reorganized debtor) under the Prepetition Term Loan Credit Agreement and other Loan Documents (collectively, the “Prepetition Term Loan Documents”), and (iii) any holding company or other parent directly holding the equity interests in Borrower (other than any entity or other vehicle established by the lenders who are granted the equity interests in the reorganized Loan Parties pursuant to the approved plan of reorganization for the Debtors in the Chapter 11 Cases) ((i), (ii) and (iii) collectively, the “Guarantors”; together with the Borrower, each individually a “Loan Party”, and collectively, the “Loan Parties”), on a joint and several basis. Exclusions for newly formed or acquired subsidiaries after the Closing Date (as defined below) shall be consistent with the Documentation Principles (as defined below).

Exit Term Loan Agent: Barings Finance LLC (in such capacity, together with its successors

¹ Reference is hereby made (i) to that certain Term Loan Credit Agreement dated as of June 9, 2017 by and among Dream II Holdings, LLC and Hollander Home Fashions Holdings, LLC, as parent guarantors, Hollander Sleep Products, LLC, as borrower, the lenders parties thereto (the “Prepetition Term Loan Lenders”), and Barings Finance LLC, as administrative agent (as amended, modified, restated or otherwise supplemented from time to time, the “Prepetition Term Loan Credit Agreement”), (ii) that certain Third Amended and Restated Credit Agreement dated as of June 9, 2017 by and among Wells Fargo Bank, National Association, as agent, sole lead arranger and sole book runner, the lenders parties thereto, Dream II Holdings, LLC as parent, and Hollander Home Fashions Holdings, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers (as amended, modified, restated or otherwise supplemented from time to time, the “Prepetition ABL Credit Agreement”) and (iii) that certain Intercreditor Agreement dated as of June 9, 2017 between the agents to the Prepetition Term Loan and ABL Credit Agreements (the “Prepetition ICA”). Capitalized terms use, but not defined herein, shall have the meanings ascribed to such terms in the Prepetition Term Loan Credit Agreement.

and assigns, the “Exit Term Loan Agent”).

Exit Lenders:

Barings Finance LLC and the other Exit Backstop Commitment Parties, together with any other lenders under the debtor-in-possession term loan credit agreement (the “DIP Term Loan Credit Agreement,” the facility thereunder, the “DIP Term Loan Facility,” and the lenders thereto, the “DIP Term Loan Lenders”) who choose, directly or through one or more affiliated funds or financing vehicles (or funds or accounts advised or sub-advised by such person) to finance their respective pro rata portion of the Exit Term Loan Facility (as defined below) (the “Exit Lenders”; and together with the Exit Backstop Commitment Parties, the “Exit Term Loan Lenders”).

Type and Amount of the Exit Term Loan Facility:

A non-amortizing senior secured first-lien term loan facility in an aggregate principal amount not to exceed \$58 million (the “Exit Term Loan Facility”; the loans under the Exit Term Loan Facility, the “Exit Term Loans”) comprised of a \$28 million roll-up and/or refinancing of the outstanding DIP Term Loan Facility (the “Rolled Exit Term Loans”) and \$30 million of “new money” Exit Term Loans (the “New Money Exit Term Loans” and the facility related thereto, the “New Money Exit Term Loan Facility”) to be advanced on the Closing Date. The Rolled Exit Term Loans shall rank pari passu to the New Money Exit Term Loans.

The full amount of the New Money Exit Term Loans shall be drawn on the Closing Date.

Maturity Date:

36 month anniversary of the closing date (the “Closing Date”) of the Exit Term Loan Facility.

Exit ABL Facility

A senior secured first-lien exit asset-based-lending facility to be supplied (the “Exit ABL Facility”)² to the borrowers under the Prepetition ABL Credit Agreement, the terms of which shall be reasonably acceptable to the Exit Term Loan Agent and Exit Backstop Commitment Parties. The Exit ABL Facility shall provide for (i) either (x) a roll-up of obligations under the DIP ABL Facility (including all obligations relating to letters of credit and bank product obligations) or (y) a refinancing and replacement of the DIP ABL Facility, and (ii) a roll-up of the \$15,000,000 principal amount of obligations representing Last Out DIP Obligations (as defined in the DIP Term Loan Credit Agreement). Upon the Closing Date, the Last Out DIP Obligations shall be “rolled” into the Exit ABL Facility on the terms set forth therein and herein, including the same priority and security interests

² The credit agreement evidencing the DIP ABL Facility, the “DIP ABL Credit Agreement,” and the DIP ABL Credit Agreement together with the other documents evidencing the DIP ABL Facility, the “DIP ABL Documents”.

with respect to the ABL Priority Collateral and Term Loan Priority Collateral as existed pursuant to the Prepetition ICA.

Use of Proceeds:

The proceeds of the Exit Term Loans (other than roll-up of the DIP Term Loan Facility) will be used to fund certain payments required to be made by the Loan Parties under the Plan, the Exit Term Loan Credit Agreement (as defined below) and the DIP Term Loan Credit Agreement, to pay fees and expenses in connection with the transactions occurring on the effective date of the Plan and for working capital and general corporate purposes of the Loan Parties (including, without limitation certain capital expenditures). Once repaid, the Exit Term Loans may not be reborrowed.

Documentation:

The Exit Term Loan Facility will be evidenced by a credit agreement (the “Exit Term Loan Credit Agreement”), security documents, guarantees, an intercreditor agreement with the agent for any Exit ABL Facility (the “Exit Intercreditor Agreement”) and other legal documentation (collectively, together with the Exit Term Credit Agreement, the “Exit Term Loan Documents”) containing the terms set forth in the Commitment Letter to which this Term Sheet is attached, including this Term Sheet, and such other terms as the Borrower and the Exit Term Loan Agent shall agree; it being understood and agreed that the Exit Term Loan Documents shall: (a) be substantially similar to the definitive documentation for the DIP Term Loan Credit Agreement (excluding provisions customary for DIP financings and not exit financings), (b) give due regard to (i) the operational requirements of the Loan Parties in light of their consolidated capital structure, size, industries, businesses and business practices (including, without limitation, the leverage profile and projected free cash flow generation of the Loan Parties), in each case, after giving effect to the Plan Effective Date, and (ii) the operational and administrative changes mutually agreed by the Exit Term Loan Agent and the Borrower, (c) not be subject to any conditions to the availability and initial funding of the Credit Facilities on the Closing Date other than the conditions set forth in the Commitment Letter and the Exclusive Funding Conditions set forth herein, and (d) to contain representations & warranties, affirmative covenants, negative covenants and other terms substantially similar to those in the DIP Term Loan Credit Agreement (excluding provisions customary for DIP financings and not exit financings) with mutually agreed changes (including those set forth herein), including without limitation to conform to customary terms for exit financings and give due regard to the operational requirements of the Loan Parties in light of their consolidated capital structure, size, industry, business and business practices (including, without limitation, the leverage profile and projected free cash flow generation). The foregoing requirements and principles shall be referred to herein as the “Documentation”

Principles".

Interest: LIBOR + 15.0% (1.0% payable in cash, with the balance payable in kind).

Automatically upon the occurrence of and during the continuance of a payment or bankruptcy default or event of default under the Exit Term Loan Documents, and after written notice from the Exit Term Loan Agent or the Required Lenders (as defined below) upon the occurrence of and during the continuance of any other default or an event of default under the Exit Term Loan Documents, the Exit Term Loans will bear interest at an additional 2.0% *per annum* payable in cash.

Fees: As set forth in the Fee Letter, and:

Upfront Fee: An upfront fee of 3.0% (initially) of the amount of the New Money Exit Term Loans, payable in cash or OID on the Closing Date concurrently with funding of the New Money Exit Term Loans, for those DIP Term Loan Lenders that commit to become (and fund as) Exit Lenders by no later than one (1) business day after the entry of the Final Order (as defined in the DIP Term Loan Credit Agreement); thereafter, the Upfront Fee will decrease sequentially during the pendency of the Chapter 11 Cases at specified dates to be determined by the Exit Backstop Commitment Parties and the Borrower to reflect the changing risk profile; and

Administrative Agency Fee: An annual administrative agency fee of \$50,000 payable in cash to Exit Term Loan Agent, in such capacity, on the Closing Date concurrently with funding of the New Money Exit Term Loans, and on each anniversary of the Closing Date.

Exit Equity Allocation

Exit Equity Allocation: In exchange for providing the Exit Term Loan Facility on the Closing Date (in addition to other consideration provided herein), each Exit Term Loan Lender shall receive (on the Closing Date or as promptly as practicable thereafter) its pro rata portion (based on the percentages of their respective New Money Exit Term Loans as compared to all New Money Exit Term Loans) of 40.0% of the equity of reorganized Debtor Hollander Sleep Products, LLC.

Priority and Security under Exit Term Facility:

All obligations of the Loan Parties to the Exit Term Loan Agent and the Exit Term Loan Lenders under the Exit Term Loan Facility, including, without limitation, all principal, accrued interest, premiums (if any), costs, fees and expenses or other amounts due thereunder (collectively, the "Exit Term Loan Obligations"), shall be secured by

liens and security interests on the same collateral as provided under the Prepetition Term Loan Documents, with the same priority on such collateral as provided under the Prepetition Term Loan Documents.³ The Exit Term Loan Obligations shall be subject to the Exit Intercreditor Agreement, which shall be substantially similar to the Prepetition ICA.

Mandatory Prepayments: Customary mandatory prepayment events for financings of this type and that are no less favorable to the Exit Term Loan Lenders as the mandatory prepayment provisions set forth in the Prepetition Term Loan Credit Agreement, and such other mandatory prepayments as may be agreed to by the parties.

Amortization: None

Conditions Precedent to the Closing of the Exit Term Loan Facility: The conditions precedent for the effectiveness and funding of the Exit Term Loan Credit Agreement will be limited to: (a) those conditions set forth in the Commitment Letter under the heading “Conditions Precedent”, (b) conditions precedent substantially similar to (to the extent applicable and appropriate) the conditions contained in the Prepetition Term Loan Credit Agreement, (c) such other customary conditions for similar committed exit financing as are mutually acceptable to the Exit Term Loan Lenders and the Borrower (such acceptance, in each case, not to be unreasonably withheld, delayed or conditioned), and (d) the following:

- The confirmation of a Plan (including plan supplements, if any) in terms and substance satisfactory to the Exit Term Loan Agent (such satisfaction not to be unreasonably withheld, delayed or conditioned; it being understood that the form of the Plan attached to the Restructuring Support Agreement (as defined in the DIP Term Loan Credit Agreement) is satisfactory to Exit Term Loan Agent) by the Bankruptcy Court and the occurrence of the “effective date” under the Plan (the “Plan Effective Date”) by the final scheduled maturity date under the DIP Term Loan Credit Agreement or such later date acceptable to the Exit Backstop Commitment Parties;
- All fees required to be paid pursuant to the Fee Letter shall have been timely paid in accordance with the terms of the Fee Letter;
- Adherence with all Milestones (as defined in the DIP Term Loan Credit Agreement), which shall be acceptable to the Exit Term Loan Lenders (other than those Milestones related to

³ Collateral to also include a pledge of equity interests in the Borrower by any holding company or other parent holding the equity interests in Borrower.

bidding procedures and prosecution of a sale), except as otherwise agreed in writing by the Exit Term Loan Agent and Exit Backstop Commitment Parties;

- The procurement of the Exit ABL Facility on terms acceptable to the Exit Term Loan Agent and Exit Backstop Commitment Parties (such acceptance not to be unreasonably withheld, delayed or conditioned);
- Immediately prior to the Closing Date, the Restructuring Support Agreement shall not have been terminated by any party;
- The Exit Term Loan Agent's consent to any amendment or supplements related to the Plan (such consent not to be unreasonably withheld, delayed or conditioned; it being understood that the form of the Plan attached to the Restructuring Support Agreement is acceptable to the Exit Term Loan Agent and Exit Backstop Commitment Parties);
- Adherence with the Approved Budget (as defined in the DIP Term Loan Credit Agreement), subject to variances permitted by the DIP Term Loan Credit Agreement or otherwise agreed in writing by the Exit Term Loan Agent and Exit Backstop Commitment Parties, including all covenants related thereto and all limitations on professional fees of the Debtors and any official committee of unsecured creditors appointed in the Chapter 11 Cases;
- Adherence to any limitations on outstanding obligations under the Exit ABL Facility;
- Delivery of an operating and cash flow forecast and an operational restructuring plan, in each case, as reasonably acceptable to the Exit Term Loan Agent and Exit Backstop Commitment Parties;
- Opening borrowing availability calculations under the Exit ABL Facility reasonably acceptable to Exit Term Loan Agent; and
- The representations and warranties set forth in the Exit Term Loan Documents shall be accurate in all material respects as of the Closing Date.

In furtherance of the foregoing, (a) the only conditions (express or implied) to the availability of the Exit Term Loan Facility on the Closing Date are those expressly set forth under this heading (collectively, the "Exclusive Funding Conditions"), and the Exclusive Funding Conditions shall be subject in all respects to the provisions of this paragraph, and (b) the terms of the Exit Term Loan Documents and other documents to be delivered on the Closing Date shall be in a form such that they do not impair availability of the Exit Term Loans on the Closing Date, or the initial funding thereunder on the Closing Date, in

each case if the Exclusive Funding Conditions are satisfied or waived by each exit Backstop Commitment Party (it being understood that to the extent any security interest in any collateral (including the creation or perfection of any such security interest) (other than the pledge and perfection of the security interests in assets with respect to which a lien may be perfected by the filing of a financing statement under the Uniform Commercial Code) is not or cannot be provided or perfected on the Closing Date after the Loan Parties' use of commercially reasonable efforts to do so, or without undue burden or expense, the creation or perfection of such security interest therein) shall not constitute a condition precedent to the availability of the Exit Term Loan Facility on the Closing Date but shall instead be required to be delivered or provided and perfected within 90 days after the Closing Date (or such later date as may be agreed by the Exit Term Loan Agent in its reasonable discretion) pursuant to arrangements to be mutually agreed by the Exit Term Loan Agent and the Borrower. Without limitation of the foregoing, the commitments of each Exit Term Loan Lender to provide the Exit Term Loan Facility on the Closing Date are subject solely to the Exclusive Funding Conditions and upon the satisfaction (or waiver by the Exit Backstop Commitment Parties) of such conditions, the initial funding of the Exit Term Loan Facility shall occur. There are no conditions (implied or otherwise) to the commitments hereunder, and there will be no conditions (implied or otherwise) under the Exit Term Loan Documents to the funding of the Exit Term Loans on the Closing Date, including compliance with the terms of this Commitment Letter, the Fee Letter and the Exit Term Loan Documents or any other agreement, in each case other than the satisfaction (or waiver by the Exit Term Loan Lenders) of the Exclusive Funding Conditions.

Affirmative and Negative Covenants:

The definitive Exit Term Loan Documents will contain affirmative and negative covenants that are consistent with the Documentation Principles and no less favorable to the Exit Term Loan Lenders than those existing in the Prepetition Term Loan Credit Agreement, with certain modifications to be mutually agreed by the Exit Term Loan Lenders and the Borrower (such acceptance, in each case, not to be unreasonably withheld, delayed or conditioned), including, without limitation, modifications to the amount of permitted indebtedness, permitted liens, permitted investments, restricted payments, asset dispositions, junior debt and affiliate transactions.

Financial Covenants:

The definitive Exit Term Loan Documents will contain financial covenants and other additional business key performance indicators acceptable to the Exit Term Loan Lenders and the Borrower (such acceptance, in each case, not to be unreasonably withheld, delayed or conditioned).

Events of Default

The Exit Term Loan Credit Agreement will contain customary events of default for financings of this type consistent with the Documentation Principles, and additional events of default as may be mutually acceptable to the Exit Term Loan Lenders and the Borrower (such acceptance, in each case, not to be unreasonably withheld, delayed or conditioned).

Additional Provisions

The Exit Term Loan Credit Agreement will contain customary representations and warranties, indemnification, expense reimbursement and yield protection provisions, assignment and assumption terms and waiver of jury trial substantially similar to the corresponding terms in the Prepetition Term Loan Credit Agreement, with such modifications as deemed by the Exit Term Loan Lenders in their discretion to be appropriate.

Required Lenders:

Exit Term Loan Lenders holding more than 50.0% of the outstanding Exit Term Loans (the “Required Lenders”) except as to matters requiring unanimity/supermajority or affected lenders under the Exit Term Loan Credit Agreement.

Removal of Exit Term Loan Lenders:

The Required Lenders and the Borrower shall have the right to cause any Exit Term Loan Lender (under certain customary “defaulting” lender and other situations consistent with the Prepetition Term Loan Credit Agreement) to assign its Exit Term Loans and other Exit Term Loan Obligations to one or more existing Exit Term Loan Lenders.

Governing Law:

The laws of the State of New York.

Counsel to the Exit Term Loan Agent:

King & Spalding LLP

Exhibit D to the Amended and Restated Restructuring Support and Settlement Agreement

Settlement Term Sheet

**In re Hollander Sleep Products, LLC, et al., Case No. 19-11608 (MEW) (Bankr. S.D.N.Y.)
SETTLEMENT COMMUNICATIONS -- SUBJECT TO FRE 408 AND RULES OF SIMILAR IMPORT**

Official Committee of Unsecured Creditors – Settlement Proposal Chart

	Term Lender Proposal – Round 6 (current)
Item: 1. Cash consideration from Term Loan Lenders	<p><u>In the event of a reorganization</u></p> <p>\$500,000 cash to GUC Trust (which shall not be available to any vendor who agrees to the Support Incentive (defined below))</p> <p>Plus Optional Support Incentive:</p> <p>For each vendor (each being a “Supporting Vendor”) who agrees at the request of the Company (in the Company’s sole discretion) to provide standard prepetition trade credit to the Reorganized Debtors for 12 months on the most favorable terms extended by the Supporting Vendor in the 12 months prepetition (but in no event less than 60- day terms), (a) (i) a payment of 3.0% of the average outstanding payable balance for the 12 month period beginning on the Effective Date of a Plan, payment to be made in 6 monthly installments to such Supporting Vendor; plus (ii) 1% of such Supporting Vendor’s allowed prepetition general unsecured claim; or (b) in lieu of (i) and (ii) (in the Company’s sole discretion) a letter of credit from the Company backing the payment of the moving average outstanding payable balance for the 12 month period beginning on the Effective Date of a Plan ((a) or (b) the “Support Incentive”).</p> <p>Plus Sale Consideration:</p> <p>5% of each dollar the TL Lenders recover above a 30% recovery for the holders of Allowed Term Loan Claims based on the full amount of such holder’s Allowed Term Loan Claim (after payment in full of any DIP and Exit claims), if the reorganized debtors are sold within 24 months of the Effective Date of a Plan;</p> <p><u>If a sale is consummated through the current Chapter 11 case:</u></p> <p>\$600,000 cash to the GUC Trust</p> <p>Plus Sale Consideration:</p> <p>(i) 5% of each dollar above a 30% Term Loan Lender recovery on the aggregate of their prepetition Term Loan; and</p> <p>(ii) 7.5% of each dollar above a 50% Term Loan Lender recovery on the aggregate of their prepetition Term Loan</p> <p><u>In the event of a liquidation:</u></p> <p>\$250,000 to the GUC Trust</p>

**In re Hollander Sleep Products, LLC, et al., Case No. 19-11608 (MEW) (Bankr. S.D.N.Y.)
SETTLEMENT COMMUNICATIONS -- SUBJECT TO FRE 408 AND RULES OF SIMILAR IMPORT**

Official Committee of Unsecured Creditors – Settlement Proposal Chart

Item:	Term Lender Proposal – Round 6 (current)
2. Cash consideration from Sentinel	First \$200,000 of proceeds on account of the LOL recovery will be paid to the GUC Trust. Thereafter, proceeds on account of the LOL recovery will be split 50%/50% until the aggregate recovery to the GUC Trust (including the \$200,000 of first dollars paid) is \$650,000. Consistent with the prior proposals, this applies in all three circumstances (liquidation, sale, or reorganization).
3. Avoidance Actions	Waiver of avoidance actions
4. Commercial Torts	Commercial torts assigned and transferred to the GUC Trust
5. Waiver of claims	Waiver of Term Loan Lenders' deficiency claims
6. Lien validation	UCC validates Term Loan Lenders liens
7. Term Loan Lender release	Mutual releases
8. Sentinel release	Mutual releases
9. Plan Support	The UCC, Sentinel, and the Term Loan Lenders, each agree to support confirmation of the Plan in all scenarios described above
10. Professional Fees	Professionals for the UCC agree to a hard cap on fees (monthly) for the duration of the case
11. Lender Allocation	Resolved based on Term Loan Credit Agreement – book value attributed to inventory in any liquidation

Exhibit E to the Amended and Restated Restructuring Support and Settlement Agreement

Form of Transferee Joinder

Form of Transferee Joinder

This joinder (this “Joinder”) to the Amended and Restated Restructuring Support and Settlement Agreement (the “Agreement”), dated as of July 21, 2019, by and among: (i) Dream II Holdings, LLC together with certain of its direct and indirect subsidiaries (collectively, the “Company”); (ii) the Consenting Term Loan Lenders; (iii) the Committee; and (iv) the Sponsor, is executed and delivered by [] (the “Joining Party”) as of []. Each capitalized term used herein but not otherwise defined shall have the meaning ascribed to it in the Agreement.

42. Agreement to Be Bound. The Joining Party hereby agrees to be bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as Annex 1 (as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof). The Joining Party shall hereafter be deemed to be a Party for all purposes under the Agreement and one or more of the entities comprising the Restructuring Support Parties.

43. Representations and Warranties. The Joining Party hereby represents and warrants to each other Party to the Agreement that, as of the date hereof, such Joining Party (a) is the legal or beneficial holder of, and has all necessary authority (including authority to bind any other legal or beneficial holder) with respect to, the Term Loan Claims identified below its name on the signature page hereof, and (b) makes, as of the date hereof, the representations and warranties set forth in Section 24 of the Agreement to each other Party.

44. Governing Law. This Joinder shall be governed by and construed in accordance with the internal laws of the State of New York without regard to any conflicts of law provisions which would require the application of the law of any other jurisdiction.

45. Notice. All notices and other communications given or made pursuant to the Agreement shall be sent to:

To the Joining Party at:

[JOINING PARTY]

[ADDRESS]

Attn:

Facsimile:

Email:

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

[JOINING PARTY]

By: _____
Name:
Title:

Principal Amount of Term Loan Claims: \$ _____

Notice Address:

Fax:
Attention:
Email:

Annex 1 to the Form of Transferee Joinder

Exhibit 2

First Amendment

**FIRST AMENDMENT TO THE AMENDED AND RESTATED
RESTRUCTURING SUPPORT AND SETTLEMENT AGREEMENT**

This FIRST AMENDMENT TO THE AMENDED AND RESTATED RESTRUCTURING SUPPORT AND SETTLEMENT AGREEMENT (this “Amendment”), dated as of August 2, 2019, is entered into by and among the following parties (each, a “Party” and, collectively, the “Parties”):

- i. Dream II Holdings, LLC together with certain of its direct and indirect subsidiaries (collectively, the “Company”);
- ii. the undersigned holders of claims (and together with their respective successors and permitted assigns, the “Consenting Term Loan Lenders”) under the Term Loan Credit Agreement (as defined in the Agreement (as defined herein));
- iii. the official committee of unsecured creditors appointed in the Chapter 11 Cases (as defined in the Agreement (as defined herein)) (the “Committee”); and
- iv. Sentinel Capital Partners, LLC, on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its affiliates that directly or indirectly hold interests in the Company (collectively, the “Sponsor”).

RECITALS

WHEREAS, the Parties entered into that certain Amended and Restated Restructuring Support Agreement, dated as of July 21, 2019 (the “Agreement”).

WHEREAS, the Parties desire to amend the Agreement to incorporate certain modifications requested by the Bankruptcy Court (as defined in the Agreement), as more particularly set forth herein.

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

AGREEMENT

1. **Capitalized Terms.** Except as otherwise defined in this Amendment, each capitalized term used herein shall have the same meaning as that ascribed to it in the Agreement, and such definitions shall be incorporated herein by reference, as if fully set forth herein.

2. **Amendment to Agreement.**

- (a) Section 1 of the Agreement is hereby amended by deleting the definition of “GUC Liquidation Recovery Pool” in its entirety and inserting in lieu thereof the following:

“Liquidation Recovery Pool” means the sum of \$250,000, payable from the first available proceeds of the Term Loan Priority Collateral in the event that each of the Chapter 11 Cases are converted to, or the occurrence of, a Liquidation Case.

- (b) All references in the Agreement to “GUC Liquidation Recovery Pool” shall be amended and restated to refer to the “Liquidation Recovery Pool.”
- (c) Section 1 of the Agreement is hereby amended by amending and restating the definition “Last Out Loans Turnover Amount” as follows:

“Last Out Loans Turnover Amount” means an amount up to \$650,000 in the aggregate to be paid for the benefit of holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to holders of DIP Last Out Loan Claims on account of such claims (including, after being rolled into any Exit ABL Facility, on account of any repayment as part of such Exit ABL Facility), plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the holders of DIP Last Out Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid); *provided* that in the event that each of the Chapter 11 Cases are converted to, or the occurrence of, a Liquidation Case, the Last Out Loans Turnover Amount shall be paid to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA to be distributed in accordance with applicable bankruptcy law.

- (d) Section 7(d) of the Agreement is hereby amended by deleting such subsection in its entirety and inserting in lieu thereof the following:

consent to the funding of the Liquidation Recovery Pool from the first available proceeds of Term Loan Priority Collateral, solely to the extent that each Chapter 11 Case converts to, or the occurrence of, a Liquidation Case, and in the case of a conversion to chapter 7 or, solely with respect to Hollander Canada, a proceeding under the BIA, the applicable *pro rata* share of the Liquidation Recovery Pool will be distributed to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA to be distributed in accordance with applicable bankruptcy law. The obligation to fund the Liquidation Recovery Pool shall survive the termination of this Agreement by the Consenting Term Loan Lenders, unless this Agreement is terminated by the Consenting Term Loan Lenders due to a material breach of this Agreement by the Committee (subject to the conditions set forth in Section 19(c)(iii) hereof).

- (e) Section 8(b) of the Agreement is hereby amended by deleting such subsection in its entirety and inserting in lieu thereof the following:

cause the Put Purchasers to (and, if applicable, direct the ABL Agent to) (i) convert all revolving commitments under the Last Out Loans into commitments under the DIP ABL Credit Facility consistent with the terms of the DIP Term Loan Commitment Letter, (ii) upon the effective date of the Plan, convert all revolving commitments under the DIP ABL Credit Facility into commitments under the Exit ABL Facility on a last out basis (on terms reasonably acceptable to each holder of an allowed DIP Last Out Loan Claim) and with the same priority with respect to the ABL Priority Collateral and the Term Loan Priority Collateral as existed under the Intercreditor Agreement (or to the extent there is a Sale Transaction, support, and not object to, or materially delay or impede, or take any other action that would be reasonably expected to materially interfere, directly or indirectly, with such Sale Transaction), (iii) support a Plan that provides that the Sponsor receives no distribution of any kind on account of the Sponsor Prepetition Equity Interests unless a Sale Transaction provides sufficient cash to repay all Claims (as defined in the Plan) in accordance with the Plan, and (iv) distribute the Last Out Loans Turnover Amount on the terms set forth in the Plan or, if applicable, funded from the cash proceeds, if any, received by the Put Purchasers on account of the DIP Last Out Loan Claims upon a conversion of each of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case and in the case of a conversion to chapter 7 or, solely with respect to Hollander Canada, a proceeding under the BIA, the applicable *pro rata* share of the Last Out Loans Turnover Amount will be distributed to the chapter 7 trustee or, to the extent applicable, the trustee under the BIA to be distributed in accordance with applicable bankruptcy law. The obligation to distribute the Last Out Loans Turnover Amount upon a conversion of each of the Chapter 11 Cases to, or the occurrence of, a Liquidation Case shall survive the termination of this Agreement by the Sponsor, unless this Agreement is terminated by the Sponsor due to a material breach of this Agreement by the Committee (subject to the conditions set forth in Section 19(c)(iii) hereof).

3. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

4. **Headings.** The section headings of this Amendment are for convenience of reference only and shall not, for any purpose, be deemed a part of this Amendment.

5. **Interpretation.** This Amendment is the product of negotiations among the Parties, and the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Amendment or any portion hereof, shall not be effective in regard to the interpretation hereof.

6. **Representation by Counsel.** Each Party acknowledges that it has had the opportunity to be represented by counsel in connection with this Amendment and the transactions contemplated hereunder. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Amendment against such Party based upon lack of legal counsel shall have no application and is expressly waived.

[Signatures and exhibits follow.]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date and year first written above.

DREAM II HOLDINGS, LLC,

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP PRODUCTS
CANADA LIMITED (CANADA)**

Name: Marc Pfefferle
Title: Chief Executive Officer

DREAM II HOLDINGS, LLC,
Sole Member of Hollander Home Fashions
Holdings, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER HOME FASHIONS
HOLDINGS, LLC,**
Sole Member of Hollander Sleep Products,
LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP PRODUCTS,
LLC,**
Sole Member of Hollander Sleep Products
Kentucky, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

**HOLLANDER SLEEP PRODUCTS,
LLC,**
Sole Member of Pacific Coast Feather, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

PACIFIC COAST FEATHER, LLC,
Sole Member of Pacific Coast Feather
Cushion, LLC

Name: Marc Pfefferle
Title: Chief Executive Officer

BARINGS GLOBAL PRIVATE LOANS 1 S.À R.L

acting by its attorney [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

BARINGS GLOBAL PRIVATE LOANS 2 S.À R.L

acting by its attorney [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

BCF SENIOR FUNDING I LLC

By: Barings Finance LLC, its Designated Manager

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon
Suite 2500
Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

C.M. LIFE INSURANCE COMPANY

By: Barings LLC, as Investment Adviser

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

300 S. Tryon
Suite 2500
Charlotte, NC 28202

Fax: 413-226-3953

Attention: [REDACTED]

Email: [REDACTED]

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

By: Barings LLC, as Investment Adviser

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF (CAYMAN) SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF (CAYMAN)-A SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

NAPLF SENIOR FUNDING I LLC

By: Barings LLC, as Servicer

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address:

300 S. Tryon

Suite 2500

Charlotte, NC 28202

Fax: 413-226-3953

Attention:

Email:

ING CAPITAL LLC

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

1133 Avenue of the Americas
New York, NY 10036

Fax: 646-424-6390

Attention: [REDACTED]

Email: [REDACTED]

FIRST EAGLE DARTMOUTH HOLDING LLC

By: First Eagle Private Credit, LLC, its Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4494

Attention: First Eagle Dartmouth Holding LLC

Email:

NEWSTAR COMMERCIAL LOAN FUNDING 2016-1 LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4488

Attention: NewStar Commercial Loan Funding 2016-1 LLC

Email:

NEWSTAR COMMERCIAL LOAN FUNDING 2017-1 LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:
Name:
Title:

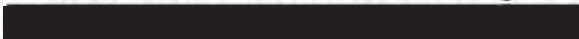


Principal Amount of Term Loan Claims:



Notice Address: U.S. Bank N.A.
1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-489-4446
Attention: NewStar Commercial Loan Funding 2017-1 LLC
Email:



NEWSTAR ARLINGTON SENIOR LOAN PROGRAM LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:
Name:
Title:



Principal Amount of Term Loan Claims:



Notice Address: U.S. Bank N.A.
1 Federal Street, 3rd Floor
Boston, MA 02110

Fax: 844-328-7722
Attention: NewStar Arlington Senior Loan Program LLC
Email:



FIRST EAGLE BERKELEY FUND CLO LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor

Boston, MA 02110

Fax: 844-602-9186

Attention: First Eagle Berkeley Fund CLO LLC

Email:

NEWSTAR CLARENDON FUND CLO LLC

By: First Eagle Private Credit, LLC, its Designated Manager

By:

Name:

Title:

Principal Amount of Term Loan Claims:

Notice Address: U.S. Bank N.A.

1 Federal Street, 3rd Floor

Boston, MA 02110

Fax: 844-328-7723

Attention: NewStar Clarendon Fund CLO LLC

Email:

NEWSTAR EXETER FUND CLO LLC

By: First Eagle Commercial Loan Originator II LLC, its Designated Manager

By:
Name:
Title:



Principal Amount of Term Loan Claims:



Notice Address: Wells Fargo Bank, N.A.
9062 Old Annapolis Road
Columbia, MD 21045-1951

Fax: 844-879-2762
Attention: NewStar Exeter Fund CLO LLC
Email: [Redacted]

NEWSTAR FAIRFIELD FUND CLO LTD.

By: First Eagle Commercial Loan Originator II LLC, its Designated Manager

By:
Name:
Title:



Principal Amount of Term Loan Claims:



Notice Address: Wells Fargo Bank, N.A.
9062 Old Annapolis Road
Columbia, MD 21045-1951

Fax: 844-879-2770
Attention: NewStar Fairfield Fund CLO Ltd.
Email: [Redacted]

PENNANTPARK SBIC II LP

By:

[REDACTED]

Name:

[REDACTED]

Title:

[REDACTED]

Principal Amount of Term Loan Claims:

[REDACTED]

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

[REDACTED]

Email:

[REDACTED]

PENNANTPARK FLOATING RATE FUNDING I, LLC

By:

[REDACTED]

Name:

[REDACTED]

Title:

[REDACTED]

Principal Amount of Term Loan Claims:

[REDACTED]

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

[REDACTED]

Email:

[REDACTED]

PENNANTPARK CREDIT OPPORTUNITIES FUND II, LP

By:

A large black rectangular redaction box covering the signature area.

Name:

Title:

Two black rectangular redaction boxes, one for the name and one for the title.

Principal Amount of Term Loan Claims:

A black rectangular redaction box covering the principal amount.

Notice Address:

590 Madison Avenue, 15th Floor
New York, NY 10022

Fax: 212-905-1075

Attention:

Email:

Two black rectangular redaction boxes, one for the attention line and one for the email address.

GSO DIAMOND PORTFOLIO BORROWER LLC

By: GSO Diamond Portfolio Holdco LLC, its managing member

By: GSO Diamond Portfolio Fund LP, its managing member

By: GSO Diamond Portfolio Associates LLC, its general partner

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

GSO Capital Partners LP

345 Park Avenue

New York, NY 10154

Attention: [REDACTED]

Email: [REDACTED]

DIAMOND CLO 2018-1 LTD

By: GSO Capital Partners LP, as Collateral Manager

By: [REDACTED]

Name: [REDACTED]

Title: [REDACTED]

Principal Amount of Term Loan Claims: [REDACTED]

Notice Address:

GSO Capital Partners LP

345 Park Avenue

New York, NY 10154

Attention: [REDACTED]

Email: [REDACTED]

SENTINEL CAPITAL PARTNERS, LLC, on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its affiliates that directly or indirectly hold interests in Dream II Holdings, LLC, together with certain of its direct and indirect subsidiaries, as a Sponsor

By: _____
Name: _____
Title: _____



**The Official Committee of Unsecured Creditors
of Hollander Sleep Products, LLC and Its
Co-Debtors and Debtors-in-Possession**

By: 

Its duly authorized representative

Name: Bradford J. Sandler

Pachulski Stang Ziehl & Jones LLP

Title: Partner

TAB B

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF EVAN BARZ SWORN ON
SEPTEMBER 6, 2019.**

A handwritten signature in dark ink, appearing to read 'CARLY FIDLER', is written above a horizontal line.

Commissioner for Taking Affidavits

CARLY FIDLER

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

In re:)	
	)	Chapter 11
)	
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER CONFIRMING
DEBTORS' MODIFIED FIRST AMENDED JOINT PLAN PURSUANT TO
CHAPTER 11 OF THE BANKRUPTCY CODE**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) having:

- a. commenced, on May 19, 2019 (the “Petition Date”), these chapter 11 cases (the “Chapter 11 Cases”) by filing voluntary petitions in the United States Bankruptcy Court for the Southern District of New York (the “Court”) for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”);
- b. filed, on the Petition Date, the *Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 21];²
- c. continued to operate and manage their businesses and properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;
- d. filed, on June 19, 2019, 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]

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 All capitalized terms used but otherwise not defined in these findings of fact, conclusions of law, and order (the “Confirmation Order”) have the meanings given to them in the *Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code*, attached hereto as **Exhibit A** (as supplemented from time to time, the “Plan”). The rules of interpretation set forth in Article I of the Plan shall apply to the Confirmation Order.

(the “Disclosure Statement Motion”) and the *Disclosure Statement for the Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 108] (the “Disclosure Statement”);

- e. obtained, on July 3, 2019, the *Order (I) Approving the Bidding Procedures, (II) Scheduling the Bid Deadlines and the Auction, (III) Approving the Form and Manner of Notice Thereof, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, and (V) Granting Related Relief* [Docket No. 180] (the “Bidding Procedures Order”) and the bidding procedures attached thereto as Exhibit 1 (the “Bidding Procedures”);
- f. served, on July 3, 2019, the Bidding Procedures and otherwise complied with the notice requirements and procedures set forth in the Bidding Procedures Order, as set forth in the *Affidavit of Service* [Docket No. 204] (the “Bidding Procedures Mailing Affidavit”);
- g. published, on July 11, 2019, notice of the Bidding Procedures in the national edition of the *New York Times*, in *USA Today* (national edition), and in *The Globe and Mail Inc.* (national edition in Canada), as set forth in the *Affidavits of Publication* [Docket Nos. 206, 207, 208] (with the Bidding Procedures Mailing Affidavit, the “Bidding Procedures Affidavits”);
- h. filed, on July 21, 2019, the *Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 233] and the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 234];
- i. obtained, on July 25, 2019, the *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. 247] (the “Disclosure Statement Order”), which approved, among other things, solicitation procedures and related notices (the “Solicitation Procedures”), forms and ballots (collectively the “Solicitation Packages”);
- j. filed, on July 25, 2019, the solicitation version of the *Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 248] and the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 249];
- k. caused, on July 31, 2019, the Solicitation Packages and notice of the Confirmation Hearing to be distributed in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), and the Disclosure Statement Order, as evidenced by, among other things, the *Affidavit of Service* [Docket No. 290] (the “Solicitation Affidavit”);

- l. caused, on August 1, 2019, notice of the Confirmation Hearing (the “Confirmation Hearing Notice”) to be published in *The New York Times*, *USA Today* (national edition), and *The Globe and Mail* (national edition in Canada), as evidenced by the *Affidavits of Publication* [Docket No. 278] (the “Publication Affidavit”), consistent with the Disclosure Statement Order;
- m. extended, on August 7, 2019, the bid deadline for the sale process authorized under the Bidding Procedures Order to August 15, 2019 [Docket No. 289], which extension was consistent with the reservation of rights in the Bidding Procedures;
- n. obtained, on August 15, 2019, entry of the *Order (I) Authorizing the Debtors to Assume the Restructuring Support and Settlement Agreement, (II) Approving the Settlements and Compromises Contained Therein, and (III) Granting Related Relief* [Docket No. 298] (the “RSA Order”);
- o. filed, on August 16, 2019, a notice of the Winning Bidder, which was the only bidder to submit a Qualified Bid (as defined in the Bidding Procedures) and made the highest or otherwise best bid for the Acquired Assets and the Assumed Liabilities (each as set forth in the Asset Purchase Agreement), and cancellation of auction [Docket No. 301];
- p. caused, on August 16, 2019, notice of the Winning Bidder and cancellation of auction to be served, as set forth in the *Affidavit of Service* [Docket No. 307] (the “Winning Bidder Affidavit”);
- q. filed, on August 21, 2019, September 2, 2019, and September 3, 2019, the plan supplements to the Plan [Docket Nos. 308, 328, 347] (collectively and as modified, supplemented, or otherwise amended from time to time, the “Plan Supplement”);
- r. caused, on August 21, 2019, and September 3, 2019, notices of the Plan Supplement to be served as set forth in the affidavits of service [Docket Nos. 313, 350, 355] (collectively, the “Plan Supplement Affidavits”);
- s. filed, on August 30, 2019, the *Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 326];
- t. filed, on September 3, 2019, a further modified version of the *Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 346];
- u. caused, on August 30, 2019, and September 3, 2019, notices of the modified Plan to be served as set forth in the affidavits of service [Docket Nos. 327, 355] (collectively with the Bidding Procedures Affidavits, the Solicitation Affidavit, the Publication Affidavit, the Winning Bidder Affidavit, and the Plan Supplement Affidavits, the “Affidavits”);

- v. filed, on September 3, 2019, the *Declaration of Paul Deutch Regarding Analysis of Ballots for Accepting or Rejecting the Debtors' First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 329] (the "Voting Report"), which detailed the results of the Plan voting process; and
- w. filed, on September 3, 2019, (i) the *Memorandum of Law in Support of Confirmation of the Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 330] (the "Confirmation Brief"), (ii) the *Declaration of Marc Pfefferle in Support of Confirmation of the Debtors' Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 331] (the "Pfefferle Declaration"), and (iii) the *Declaration of David Salemi in Support of Entry of an Order Approving the Sale of Substantially All of the Debtors' Assets to the Winning Bidder* [Docket No. 332] (the "Salemi Declaration").

The Court having:

- a. entered, on July 3, 2019, the Bidding Procedures Order and approved the Bidding Procedures;
- b. entered, on July 25, 2019, the Disclosure Statement Order and approved the Solicitation Procedures and Solicitation Packages;
- c. entered, on August 15, 2019, the RSA Order;
- d. set September 4, 2019, at 11:00 a.m., prevailing Eastern Time, as the date and time for the Confirmation Hearing, pursuant to Bankruptcy Rules 3017 and 3018 and sections 1126, 1128, and 1129 of the Bankruptcy Code, as set forth in the Disclosure Statement Order;
- e. reviewed the Plan, the Disclosure Statement, the Confirmation Brief, the Pfefferle Declaration, the Salemi Declaration, the Voting Report, the Affidavits, the Ballots, and all filed pleadings, exhibits, statements, and comments regarding Confirmation of the Plan, including all objections, statements, and reservations of rights;
- f. held, on September 4, 2019, at 11:00 a.m., prevailing Eastern Time, the Confirmation Hearing;
- g. heard the statements and arguments made by counsel in respect of Confirmation of the Plan and the objections thereto; and
- h. considered all oral representations, affidavits, testimony, documents, filings, and other evidence regarding Confirmation of the Plan and the objections thereto.

NOW, THEREFORE, it appearing to the Court that notice of the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation of the Plan has been

adequate and appropriate, and the legal and factual bases set forth in the documents filed in support of Confirmation of the Plan and other evidence presented at the Confirmation Hearing establish just cause for the relief granted herein; and after due deliberation thereon and good cause appearing therefor, the Court hereby makes and issues the following findings of fact and conclusions of law, and orders:

DEEMED MODIFICATIONS TO THE PLAN

Various provisions of the Plan provide that certain contemplated payments will be made in full satisfaction, settlement, compromise, and/or release of the obligations with respect to which the payments are to be made. However, the Plan contemplates a liquidation of the Debtors, and, in light of the liquidation, the Debtors are not entitled to a discharge of obligations pursuant to section 1141 of the Bankruptcy Code. Certain “Releasing Parties” (including creditors who voted in favor of the Plan and persons who “opted into” the releases set forth in the Plan) have consented to releases pursuant to Article VIII.D of the Plan and will be bound by those releases. As to other persons, however, the proposal that payments will be made in “full” or “final” satisfaction, “settlement,” “compromise,” or “release” of the underlying obligations would (if approved) be the same as granting a discharge. If section 1141 does not permit a discharge, the Court may not grant the same thing just by using different words that have the same effect. Accordingly:

- (a) “Releasing Parties” (as defined in the Plan) have consented to the release provisions in Article VIII.D of the Plan and shall be bound thereby;
- (b) The provisions of the Plan that state that payments are made in full, complete, or final satisfaction, settlement, and/or release of the underlying obligations shall not be applicable except as specified in subparagraph (a) above; and

(c) The proposed Injunction in Article VIII.F of the Plan is hereby deemed to have been modified to state as follows:

The assets of the Debtors and of the Wind-Down Trust shall be used for the satisfaction of expense obligations and the payment of Claims only in the manner set forth in this Plan and shall not be available for any other purpose. All Persons and Entities who have held, hold, or may hold Claims or Interests based upon any act, omission, transaction, or other activity of any kind or nature related to the Debtors, the Wind-Down Trust, or the Debtors' chapter 11 cases that occurred prior to the Effective Date, other than as expressly provided in the Plan or the Confirmation Order, shall be precluded and permanently enjoined on and after the Effective Date from interfering with the use and distribution of the Debtors' assets in the manner contemplated by the Plan.

In addition, as of the Effective Date and subject to the occurrence of the Effective Date, except as otherwise specifically provided in the Plan or the Confirmation Order, all Persons and Entities who have held, hold, or may hold Claims or Interests that are fully satisfied pursuant to the Plan or any Claim that is subject to the releases and exculpations set forth in Article VIII.D and Article VIII.E of the Plan shall be precluded and permanently enjoined on and after the Effective Date from enforcing, pursuing, or seeking any setoff or relief with respect to such Claims, except for the receipt of the payments or distributions that are contemplated by the Plan.

Nothing in the modifications set forth in subparagraphs (a) and (b) above is intended to foreclose an argument that as a matter of non-bankruptcy law the payment, in full, of a claim or expense obligation constitutes a "satisfaction" of that claim or expense obligation. For the avoidance of doubt and as set forth above: notwithstanding the technical issue as to whether certain claims or obligations are fully settled, released, or satisfied, all assets of the Debtors and the Wind-Down Trust shall be applied to the payment of claims and expenses only in the manner and in the order set forth in the Plan, and creditors shall be enjoined from interfering with the distributions and payments contemplated by the Plan.

The foregoing changes are hereby deemed to have been incorporated in the Plan, and all references in this Confirmation Order to the “Plan” are to the Plan as modified by the foregoing terms.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

IT IS DETERMINED, FOUND, ADJUDGED, DECREED, AND ORDERED THAT:

A. Findings and Conclusions.

1. The findings and conclusions set forth herein and in the record of the Confirmation Hearing constitute the Court’s findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent any of the following conclusions of law constitute findings of fact, or vice versa, they are adopted as such.

B. Jurisdiction, Venue, and Core Proceeding.

2. The Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Court has jurisdiction to enter a Final Order determining that the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed. Venue is proper before the Court pursuant to 28 U.S.C. § 1408.

C. Eligibility for Relief.

3. The Debtors were and are entities eligible for relief under section 109 of the Bankruptcy Code.

D. Objections.

4. Any resolution of objections to Confirmation explained on the record at the Confirmation Hearing is hereby incorporated by reference. All unresolved objections,

statements, informal objections, and reservations of rights (except with respect to unresolved cure amounts), if any, related to the Confirmation of the Plan are overruled on the merits.

E. Burden of Proof—Confirmation of the Plan.

5. The Debtors, as proponents of the Plan, have met their burden of proving the applicable elements of sections 1129(a) and 1129(b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable evidentiary standard for Confirmation of the Plan.

F. Notice; Joinder/Intervention.

6. As evidenced by the Affidavits, the Debtors have provided due, adequate, and sufficient notice of the Plan, the Sale Transaction, the Plan Supplement, and the Confirmation Hearing, to known and unknown Holders of Claims and Interests and other Entities with an interest in the Debtors' property and otherwise complied with the notice requirements of the Bankruptcy Code, the Bankruptcy Rules, and the procedures set forth in the Disclosure Statement Order. Such notice was adequate and sufficient pursuant to section 1128 of the Bankruptcy Code, Bankruptcy Rules 2002, 3017, and 3020, and other applicable law and rules, and no other or further notice is or shall be required.

G. Voting Report.

7. Only Holders of Claims or Interests in Class 4 (Term Loan Claims) and Class 5 (General Unsecured Claims) were eligible to vote on the Plan (the "Voting Classes"). The Ballots the Debtors used to solicit votes to accept or reject the Plan from Holders in the Voting Classes adequately addressed the particular needs of the Chapter 11 Cases and were appropriate for Holders in the Voting Classes to vote to accept or reject the Plan. The form of the Ballots were approved by the Court as part of the Disclosure Statement Order. Holders of Claims or Interests in Classes 1, 2, 3, 7, 8, and 9 were either Unimpaired or Impaired under the Plan and were not entitled to vote to accept or reject the Plan (collectively, the "Non-Voting Classes").

Thus, Holders of Claims or Interests in the Non-Voting Classes were conclusively presumed to have accepted, or deemed to have rejected, the Plan, as applicable. Based on the foregoing, and as evidenced by the Voting Report, Class 4 (Holders of Term Loan Claims) and Class 5 (Holders of General Unsecured Claims) voted to accept the Plan in accordance with the requirements of sections 1124, 1126, and 1129 of the Bankruptcy Code.

H. Solicitation.

8. As described in the Voting Report, the solicitation of votes on the Plan complied with the Solicitation Procedures, was appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and was in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), and any other applicable rules, laws, and regulations.

9. As described in the Voting Report and the Affidavits, as applicable, the Solicitation Packages were transmitted and served, including to all Holders in the Voting Classes, in compliance with the Bankruptcy Code, including sections 1125 and 1126 thereof, the Bankruptcy Rules, including Bankruptcy Rules 3017 and 3018, the Local Rules, the Disclosure Statement Order, and any applicable nonbankruptcy law. Transmission and service of the Solicitation Packages was timely, adequate, and sufficient. No further notice is required.

10. As set forth in the Voting Report, the Solicitation Package was distributed to Holders in the Voting Classes that held a Claim against or Interest in the Debtors, as of July 24, 2019 (the “Voting Record Date”). The establishment and notice of the Voting Record Date were approved by the Disclosure Statement Order.

11. Under sections 1126(f) and 1126(g) of the Bankruptcy Code, the Debtors were not required to solicit votes from the Holders of Claims or Interests, as applicable, in the

Non-Voting Classes, each of which is conclusively presumed to have accepted, or deemed to have rejected, the Plan.

I. Plan Supplement.

12. The Plan Supplement complies with the Bankruptcy Code and the terms of the Plan, and the filing and notice of such documents are good and proper in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and applicable nonbankruptcy law and no other or further notice is required. All documents included in the Plan Supplement are integral to, part of, and incorporated by reference into the Plan. Subject to the terms of the Plan (including Article X of the Plan), the Debtors' right to alter, amend, update, or modify the Plan Supplement before the Effective Date is reserved.

J. Compliance with Bankruptcy Code Requirements—Section 1129(a)(1).

13. The Plan complies with all applicable provisions of the Bankruptcy Code as required by section 1129(a)(1) of the Bankruptcy Code, including sections 1122 and 1123 of the Bankruptcy Code. In addition, the Plan is dated and identifies the Entities submitting it, thereby satisfying Bankruptcy Rule 3016(a).

(i) Proper Classification—Sections 1122 and 1123.

14. The classification of Claims and Interests under the Plan is proper under the Bankruptcy Code. Pursuant to sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, Article III of the Plan provides for the separate classification of Claims and Interests into nine Classes, based on differences in the legal nature or priority of such Claims and Interests (other than DIP Claims, Administrative Claims, Professional Fee Claims, and Priority Tax Claims, which are addressed in Article II of the Plan and which are not required to be designated as separate Classes pursuant to section 1123(a)(1) of the Bankruptcy Code). Valid business, factual, and legal reasons exist for the separate classification of the various Classes of Claims

and Interests created under the Plan, the classifications were not promulgated for any improper purpose, and the creation of such Classes does not unfairly discriminate between or among Holders of Claims or Interests. In accordance with section 1122(a) of the Bankruptcy Code, each Class of Claims and Interests contains only Claims or Interests that are substantially similar to the other Claims or Interests within that Class. The Plan, therefore, satisfies the requirements of sections 1122(a), 1122(b), and 1123(a)(1) of the Bankruptcy Code.

(ii) Specified Unimpaired Classes—Section 1123(a)(2).

15. Article III of the Plan specifies that Claims in Classes 1, 2, and 3 are Unimpaired under the Plan. The Plan, therefore, satisfies the requirements of section 1123(a)(2) of the Bankruptcy Code.

(iii) Specified Treatment of Impaired Classes—Section 1123(a)(3).

16. Article III of the Plan specifies the treatment of each Impaired Class of Claims or Interests under the Plan, including Classes 4, 5, 6, 7, 8, and 9. The Plan, therefore, satisfies the requirements of section 1123(a)(3) of the Bankruptcy Code.

(iv) No Discrimination—Section 1123(a)(4).

17. Article III of the Plan provides the same treatment for each Claim or Interest within a particular class unless the Holder of a particular Claim or Interest has agreed to a less favorable treatment with respect to such Claim or Interest. The Plan, therefore, satisfies the requirements of section 1123(a)(4) of the Bankruptcy Code.

(v) Adequate Means for Plan Implementation—Section 1123(a)(5).

18. The Plan and the various documents and agreements set forth in the Plan Supplement provide adequate means for the Plan's implementation, including (a) the consummation of the Sale Transaction in accordance with the Asset Purchase Agreement, (b) the distribution of the Sale Proceeds and any cash on hand in accordance with the Plan, (c) the

funding of the GUC Sale Transaction Recovery Pool and the Last Out Loans Turnover Amount, and (d) the appointment of the Plan Administrator to take any action necessary to wind down and dissolve the Estates, among others. The Plan, therefore, satisfies the requirements of section 1123(a)(5) of the Bankruptcy Code.

(vi) Non-Voting Equity Securities—Section 1123(a)(6).

19. The Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code prohibiting the issuance of nonvoting equity securities. On the Effective Date, (a) all remaining assets shall vest in the Wind-Down Trust; *provided* that (i) any such assets that cannot be transferred to the Wind-Down Trust on the Effective Date shall be held by the Post-Effective Date Debtors for the benefit of the Wind-Down Trust for purposes of winding down the Debtors' Estates and implementing the terms of the Plan and (ii) any Canadian Assets shall continue to be owned by Hollander Canada, and the shares of which shall be owned by the Wind-Down Trust for purposes of winding down the Debtors' Estates and implementing the terms of the Plan and (b) all the fiduciary duties, authority, power, and incumbency of any and all persons acting as managers, directors, and officers of the Debtors shall be deemed to have been terminated, and vest in the Plan Administrator. The Plan Administrator shall be responsible for: (a) winding down the Debtors' businesses; (b) resolving Disputed Claims; (c) making all distributions to Holders of Allowed Claims; (d) litigating any causes of action; (e) filing tax returns; and (f) administering the Plan. Accordingly, the requirements of section 1123(a)(6) of the Bankruptcy Code are inapplicable to confirmation of the Plan.

(vii) Directors and Officers—Section 1123(a)(7).

20. The Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code. The Plan provides that, on the Effective Date, the term of the current members of the board of managers or directors and officers of the Debtors and non-Debtor subsidiaries shall expire and

the Plan Administrator will be appointed. Accordingly, the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

(viii) Claims and Executory Contracts—Section 1123(b)(1)–(2).

21. Article III of the Plan leaves Impaired or Unimpaired, as the case may be, each Class of Claims and Interests, and Article V of the Plan provides that, on the Effective Date, except as otherwise provided in the Plan or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, all Executory Contracts and Unexpired Leases shall be deemed rejected as of the Effective Date, unless such Executory Contract or Unexpired Lease: (a) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (b) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy Court order; (c) are the subject of a Filed motion to assume, assume and assign, or reject such Executory Contract or Unexpired Lease (or of a Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date; or (d) are a contract, release, or other agreement or document entered into in connection with the Plan. The Debtors provided sufficient notice to each non-Debtor counterparty to an Executory Contract or Unexpired Lease assumed, assumed and assigned, or rejected by the Debtors pursuant to the Plan, the Plan Supplement, or otherwise during the Chapter 11 Cases.

(ix) Releases, Exculpation, Injunction, and Preservation of Claims and Causes of Action—Section 1123(b)(3).

22. The Plan is consistent with section 1123(b)(3) of the Bankruptcy Code. Article VIII.C of the Plan describes certain releases granted by the Debtors (the “Debtor Release”), Article VIII.D of the Plan provides for the release of the Released Parties by the Releasing Parties (the “Third-Party Release”), Article VIII.E of the Plan provides for exculpation for the Exculpated Parties (the “Exculpation”), and Article VIII.F of the Plan, as

modified above, provides for an injunction (the “Injunction”). The Bankruptcy Court has jurisdiction under sections 1334(a) and 1334(b) of the Judicial Code and authority under section 105 of the Bankruptcy Code to approve each of the Debtor Release, the Third-Party Release, the Exculpation, and the Injunction. As has been established based upon the evidence presented at the Confirmation Hearing, such provisions (a) were given in exchange for good, valuable, and adequate consideration after due notice and opportunity for hearing, (b) are appropriately tailored under the facts and circumstances of the Chapter 11 Cases, (c) were integral to the agreements among the various parties in interest and are essential to the formulation and implementation of the Plan, as provided in section 1123 of the Bankruptcy Code, (d) confer substantial benefits on the Estates, (e) are fair, equitable, and reasonable, and (f) are in the best interests of the Debtors, the Estates, and parties in interest. These releases are also consistent with those releases that the Court previously granted pursuant to settlements incorporated in the RSA Order. Further, the failure to implement the Debtor Release, Third-Party Release, Exculpation and Injunction would impair the Debtors’ ability to confirm and implement the Plan.

23. The Debtor Release represents a valid exercise of the Debtors’ business judgment. The Released Parties provided good and valuable consideration in exchange for the releases—including services, substantial DIP funding, and the consensual waiver of claims, as the case may be—and otherwise facilitated the Chapter 11 Cases and the implementation of the Sale Transaction contemplated by the Plan.

24. The Third-Party Release is consensual with respect to the Releasing Parties. Specifically, the Confirmation Hearing Notice sent to all Notice Parties (including those not entitled to vote on the Plan) and published in *The New York Times*, *USA Today* (national edition), and *The Globe and Mail* (national edition in Canada) on August 1, 2019, and the Ballots sent to

all Holders of Impaired Claims in the Voting Classes, in each case, unambiguously stated that the Plan contains the Third-Party Release, and allowed such parties to “opt into” such Third-Party Release and otherwise conformed to the Solicitation Procedures. Accordingly, in light of all of the circumstances, the Third-Party Release are consensual, are fair to the Releasing Parties, and are otherwise appropriate.

25. The Exculpation appropriately affords protection to those parties who constructively participated in and contributed to the Debtors’ chapter 11 process consistent with this Court’s orders, and it is appropriately tailored to protect the Exculpated Parties from inappropriate litigation. The Exculpation granted under the Plan is reasonable in scope as it does not relieve any party of liability for an act or omission to the extent such act or omission is determined by final order to constitute actual fraud, willful misconduct, or gross negligence.

26. The Injunction is essential to the Plan and is necessary to implement the Plan and to preserve and enforce the Debtor Release, the Third-Party Release, the Exculpation, and discharge provisions in Article VIII of the Plan. The Injunction is appropriately tailored to achieve those purposes.

27. The release of all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates described in Article VIII.B of the Plan (the “Lien Release”) is necessary to implement the Plan. The provisions of the Lien Release are appropriate, fair, equitable, and reasonable and are in the best interests of the Debtors, the Estates, Holders of Claims and Interests, and other Entities with an interest in the Debtors’ property.

28. The record of the Confirmation Hearing is sufficient to support the Debtor Release, Third-Party Release, Exculpation, and Injunction. Accordingly, based upon the

representations of the parties and the evidence proffered, adduced, or presented at the Confirmation Hearing, the Debtor Release, Third-Party Release, Exculpation, and Injunction are consistent with the Bankruptcy Code and applicable law.

29. The provisions regarding the preservation of Causes of Action in the Plan (including Article IV.M), including the Plan Supplement, are appropriate, fair, equitable, and reasonable, and are in the best interests of the Debtors, the Estates, and Holders of Claims and Interests.

(x) Additional Plan Provisions—Section 1123(b)(6).

30. The other discretionary provisions of the Plan are appropriate and consistent with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1123(b)(6) of the Bankruptcy Code.

K. Debtor Compliance with the Bankruptcy Code—Section 1129(a)(2).

31. The Debtors have complied with the applicable provisions of the Bankruptcy Code and, thus, satisfy the requirements of section 1129(a)(2) of the Bankruptcy Code. Specifically, each Debtor:

- a. is an eligible debtor under section 109 of the Bankruptcy Code and a proper proponent of the Plan under section 1121(a) of the Bankruptcy Code;
- b. has complied with applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court; and
- c. complied with the applicable provisions of the Bankruptcy Code, including sections 1125 and 1126, the Bankruptcy Rules, the Local Rules, any applicable nonbankruptcy law, rule, and regulation, the Disclosure Statement Order, and all other applicable law, in transmitting the Solicitation Package and related documents and notices, and in soliciting and tabulating the votes on the Plan.

L. Plan Proposed in Good Faith—Section 1129(a)(3).

32. The Plan satisfies the requirements of section 1129(a)(3) of the Bankruptcy Code.

The Debtors proposed the Plan in good faith and not by any means forbidden by law. In so

determining, the Court has examined the totality of the circumstances surrounding the filing of the Chapter 11 Cases, the Plan itself, the process leading to Confirmation of the Plan, including the overwhelming support of Holders of Claims or Interests entitled to vote on the Plan, and the transactions to be implemented pursuant thereto. The Chapter 11 Cases were filed, and the Plan was proposed, with the legitimate purpose of allowing the Debtors to effectuate a reorganization or sale process to maximize creditor recoveries and to satisfy their obligations with sufficient liquidity and capital resources.

M. Payment for Services or Costs and Expenses—Section 1129(a)(4).

33. The procedures set forth in the Plan for the Court's review and ultimate determination of the fees and expenses to be paid by the Debtors in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, satisfy the objectives of, and are in compliance with, section 1129(a)(4) of the Bankruptcy Code.

N. Directors, Officers, and Insiders—Section 1129(a)(5).

34. The Debtors have satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code. Article IV.D of the Plan satisfies the requirements of section 1129(a)(5) of the Bankruptcy Code, to the extent applicable, by providing for the appointment of the Plan Administrator.

O. No Rate Changes—Section 1129(a)(6).

35. Section 1129(a)(6) of the Bankruptcy Code is not applicable to the Chapter 11 Cases. The Plan proposes no rate change subject to the jurisdiction of any governmental regulatory commission.

P. Best Interest of Creditors—Section 1129(a)(7).

36. The Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code. The liquidation analysis attached to the Disclosure Statement as Exhibit E and the other evidence

related thereto in support of the Plan that was proffered or adduced at the Confirmation Hearing:

(a) is reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered; (b) utilizes reasonable and appropriate methodologies and assumptions; (c) has not been controverted by other evidence; and (d) establishes that each Holder of an Allowed Claim or Interest in each Class will recover at least as much under the Plan on account of such Claim or Interest, as of the Effective Date, as such Holder would receive if the Debtors were liquidated, on the Effective Date, under chapter 7 of the Bankruptcy Code.

Q. Acceptance by Certain Classes—Section 1129(a)(8).

37. The Plan does not satisfy the requirements of section 1129(a)(8) of the Bankruptcy Code. Classes 1, 2, and 3 constitute Unimpaired Classes, each of which is conclusively presumed to have accepted the Plan in accordance with section 1126(f) of the Bankruptcy Code. Class 4 and Class 5 voted to accept the Plan. Holders of Class 8 Claims (Interests in Dream II) and Class 9 Claims (section 510(b) Claims), if any, receive no recovery pursuant to the Plan and are deemed to have rejected the Plan. Holders of Claims or Interests in Classes 6 and 7 either constitutes an Unimpaired or Impaired Class, and are conclusively presumed to have accepted, or deemed to have rejected, the Plan. Notwithstanding the foregoing, the Plan is confirmable because it satisfies sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

R. Treatment of Claims Entitled to Priority Under Section 507(a) of the Bankruptcy Code—Section 1129(a)(9).

38. The treatment of Administrative Claims, Professional Fee Claims, and Priority Tax Claims, under Article II of the Plan, and of Other Priority Claims, Other Secured Claims, and Secured Tax Claims under Article III of the Plan, satisfies the requirements of, and complies in all respects with, section 1129(a)(9) of the Bankruptcy Code.

S. Acceptance By At Least One Impaired Class—Section 1129(a)(10).

39. The Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code. As evidenced by the Voting Report, each of Class 4 (Term Loan Claims) and Class 5 (General Unsecured Claims) voted to accept the Plan by the requisite number and amount of Claims at each Debtor, determined without including any acceptance of the Plan by any insider (as that term is defined in section 101(31) of the Bankruptcy Code), specified under the Bankruptcy Code.

T. Feasibility—Section 1129(a)(11).

40. The Plan satisfies the requirements of section 1129(a)(11) of the Bankruptcy Code. The evidence supporting Confirmation of the Plan proffered or adduced by the Debtors at, or prior to, or in the Pfefferle Declaration filed in connection with, the Confirmation Hearing: (a) are reasonable, persuasive, and credible as of the dates such analysis or evidence was prepared, presented, or proffered; (b) have not been controverted by other evidence; and (c) establish that the Plan is feasible and that the Wind-Down Trust will have sufficient funds available to meet their obligations under the Plan.

U. Payment of Fees—Section 1129(a)(12).

41. The Plan satisfies the requirements of section 1129(a)(12) of the Bankruptcy Code. Article XII.C of the Plan provides for the payment of all fees payable by the Debtors under section 1930(a) of the Judicial Code.

V. Continuation of Employee Benefits—Section 1129(a)(13).

42. The Plan satisfies the requirements of section 1129(a)(13) of the Bankruptcy Code. Article V.H of the Plan provides that from and after the Effective Date, the payment of all retiree benefits, as defined in section 1114 of the Bankruptcy Code, will continue in accordance with applicable law.

W. Non-Applicability of Certain Sections—Sections 1129(a)(14), (15), and (16).

43. Sections 1129(a)(14), 1129(a)(15), and 1129(a)(16) of the Bankruptcy Code do not apply to the Chapter 11 Cases. The Debtors owe no domestic support obligations, are not individuals, and are not nonprofit corporations.

X. “Cram Down” Requirements—Section 1129(b).

44. The Plan satisfies the requirements of section 1129(b) of the Bankruptcy Code because (a) at least one Voting Class of Claims at each Debtor voted to accept the Plan and (b) the Plan does not discriminate unfairly and is fair and equitable with respect to the Claims and Interests in the Classes that are deemed to reject the Plan. The Plan may therefore be confirmed despite the fact that not all Impaired Classes have voted to accept the Plan.

Y. Only One Plan—Section 1129(c).

45. The Plan satisfies the requirements of section 1129(c) of the Bankruptcy Code. The Plan is the only chapter 11 plan filed in each of the Chapter 11 Cases.

Z. Principal Purpose of the Plan—Section 1129(d).

46. The Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code. The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act.

AA. Good Faith Solicitation—Section 1125(e).

47. The Debtors, the Released Parties, and the Exculpated Parties have acted in “good faith” within the meaning of section 1125(e) of the Bankruptcy Code and in compliance with the applicable provisions of the Bankruptcy Code and Bankruptcy Rules in connection with all of their respective activities relating to support of the Plan and this Confirmation Order, including the solicitation of acceptances of the Plan, and are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code.

BB. Satisfaction of Confirmation Requirements.

48. Based on the foregoing, the Plan satisfies the requirements for Confirmation thereof set forth in section 1129 of the Bankruptcy Code.

CC. Likelihood of Satisfaction of Conditions Precedent to the Effective Date.

49. Each of the conditions precedent to the Effective Date, as set forth in Article IX.A of the Plan, has been or is reasonably likely to be satisfied or waived in accordance with Article IX.B of the Plan.

DD. Implementation.

50. All documents necessary to implement the Plan and all other relevant and necessary documents have been negotiated in good faith and at arm's length and shall, upon completion of documentation and execution, be valid, binding, and enforceable agreements.

EE. Sale Transaction.

51. The Asset Purchase Agreement was negotiated, proposed, and entered into by the Debtors and the Winning Bidder without collusion, in good faith, and from arm's-length bargaining positions. Neither the Debtors nor the Winning Bidder have engaged in any conduct that would cause or permit the Asset Purchase Agreement to be avoided under Bankruptcy Code section 363(n). The Winning Bidder is consummating the Sale Transaction in good faith and is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code. The Winning Bidder has proceeded in good faith in all respects in connection with the Sale Transaction. The Winning Bidder is therefore entitled to all of the protections afforded under section 363(m) of the Bankruptcy Code.

52. The Debtors' marketing process with respect to the Sale Transaction afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer. No other person or entity or group of entities has offered to purchase the assets for greater

overall value to the Debtors' Estates than the Winning Bidder. The Asset Purchase Agreement constitutes the highest and best offer, and will provide a greater recovery for the Debtors' Estates than would be provided by any other available alternative. The Debtors' determination that the Asset Purchase Agreement constitutes the highest and best offer constitutes a valid and sound exercise of the Debtors' business judgment. Approval of the Asset Purchase Agreement and the consummation of the Sale Transaction is in the best interests of the Debtors' Estates, their creditors, and other parties in interest.

53. The consideration provided by the Winning Bidder pursuant to the Asset Purchase Agreement (a) is fair and reasonable, (b) is the highest or best offer for the purchased assets, and (c) constitutes reasonably equivalent value (as those terms are defined in each of the Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, and section 548 of the Bankruptcy Code) and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

54. The Winning Bidder is not a mere continuation or substantial continuation of the Debtors or their Estates and there is no continuity of enterprise or common identity between the Winning Bidder and any of the Debtors. The Winning Bidder is not holding itself out to the public as a continuation of any of the Debtors. The Winning Bidder is not a successor to the Debtors or their Estates by reason of any theory of law or equity, and the Sale Transaction does not amount to a consolidation, merger, or *de facto* merger of the Winning Bidder with or into any of the Debtors. The Winning Bidder has entered into the Asset Purchase Agreement in material reliance on and with fair consideration provided for the Sale Transaction being free and clear of all claims and interests relating to the Debtors arising prior to the closing of the Sale Transaction, including any successor or vicarious liabilities of any kind or nature, as set forth herein and in the

Asset Purchase Agreement, and would not have entered into the Asset Purchase Agreement or the Sale Transaction without such terms and the findings herein.

55. The conditions of section 363(f) of the Bankruptcy Code have been satisfied in full; therefore, the Debtors may sell assets and property pursuant to the Asset Purchase Agreement free and clear of any claims, liens, encumbrances, or other interests of any kind or nature whatsoever other than as expressly provided under the Asset Purchase Agreement. In addition to and without limiting the foregoing, the proposed Sale Transaction is to be consummated under the Plan, and the assets and property to be sold pursuant to the Sale Transaction are dealt with by the Plan; therefore, except as expressly provided under the Asset Purchase Agreement, the Debtors may sell assets and property pursuant to the Asset Purchase Agreement free and clear of any claims, liens, encumbrances, or other interests of any kind or nature whatsoever pursuant to section 1141(c) of the Bankruptcy Code.

56. The Debtors may sell such assets free and clear of all claims, liens, encumbrances, and other interests of any kind or nature whatsoever (other than as expressly permitted under the Asset Purchase Agreement) because, in each case, one or more of the standards set forth in sections 363(f)(1)–(5), 1129(b)(2)(A)(ii), 1141(a), or 1141(c) of the Bankruptcy Code has been satisfied. All holders of such claims, liens, encumbrances, or other interests against the Debtors, their Estates, or any of the assets subject to the Sale Transaction (a) who did not object, or who withdrew their objections, to the Sale Transaction are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code and (b) are bound by the Plan pursuant to section 1141(a) of the Bankruptcy Code. All holders of such claims, liens, encumbrances, or other interests are adequately protected by having their claims, liens, encumbrances, or other interests, if any, in each instance against the Debtors, their Estates, or any of the assets subject to

the Sale Transaction, attach to the net cash proceeds of the Sale Transaction ultimately attributable to the assets in which such creditor alleges a claim, lien, encumbrance, or other interest, in the same order of priority, with the same validity, force, and effect that such claim, lien, encumbrance, or other interest had prior to consummation of the Sale Transaction, subject to any claims and defenses the Debtors and their Estates may possess with respect thereto, and with such claims, liens, encumbrances, or other interests being treated in accordance with the Plan, including Article II.C, Article IV.E.1, and Article VIII.B thereof.

FF. Disclosure of Facts.

57. The Debtors have disclosed all material facts regarding the Plan, the Plan Supplement, and the adoption, execution, and implementation of the other matters provided for under the Plan involving corporate action to be taken by or required of the Debtors.

GG. Good Faith.

58. The Debtors, the Released Parties, and the Releasing Parties have acted in good faith in negotiating and proposing the Plan. The Debtors, the Released Parties, and the Releasing Parties will continue to be acting in good faith if they proceed to consummate the Plan and the agreements, transactions, and transfers contemplated thereby and take the actions authorized and directed by this Confirmation Order.

ORDER

IT IS ORDERED, ADJUDGED, DECREED, AND DETERMINED THAT:

59. The Plan, including (a) all of the modifications to the Plan filed with the Court prior to or during the Confirmation Hearing and (b) all documents incorporated into the Plan through the Plan Supplement (including the final forms thereof), is confirmed pursuant to section 1129 of the Bankruptcy Code.

60. Any and all objections to the Plan that have not been withdrawn or resolved prior to or during the Confirmation Hearing are hereby overruled.

61. The documents contained in the Plan Supplement (including the final forms thereof) are an integral part of the Plan, and the Debtors and the Plan Administrator, as applicable, are authorized to take all actions required under the Plan and the Plan Supplement documents to effectuate the Plan.

62. The terms of the Plan, the Plan Supplement, and the final forms of the exhibits thereto are incorporated herein by reference, and are an integral part of this order (the “Confirmation Order”). The terms of the Plan, the Plan Supplement, and the exhibits thereto, and all other relevant and necessary documents shall be effective and binding as of the Effective Date. The failure to specifically include or refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document in this Confirmation Order does not diminish or impair the effectiveness or enforceability of such article, section, or provision, it being the intent of the Court that the Plan, the Plan Supplement, and the exhibits thereto be confirmed in their entirety.

63. Pursuant to Bankruptcy Rule 3020(c)(1), the following provisions in the Plan are hereby approved and will be immediately effective on the Effective Date without further order or action by the Court, any of the parties to such releases, or any other Entity: (a) Release of Liens (Article VIII.B), (b) Debtor Release (Article VIII.C), (c) Third-Party Release (Article VIII.D), (d) Exculpation (Article VIII.E), and (e) as modified above, Injunction (Article VIII.F).

64. The Asset Purchase Agreement and all other ancillary documents, and all of the terms and conditions thereof, are hereby approved. Pursuant to sections 105(a), 363(b), and 1123(b)(4) of the Bankruptcy Code, on the Effective Date, the Debtors are authorized and

empowered to take any and all actions necessary or appropriate to (a) consummate the Sale Transaction pursuant to and in accordance with the terms and conditions of the Asset Purchase Agreement and the Plan, (b) close the Sale Transaction as contemplated in the Asset Purchase Agreement and the Plan, and (c) execute and deliver, perform under, consummate, implement, and fully close the Asset Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Asset Purchase Agreement and the Sale Transaction. Any non-Cash consideration of the Sale Transaction shall only be allocated to non ABL Priority Collateral (as defined in the DIP ABL Order) in accordance with the DIP Intercreditor Agreement (as defined in the DIP ABL Order) and the Bidding Procedures Order.

65. Pursuant to sections 105(a), 363(f), 365(f), 1129(b)(2)(A)(ii), 1141(a), and 1141(c) of the Bankruptcy Code, on the Effective Date, subject to the closing of the Sale Transaction, and except as expressly provided for in the Asset Purchase Agreement, all Acquired Assets shall be sold and transferred to and vested in the Winning Bidder free and clear of any and all liens, claims, encumbrances, and other interests to the fullest extent permitted by section 363(f) or section 1141(c) of the Bankruptcy Code, and all such liens, claims, encumbrances, or other interests shall attach to the net cash proceeds of the Sale Transaction ultimately attributable to the property against or in which such liens, claims, encumbrances, or other interests are asserted, subject to the terms thereof, with the same validity, force, and effect, and in the same order of priority, which such liens, claims, encumbrances, or other interests now have, subject to any rights, claims, and defenses the Debtors or their Estates, as applicable, may possess with respect thereto, and with such claims, liens, encumbrances, or other interests being treated in accordance with the Plan.

66. The transfer of assets to the Winning Bidder pursuant to the Asset Purchase Agreement, the Plan, and this Confirmation Order does not require any consents other than as expressly provided for in the Asset Purchase Agreement. Each and every federal, state, province, county, and local governmental agency or department, whether foreign or domestic, is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

67. After the Effective Date, a certified copy of this Confirmation Order may be filed with the appropriate clerk or recorded with the recorder of any federal, state, province, county, or local authority, whether foreign or domestic, to act to cancel any of the Claims, Liens, and other encumbrances of record except those expressly assumed under the Asset Purchase Agreement.

68. Except as expressly provided for in the Asset Purchase Agreement, the Winning Bidder shall not assume or have any liability or other obligation of the Debtors arising under or related to any of the Acquired Assets. Without limiting the generality of the foregoing, the Sale Transaction shall be free and clear of successor, vicarious, or transferee liabilities to the Winning Bidder to the fullest extent permitted by section 363(f) or section 1141(c) of the Bankruptcy Code.

69. As of the Effective Date, and subject to the provisions of the Plan and this Confirmation Order, all persons and entities are hereby forever prohibited and permanently enjoined from taking any action that would adversely affect or interfere with the consummation of the Sale Transaction. Without limiting the generality of the foregoing or the Injunction, (a) all persons or entities are hereby forever prohibited and permanently enjoined from asserting against the Winning Bidder, its successor and assigns, or the Acquired Assets, any liabilities, liens, claims, encumbrances, or other interests, or successor or transferee liabilities, that the Winning

Bidder has not expressly assumed under the Asset Purchase Agreement and to which the Winning Bidder is or the Acquired Assets are not subject by virtue of the provisions of paragraphs 65 and 68 of this Confirmation Order, and (b) each non-Debtor party to an Executory Contract or Unexpired Lease being assumed and assigned to the Winning Bidder pursuant to the Asset Purchase Agreement, the Plan, and this Confirmation Order is hereby forever prohibited and permanently enjoined from imposing or charging against the Winning Bidder any rent accelerations, assignment fees, increases, or any other fees in connection with the specific assumed and assigned Executory Contract or Unexpired Lease by reason of the Debtors' assumption and assignment of such Executory Contract and Unexpired Lease, and the validity of such assumption and assignment, which shall in all events be effective as of the Effective Date, shall not be affected by the pendency or resolution of any dispute between the Debtors and any non-Debtor party to any such assigned Executory Contract or Unexpired Lease.

70. Pursuant to section 363(m) of the Bankruptcy Code, the reversal or modification on appeal of the authorization provided herein to effectuate the Sale Transactions and consummate the transactions contemplated by the Asset Purchase Agreement shall not affect the validity of such transactions (including the assumption, assignment and/or transfer of any Executory Contract or Unexpired Lease), unless such authorization and consummation of such transactions are duly stayed pending such appeal.

71. The provisions governing the treatment of Executory Contracts and Unexpired Leases set forth in Article V of the Plan (including the procedures regarding any disputes concerning the assumption, assumption and assignment, or rejection, as applicable, of such Executory Contracts and Unexpired Leases) are hereby approved in their entirety. Notwithstanding any provision of this Confirmation Order or in the Plan to the contrary, all

objections to assumption and/or assignment that have been timely Filed and not yet resolved, and all objections to assumption and/or assignment that are not yet due, are hereby preserved, including in each case all objections to the Debtors' ability to assume and assign, all objections as to whether adequate assurance of performance is provided, and all objections as to whether cure amounts have been properly calculated.

72. With respect to each Executory Contract or Unexpired Lease to be assumed and assigned under the Plan, and except as otherwise provided in paragraph 71: (a) the applicable assignee of such Executory Contract or Unexpired Lease has provided adequate assurance of future performance under the relevant Executory Contract or Unexpired Lease within the meaning of section 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code and (b) the applicable assignee of such Executory Contract or Unexpired Lease shall be deemed to be substituted for the Debtors as a party to the applicable Executory Contract or Unexpired Lease and the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, and the Wind-Down Trust shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under such Executory Contract or Unexpired Lease.

73. On the Effective Date, immediately after consummation of the Sale Transaction, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement. The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Debtors' Estates, subject to and in accordance with the Plan. The Plan Administrator shall act as the Wind-Down Trustee in accordance with the Wind-Down Trust Agreement. The Plan Administrator shall have the right to retain the services of attorneys, accountants, and other professionals that are necessary to assist the Plan Administrator in the performance of his or her duties in accordance with the Plan and the Wind-Down Trust

Agreement. The Plan Administrator, among other things, may maintain appropriate reserves, including Disputed Claim Reserves, such as to hold amounts for payment with respect to Disputed Claims if and after they become Allowed Claims. The Plan Administrator may elect to treat all or certain of such reserves as “disputed ownership funds” governed pursuant to Treasury Regulation section 1.468B-9, which treatment also may be applied to the extent possible for state and local tax purposes. The Plan Administrator shall also consult with the Information Officer in respect of (a) winding down the Debtors’ businesses and administering the liquidation of the Post-Effective Date Debtors and any assets held by the Wind-Down Trust, (b) resolving Disputed Claims, (c) making distributions to Holders of Allowed Claims, (d) performing pursuant to the Asset Purchase Agreement, (e) litigating any causes of action, (f) filing tax returns; and (g) administering the Plan, as any such matters also relate to Canada.

74. The Debtors, the Post-Effective Date Debtors, and the Plan Administrator are authorized to take all actions, necessary, appropriate, or desirable to enter into, implement, and consummate the contracts, instruments, releases, agreements, or other documents created or executed in connection with the Plan. In accordance with section 1142 of the Bankruptcy Code and applicable nonbankruptcy law, such actions may be taken without further action by stockholders, managers, or directors.

75. The offering, issuance, exchange, or distribution of any securities pursuant to the Plan shall be exempt from registration under the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder, and any state or local law requiring registration prior to such activities, in each case to the fullest extent available under section 1145 of the Bankruptcy Code.

76. This Confirmation Order is and shall be binding upon and shall govern the acts of all persons or entities including all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, provincial, and local officials, and all other persons and entities who may be required, by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any document or instrument. Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant to the Asset Purchase Agreement, the Plan, and this Confirmation Order shall not be subject to any stamp or similar tax. Pursuant to sections 105(a), 1141(a), and 1142(b) of the Bankruptcy Code, each and every federal, state, provincial, and local government agency is hereby directed to accept any and all documents and instruments necessary, useful, or appropriate (including financing statements under the applicable uniform commercial code) to effectuate, implement, and consummate the transactions contemplated by the Plan and this Confirmation Order without payment of any stamp tax or similar tax, recordation fee, or governmental assessment imposed by law.

77. For the avoidance of doubt, nothing in the Plan or this Confirmation Order shall alter the rights of Dallas County set forth in paragraph 58 of the DIP Term Loan Order.

78. The assets of the Debtors and of the Wind-Down Trust shall be used for the satisfaction of expense obligations and the payment of Claims only in the manner set forth in the Plan and shall not be available for any other purpose. All Persons and Entities who have held, hold, or may hold Claims or Interests based upon any act, omission, transaction, or other activity of any kind or nature related to the Debtors, the Wind-Down Trust, or the Debtors' chapter 11 cases that occurred prior to the Effective Date, other than as expressly provided in the Plan or

this Confirmation Order, shall be precluded and permanently enjoined on and after the Effective Date from interfering with the use and distribution of the Debtors' assets in the manner contemplated by the Plan.

79. As of the Effective Date and subject to the occurrence of the Effective Date, except as otherwise specifically provided in the Plan or this Confirmation Order, all Persons and Entities who have held, hold, or may hold Claims or Interests that are fully satisfied pursuant to the Plan, or any Claim that is subject to the releases and exculpations set forth in Article VIII.D and Article VIII.E of the Plan, shall be precluded and permanently enjoined on and after the Effective Date from enforcing, pursuing, or seeking any setoff or relief with respect to such Claims, except for the receipt of the payments or distributions that are contemplated by the Plan.

80. The Debtors must file with the Court and serve a notice of the entry of this Confirmation Order and occurrence of the Effective Date, substantially in the form attached hereto as **Exhibit 2**, upon (a) all parties listed in the creditor matrix maintained by Omni Management Group and (b) such additional persons and entities as deemed appropriate by the Debtors, no later than five business days after the Effective Date, and will cause Omni Management Group to file an affidavit of service with the Court. The Debtors will publish the notice of the occurrence of the Effective Date in the *New York Times* (national edition), *USA Today* (national edition), and *The Globe and Mail* (national edition in Canada) within seven business days after the Effective Date, and will cause an affidavit of service to be filed with the Court.

81. Notwithstanding Bankruptcy Rule 3020(e), the terms and conditions of this Confirmation Order will be immediately effective and enforceable upon its entry. This

Confirmation Order is a final order, and the period in which an appeal must be filed shall commence immediately upon the entry hereof.

82. The Debtors and the Plan Administrator are authorized to take all actions necessary to effectuate the relief granted in this Confirmation Order in accordance with the Plan.

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

Dated: New York, New York
September 5, 2019

s/Michael E. Wiles

HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

The Plan

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

In re:)	
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Chapter 11
Debtors.	)	Case No. 19-11608 (MEW)
	)	(Jointly Administered)

**DEBTORS' MODIFIED FIRST AMENDED JOINT
PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

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Counsel to the Debtors and Debtors in Possession

Dated: September 3, 2019

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY 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.

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INTRODUCTION

Hollander Sleep Products, LLC and its Debtor affiliates in the above-captioned Chapter 11 Cases propose this joint chapter 11 plan pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A. This Plan constitutes a separate chapter 11 plan for each Debtor and, unless otherwise set forth herein, the classifications and treatment of Claims and Interests apply to each individual Debtor.

Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and historical financial information, projections, and future operations, as well as a summary and description of this Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

As used in this Plan, capitalized terms have the meanings ascribed to them below.

1. “**ABL Agent**” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

2. “**ABL Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the ABL Credit Facility.

3. “**ABL Credit Agreement**” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

4. “**ABL Credit Facility**” means, collectively, the senior secured revolving credit facility, swing loans, and letters of credit provided for by the ABL Credit Agreement.

5. “**ABL Lenders**” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

6. “**ABL Priority Collateral**” has the meaning set forth in the DIP Intercreditor Agreement.

7. “**Administration Charge**” means the charge granted by the Canadian Court in the Recognition Proceedings on the Canadian Assets to secure the professional fees and disbursements of the Information Officer and its counsel, in each case incurred in respect of the Recognition Proceedings.

8. “**Administrative Claim**” means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) amounts owing pursuant to the DIP Orders.

9. “**Administrative Claim Bar Date**” means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims, (y) Administrative Claims arising in the ordinary

course of business, or (z) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code, which are required to be filed in accordance with the Bar Date Order), which shall be 30 days after the Effective Date.

10. “**Administrative Claim Objection Bar Date**” means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the later of (a) 60 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of the Administrative Claims; *provided* that the Administrative Claim Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

11. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

12. “**Allowed**” means with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claims, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. For the avoidance of doubt: (x) a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim; and (y) the Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law. “Allow” and “Allowing” shall have correlative meanings.

13. “**Acquired Assets**” means those “Acquired Assets” as defined in the Asset Purchase Agreement.

14. “**APA Post Closing Obligations**” means those certain obligations of the Debtors (or any successor thereto) under the Asset Purchase Agreement that may become due and payable after the closing of the Sale Transaction, including the payment of certain tax obligations relating to periods prior to the closing and payment of certain cure amounts with respect to Executory Contracts or Unexpired Leases assigned to the Winning Bidder.

15. “**Asset Purchase Agreement**” means that certain asset purchase agreement dated as of August 15, 2019, executed by and between the Debtors and the Winning Bidder for the sale of certain of the Debtors’ assets to the Winning Bidder, a copy of which has been filed with the Plan Supplement, together with all exhibits, appendices, supplements, documents, and agreements ancillary thereto, in each case as amended, modified, or supplemented from time to time.

16. “**Auction**” means the auction, if any, for some or all of the Debtors’ assets, conducted in accordance with the Bidding Procedures.

17. “**Avoidance Actions**” mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their Estates under the Bankruptcy Code, CCAA, BIA, or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

18. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 100–1532, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

19. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of reference under section 157 of the Judicial Code and/or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

20. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

21. “**Bar Date Order**” means the *Order (A) Setting Bar Dates for Filing Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 120], entered by the Bankruptcy Court on June 21, 2019.

22. “**BIA**” means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

23. “**Bidding Procedures**” means the procedures governing the Auction and sale of all or substantially all of the Debtors’ assets, as approved by the Bankruptcy Court and as may be amended from time to time in accordance with their terms.

24. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)(6)).

25. “**Canadian Assets**” means the assets, undertakings, and properties of Hollander Canada at the applicable time.

26. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

27. “**Canadian Intercompany Claim**” means (i) the Claim of Hollander Canada in respect of the aggregate amount loaned by Hollander Canada to the Debtors other than Hollander Canada during the Chapter 11 Cases pursuant to and in accordance with the DIP Orders, *less* (ii) the aggregate amount reasonably incurred by the Debtors other than Hollander Canada during the Chapter 11 Cases in providing selling, general, and administrative services to Hollander Canada.

28. “**Cash**” or “**\$**” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

29. “**Causes of Action**” means any actions, claims, cross claims, third-party claims, interests, damages, controversies, remedies, causes of action, debts, judgments, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, disputed or undisputed, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law or otherwise. For the avoidance of doubt, “Causes of Action” include: (a) any rights of setoff, counterclaim, or recoupment and any claims under contracts or for breaches of duties imposed by law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claims or defenses, including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any state law fraudulent transfer claim.

30. “**CCAA**” means Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

31. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

32. “**Claim**” means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, or as defined in the CCAA, as applicable, against a Debtor or an Estate.

33. “**Claims Bar Date**” means the dates established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims (other than Claims required to be Filed by the Administrative Claims Bar Date), pursuant to (a) the Bar Date Order, (b) a Final Order of the Bankruptcy Court, or (c) the Plan.

34. “**Claims Objection Bar Date**” means the later of: (a) the first Business Day following 180 days after the Effective Date; and (b) such later date as may be fixed by the Bankruptcy Court, after notice and a hearing upon a motion either Filed on or before the day that is 180 days after the Effective Date or filed thereafter, for cause.

35. “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

36. “**Class**” means a class of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

37. “**Collective Bargaining Agreement**” means those certain Collective Bargaining Agreements by and between Debtor Hollander Sleep Products, LLC, on the one hand, and, as applicable, the Southwest Regional Joint Board Workers United, the Southern Regional Joint Board of Workers United, SEIU on Behalf of Local 2420, the Mid-Atlantic Joint Board of Workers United, or the Workers United, Western States Regional Joint Board, on the other hand, as the same may have been amended from time to time.

38. “**Commercial Tort Claims**” means any commercial tort claims or Causes of Action owned by the Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date.

39. “**Commercial Tort Proceeds**” means the Cash proceeds, if any, of any Commercial Tort Claims, less any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

40. “**Committee**” means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 30, 2019, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 61].

41. “**Committee Advisors**” means, collectively, Pachulski Stang Ziehl & Jones LLP, Alvarez & Marsal North America, LLC, and Gowling WLG.

42. “**Committee Monthly Fee Cap**” means, the sum of \$300,000 per month for the period commencing on August 1, 2019, through the Effective Date which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code, *provided* that any unused amount from a prior month may be used for fees and expenses incurred in a subsequent month on a rolling basis.

43. “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

44. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

45. **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, including any adjournments thereof.

46. **“Confirmation Recognition Order”** means the order granted by the Canadian Court recognizing the Confirmation Order in the Recognition Proceedings.

47. **“Confirmation Order”** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the ABL Agent (solely with respect to the economic and non-economic treatment of the ABL Agent and ABL Lenders pursuant to such order), the Winning Bidder (solely with respect to the Sale Transaction), and the Sponsor.

48. **“Consenting Term Loan Lenders”** means the Term Loan Lenders that are party to the RSA, together with their respective successors and permitted assigns and any subsequent Term Loan Lenders that become party to the RSA in accordance with the terms of the RSA.

49. **“Consummation”** means the occurrence of the Effective Date.

50. **“Contingent Amounts”** means any (a) Sale Proceeds or other amounts that any Debtor, Post-Effective Date Debtor, or the Wind-Down Trust receives from the Sale Transaction (i) pursuant to the Asset Purchase Agreement or the Confirmation Order, whether received immediately upon the consummation of the Sale Transaction or on a later date, that the Debtors will not distribute under the Plan on the Effective Date due to such proceeds being escrowed, earmarked, reserved, or otherwise set aside to satisfy a Claim with a higher priority than the DIP Claims in accordance with the DIP Intercreditor Agreement or pursuant to the Bankruptcy Code or as otherwise provided under the Plan and/or (ii) on a date after the Effective Date in accordance with the Asset Purchase Agreement or the Confirmation Order and/or (b) any proceeds or other amounts that any Debtor or Post-Effective Date Debtor receives from any other source after the Effective Date but excluding the GUC Sale Transaction Recovery Pool, the Last Out Loans Turnover Amount, and the Commercial Tort Proceeds.

51. **“D&O Liability Insurance Policies”** means, collectively, (a) all insurance policies (including any “tail policy”) of any of the Debtors for current or former directors’, members’, trustees’, managers’, and officers’ liability as of the Petition Date, and (b) all insurance policies (including any “tail policy”) for directors’, members’, trustees’, managers’, and officers’ liability maintained by the Debtors, the Estates, or the Post-Effective Date Debtors as of the Effective Date.

52. **“Debtor”** means one or more of the Debtors, as debtors and debtors in possession, each in its respective individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

53. **“Debtor Release”** means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.C of the Plan

54. **“Debtors”** means, collectively: (a) Dream II, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

55. **“DIP ABL Agent”** means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

56. **“DIP ABL Claims”** means any and all Claims derived from or based upon the DIP ABL Credit Facility, including all Claims for any fees and expenses of the DIP ABL Agent.

57. **“DIP ABL Credit Agreement”** means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP ABL Agent, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

58. ***“DIP ABL Credit Facility”*** means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

59. ***“DIP ABL Lenders”*** means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

60. ***“DIP ABL Order”*** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP ABL Credit Agreement and incur postpetition obligations thereunder.

61. ***“DIP Agents”*** means collectively, the DIP ABL Agent and the DIP Term Loan Agent.

62. ***“DIP Claims”*** means any and all Claims arising under or related to the DIP Facilities, including the Last Out DIP Loan Claims.

63. ***“DIP Credit Agreements”*** means collectively, the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement.

64. ***“DIP Facilities”*** means the DIP ABL Credit Facility and the DIP Term Loan Facility.

65. ***“DIP Intercreditor Agreement”*** means the amended and restated intercreditor agreement, by and among the ABL Agent and the Term Loan Agent, which amended and restated the prepetition intercreditor agreement in its entirety, and is binding and enforceable against the Borrowers (as such term is defined in the DIP Orders), the other “Grantors” thereunder, the Prepetition Secured Parties, and the DIP Lenders in accordance with its terms.

66. ***“DIP Lenders”*** means the banks, financial institutions, and other lenders party to the DIP Credit Agreements from time to time and the bank product providers thereunder.

67. ***“DIP Orders”*** means collectively, the DIP ABL Order and the DIP Term Loan Order.

68. ***“DIP Term Loan Agent”*** means the administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such.

69. ***“DIP Term Loan Claims”*** means any and all Claims derived from or based upon the DIP Term Loan Credit Facility, including all Claims for any fees and expenses of the DIP Term Loan Agent.

70. ***“DIP Term Loan Credit Agreement”*** means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time.

71. ***“DIP Term Loan Credit Facility”*** means the credit facility provided for under the DIP Term Loan Credit Agreement.

72. ***“DIP Term Loan Distributable Cash”*** means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (a) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral), other than the DIP Term Loan Claims, in full in Cash, as provided herein, (b) fund the GUC Sale Transaction Recovery Pool, and (c) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

73. ***“DIP Term Loan Distributable Cash Deductions”*** means the payment or funding, or the reserving of estimates for such payments or funding, of Administrative Claims (other than DIP Term Loan Claims), Professional Fee Claims, the DIP ABL Claims, the Last Out DIP Loan Claims, the Priority Tax Claims, the Other Priority Claims, the Secured Tax Claims, the Other Secured Claims, any Cash amounts necessary to cover any cure payments not covered by the Asset Purchase Agreement, the payment of the statutory fees described in Article XII.C hereof, the

\$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, any reserves necessary to cover the reasonable estimated costs for the APA Post Closing Obligations (with such reasonable estimates to be developed in consultation with and subject to the reasonable approval of the Debtors, the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and the Winning Bidder, which approvals shall not be unreasonably withheld, conditioned, or delayed), and the initial \$600,000 of the GUC Sale Transaction Recovery Pool (as described in subsection (a) of the definition thereof).

74. **“DIP Term Loan Documents”** means the DIP Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, as may be amended, modified, restated, or supplemented from time to time.

75. **“DIP Term Loan Lenders”** means the banks, financial institutions, and other lenders party to the DIP Term Loan Credit Agreement from time to time, each solely in their capacity as such.

76. **“DIP Term Loan Order”** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Term Loan Credit Agreement and incur postpetition obligations thereunder.

77. **“Disbursing Agent”** means, as applicable, the Debtors or the Plan Administrator (as applicable) or any Entity or Entities selected by the Debtors or the Plan Administrator to make or facilitate distributions contemplated under the Plan (in consultation with the DIP Term Loan Agent with respect to distributions made to the Holders of DIP Term Loan Claims and in consultation with the Term Loan Agent with respect to distributions made to the Holders of Term Loan Claims).

78. **“Disclosure Statement”** means the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of July 21, 2019, as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, which must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the ABL Agent, and the Sponsor.

79. **“Disputed”** means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

80. **“Disputed Claim Reserve”** means amounts in a bank account or accounts reserved for Disputed Claims.

81. **“Distribution Record Date”** means the date for determining which Holders of Allowed Claims or Allowed Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date or such other date as is designated in a Final Order of the Bankruptcy Court.

82. **“Dream II”** means Dream II Holdings, LLC.

83. **“Effective Date”** means the date that is the first Business Day after the Confirmation Date on which (a) the conditions to the occurrence of the Effective Date have been satisfied or waived pursuant to Article IX.A and Article IX.B of the Plan and (b) no stay of the Confirmation Order is in effect, which shall be the day Consummation occurs.

84. **“Entity”** means an entity as such term is defined in section 101(15) of the Bankruptcy Code.

85. **“Estate”** means, as to each Debtor, the estate created on the Petition Date for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired by the Debtors after the Petition Date through the Effective Date.

86. **“Excess Distributable Cash”** means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets in excess of amounts necessary to satisfy the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, and all Claims senior in priority to General Unsecured Claims, including the DIP Claims, the ABL Claims, and the Term Loan Claims, in full, in Cash, as provided herein.

87. **“Exculpated Party”** means collectively, and in each case solely in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Committee and each of its respective members; (d) the DIP Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the ABL Agent; (h) the ABL Lenders; (i) the Term Loan Agent; (j) the Term Loan Lenders; (k) the Sponsor; (l) the parties to the RSA; (m) the Plan Administrator; and (n) with respect to each of the foregoing entities, 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, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

88. **“Executory Contract”** means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.

89. **“Federal Judgment Rate”** means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code.

90. **“File,” “Filed,” or “Filing”** means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.

91. **“Final Order”** means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari, or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing has been timely taken or filed, or as to which any appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any comparable rule of the Bankruptcy Rules may be Filed relating to such order shall not cause such order to not be a Final Order.

92. **“General Unsecured Claim”** means any Claim that is not Secured and is not (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim), (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an ABL Claim, (f) a Term Loan Claim, or (g) a DIP Claim. Any Term Loan Deficiency Claim shall be waived and shall not constitute a General Unsecured Claim.

93. **“Governmental Unit”** has the meaning set forth in section 101(27) of the Bankruptcy Code.

94. **“GUC Sale Transaction Recovery Pool”** means, in a Sale Transaction, from the first available proceeds of the Term Loan Priority Collateral: (a) Cash in the amount of \$600,000, plus (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 5% of each dollar in excess thereof, plus (c) if the Term Loan Lenders receive more than a 50% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 7.5% of each dollar in excess thereof, less (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

95. **“Holder”** means an Entity holding a Claim or an Interest in any Debtor.

96. **“Hollander Canada”** means Hollander Sleep Products Canada Limited.
97. **“Impaired”** means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.
98. **“Indemnification Obligations”** means each of the Debtors’ indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, members, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors.
99. **“Information Officer”** means the information officer appointed by the Canadian Court in the Recognition Proceedings.
100. **“Initial Distribution Date”** means the date on which the Disbursing Agent shall make initial distributions to Holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date but in no event shall be later than 30 days after the Effective Date.
101. **“Intercompany Claim”** means any Claim held by a Debtor or an Affiliate of a Debtor against another Debtor arising before the Petition Date and excludes, for the avoidance of doubt, the Canadian Intercompany Claim.
102. **“Intercompany Interest”** means an Interest in any Debtor, or a direct or indirect subsidiary of any Debtor, other than an Interest in Dream II.
103. **“Intercreditor Agreement”** means that certain Intercreditor Agreement, dated as of June 9, 2017, by and among the Prepetition Agents, as amended, restated, supplemented, or otherwise modified in accordance with its terms.
104. **“Interest”** means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security, including any Claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.
105. **“Interim Compensation Order”** means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 179], entered by the Bankruptcy Court on July 3, 2019, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.
106. **“Judicial Code”** means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.
107. **“Last Out DIP Loan Claims”** means any and all Claims derived from or based upon the Last Out DIP Loans.
108. **“Last Out DIP Loans”** means those Last Out Loans that upon entry of the final DIP ABL Order were deemed refinanced or replaced by, or otherwise converted into, Last Out Loans under the DIP ABL Credit Facility.
109. **“Last Out Loans”** means those “Last Out Loans” as defined in the ABL Credit Agreement.

110. ***“Last Out Loans Reduction Amount”*** means the reduction of \$350,000 in the aggregate that would otherwise be paid to the Holders of the Last Out DIP Loan Claims on the Effective Date, which amount shall be deemed to first include the reduction of postpetition interest incurred in connection with the Last Out DIP Loans, *provided* that such reduction shall not diminish the requirement to pay the Last Out Loans Turnover Amount.

111. ***“Last Out Loans Turnover”*** means the turnover of the Last Out Loans Turnover Amount in accordance with the terms of the Plan.

112. ***“Last Out Loans Turnover Amount”*** means an amount up to \$650,000 in the aggregate to be paid for the benefit of Holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to Holders of Last Out DIP Loan Claims on account of such Claims, plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the Holders of Last Out DIP Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

113. ***“Lien”*** means any lien, as such term is defined in section 101(37) of the Bankruptcy Code.

114. ***“Notice and Claims Agent”*** means Omni Management Group in its capacity as notice and claims agent for the Debtors and any successor.

115. ***“Other Priority Claim”*** means any Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

116. ***“Other Secured Claim”*** means any Secured Claim that is not a DIP Claim, an ABL Claim, a Term Loan Claim, or a Secured Tax Claim, and includes (i) any Claim secured by the Administration Charge, and (ii) the Canadian Intercompany Claim.

117. ***“Payoff Letter”*** means the payoff letter in respect of any payment in full of the DIP ABL Claims and ABL Claims (including Last Out DIP Loan Claims) in accordance with Section 1.4 of the DIP ABL Credit Agreement, to be agreed upon by the Debtor and the DIP ABL Agent prior to the Effective Date.

118. ***“Person”*** means a person as such term as defined in section 101(41) of the Bankruptcy Code.

119. ***“Petition Date”*** means the date on which each of the Debtors commenced the Chapter 11 Cases.

120. ***“Plan”*** means this *Debtors’ Joint Plan of Reorganization of Hollander Sleep Products, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, as may be altered, amended, modified, or supplemented from time to time in accordance with Article X hereof, including the Plan Supplement (as modified, amended or supplemented from time to time), which is incorporated herein by reference and made part of the Plan as if set forth herein.

121. ***“Plan Administrator”*** means (a) if the Holders of Class 5 Claims vote to accept the Plan, a person or Entity designated by the Committee in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), or (b) if the Holders of Class 5 Claims vote to reject the Plan, a person or Entity designated by the Debtors in consultation with the Committee and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), who will be disclosed prior to the Confirmation Hearing and will serve as the trustee and administrator for the Wind-Down Trust and have all power and authorities as set forth in Article IV.D of the Plan.

122. ***“Plan Administrator Certificate”*** means a certification Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made under the Plan.

123. ***“Plan Settlement”*** means the good faith compromise and settlement of all Claims, Interests, and controversies as described in Article IV.A of the Plan.

124. ***“Plan Supplement”*** means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, the initial draft of certain of such documents shall be Filed by the Debtors fourteen calendar days before the first day of the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Effective Date, as may be amended, supplemented, altered, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, including: (a) the Asset Purchase Agreement; (b) the Schedule of Assumed Executory Contracts and Unexpired Leases; (c) the Schedule of Rejected Executory Contracts and Unexpired Leases; (d) the Schedule of Retained Causes of Action; (e) the Payoff Letter; (f) the identity and terms of compensation of the Plan Administrator; (g) the Wind-Down Trust Agreement; and (h) any necessary documentation related to the Sale Transaction, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

125. ***“Post-Effective Date Debtor”*** means any Debtor, or any successor thereto after the Effective Date.

126. ***“Prepetition Agents”*** means the ABL Agent and the Term Loan Agent.

127. ***“Prepetition Facilities”*** means the ABL Credit Facility and the Term Loan Facility.

128. ***“Prepetition Secured Lenders”*** means the ABL Lenders and Term Loan Lenders.

129. ***“Priority Tax Claim”*** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

130. ***“Pro Rata”*** means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.

131. ***“Professional”*** means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code, *provided that*, for the avoidance of doubt, the advisors to the Term Loan Agent, the DIP Agents, and the ABL Agent shall not constitute a “Professional.”

132. ***“Professional Fee Claims”*** mean all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent a Bankruptcy Court or higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

133. ***“Professional Fee Escrow Account”*** means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount, *provided that* the Professional Fee Escrow shall be increased with Cash held by the Post-Effective Date Debtors or by the Wind-Down Trust to the extent applications are filed after the Effective Date in excess of the amount of Cash funded into the escrow as of the Effective Date, *provided that* any such incremental funding will not reduce the GUC Sale Transaction Recovery Pool or the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

134. ***“Professional Fee Escrow Amount”*** means the total amount of Professional fees and expenses estimated pursuant to Article II.B.3 of the Plan.

135. ***“Proof of Claim”*** means a written proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

136. ***“Proof of Interest”*** means a written proof of Interest Filed against any of the Debtor in the Chapter 11 Cases.

137. **“Put Purchasers”** means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.

138. **“Quarterly Distribution Date”** means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date, or as soon thereafter as is reasonably practicable.

139. **“Recognition Proceedings”** means the proceedings commenced by the Debtors under Part IV of the CCAA in the Canadian Court to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.

140. **“Reinstate,” “Reinstated,” or “Reinstatement”** means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

141. **“Released Party”** means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Plan Administrator; (i) the Winning Bidder; (j) the Sponsor; (k) the parties to the RSA; (l) the Committee; and (m) with respect to each of the foregoing in clauses (a) through (l), 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.”

142. **“Releasing Parties”** means, collectively, each of the following: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Winning Bidder; (i) the Sponsor; (j) the parties to the RSA; and (k) the Committee; (l) with respect to each of the foregoing in clauses (a) through (k), such Entity and its current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, 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, management companies, fund advisors, employees, agents, advisory board members (other than members of the Committee), financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such and solely to the extent of such Entity’s authority to bind any of the foregoing, including pursuant to agreement or applicable non-bankruptcy law; (m) all Holders of Claims that vote to accept the Plan; (n) all Holders of Claims that vote to reject the Plan but elect on their ballot to opt into the Third-Party Release; and (o) all Holders of Claims or Interests not described in the foregoing clauses (a) through (n) who elect to opt into the Third-Party Release.

143. **“Required DIP Lenders”** means the “Required Lenders” as defined in the DIP Term Loan Credit Agreement.

144. “**Required Term Lenders**” means the “Required Consenting Term Loan Lenders” as defined in the RSA.

145. “**Restructuring Transactions**” means the transactions described in Article IV.B of the Plan.

146. “**RSA**” means that certain restructuring support agreement, dated as of May 19, 2019, by and among the Debtors, the Consenting Term Loan Lenders, and the Sponsor, as amended and restated by that certain amended and restated restructuring support and settlement agreement, dated as of July 21, 2019, by and among the Debtors, the Consenting Term Loan Lenders, the Committee, and the Sponsor, as may be amended, restated, supplemented, or modified from time to time, which RSA was approved by the Bankruptcy Court on August 15, 2019 [Docket No. 298].

147. “**Sale Proceeds**” means all proceeds of the Sale Transaction, including the Cash proceeds and the Warrants, that the Debtors or the Plan Administrator shall receive in accordance with the Asset Purchase Agreement.

148. “**Sale Transaction**” means the sale of certain of the Debtors’ assets to the Winning Bidder to be consummated in accordance with the Plan and the Asset Purchase Agreement.

149. “**Schedule of Assumed Executory Contracts and Unexpired Leases**” means that certain schedule filed with the Plan Supplement of Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, or assumed by the Debtors and assigned to the Winning Bidder pursuant to the Plan and in accordance with the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

150. “**Schedule of Rejected Executory Contracts and Unexpired Leases**” means that certain schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder and shall be included in the Plan Supplement.

151. “**Schedule of Retained Causes of Action**” means that certain schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan or the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder, and shall be included in the Plan Supplement.

152. “**Schedules**” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules may be amended, modified, or supplemented from time to time.

153. “**Section 510(b) Claim**” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; *provided* that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

154. “**Secured**” means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court or Canadian Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in such Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, which value shall be determined pursuant to section 506(a) of the Bankruptcy Code or (b) Allowed pursuant to the Plan as a Secured Claim.

155. “**Secured Tax Claim**” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

156. “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

157. “**Security**” means a security as defined in section 2(a)(1) of the Securities Act.

158. “**Sponsor**” means Sentinel Capital Partners on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its Affiliates, each solely in their capacity as Holders of direct or indirect equity interests in Dream II.

159. “**Term Loan Agent**” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such.

160. “**Term Loan Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the Term Loan Facility and the Term Loan Documents.

161. “**Term Loan Credit Agreement**” means that certain term loan credit agreement dated as of June 9, 2017, by and among Hollander Sleep Products, LLC, as borrower, Dream II and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

162. “**Term Loan Deficiency Claim**” means a Term Loan Claim that is not a Secured Claim, which Term Loan Deficiency Claim shall be, subject to the occurrence of the Effective Date, waived pursuant to the Plan.

163. “**Term Loan Distributable Cash**” means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (i) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral) in full, in Cash, as provided herein, (ii) fund the GUC Sale Transaction Recovery Pool, and (iii) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

164. “**Term Loan Documents**” means the Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, in each case, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

165. “**Term Loan Facility**” means the term loan facility provided for under the Term Loan Credit Agreement.

166. “**Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

167. “**Term Loan Priority Collateral**” means “Term Loan Priority Collateral” as defined in the Intercreditor Agreement

168. “**Third-Party Release**” means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.D of the Plan.

169. “**U.S. Trustee**” means the Office of the United States Trustee for the Southern District of New York.

170. “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 or section 1123 of the Bankruptcy Code.

171. “**Unimpaired**” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

172. “**Voting Deadline**” means 4:00 p.m., prevailing Eastern Time, on August 28, 2019.

173. “**Warrants**” means the warrants to be issued to Dream II upon the consummation of the Sale Transaction by the Winning Bidder in accordance with the terms of the Asset Purchase Agreement, which warrants shall grant the holders of such warrants the right to purchase 7.5% of the fully diluted common equity in the Winning Bidder on the terms set forth in the warrant agreement, which warrants and warrant agreement shall be in form and substance reasonably acceptable to the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and shall be assignable and distributed in accordance with the terms of this Plan, *provided* that the DIP Term Loan Agent and the DIP Term Loan Lenders, by their execution and delivery of the Third Amendment to the DIP Term Loan Credit Agreement, dated as of September 3, 2019, are deemed to have acknowledged and agreed that the economic terms of the warrants, and not any other terms of the warrants or warrant agreement, as set forth on section 2.1 of the Asset Purchase Agreement in effect as of September 3, 2019, are acceptable.

174. “**Wind-Down Trust**” means that certain trust to be created on the Effective Date, as described in Article IV.E of the Plan.

175. “**Wind-Down Trust Account**” means the bank account or accounts used to fund all expenses and payments required to be made by the Plan Administrator, which shall be established by the Plan Administrator on or after the Effective Date.

176. “**Wind-Down Trust Agreement**” means that certain agreement establishing the Wind-Down Trust, which shall be reasonably acceptable to the Debtors, the Committee, the DIP Term Loan Agent, the Required DIP Lenders, the Term Loan Agent, and the Required Term Lenders and the form of which shall be included in the Plan Supplement.

177. “**Wind-Down Trust Assets**” means all of the assets of the Debtors’ Estates remaining after the closing of the Sale Transaction, which assets shall be treated as transferred to and beneficially owned by the Wind-Down Trust as of the Effective Date; *provided* that (a) any such assets that cannot be transferred to the Wind-Down Trust on the Effective Date shall be held by the Post-Effective Date Debtors for the benefit of the Wind-Down Trust for purposes of winding down the Debtors’ Estates and implementing the terms of the Plan and (b) any Canadian Assets shall continue to be owned by Hollander Canada, and the shares of which shall be owned by the Wind-Down Trust for purposes of winding down the Debtor’s Estates and implementing the terms of the Plan.

178. “**Winning Bidder**” means Bedding Acquisition, LLC and its successors and permitted assigns, as the purchaser of certain of the Debtors’ assets in accordance with the Asset Purchase Agreement.

B. *Rules of Interpretation*

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles of the Plan or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation”; (8) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (9) subject to the provisions of any contract, certificate of incorporation, bylaw, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with, applicable federal law, including the Bankruptcy Code and the Bankruptcy Rules, or, if no rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or otherwise specifically stated, the laws of the State of New York, without giving effect

to the principles of conflict of laws; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any effectuating provisions may be interpreted by the Debtors or Plan Administrator in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall be conclusive; (15) any references herein to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; (16) all references herein to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; (17) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (18) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable state limited liability company laws; and (19) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or the Post-Effective Date Debtors shall mean the Debtors and the Post-Effective Date Debtors, as applicable, to the extent the context requires.

C. *Computation of Time*

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. *Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate or limited liability company governance matters relating to the Debtors or the Post-Effective Date Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the applicable Debtor or the Post-Effective Date Debtors, as applicable.

E. *Reference to Monetary Figures*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. *Non-Consolidated Plan*

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan that addresses the reorganization of each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors and the Plan is a separate Plan for each Debtor.

ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III.

A. *Administrative Claims*

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 30 days after the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Post-Effective Date Debtors and the Plan Administrator no later than the Administrative Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the Post-Effective Date Debtors (if the Post-Effective Date Debtors are not the objecting party), the Plan Administrator, and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, or the property of any of the foregoing, and such Administrative Claims shall be deemed released as of the Effective Date without the need for any objection from the Debtors or the Plan Administrator or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

B. *Professional Fee Claims*

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 30 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The Plan Administrator shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, the Plan Administrator, or the Post-Effective Date Debtors.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the Plan Administrator, as applicable, from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided* that the Debtors' and the Plan Administrator's obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the Wind-Down Trust without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

3. Professional Fee Escrow Amount

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided, however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account, *provided* that the Plan Administrator shall use Cash from the Wind-Down Trust or the Post-Effective Date Debtors to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

4. Post-Confirmation Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors after the Confirmation Date, and (b) the Committee after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and the Plan Administrator, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or the Plan Administrator, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors, as applicable. If the Debtors dispute the reasonableness of any such invoice, the Debtors or the Plan Administrator, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. *DIP Claims*

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreements, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of this Plan, or other such treatment as contemplated by this Article II.C of the Plan, on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

1. DIP ABL Claims

Except as set forth in Article II.C.2 and to the extent that a Holder of an Allowed DIP ABL Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP ABL Claim, each such Holder of an Allowed DIP ABL Claim shall receive on the Effective Date payment in full in Cash of such Holder's Allowed DIP ABL Claim pursuant to the Payoff Letter. Notwithstanding anything to the contrary in this Plan, the Post-Effective Date Debtors shall be and remain bound by the indemnification and expense reimbursement provisions of the Payoff Letter in favor of the DIP ABL Agent and DIP ABL Lenders.

Pursuant to the DIP ABL Credit Agreement, all distributions pursuant to this Article II.C.1 shall be made to the DIP ABL Agent for distributions to the DIP ABL Lenders in accordance with the DIP ABL Credit Agreement and DIP ABL Loan Documents. The DIP ABL Agent shall hold or direct distributions for the benefit of the Holders of DIP ABL Claims. The DIP ABL Agent shall retain all rights as DIP ABL Agent under the DIP ABL Documents in connection with the delivery of the distributions to the DIP ABL Lenders. The DIP ABL Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP ABL Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP ABL Agent on account of the DIP ABL Claims shall be made by wire transfer.

2. Last Out DIP Loan Claims

Subject to the Last Out Loans Turnover and the Last Out Loans Reduction Amount, each Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall receive payments in accordance with the waterfall provisions of the DIP ABL Credit Agreement, the DIP Intercreditor Agreement, and the final DIP ABL Order and final DIP Term Loan Order.

3. DIP Term Loan Claims

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP Term Loan Claim, each such Holder of an Allowed DIP Term Loan Claim shall receive (a) on the Effective Date, its Pro Rata share of (1) DIP Term Loan Distributable Cash (after the DIP Term Loan Distributable Cash Deductions) and (2) the Warrants and (b) after the Effective Date, until its Allowed DIP Term Loan Claim has been repaid in full in Cash (without taking into account the receipt of the Warrants) its Pro Rata share of all DIP Term Loan Distributable Cash constituting Contingent Amounts (after the DIP Term Loan Distributable Cash Deductions), if and when received by the Plan Administrator, which such DIP Term Loan Distributable Cash constituting Contingent Amounts shall be distributed by the Plan Administrator to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Credit Facility as of the Effective Date; *provided, however*, that the DIP Term Loan Claims in respect of contingent and unliquidated obligations of the Debtor under the DIP Term Loan Credit Agreement shall survive the Effective Date on an unsecured basis and shall not be released pursuant to the Plan or Confirmation Order, and shall be paid by the Plan Administrator as and when due under the DIP Term Loan Documents.

Pursuant to the DIP Term Loan Credit Agreement, all Cash distributions pursuant to this Article II.C.3 shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Agent shall hold or direct distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Term Loan Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

D. *Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. *Classification of Claims and Interests*

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth in this Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that Class 8 shall be vacant at each Debtor other than Dream II. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

Class	Claim/Interest	Status	Voting Rights
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. *Treatment of Claims and Interests*

Subject to Article IV hereof, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, and release of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or
 - (ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of such Holder's Allowed Other Secured Claim;
 - (ii) the collateral securing such Holder's Allowed Other Secured Claim;

- (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or
- (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- (a) *Classification:* Class 3 consists of all Secured Tax Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Secured Tax Claim and the applicable Debtor or Post-Effective Date Debtor agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Secured Tax Claim, each such Holder shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor, as applicable:
 - (i) payment in full in Cash of the unpaid portion of such Holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or
 - (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years from the Petition Date, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Plan Administrator to prepay the entire amount of such Allowed Secured Tax Claim during such time period.
- (c) *Voting:* Class 3 is Unimpaired under the Plan. Each Holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each Holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

4. Class 4 – Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Distributable Cash up to the full amount of such Holder's Allowed Term Loan Claim or such other treatment rendering such Holder's Allowed Term Loan Claim Unimpaired.
- (c) *Voting:* Class 4 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim, its Pro Rata share of:
 - (i) the Last Out Loans Turnover Amount;
 - (ii) the Commercial Tort Proceeds, if any;
 - (iii) the GUC Sale Transaction Recovery Pool; and
 - (iv) the Excess Distributable Cash, if any.
- (c) *Voting:* Class 5 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.
- (b) *Treatment:* Holders of Intercompany Claims shall not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Plan Administrator may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by the Debtors.
- (c) *Voting:* Class 6 is Impaired under the Plan. Holders of Intercompany Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Intercompany Interests

- (a) *Classification:* Class 7 consists of all Intercompany Interests.
- (b) *Treatment:* Intercompany Interests shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:
 - (i) Reinstated in accordance with Article III.G of the Plan;
 - (ii) cancelled and released without any distribution on account of such Interests; or
 - (iii) solely in the case of Hollander Canada, transferred to and owned by the Wind-Down Trust.
- (c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

8. Class 8 – Interests in Dream II

- (a) *Classification:* Class 8 consists of all Interests in Dream II.
- (b) *Treatment:* On the Effective Date, all Interests in Dream II will be cancelled, released, and extinguished, and will be of no further force or effect.
- (c) *Voting:* Class 8 is Impaired under the Plan. Holders of Interests in Dream II are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interest in Dream II are not entitled to vote to accept or reject the Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Allowance:* Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.
- (c) *Treatment:* Allowed Section 510(b) Claims, if any, shall be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.
- (d) *Voting:* Class 9 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of 510(b) Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired, *provided, however*, that the Reinstatement or other treatment of such Claims shall not be inconsistent with the Asset Purchase Agreement. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

D. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

E. *Subordinated Claims*

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination,

section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Plan Administrator reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

F. *Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes*

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

G. *Intercompany Interests*

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Winning Bidder, and in exchange for the Debtors' agreement under the Plan to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors to the Holders of certain Allowed Claims. For the avoidance of doubt, any Interest in non-Debtor subsidiaries owned by a Debtor shall continue to be owned by the applicable Post-Effective Date Debtor.

H. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. *General Settlement of Claims and Interests*

As discussed in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and applicable law, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, including (1) the Debtors' agreement to (A) turnover any Commercial Tort Proceeds for the benefit of the Holders of General Unsecured Claims and (B) waive Avoidance Actions, (2) the DIP Term Loan Lenders agreement to consent to the treatment of the DIP Term Loan Claims set forth in Article II.C hereof in the event such treatment does not repay the DIP Term Loan Claims in full, (3) the Term Loan Lenders' agreement to (A) consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool and the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and (B) subject to the occurrence of the Effective Date, forgo any Term Loan Deficiency Claim, (4) the Sponsor's agreement to fund the Last Out Loans Turnover Amount, and (5) the Committee's agreement to (A) support and take, and refrain from taking, actions set forth in the RSA, including taking those actions necessary to obtain Bankruptcy Court approval of the Plan and Disclosure Statement and (B) abide by the Committee Monthly Fee Cap, upon the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, or otherwise resolved pursuant to the Plan, including (i) any challenge to the amount, validity, perfection, enforceability, priority, or extent of all Term Loan Claims, DIP Claims, and all ABL Claims (including any liens related to the foregoing), (ii) any Avoidance Actions, and (iii) any claims or Causes of Action against the Holders of Term Loan Claims, DIP Claims, ABL Claims, or Interests. The Plan shall be deemed a motion to approve the Plan Settlement pursuant to Bankruptcy Rule 9019, and

the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

B. *Restructuring Transactions*

On the Effective Date, the Debtors shall enter into any transaction and shall take any actions as may be necessary or appropriate to effect the transactions described herein, including, as applicable: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (iv) all other actions that the Debtors and the Winning Bidder determine to be necessary or appropriate in connection with the consummation of the Sale Transaction, including making filings or recordings that may be required by applicable law in connection with the Plan.

C. *Sources of Consideration for Plan Distributions*

On and after the Effective Date, the Debtors or the Plan Administrator, as applicable, will fund the Debtors' distributions and obligations under the Plan with Cash on hand, as well as the following sources of consideration. After the Effective Date, to the extent not held in the Professional Fee Escrow Account, the amounts held by the Wind-Down Trust shall be held in the Wind-Down Trust Account.

1. Sale Transaction and Sale Proceeds

The Debtors selected the Winning Bidder to consummate the Sale Transaction after a marketing process that was approved in and conducted in accordance with the Bidding Procedures Order. The Sale Transaction was the highest and otherwise best offer for the Debtors' assets. On the Effective Date, the Debtors shall consummate the Sale Transaction and, among other things, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. In exchange, the Winning Bidder shall pay to the Debtors the Sale Proceeds in accordance with the Asset Purchase Agreement.

Notwithstanding anything to the contrary in this Plan: (a) all APA Post Closing Obligations shall be treated in accordance with the Asset Purchase Agreement and paid from the Sale Proceeds, Wind-Down Trust Assets, or the Canadian Assets without the need for the filing of any Proof of Claim or request for payment with respect to such obligations, *provided* that such payments shall not be paid from any of the Wind-Down Trust Assets that constitute the Last Out Loans Turnover Amount or the GUC Sale Transaction Recovery Pool under the terms of this Plan, and shall be (i) appropriately estimated and reserved for prior to any distribution of the Sale Proceeds from the Debtors or their Estates, *provided* that the Debtors must make the distributions set forth in Article II.C.1, Article II.C.2, and Article II.C.3 hereof on the Effective Date, and (ii) paid in the ordinary course as and when due and payable; and (b) the Debtors, Post-Effective Date Debtors, and the Plan Administrator, as applicable, shall remain obligated to satisfy such post-closing obligations.

2. Last Out Loans Turnover Amount

The Sponsor shall cause to be delivered the Last Out Loans Turnover Amount to fund recoveries for the Holders of General Unsecured Claims. The Last Out Loans Turnover Amount shall be funded solely from the Cash proceeds, if any, received by the Sponsor on account of the Last Out DIP Loan Claims.

D. *Plan Administrator and Post-Effective Date Debtors*

The Plan Administrator shall act for the Post-Effective Date Debtors in the same fiduciary capacity as applicable to a board of managers (or, in the case of Hollander Canada, directors) and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, articles of incorporation or amendment by-laws, and related documents, as applicable, are deemed amended pursuant to the Plan to permit and authorize the same). On the Effective Date, the authority, power, and incumbency of the persons acting as managers (or, in the case of Hollander Canada, directors) and officers for the Debtors shall be deemed to have resigned, and the Plan Administrator shall be appointed as the sole manager and sole officer for the Post-Effective Date Debtors and shall succeed to the powers of the Post-Effective Date Debtors' managers and officers (or, in the case of Hollander Canada, directors). From and after the Effective Date, the Plan Administrator shall be the sole representative of and shall act for the Post-Effective Date Debtors. For the avoidance of doubt, the foregoing shall not limit the authority of the Plan Administrator to continue the employment of any former manager, director, or officer, including pursuant to any transition services agreement or other agreement entered into on or after the Effective Date by and between the Plan Administrator and the Winning Bidder.

Among other things, the Plan Administrator shall be responsible for: (1) winding down the Debtors' businesses and affairs as expeditiously as reasonably possible and administering the liquidation of the Post-Effective Date Debtors and any assets held by the Wind-Down Trust (including any assets held on its behalf by the Post-Effective Date Debtors while the Post-Effective Date Debtors are being wound down and any remaining Canadian Assets held by Hollander Canada) after the Effective Date and after consummation of the Sale Transaction, (2) resolving any Disputed Claims, (3) paying Allowed Claims, (5) performing pursuant to the Asset Purchase Agreement, including satisfying any liabilities owed to the Winning Bidder in accordance with the Asset Purchase Agreement, (6) filing appropriate tax returns, and (7) administering the Plan, and the Plan Administrator shall consult with the Information Officer in respect of any matters relating to the foregoing as such matters also relate to Canada. Without limiting the foregoing, the Plan Administrator shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (a) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court or Canadian Court, and (b) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court or Canadian Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

The Plan Administrator shall be named prior to Confirmation. The Plan Administrator shall represent the Wind-Down Trust and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion, are necessary to assist the Plan Administrator in performing his or her duties. The Plan Administrator shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator. The Plan Administrator shall also pay the reasonable fees and disbursements of the Information Officer and its counsel upon the submission of invoices on a monthly basis to the Plan Administrator. The payment of the reasonable fees and expenses of the Plan Administrator's retained professionals and of the Information Officer and its counsel shall be made promptly and shall not be subject to the approval of the Bankruptcy Court. The fees and expenses of the Information Officer and its counsel shall remain subject to the approval of the Canadian Court in the Recognition Proceedings.

E. *Wind-Down*

On and after the Effective Date, the Plan Administrator will be authorized to implement the Plan and any applicable orders of the Bankruptcy Court and Canadian Court, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Estates.

On and after the Effective Date, the Plan Administrator shall cause the Debtors to comply with, and abide by, the terms of the Asset Purchase Agreement and take such other actions as the Plan Administrator may determine

to be necessary or desirable to carry out the purposes of the Plan. Except to the extent necessary to complete the liquidation and wind-down of any remaining assets or operations, from and after the Effective Date, the Debtors (1) for all purposes, shall be deemed to have withdrawn their business operations from any state or province in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action to effectuate such withdrawal, (2) shall be deemed to have cancelled pursuant to this Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date.

The filing of the final monthly operating or disbursement report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator, and copies of all such reports shall be provided to the Information Officer as soon as reasonably practicable following their preparation and upon their filing. The Plan Administrator shall respond promptly to any reasonable information requests of the Information Officer in order to ensure the Information Officer can carry out its mandate pursuant to the orders of the Canadian Court in the Recognition Proceedings.

1. Wind-Down Trust and Distribution of Assets of Hollander Canada

On the Effective Date, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement and immediately after the consummation of the Sale Transaction to receive all of the assets of the Post-Effective Date Debtors other than Hollander Canada. Any proceeds received in the Sale Transactions in respect of the Canadian Assets and distributed to Holders of Claims against Hollander Canada shall be treated as distributed to such Holders on behalf of Hollander Canada. Until final dissolution of Hollander Canada, (a) the shares of Hollander Canada shall be owned by the Wind-Down Trust and (b) any remaining Canadian Assets shall be continued to be owned by Hollander Canada until recovered by the Plan Administrator and shall be distributed by Hollander Canada to the Wind-Down Trust in respect of such shares as part of a plan of liquidation of Hollander Canada (within the meaning of section 331 of the Internal Revenue Code of 1986, as amended), subject to any withholding requirements in accordance with Article VI.G of the Plan; *provided* that the Plan Administrator shall have authority to take any and all necessary actions to transfer or close the Debtors' existing bank accounts or open new bank accounts, subject to the documentation with the applicable bank, as necessary, for the benefit of the Wind-Down Trust; *provided, further*, that any such assets of the Post-Effective Date Debtors not transferred to the Wind-Down Trust on the Effective Date, other than the remaining Canadian Assets, shall be deemed transferred to and beneficially owned by the Wind-Down Trust for U.S. federal and all other applicable tax purposes as of the Effective Date and, to the fullest extent permitted by U.S. federal and other applicable income tax law, each of the Post-Effective Date Debtors other than Hollander Canada shall be treated as liquidated on the Effective Date. All Canadian Assets will be distributed to Holders of Claims in each case in accordance with their respective entitlements under the Plan.

The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Estates, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust. The Debtors or Post-Effective Date Debtors will have no reversionary or further interest in or with respect to the Wind-Down Trust Assets upon the transfer of the Wind-Down Trust Assets as more fully set forth in the Wind-Down Trust Agreement. For all U.S. federal income tax purposes, the beneficiaries of the Wind-Down Trust will be treated as grantors and owners thereof, and it is intended that the Wind-Down Trust be classified as a liquidating trust under section 301.7701-4 of the Treasury Regulations. Accordingly, it is intended for federal income tax purposes that the beneficiaries of the Wind-Down Trust be treated as if they had received an interest in the Wind-Down Trust's assets and then contributed such interests to the Wind-Down Trust. As soon as possible after the transfer of the Wind-Down Trust Assets to the Wind-Down Trust, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets. This valuation will be made available from time to time as may be relevant for tax reporting purposes. Each of the Debtors, the trustee(s) of the Wind-Down Trust, the Plan Administrator, and the Holders of Claims receiving interests in the Wind-Down Trust shall take consistent positions with respect to the valuation of the Wind-Down Trust Assets, and such valuation shall be utilized for all U.S. federal income tax purposes. The Wind-Down Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Wind-Down Trusts Assets, satisfy the Debtors' or the Post-Effective Date Debtors' obligations under the Asset Purchase Agreement, make timely distributions to the beneficiaries of the Wind-Down Trust pursuant to the Plan and the Confirmation Order, and not unduly prolong its duration.

The Debtors expect that the Disputed Claims Reserve will be treated as a “disputed ownership fund” governed pursuant to section 1.468B-9 of the Treasury Regulation, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate U.S. federal income tax return shall be filed with the U.S. Internal Revenue Service for the Disputed Claims Reserve, and the Disputed Claims Reserve will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the Disputed Claims Reserve’s basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

On the Effective Date, any Estate non-Cash assets remaining after the Sale Transaction is consummated shall vest in the Wind-Down Trust, other than any Canadian Assets, for the purpose of facilitating the above tasks. Such assets shall be held free and clear of all Liens, Claims, and Interests, except as otherwise provided in the Plan. The Post-Effective Date Debtors, the Plan Administrator, and the Wind-Down Trust shall be deemed to be fully bound to the terms of the Plan, the Confirmation Order, and the Wind-Down Trust Agreement.

On the Effective Date or as soon as reasonably practicable thereafter, the Wind-Down Trust shall be funded with \$1.0 million pursuant to the Wind-Down Trust Agreement for the purpose of (a) satisfying all fees, expenses, and disbursements that the Plan Administrator may incur in connection with the wind down and dissolution of the Estates and the Post-Effective Date Debtors, each as applicable, (b) paying fees and expenses that any attorney, accountant, or other professional that the Plan Administrator has retained to facilitate its duties, (c) compensating the Plan Administrator, each in accordance with Article IV.D and Article IV.E of the Plan and the Wind-Down Trust Agreement, and (d) paying the reasonable fees and disbursements of the Information Officer and its counsel in accordance with Article IV.D of the Plan.

2. Tax Returns

After the Effective Date, the Plan Administrator shall complete and file all final or otherwise required federal, state, provincial, and local tax returns for each of the Debtors and the Wind-Down Trust.

3. Dissolution of the Post-Effective Date Debtors

Upon a certification to be Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made and completion of all its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Wind-Down Trust shall be deemed to be dissolved without any further action by the Plan Administrator, including the filing of any documents with the secretary of state for the state in which the Post-Effective Date Debtors are formed or any other jurisdiction. Notwithstanding the foregoing, the Plan Administrator shall retain the authority to take all necessary actions to dissolve the Post-Effective Date Debtors in, and withdraw the Post-Effective Date Debtors from applicable states and provinces to the extent required by applicable law.

4. Termination of Recognition Proceedings

The Plan Administrator shall deliver a certified copy of each of the following to the Information Officer prior to the Information Officer seeking an order of the Canadian Court terminating the Recognition Proceedings, discharging and releasing the Information Officer and granting related relief: (a) the Plan Administrator’s Certificate, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the filing thereof by the Plan Administrator with the Bankruptcy Court, and (b) the final decree of the Bankruptcy Court closing the last of the Chapter 11 Cases, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the entry thereof by the Bankruptcy Court.

F. *Term Loan Deficiency Claim Waiver*

The Holders of Term Loan Deficiency Claims shall not receive any distribution on account of such Claims and, subject to the occurrence of the Effective Date, such Term Loan Deficiency Claims shall be deemed waived.

G. *Avoidance Actions Waiver*

The Debtors and the Post-Effective Date Debtors waive all Avoidance Actions.

H. *Cancellation of Existing Securities and Agreements*

On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the ABL Credit Agreement, the Term Loan Credit Agreement, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors and their Affiliates, and the Post-Effective Date Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors and their Affiliates pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released. Notwithstanding the foregoing, no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, except that (a) the ABL Credit Agreement and Term Loan Credit Agreement shall continue in effect solely for the purpose of (I) allowing Holders of the ABL Claims and Term Loan Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the ABL Agent and Term Loan Agent to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in Article VI.A of the Plan, and (III) preserving the ABL Agent's and Term Loan Agent's right to indemnification pursuant and subject to the terms of the ABL Credit Agreement and Term Loan Credit Agreement in respect of any Claim or Cause of Action asserted against the ABL Agent or Term Loan Agent, as applicable, *provided* that any Claim or right to payment on account of such indemnification shall be an Administrative Claim, and (b) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in Article III.B.7.

I. *Corporate Action*

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the Plan Administrator; (2) implementation of the Restructuring Transactions; (3) consummation of the Sale Transaction; (4) performance under the Asset Purchase Agreement and related documentation; (5) execution of the Asset Purchase Agreement, and any and all other agreements, documents, securities, and instruments relating thereto, if applicable; (6) the entry into the Payoff Letter with respect to the DIP ABL Claims; and (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Post-Effective Date Debtors, and any corporate action required by the Debtors or the Post-Effective Date Debtors in connection with the Plan or corporate structure of the Debtors or Post-Effective Date Debtors shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Plan Administrator. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Plan Administrator, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Post-Effective Date Debtor, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.I shall be effective notwithstanding any requirements under non-bankruptcy law.

J. *Effectuating Documents; Further Transactions*

On and after the Effective Date, the Plan Administrator may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Sale Transaction, and the Securities issued pursuant to the Plan in the name of and on behalf of the Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

K. *Exemption from Securities Act Registration*

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act and/or the regulations promulgated thereunder, the offering, issuance, exchange, or distribution of any securities pursuant to the Plan is or shall be conducted in a manner that is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security.

L. *Exemption from Certain Taxes and Fees*

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers (whether from a Debtor to a Post-Effective Date Debtor or to any other Person) of property under the Plan (including pursuant to the Asset Purchase Agreement) or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Post-Effective Date Debtor, including in accordance with the Asset Purchase Agreement, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, or (5) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

M. *Preservation of Causes of Action*

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this Article IV and Article VIII hereof and the Asset Purchase Agreement, the Plan Administrator shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, other than Avoidance Actions and the Causes of Action (a) acquired by the Winning Bidder in accordance with the Sale Transaction or (b) released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, which shall be deemed released and waived by the Debtors, the Post-Effective Date Debtors, and the Wind-Down Trust as of the Effective Date, *provided* that Commercial Tort Claims shall be preserved for the sole benefit of the Holders of General Unsecured Claims and only the Plan Administrator shall have an obligation to commence, prosecute, or settle such Commercial Tort Claims, if any.

The Plan Administrator may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Wind-Down Trust. The Plan Administrator shall retain and may exclusively enforce any and all such Causes of Action. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Plan Administrator, as applicable, will not pursue any and all available Causes of Action against it, except as assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement or otherwise expressly provided in the Plan, including this Article IV and Article VIII of the Plan. Unless any such Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all such Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

ARTICLE V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

On the Effective Date, except as otherwise provided herein, each Executory Contract or Unexpired Lease not previously assumed, assumed and assigned, or rejected shall be deemed automatically rejected by the applicable Post-Effective Date Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (2) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy Court order; (3) are the subject of a Filed motion to assume, assume and assign, or reject such Executory Contract or Unexpired Lease (or of a Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date; or (4) are a contract, release, or other agreement or document entered into in connection with the Plan.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving, subject to and upon the occurrence of the Effective Date, the assumptions, assumptions and assignments, or rejections of the Executory Contracts and Unexpired Leases assumed, assumed and assigned, or rejected pursuant to the Plan and in accordance with the Asset Purchase Agreement. Any Filed motions to assume, assume and assign, or reject any Executory Contracts or Unexpired Leases (or Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order but may be withdrawn, settled, or otherwise prosecuted by the Plan Administrator, with any such disposition to be deemed to effect an assumption, assumption and assignment, or rejection, as applicable, as of the Effective Date, *provided, however*, that with respect to any such Filed objection to an Executory Contract assumed and assigned to the Winning Bidder in accordance with the Asset Purchase Agreement, the Winning Bidder may revoke the proposed assumption and assignment of the subject Executory Contract prior to 10 days after entry of an Order by the Bankruptcy Court adjudicating the objection with respect to such Executory Contract, with such revocation to be accomplished by filing a notice with the Bankruptcy Court and serving a copy on the counterparty(ies) to such Executory Contract, and any such Executory Contract shall be deemed rejected as of the Effective Date.

Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party on or prior to the Effective Date, shall revert in and be fully enforceable by the Plan Administrator in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within 30 days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, the Winning Bidder, or the property of any of the foregoing Entities without the need for any objection by the Plan Administrator or further notice to, or action, order, or approval of the Bankruptcy 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 and released, 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 and 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.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash, on the Effective Date or as soon as reasonably practicable thereafter, of the applicable cure amount identified on the Schedule of Assumed Executory Contracts or Unexpired Leases or other applicable Filed motion, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Post-Effective Date 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, any such dispute shall be resolved as set forth in Article V.A above with any related cure payments required by section 365(b)(1) of the Bankruptcy Code to be made following the entry of a Final Order resolving the dispute and approving the assumption. For any Executory Contract or Unexpired Lease being assumed, the applicable cure payment shall be made, in full in Cash, by the Winning Bidder if so provided by the Asset Purchase Agreement or otherwise by the Debtors or the Post-Effective Date Debtors. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any 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 prior to the effective date of assumption. **Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary,

the Post-Effective Date Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases, and, to the extent that such rights are Acquired Assets, such rights shall be assigned to and enforceable by the Winning Bidder.

E. *Insurance Policies and Surety Bonds*

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Debtors shall be deemed to have assumed or assumed and assigned to the Winning Bidder, solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases, all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; *provided* that any insurance policies that are not assumed and assigned to the Winning Bidder shall be assumed by the Debtors for the sole purpose of resolving any Claims covered by such insurance policies, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

Except as set forth in Article V.F of the Plan, nothing in this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any other order of the Bankruptcy Court (including any other provision that purports to be preemptory or supervening), (1) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any of such insurance policies or (2) alters or modifies the duty, if any, that the insurers or third party administrators have to pay claims covered by such insurance policies and their right to seek payment or reimbursement from the Debtors or the Plan Administrator (or the Winning Bidder, solely to the extent assumed and assigned to the Winning Bidder under the Asset Purchase Agreement) or draw on any collateral or security therefor. For the avoidance of doubt, insurers and third party administrators shall not need to nor be required to file or serve a cure objection or a request, application, claim, Proof of Claim, or motion for payment and shall not be subject to any claims bar date or similar deadline governing cure amounts or Claims.

Without limiting the foregoing, on the Effective Date, (1) all of the Debtors' obligations and commitments to any surety bond providers shall be deemed reaffirmed by the Plan Administrator or the Winning Bidder, as applicable, (2) surety bonds and related indemnification and collateral agreements entered into by any Debtor will be vested and performed by the applicable Post-Effective Date Debtor or the Winning Bidder, as applicable, and will survive and remain unaffected by entry of the Confirmation Order, and (3) the Plan Administrator shall be authorized to enter into new surety bond agreements and related indemnification and collateral agreements, or to modify any such existing agreements, to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

F. *Director, Officer, Manager, and Employee Liability Insurance*

On or before the Effective Date, the Debtors, on behalf of the Post-Effective Date Debtors, shall be authorized to and shall purchase and maintain directors, officers, managers, and employee liability tail coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies.

After the Effective Date, none of the Debtors or the Post-Effective Date Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

G. *Indemnification Obligations*

On and as of the Effective Date, the Indemnification Provision will be assumed and irrevocable and will survive the effectiveness of the Plan. None of the Post-Effective Date Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any of the Post-Effective Date Debtors' obligations to provide such indemnification rights or such directors,' officers,' employees,' or agents' indemnification right.

On and as of the Effective Date, any of the Debtors' indemnification obligations with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Post-Effective Date Debtors, as applicable, shall be assumed by the Post-Effective Date Debtors and otherwise remain unaffected by the Chapter 11 Cases.

H. *Employee and Retiree Benefits*

Unless otherwise provided herein, all employee wages, compensation, and benefit programs in place as of the Effective Date with the Debtors shall be assumed and shall remain in place as of the Effective Date and, without limiting any authority provided to the board of directors or managers or members of the Post-Effective Date Debtors under the Post-Effective Date Debtors' respective formation and constituent documents, the Post-Effective Date Debtors will continue to honor such agreements, arrangements, programs, and plans in the ordinary course of business. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law. For the avoidance of doubt and without limiting the foregoing, the liabilities described in this Article V.H are not being assigned to or otherwise assumed by the Winning Bidder, except to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases.

I. *Collective Bargaining Agreements*

Unless otherwise provided in the Plan, the Collective Bargaining Agreements and any agreements, documents, or instruments relating thereto, are treated as and deemed to be an Executory Contract under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed the Collective Bargaining Agreements and any agreements, documents, and instruments related thereto or assumed and assigned such contracts to the Winning Bidder solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreements shall be considered satisfied by the assumption (and assignment, as applicable) and cure in the ordinary course as provided herein. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreements shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

J. *Workers Compensation Program*

Unless otherwise provided in the Plan, as of the Effective Date, the Plan Administrator shall continue to honor obligations under all applicable workers' compensation laws in states and provinces in which the Debtors operated, as applicable, and the Plan Administrator shall honor obligations under the Debtors' (1) written contracts, agreements, and agreements of indemnity, in each case relating to workers' compensation, (2) self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation, and (3) workers' compensation insurance for the sole purpose of resolving any Claims covered by such workers' compensation insurance, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors', the Post-Effective Date Debtors', the Plan

Administrator's, or the Winning Bidder's defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans.

K. *Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

L. *Reservation of Rights*

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Post-Effective Date Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory at the time of assumption or rejection, the Debtors or the Plan Administrator, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

M. *Nonoccurrence of Effective Date*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

N. *Contracts and Leases Entered Into After the Petition Date*

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed or assumed and assigned by such Debtor, will be performed by the Debtor, the Plan Administrator, or the Winning Bidder, as applicable, in the ordinary course of business. Accordingly, such contracts and leases (including any assumed or assumed and assigned Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. *Timing and Calculation of Amounts to Be Distributed*

Unless otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim or Allowed Interest on the Initial Distribution Date, on the next Quarterly Distribution Date after such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Allowed Interests (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims

or Disputed Interests shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. *Distributions on Account of Obligations of Multiple Debtors*

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan, *provided* that Claims held by a single entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

C. *Disbursing Agent*

Except as otherwise provided herein, distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Wind-Down Trust.

D. *Rights and Powers of Disbursing Agent*

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash from the Wind-Down Trust.

E. *Delivery of Distributions and Undeliverable or Unclaimed Distributions*

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions

(a) Initial Distribution Date

Except as otherwise provided herein, on the Initial Distribution Date, the Disbursing Agent shall make distributions to Holders of Allowed Claims and Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' books and records or the register or related document maintained by, as applicable, the DIP Agents, the ABL Agent, or the Term Loan Agent as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Disbursing Agent; *provided, further*, that the address for each Holder of an Allowed Claim or Interest shall be deemed to be the address set forth in, as applicable, any Proof of Claim or Proof of Interest Filed by such Holder, or, if no Proof of Claim or Proof of Interest has been Filed, the address set forth in the Schedules. If a Holder holds more than one Claim in any one Class, all Claims of the Holder may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

(b) Quarterly Distribution Date

Except as otherwise determined by the Plan Administrator in its sole discretion, on each Quarterly Distribution Date or as soon thereafter as is reasonably practicable, the Disbursing Agent shall make the distributions required to be made on account of Allowed Claims and Interests under the Plan on such date. Any distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that distribution is not an Allowed Claim or Interest on such date, shall be distributed on the first Quarterly Distribution Date after such Claim or Interest is Allowed. No interest shall accrue or be paid on the unpaid amount of any distribution paid on a Quarterly Distribution Date in accordance with Article VI.I of the Plan.

(c) Distributions to Holders of Term Loan Claims

Except as set forth in this Article VI.E.2(c), the Term Loan Agent shall be deemed to be the Holder of all Term Loan Claims for purposes of distributions to be made hereunder, and all distributions on account of such Term Loan Claims shall be made to or on behalf of the Term Loan Agent. The Term Loan Agent shall hold or direct such distributions for the benefit of the Holders of Term Loan Claims. As soon as practicable following compliance with the requirements set forth in this Article VI, the Term Loan Agent shall arrange to deliver or direct the delivery of such distributions for which it is the deemed Holder to or on behalf of such Holders of Allowed Term Loan Claims.

Notwithstanding anything to the contrary herein, the Term Loan Agent shall be entitled to maintain a record of Holders of Term Loan Claims in the ordinary course of business and shall be entitled without regard to the general occurrence of the Distribution Record Date, to make distributions that it receives under the Plan to Holders of Term Loan Claims based upon its books and records. The Term Loan Agent shall not be held liable to any person with respect to distributions made or directed to be made by the Term Loan Agent except for liability arising from gross negligence, willful misconduct, or actual fraud of the Term Loan Agent.

3. Minimum Distributions

Notwithstanding any other provision of the Plan, the Disbursing Agent will not be required to make distributions of Cash less than \$100 in value (whether cash or otherwise), and each such Claim to which this limitation applies shall be released pursuant to Article VIII and its Holder is forever barred pursuant to Article VIII from asserting such Claim against the Debtors, the Post-Effective Date Debtors, the Plan Administrator, or their property.

4. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Wind-Down Trust

automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be released and forever barred.

A distribution shall be deemed unclaimed if a Holder has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the Plan Administrator of an intent to accept a particular distribution; (c) responded to the Debtors' or Plan Administrator's requests for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

F. *Distributions on Account of Claims or Interests Allowed After the Effective Date*

1. Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims or Interests that are not Allowed Claims or Interests as of the Effective Date, but which later become Allowed Claims or Interests, as applicable, shall be deemed to have been made on the applicable Quarterly Distribution Date after they have actually been made, unless the Plan Administrator and the applicable Holder of such Claim or Interest agree otherwise. No interest shall accrue or be paid on a Disputed Claim before it becomes an Allowed Claim in accordance with Article VI.I of the Plan.

2. Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Plan Administrator, on the one hand, and the Holder of a Disputed Claim or Interest, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim or Interest until the Disputed Claim or Interest has become an Allowed Claim or Interest, as applicable, or has otherwise been resolved by settlement or Final Order; *provided* that if the Debtors do not dispute a portion of an amount asserted pursuant to an otherwise Disputed Claim, the Holder of such Disputed Claim shall be entitled to a distribution on account of that portion of such Claim, if any, that is not disputed at the time and in the manner that the Disbursing Agent makes distributions to similarly-situated Holders of Allowed Claims pursuant to the Plan.

G. *Compliance with Tax Requirements*

In connection with the Plan, to the extent applicable, the Debtors or the Plan Administrator, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Plan Administrator, as applicable, reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

H. *Allocations Between Principal and Accrued Interest*

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. *No Postpetition Interest on Claims*

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim.

J. *Foreign Currency Exchange Rate*

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

K. *Setoffs and Recoupment*

Except as expressly provided in this Plan, each Post-Effective Date Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Post-Effective Date Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided, however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Post-Effective Date Debtor or its successor of any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in, the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the Plan Administrator, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, all rights of counterparties to unexpired leases of nonresidential real property that have been rejected for setoff, recoupment, and subrogation are preserved and shall continue unaffected by Confirmation or the occurrence of the Effective Date.

L. *Claims Paid or Payable by Third Parties*

1. Claims Paid by Third Parties

The Debtors or the Plan Administrator, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the Plan Administrator. To the extent that such Claim payment was made by the Winning Bidder to satisfy an obligation of the Debtors or the Post-Effective Date Debtors under the Asset Purchase Agreement, the Winning Bidder shall be promptly reimbursed for such payment in full in Cash from the Sale Proceeds or Wind-Down Trust Assets (other than the Wind-Down Trust Assets that constitute the GUC Sales Transaction Recovery Pool or the Last Out Loan Turnover Amount under the terms of this Plan), as applicable. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or the Plan Administrator on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the applicable Debtor or the Plan Administrator, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. If the Debtors or the Plan Administrator, as applicable, become aware of any payment of a Claim by a third party, the Debtors or Plan Administrator, as applicable, will send a notice of wrongful payment to the Holder of such Claim requesting the return of any excess payments and advising the recipient of the provisions of the Plan requesting turnover of excess estate funds. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or the Plan Administrator annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED, AND DISPUTED CLAIMS**

A. *Allowance of Claims*

After the Effective Date, the Plan Administrator shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately before the Effective Date as long as such rights or defenses are not Avoidance Actions waived pursuant to Article IV.G hereof; except for such rights and defenses assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement.

B. *Claims Administration Responsibilities*

After the Effective Date, the Plan Administrator will (a) oversee the Claim administration process and (b) administer Commercial Tort Claims and Commercial Tort Proceeds, if any, for the benefit of Holders of General Unsecured Claims. Except as otherwise specifically provided in the Plan, the Plan Administrator shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests and Commercial Tort Claims; (2) to settle or compromise any Disputed Claim or Commercial Tort Claims without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. *Estimation of Claims*

Before or after the Effective Date, the Plan Administrator and the Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant Post-Effective Date Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before fourteen days after the date

on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. *Adjustment to Claims Without Objection*

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, cancelled or otherwise expunged (including pursuant to the Plan), may be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Post-Effective Date Debtor without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim against or Interest in the same Debtor or another Debtor may be adjusted or expunged on the Claims Register by the Plan Administrator without the Plan Administrator having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. *Time to File Objections to Claims*

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

F. *Disallowance of Claims*

Any Claims or Interests held by Entities from which property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, but solely to the extent that any such Cause of Action is not an Avoidance Action waived pursuant to Article IV.G hereof, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Wind-Down Trust. All Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. *Amendments to Claims*

On or after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Plan Administrator. Absent such authorization, any new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

H. *No Distributions Pending Allowance*

If an objection to a Claim or portion thereof is Filed as set forth in Article VII.B, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

I. *Distributions After Allowance*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest (as applicable) in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. *Settlement, Compromise, and Release of Claims and Interests*

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Plan Administrator), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests subject to the occurrence of the Effective Date.

B. *Release of Liens*

On the Effective Date, concurrently with the consummation of the Sale Transaction and to the extent required by the Asset Purchase Agreement, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests, or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. Without limiting the foregoing, except as otherwise provided in the Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims (other than any Claim secured by the Administration Charge) that the Debtors elect to reinstate in accordance with Article III.B.2 hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by

such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Plan Administrator to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases, and the Debtors and their successors and assigns shall be authorized to file and record such terminations or releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. 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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the Prepetition Facilities, the DIP Facilities, the Sale Transaction, 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 liabilities or obligations of the Winning Bidder to the Debtors relating to the Asset Purchase Agreement, (2) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan, and (3) any Causes of Action listed on the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

D. *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, Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction, the Asset Purchase Agreement, 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 liabilities or obligations of any Entity to the Winning Bidder relating to the Asset Purchase Agreement or any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

E. *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, or created or entered into in connection with the RSA, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the

Recognition Proceedings, 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 relating to the Asset Purchase Agreement or 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.

F. *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 released 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 Post-Effective Date 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.

Upon entry of the Confirmation Order and granting by the Canadian Court of the Confirmation Recognition Order in the Recognition Proceedings, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.F of the Plan.

G. *Protections Against Discriminatory Treatment*

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Post-Effective Date Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Post-Effective Date Debtors, or another Entity with whom the Post-Effective Date Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or

during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. *Document Retention*

On and after the Effective Date, the Post-Effective Date Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Plan Administrator.

I. *Reimbursement or Contribution*

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

J. *Term of Injunctions or Stays*

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

K. *Subordination Rights*

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the Plan shall be terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Estates, the Post-Effective Date Debtors, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Recognition Order shall have been granted by the Canadian Court in the Recognition Proceedings, and such orders shall not have been stayed, modified, or vacated on appeal;

2. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;

3. the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;

4. the payment in full of the DIP ABL Claims pursuant to the Payoff Letter; and

5. all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

B. *Waiver of Conditions*

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX may be waived by the Debtors with the reasonable consent of the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), and the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

C. *Substantial Consummation*

The “substantial consummation” of the Plan, as defined in section 1101(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

D. *Effect of Failure of Conditions*

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. *Modification and Amendments*

Except as otherwise specifically provided in the Plan, the Debtors, with the reasonable consent of the Term Loan Agent, Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), or the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement), reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors expressly reserve their respective rights to revoke or withdraw, to alter, amend, or modify the Plan with respect to each Debtor, one or more times, before or after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission or reconcile any inconsistencies in the Plan, the

Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. The Debtors shall not consent to any amendment, modification or supplement of the Asset Purchase Agreement that is adverse in any material respect to the interest of (i) the DIP ABL Lenders, without the consent of the DIP ABL Agent, or (ii) the DIP Term Loan Lenders, without the consent of the DIP Term Loan Agent.

B. Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of Plan

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans, in each case subject to any applicable consent rights as set forth in the RSA, the DIP Orders, or the DIP Facilities. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Class of Claims or Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Causes of Action, or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, to the extent legally permissible, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals (including Accrued Professional Compensation Claims) authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed (or assumed and assigned); (c) the Plan Administrator amending, modifying or supplementing, after the Effective Date, pursuant to Article V, the Executory Contracts and Unexpired Leases to be assumed (or assumed and assigned) or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order;
8. enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, 1141, or 1146(a) of the Bankruptcy Code;
9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;
11. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the releases, injunctions and other provisions contained in Article VIII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
12. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid in accordance with the Plan;
13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
14. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or, subject to any applicable forum selection clauses, any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;
15. enter an order or Final Decree concluding or closing any of the Chapter 11 Cases;
16. adjudicate any and all disputes arising from or relating to distributions under the Plan;
17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;
19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order or any Entity's obligations incurred in connection with the Plan, including, subject to any applicable forum selection clauses, disputes arising under agreements, documents, or instruments executed in connection with the Plan;
20. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Restructuring Transactions, whether they occur before, on or after the Effective Date;

21. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
22. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, injunctions, and releases granted in connection with and under the Plan, including under Article VIII;
23. enforce all orders previously entered by the Bankruptcy Court; and
24. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII. MISCELLANEOUS PROVISIONS

A. *Immediate Binding Effect*

Subject to Article IX.A and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Post-Effective Date Debtors, the Plan Administrator, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. *Additional Documents*

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Plan Administrator, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. *Payment of Statutory Fees*

Each of the Debtors (or the Disbursing Agent on behalf of each of the Debtors) shall pay all fees payable pursuant to section 1930(a)(6) of the Judicial Code, together with any interest thereon pursuant to 31 U.S.C. § 3717, on or before the Effective Date in Cash, based on disbursements in and outside the ordinary course of the Debtors' business and Plan payments. Thereafter, such fees and any applicable interest shall be paid by each of the Post-Effective Date Debtors (or the Disbursing Agent on behalf of each of the Post-Effective Date Debtors) until the earlier of entry of a final decree closing such Chapter 11 Case or an order of dismissal or conversion, whichever occurs first.

D. *Statutory Committee and Cessation of Fee and Expense Payment*

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, responsibilities, and liabilities arising on or prior to the Effective Date, from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Committee and its Professionals. The Post-Effective Date Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

E. *Reservation of Rights*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan or the taking of any action by

any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders unless and until the Effective Date has occurred.

F. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. *Notices*

To be effective, all notices, requests, and demands to or upon the Debtors shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered by courier or registered or certified mail (return receipt requested) or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to the following:

1. If to the Debtors, to:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
E-mail: mpfefferle@carlmarks.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
E-mail: joshua.sussberg@kirkland.com
christopher.greco@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attention: Joseph M. Graham
Laura Krucks
E-mail: joe.graham@kirkland.com
laura.krucks@kirkland.com

2. If to the ABL Agent or DIP ABL Agent, to:

Goldberg Kohn Ltd.
55 East Monroe, Suite 3300
Chicago, Illinois 60603
Attention: Randall Klein
E-mail address: Randall.Klein@goldbergkohn.com

3. If to the Term Loan Agent or the DIP Term Agent, to:

King & Spalding LLP

1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attention: W. Austin Jowers
E-mail address: ajowers@kslaw.com

-and -

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Attention: Christopher G. Boies
Stephen M. Blank
E-mail address: cboies@kslaw.com
sblank@kslaw.com

4. If to the Committee, to:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, Suite 3400
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

After the Effective Date, the Plan Administrator may notify Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. *Entire Agreement*

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan. If the Effective Date does not occur, nothing herein shall be construed as a waiver by any party in interest of any or all of such party's rights, remedies, claims, and defenses, and such parties expressly reserve any and all of their respective rights, remedies, claims and, defenses. This Plan and the documents comprising the Plan Supplement, including any drafts thereof (and any discussions, correspondence, or negotiations regarding any of the foregoing) shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any party in interest of any claim or fault or liability or damages whatsoever. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations, discussions, agreements, settlements, and compromises reflected in or related to Plan and the documents comprising the Plan Supplement is part of a proposed settlement of matters that could otherwise be the subject of litigation among various parties in interest, and such negotiations, discussions, agreements, settlements, and compromises shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of the Plan and the documents comprising the Plan Supplement.

I. *Exhibits*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the website of the Notice and Claims Agent at www.omnimgt.com/cases/hollander or (for a fee) the Bankruptcy Court's website at <http://www.ecf.nysb.uscourts.gov/>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control. The documents contained in the Plan Supplement are an integral part

of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order. For the avoidance of doubt, no provisions of the Plan Supplement may contradict the provisions under the Plan that require payment in full (in accordance with Section 1.4 of the DIP ABL Credit Agreement) of the DIP ABL Claims. Notwithstanding anything to the contrary in this Plan, in the event of any inconsistency between the Asset Purchase Agreement and this Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, the Asset Purchase Agreement shall control solely with respect to the assumption and assignment of Executory Contracts and Unexpired Leases, the Causes of Action listed on the Schedule of Retained Causes of Action, the Acquired Assets, the Assumed Liabilities (as defined in the Asset Purchase Agreement), and any other matter between or among the Winning Bidder and the Debtors or the Plan Administrator, their successors and permitted assigns, or any other Entity, relating to the Asset Purchase Agreement.

J. *Non-Severability of Plan Provisions*

The provisions of the Plan, including its release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, consistent with the terms set forth herein; and (3) non-severable and mutually dependent.

K. *Votes Solicited in Good Faith*

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan and, therefore, no such parties will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan or any previous plan.

L. *Closing of Chapter 11 Cases*

The Plan Administrator shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

M. *Conflicts*

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Hollander Sleep Products, LLC

By: /s/ Marc L. Pfefferle

Name: Marc L. Pfefferle

Title: Chief Executive Officer

Exhibit 2

Notice of Confirmation

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

)	
In re:	)	Chapter 11
)	
HOLLANDER SLEEP PRODUCTS, LLC, <i>et al.</i> , ¹	)	Case No. 19-11608 (MEW)
)	
Debtors.	)	(Jointly Administered)
)	

**NOTICE OF (I) ENTRY OF CONFIRMATION ORDER,
(II) OCCURRENCE OF EFFECTIVE DATE, AND (III) RELATED BAR DATES**

PLEASE TAKE NOTICE that on September [4], 2019, the United States Bankruptcy Court for the Southern District of New York (the “Court”) entered an order [Docket No. [●]] (the “Confirmation Order”) confirming the *Debtors’ Modified First Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. [●]] (the “Plan”).²

PLEASE TAKE FURTHER NOTICE that the Effective Date, as defined in the Plan, occurred on [____], **2019**.

PLEASE TAKE FURTHER NOTICE that pursuant to the Confirmation Order, the release, injunction, and exculpation provisions in Article VIII of the Plan (as modified by the Confirmation Order) are now in full force and effect.

PLEASE TAKE FURTHER NOTICE that pursuant to Article V.B of the Plan, unless otherwise provided by a Final Order of the Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Court within 30 days after the later of (1) the date of entry of an order of the Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) 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 Post-Effective Date Debtors, the Estates, the Plan Administrator, the Wind-Down Trust, or the property of any of the foregoing parties**

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 in this Motion shall have the meanings given to them in the Plan.

without the need for any objection by the Plan Administrator (or any other party) 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 barred. 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 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.

PLEASE TAKE FURTHER NOTICE that except as otherwise provided by the Confirmation Order, the Plan, or a Final Order of the Court, the deadline for filing requests for payment of Administrative Claims (other than (1) Professional Fee Claims, (2) Administrative Claims arising in the ordinary course of business, or (3) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code), which are required to be filed in accordance with the Plan) shall be the later of [____], **2019** (which is the first Business Day that is 30 days after the Effective Date). If a Holder of an Administrative Claim (other than DIP Claims, cure Claims, Professional Fee Claims, Administrative Claims arising in the ordinary course of business, and Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code) that is required to but does not file and serve a request for payment of such Administrative Claim by the Administrative Claims Bar Date, such Holder shall be forever barred from asserting such Administrative Claims against the Debtors, the Post-Effective Date Debtors, their Estates, the Plan Administrator, or the Wind-Down Trust.

PLEASE TAKE FURTHER NOTICE that pursuant to the Plan, the Deadline to file final requests for payment of Professional Fee Claims is [____], **2019** (which is the first Business Day that is 30 days after the Effective Date, the "Professional Fee Application Deadline"). All Professionals must file final requests for payment of Professional Fee Claims by no later than the Professional Fee Application Deadline to receive final approval of the fees and expenses incurred in the Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE that copies of the Plan, the Confirmation Order, and all other pleadings filed in the Debtors' Chapter 11 Cases, may be obtained free of charge by: (1) contacting Omni Management Group (the "Solicitation Agent") by phone at (844) 212-9942 (toll free) or (818) 906-8300 (international); (2) contacting the Solicitation Agent by email at hollanderballots@omnimgt.com, including "Hollander" in the subject line of any such email; (3) accessing the Debtors' solicitation website at <https://omnimgt.com/hollander>; or (4) writing to the Solicitation Agent at the following address: Hollander Sleep Products, LLC, Ballot Processing, c/o Omni Management Group, 5955 DeSoto Avenue, Suite #100, Woodland Hills, CA 91367. Additionally, all pleadings filed in the Chapter 11 Cases may be inspected at the office of the Clerk of the Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004 and accessed for a fee on the Court's website, <http://www.nysb.uscourts.gov>. Note that you need a PACER password and login to access documents on the Court's website (a PACER password may be obtained by accessing the PACER website, <http://pacer.psc.uscourts.gov>).

New York, New York

Dated: September [●], 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

TAB C

**THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF EVAN BARZ SWORN ON
SEPTEMBER 6, 2019.**

A handwritten signature in black ink, appearing to read 'Carly Fidler', written above a horizontal line.

Commissioner for Taking Affidavits

Carly Fidler

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

In re:

HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹

Debtors.

)
)
)
)
)
)
)

Chapter 11

Case No. 19-11608 (MEW)

(Jointly Administered)

**ORDER AUTHORIZING THE DEBTORS TO ENTER
INTO AN AMENDMENT TO THE DIP TERM LOAN CREDIT FACILITY**

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”) authorizing the Debtors to enter into that certain *Third Amendment to Debtor-in-Possession Term Loan Credit Agreement* (the “DIP Amendment”) and to execute and deliver the DIP Amendment and to perform their respective obligations thereunder and all such other and further acts as may be necessary, appropriate, or desirable in connection with the DIP Amendment; all as more fully set forth in the Motion; 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, 2019; 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

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 set forth in the Motion.

opportunity for a hearing on the Motion were appropriate under the circumstance 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 the Court (the “Hearing”); and the Court having entered the Final DIP Order; and it appearing that the Debtors’ entry into the DIP Amendment is a sound and prudent exercise of the Debtors’ business judgment; and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing established 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 FOUND, DETERMINED, ORDERED AND ADJUDGED THAT:**

1. The Motion is GRANTED as set forth herein.
2. The Debtors are authorized to enter into the DIP Amendment, substantially in the form attached hereto as **Exhibit 1**.
3. Except as otherwise specifically provided for herein, the Final DIP Order shall remain in full force and effect, and the parties to the DIP Term Loan Credit Agreement (as modified by the DIP Amendment) shall be entitled to all of the rights and protections provided therein.
4. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order and execute the DIP Amendment without further notice or order of the Court.
5. All references to the DIP Term Loan Credit Facility and the DIP Term Loan Credit Agreement in the Final DIP Order shall be deemed references to the DIP Term Loan Credit Facility and the DIP Term Loan Credit Agreement as amended by the DIP Amendment.

6. Notwithstanding the possible applicability of Bankruptcy Rules 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Dated: New York, New York
September 6, 2019

s/Michael E. Wiles
Hon. Michael E. Wiles
United States Bankruptcy Judge

Exhibit 1

DIP Amendment

**THIRD AMENDMENT
TO DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT**

This THIRD AMENDMENT TO DEBTOR-IN-POSSESSION TERM LOAN CREDIT AGREEMENT (this “Amendment”) is entered into as of September 3, 2019, among Dream II Holdings, LLC, a Delaware limited liability company (“Parent”), Hollander Home Fashions Holdings, LLC, a Delaware limited liability company (“Holdings” and, together with Parent, the “Parent Guarantors”), Hollander Sleep Products, LLC, a Delaware limited liability company (the “Borrower”), each of the Lenders (as defined below) party hereto, and Barings Finance LLC, as administrative agent for the Lenders (in such capacity, the “Agent”), and is acknowledged and consented to by each Guarantor (as defined below).

R E C I T A L S:

A. The Borrower, the Parent Guarantors, the lenders from time to time party thereto (the “Lenders”) and the Agent are parties to that certain Debtor-In-Possession Term Loan Credit Agreement, dated as of May 23, 2019 (as amended pursuant to that certain (i) First Amendment to Debtor-In-Possession Term Loan Credit Agreement, dated as of July 5, 2019, and (ii) Second Amendment to Debtor-In-Possession Term Loan Credit Agreement, dated as of August 15, 2019, and as amended, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Existing Credit Agreement”; and the Existing Credit Agreement, as amended by this Amendment, the “Agreement”). Unless otherwise defined in this Amendment, capitalized terms used herein shall have the meanings given to them in the Agreement.

B. On the Petition Date, the Borrower and the Guarantors commenced the Chapter 11 Cases by filing with the Bankruptcy Court voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Borrower and Guarantors continue to be authorized to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

C. On May 23, 2019, the Bankruptcy Court entered the Interim DIP Order [ECF No. 53], and on July 19, 2019, the Bankruptcy Court entered the Final DIP Order [ECF No. 231].

D. On July 3, 2019, the Bankruptcy Court entered an order [ECF No. 180] (the “Bidding Procedures Order”) in connection with the proposed auction and sale of some or all of the assets of the Borrower and its affiliated debtor entities (collectively, the “Debtors”) as contemplated by the RSA and the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code [ECF No. 248] (the “Plan”).

E. In accordance with the Bidding Procedures Order, the Debtors determined the winning bidder for the sale of substantially all of the assets of the Debtors to be Bedding Acquisition LLC (the “Purchaser” or “Winning Bidder”), with a successful bid of \$102 million in cash, subject to certain adjustments for net working capital and similar transaction costs, and certain other consideration (including warrants granting the Debtors the right to purchase up to 7.5% of the Purchaser’s post-closing fully diluted equity ownership).

F. As stated in that certain Notice of Winning Bidder and Cancellation of Auction [ECF No. 301], the Debtors will consummate the sale to the Purchaser pursuant to the Plan (as

modified to implement the sale to the Purchaser) and are seeking an order confirming the Plan (as modified to implement the sale to the Purchaser), including authorizing and approving the sale to the Purchaser, at the hearing scheduled for September 4, 2019, at 11:00 a.m., prevailing Eastern time. The Debtors are unaware of any competing bids, including from any one or more of the Pre-Petition Term Lenders.

G. The Borrower has requested that the Lenders party hereto, which collectively constitute all Lenders, make certain amendments to the Existing Credit Agreement that are set forth herein, subject to the terms and conditions set forth herein.

H. Accordingly, in consideration of the premises made hereunder, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Interpretation. This Amendment shall be construed and interpreted in accordance with the rules of construction set forth in Sections 1.1 through 1.7 of the Agreement.

Section 2. Amendments to the Agreement.

2.1 Schedule 1.1 of the Existing Credit Agreement is hereby amended by inserting the following new defined terms therein in appropriate alphabetical order:

“Asset Purchase Agreement” means that certain Asset Purchase Agreement, dated as of August 15, 2019, by and among the Winning Bidder, Dream II Holdings, LLC and its subsidiaries signatories thereto, together with all exhibits, appendices, supplements, documents, and agreements ancillary thereto, in each case as may be amended from time to time (subject to the consent of the Agent (acting at the direction of the Required Lenders) with respect to any such amendment that is adverse in any material respect to the interests of the Lenders).

“Confirmation Order” means an order, in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders), (i) confirming the Modified First Amended Plan and (ii) authorizing and approving the Proposed Sale to the Winning Bidder.

“Contingent Amounts” means any proceeds, assets or amounts received by any Loan Party or Post-Effective Date Debtor (as defined in the Modified First Amended Plan) (1) from the Proposed Sale (i) pursuant to the Asset Purchase Agreement or the Confirmation Order, whether received immediately upon the consummation of the Proposed Sale or on a later date, that will not be distributed by the Loan Parties under the Modified First Amended Plan on the Modified First Amended Plan Effective Date due to such proceeds being escrowed, earmarked, reserved or otherwise set aside to satisfy a claim with a higher priority than the DIP Facility Obligations in accordance with the Intercreditor Agreement or pursuant to the Bankruptcy Code or as otherwise provided under the Modified First Amended Plan and (ii) on a date after the Modified First Amended Plan Effective Date in accordance with the Asset Purchase Agreement or the Confirmation Order and/or (2) from any other source (including the Wind-Down Trust Assets (as defined in the Modified First Amended Plan)) after the Modified First Amended Plan Effective

Date, but excluding the GUC Sale Transaction Recovery Pool (as defined in the Modified First Amended Plan), the Last Out Loans Turnover Amount (as defined in the Modified First Amended Plan), and the Commercial Tort Proceeds (as defined in the Modified First Amended Plan).

“Modified First Amended Plan” means the Debtors’ Modified First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code attached hereto as Exhibit A, filed with the Bankruptcy Court in substantially identical form as attached hereto.

“Modified First Amended Plan Effective Date” means the “Effective Date” as defined in the Modified First Amended Plan.

“Proposed Sale” means the sale of substantially all of the assets of the Borrower and the other Loan Parties for \$102,000,000 cash (subject to certain purchase price adjustments as set forth in the Asset Purchase Agreement) and certain other consideration (including the Warrants) pursuant to the Asset Purchase Agreement.

“Shortfall Amount” means the amount by which the proceeds from the Proposed Sale distributed to the Lenders on the Modified First Amended Plan Effective Date are insufficient to satisfy in full in cash all outstanding DIP Facility Obligations (including, for the avoidance of doubt, any fees owed pursuant to the Fee Letter) on the Modified First Amended Plan Effective Date.

“Warrants” means warrants for 7.5% of the Winning Bidder’s post-closing fully diluted equity ownership in the entity or entities owning the Loan Parties’ assets acquired pursuant to the Asset Purchase Agreement.

“Winning Bidder” means Bedding Acquisition, LLC.

2.2 The Existing Credit Agreement is hereby amended by inserting a new subsection (C) immediately following Section 2.4(d)(i)(B) of the Existing Credit Agreement which shall read as follows:

“(C) Notwithstanding anything to the contrary in any DIP Loan Document, so long as (i) the Bankruptcy Court enters the Confirmation Order approving the Modified First Amended Plan and Proposed Sale on or before September 6, 2019, (ii) the Modified First Amended Plan Effective Date has occurred on or before September 16, 2019 and (iii) the Lenders receive their respective full and irrevocable distribution pursuant to the Modified First Amended Plan on or before September 16, 2019 (other than Contingent Amounts, which such Contingent Amounts shall be distributed to the Agent (for further distribution to the Lenders) in accordance with the Confirmation Order and the Modified First Amended Plan promptly upon (and in any event, no later than five (5) Business Days after) the Plan Administrator becoming entitled to distribute such Contingent Amounts), then the distribution of the proceeds from the Proposed Sale, along with any additional distributions pursuant to the Modified First Amended Plan (including but not limited to any Warrants) on the Modified First Amended Plan Effective Date, together with the obligations of the Plan Administrator under the Modified First Amended Plan to distribute the Contingent Amounts to the Agent (for further distribution to the Lenders) in accordance with the

Modified First Amended Plan until the Shortfall Amount is satisfied in full, shall be deemed to constitute the payment in full of the DIP Facility Obligations. For the avoidance of doubt, nothing herein constitutes, or shall be deemed to constitute, an agreement by any Lender to subordinate the DIP Term Loan Claims (as defined in the Modified First Amended Plan), or any portion thereof, to any Claim (as defined in the Modified First Amended Plan) (or otherwise constitute a “carve out” of any portion of the collateral securing the DIP Term Loan Claims for the benefits of any such Claims).”

2.3 The Existing Credit Agreement is hereby amended by replacing subsection 8.9(m)(x) of the Existing Credit Agreement with the following:

“No later than September 6, 2019, the Bankruptcy Court shall have entered an order (or orders), in form and substance reasonably satisfactory to the Agent (acting at the direction of the Required Lenders) (i) confirming the Modified First Amended Plan (such date, the “Confirmation Date”) and (ii) approving the Proposed Sale.”

Section 3. Conditions Precedent To Effectiveness of Amendment.

3.1 Conditions Precedent. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

- (a) this Amendment shall have been (i) executed by the Borrower, the Agent, and the Lenders, and (ii) acknowledged by each Guarantor, and in each case, counterparts hereof as so executed or acknowledged shall have been delivered to the Agent;
- (b) the representations and warranties set forth in Section 4 hereof shall be true and correct on the Amendment Effective Date; and
- (c) the entry of an order, in form and substance acceptable to the Agent (acting at the direction of the Required Lenders), authorizing and approving this Amendment.

3.2 Effective Date. This Amendment shall be effective on the date upon which the conditions precedent set forth in Section 3.1 above are satisfied (such date, the “Amendment Effective Date”).

Section 4. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agent and the Lenders party hereto as follows:

4.1 Power and Authority. It has the legal power and authority to execute and deliver this Amendment and perform its obligations hereunder and under the Agreement.

4.2 Authorization. It has taken all proper and necessary corporate actions to authorize the execution, delivery and performance of this Amendment and the transactions contemplated hereby.

4.3 Non-Violation. Subject to the DIP Orders, the execution and delivery of this Amendment and the performance and observance by it of the provisions hereof do not and will not (i) violate any provision of federal, state, provincial, foreign or local law or regulation applicable

to any Loan Party or its Subsidiaries or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries, where any such violation individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, (ii) violate the Governing Documents of any Loan Party or its Subsidiaries, (iii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any agreement of any Loan Party or its Subsidiaries where any such conflict, breach or default could individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (iv) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (v) require any approval of any holder of Equity Interests of a Loan Party or any approval or consent of any Person under any material agreement of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of material agreements, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to cause a Material Adverse Effect.

4.4 Validity and Binding Effect. This Amendment has been duly executed and delivered by each Loan Party. Subject to the DIP Orders, upon satisfaction of the conditions set forth in Section 3.1 above, this Amendment shall constitute a legal, valid and binding obligation of each Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, regardless of whether considered in a proceeding in equity or at law.

4.5 Representations and Warranties in Agreement. After giving effect to this Amendment, the representations and warranties contained in the Agreement and each DIP Loan Document are (i) in the case of representations and warranties qualified by materiality, "Material Adverse Effect" or similar language, true and correct in all respects, and (ii) in the case of all other representations and warranties, true and correct in all material respects, in each case on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case such representations and warranties are true and correct on the basis set forth above as of such earlier date.

4.6 No Consent. Subject to the DIP Orders, no consent, exemption, authorization or approval of, registration or filing with, or any other action by, any Governmental Authority is required to be obtained or made by any Loan Party in connection with this Amendment, or the execution, delivery, performance, validity or enforceability of this Amendment or any other DIP Loan Document, except consents, authorizations, filings and notices which have been obtained or made and are in full force and effect.

4.7 No Default. After giving effect to this Amendment, no Default or Event of Default has occurred or is continuing.

Section 5. Guarantor Acknowledgment. Each Guarantor, by signing this Amendment hereby:

5.1 Confirms and ratifies its respective guarantees, pledges and grants of security interests, as applicable, under each DIP Loan Document to which it is a party, and agrees that notwithstanding the effectiveness of the Amendment and the consummation of the transactions

contemplated thereby such guarantees, pledges and grants of security interests shall continue to be in full force and effect and shall accrue to the benefit of the Lenders.

5.2 Acknowledges and agrees that all of the DIP Loan Documents to which such Guarantor is a party or otherwise bound shall continue in full force and effect and that all of such Guarantor's obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment.

5.3 Consents and agrees to and acknowledges and affirms the terms of this Amendment and the transactions contemplated thereby.

Section 6. Consent.

6.1 Consent to Modified First Amended Plan Treatment. Subject to Section 3.1 hereof, each Lender agrees to the treatment of the Lenders set forth in the Modified First Amended Plan.

Section 7. Miscellaneous.

7.1 Costs and Expenses. Borrower agrees to pay the Lender Group Expenses of Agent in connection with this Amendment in accordance with Section 2.5(a) of the Agreement.

7.2 Successors and Assigns. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7.3 Survival of Representations and Warranties. All representations and warranties made hereunder shall survive the execution and delivery of this Amendment, and no investigation by the Agent or the Lenders or any subsequent extension of credit shall affect any of such representations and warranties or the right of the Agent or any Lender to rely upon them.

7.4 Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

7.5 Headings. The headings, captions and arrangements used in this Amendment are for convenience only and shall not affect the interpretation of this Amendment.

7.6 DIP Loan Documents Unaffected. Each reference to the Agreement in any DIP Loan Document shall hereafter be construed as a reference to the Agreement as amended hereby. This Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any party under, the Agreement or any other DIP Loan Document, except as expressly provided herein. Except as herein otherwise specifically provided, all provisions of the Agreement and the other DIP Loan Documents, and the guarantees, pledges and grants of security interests, as applicable, under each of the DIP Loan Documents, are hereby reaffirmed and ratified and shall remain in full force and effect, shall continue to accrue to the benefit of the Agent and the Lenders and shall be unaffected hereby. This Amendment is a DIP Loan Document.

7.7 Entire Agreement. This Amendment, together with the Agreement and the other DIP Loan Documents, integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all oral representations and negotiations and prior writings with respect to the subject matter hereof.

7.8 Counterparts. This Amendment may be executed by the parties hereto separately in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same agreement. Transmission by a party to another party (or its counsel) of an electronic copy of a counterpart (e.g., “.pdf” or “.tif”) via facsimile or electronic mail of a copy of this Amendment (or a signature page of this Amendment) shall be as fully effective as delivery by such transmitting party to the other parties hereto of a counterpart of this Amendment that had been manually signed by such transmitting party.

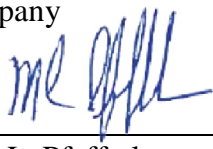
7.9 Governing Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF) SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

[Signature page follows]

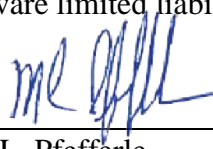
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

PARENT GUARANTORS:

DREAM II HOLDINGS, LLC, a Delaware limited liability company

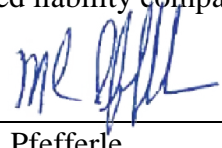
By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

HOLLANDER HOME FASHIONS HOLDINGS, LLC, a Delaware limited liability company

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

BORROWER:

HOLLANDER SLEEP PRODUCTS, LLC, a Delaware limited liability company

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

BARINGS FINANCE LLC. as Agent

By: _____

Name: _____

Title: _____

ALLSTATE INSURANCE COMPANY, as Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ALLSTATE LIFE INSURANCE COMPANY, as Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

BARINGS FINANCE LLC, as Lender
By: Barings LLC, as Investment Manager

By: _____
Name: _____
Title: _____

BARINGS GLOBAL PRIVATE LOANS 1 S.À R.L, as
Lender
acting by its attorney

By: _____
Name: _____
Title: _____

BARINGS GLOBAL PRIVATE LOANS 2 S.À R.L, as
Lender
acting by its attorney

By: _____
Name: _____
Title: _____

BARINGS NORTH AMERICAN PRIVATE LOAN
FUND, L.P., as Lender
By: Barings LLC, as Investment Manager

By: _____
Name: _____
Title: _____

BARINGS NORTH AMERICAN PRIVATE LOAN
FUND (CAYMAN), L.P., as Lender

By: Barings LLC, as Investment Manager

By: _____
Name: _____
Title: _____

BARINGS NORTH AMERICAN PRIVATE LOAN
FUND (CAYMAN)-A, L.P., as Lender

By: Barings LLC, as Investment Manager

By: _____
Name: _____
Title: _____

FIRST EAGLE DARTMOUTH HOLDING
LLC, as Lender

By: First Eagle Private Credit, LLC, its
Manager

By: _____
Name _____
Title: _____

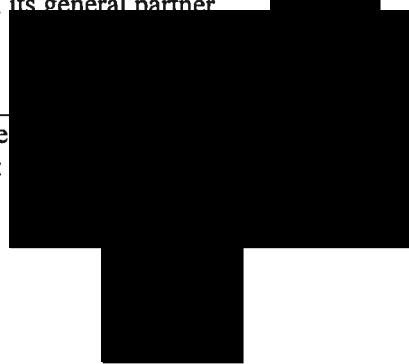
GSO DIAMOND PORTFOLIO HOLDCO LLC,
as Lender

By: GSO Diamond Portfolio Holdco
LLC, its managing member

By: GSO Diamond Portfolio Fund L.P.,
its managing member

By: GSO Diamond Portfolio Associates
LLC, its general partner

By: _____
Name _____
Title: _____

A large black rectangular redaction box covers the signature and name of the representative. A horizontal line extends from the right side of the box at the level of the 'By:' label.

PENNANTPARK INVESTMENT CORPORATION

By: 

Name: 

Title: 

PENNANTPARK FLOATING RATE FUNDING I, LLC

By: 

Name: 

Title: 

PENNANTPARK CREDIT OPPORTUNITIES FUND
II, LP


By: 

Name: 

Title: 

Acknowledged and agreed:

HOLLANDER SLEEP PRODUCTS KENTUCKY,
LLC, as Guarantor

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

PACIFIC COAST FEATHER CUSHION, LLC, as
Guarantor

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

PACIFIC COAST FEATHER, LLC, as Guarantor

By: 
Name: Marc L. Pfefferle
Title: Chief Executive Officer

EXHIBIT A

Modified First Amended Plan

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

In re:

HOLLANDER SLEEP PRODUCTS, LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-11608 (MEW)
)
) (Jointly Administered)
)

**DEBTORS' MODIFIED FIRST AMENDED JOINT
PLAN PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

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Counsel to the Debtors and Debtors in Possession

Dated: September 3, 2019

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY 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.

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INTRODUCTION

Hollander Sleep Products, LLC and its Debtor affiliates in the above-captioned Chapter 11 Cases propose this joint chapter 11 plan pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A. This Plan constitutes a separate chapter 11 plan for each Debtor and, unless otherwise set forth herein, the classifications and treatment of Claims and Interests apply to each individual Debtor.

Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and historical financial information, projections, and future operations, as well as a summary and description of this Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

As used in this Plan, capitalized terms have the meanings ascribed to them below.

1. “**ABL Agent**” means Wells Fargo Bank, National Association, in its capacity as agent under the ABL Credit Agreement, solely in its capacity as such.

2. “**ABL Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the ABL Credit Facility.

3. “**ABL Credit Agreement**” means that certain Third Amended and Restated Credit Agreement, dated as of June 9, 2017, by and among Hollander Home Fashions, LLC, Hollander Sleep Products, LLC, Hollander Sleep Products Kentucky, LLC, Hollander Sleep Products Canada Limited, Pacific Coast Feather Company, and Pacific Coast Feather Cushion Co., as borrowers, Dream II, as parent, the lenders party thereto, and the ABL Agent, as modified and amended on August 31, 2017, October 19, 2018, and November 27, 2018, and as may be further amended, modified, restated, or supplemented from time to time.

4. “**ABL Credit Facility**” means, collectively, the senior secured revolving credit facility, swing loans, and letters of credit provided for by the ABL Credit Agreement.

5. “**ABL Lenders**” means the banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

6. “**ABL Priority Collateral**” has the meaning set forth in the DIP Intercreditor Agreement.

7. “**Administration Charge**” means the charge granted by the Canadian Court in the Recognition Proceedings on the Canadian Assets to secure the professional fees and disbursements of the Information Officer and its counsel, in each case incurred in respect of the Recognition Proceedings.

8. “**Administrative Claim**” means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) amounts owing pursuant to the DIP Orders.

9. “**Administrative Claim Bar Date**” means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims, (y) Administrative Claims arising in the ordinary

course of business, or (z) Claims arising pursuant to section 503(b)(9) of the Bankruptcy Code, which are required to be filed in accordance with the Bar Date Order), which shall be 30 days after the Effective Date.

10. “**Administrative Claim Objection Bar Date**” means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the later of (a) 60 days after the Effective Date and (b) 60 days after the Filing of the applicable request for payment of the Administrative Claims; *provided* that the Administrative Claim Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

11. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

12. “**Allowed**” means with respect to any Claim, except as otherwise provided in the Plan: (a) a Claim that is evidenced by a Proof of Claim Filed by the Bar Date (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order a Proof of Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that, with respect to such Claim, no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim, as applicable, shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claims, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. For the avoidance of doubt: (x) a Proof of Claim Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim; and (y) the Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law. “Allow” and “Allowing” shall have correlative meanings.

13. “**Acquired Assets**” means those “Acquired Assets” as defined in the Asset Purchase Agreement.

14. “**APA Post Closing Obligations**” means those certain obligations of the Debtors (or any successor thereto) under the Asset Purchase Agreement that may become due and payable after the closing of the Sale Transaction, including the payment of certain tax obligations relating to periods prior to the closing and payment of certain cure amounts with respect to Executory Contracts or Unexpired Leases assigned to the Winning Bidder.

15. “**Asset Purchase Agreement**” means that certain asset purchase agreement dated as of August 15, 2019, executed by and between the Debtors and the Winning Bidder for the sale of certain of the Debtors’ assets to the Winning Bidder, a copy of which has been filed with the Plan Supplement, together with all exhibits, appendices, supplements, documents, and agreements ancillary thereto, in each case as amended, modified, or supplemented from time to time.

16. “**Auction**” means the auction, if any, for some or all of the Debtors’ assets, conducted in accordance with the Bidding Procedures.

17. “**Avoidance Actions**” mean any and all avoidance, recovery, or subordination actions or remedies that may be brought by or on behalf of the Debtors or their Estates under the Bankruptcy Code, CCAA, BIA, or applicable non-bankruptcy law, including actions or remedies under sections 544, 547, 548, 549, 550, 551, 552, or 553 of the Bankruptcy Code.

18. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 100–1532, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

19. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of reference under section 157 of the Judicial Code and/or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

20. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

21. “**Bar Date Order**” means the *Order (A) Setting Bar Dates for Filing Proofs of Claim, (B) Approving Procedures for Submitting Proofs of Claim, (C) Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 120], entered by the Bankruptcy Court on June 21, 2019.

22. “**BIA**” means the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.

23. “**Bidding Procedures**” means the procedures governing the Auction and sale of all or substantially all of the Debtors’ assets, as approved by the Bankruptcy Court and as may be amended from time to time in accordance with their terms.

24. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)(6)).

25. “**Canadian Assets**” means the assets, undertakings, and properties of Hollander Canada at the applicable time.

26. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List).

27. “**Canadian Intercompany Claim**” means (i) the Claim of Hollander Canada in respect of the aggregate amount loaned by Hollander Canada to the Debtors other than Hollander Canada during the Chapter 11 Cases pursuant to and in accordance with the DIP Orders, *less* (ii) the aggregate amount reasonably incurred by the Debtors other than Hollander Canada during the Chapter 11 Cases in providing selling, general, and administrative services to Hollander Canada.

28. “**Cash**” or “**\$**” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.

29. “**Causes of Action**” means any actions, claims, cross claims, third-party claims, interests, damages, controversies, remedies, causes of action, debts, judgments, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, disputed or undisputed, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law or otherwise. For the avoidance of doubt, “Causes of Action” include: (a) any rights of setoff, counterclaim, or recoupment and any claims under contracts or for breaches of duties imposed by law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) any claims or defenses, including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any state law fraudulent transfer claim.

30. “**CCAA**” means Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

31. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

32. “**Claim**” means any claim, as such term is defined in section 101(5) of the Bankruptcy Code, or as defined in the CCAA, as applicable, against a Debtor or an Estate.

33. “**Claims Bar Date**” means the dates established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims (other than Claims required to be Filed by the Administrative Claims Bar Date), pursuant to (a) the Bar Date Order, (b) a Final Order of the Bankruptcy Court, or (c) the Plan.

34. “**Claims Objection Bar Date**” means the later of: (a) the first Business Day following 180 days after the Effective Date; and (b) such later date as may be fixed by the Bankruptcy Court, after notice and a hearing upon a motion either Filed on or before the day that is 180 days after the Effective Date or filed thereafter, for cause.

35. “**Claims Register**” means the official register of Claims maintained by the Notice and Claims Agent.

36. “**Class**” means a class of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

37. “**Collective Bargaining Agreement**” means those certain Collective Bargaining Agreements by and between Debtor Hollander Sleep Products, LLC, on the one hand, and, as applicable, the Southwest Regional Joint Board Workers United, the Southern Regional Joint Board of Workers United, SEIU on Behalf of Local 2420, the Mid-Atlantic Joint Board of Workers United, or the Workers United, Western States Regional Joint Board, on the other hand, as the same may have been amended from time to time.

38. “**Commercial Tort Claims**” means any commercial tort claims or Causes of Action owned by the Debtors arising on or before the Petition Date that remained outstanding as of the Petition Date.

39. “**Commercial Tort Proceeds**” means the Cash proceeds, if any, of any Commercial Tort Claims, less any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, including any fees, expenses, and disbursements associated with the prosecution of Commercial Tort Claims, if any.

40. “**Committee**” means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 30, 2019, pursuant to the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 61].

41. “**Committee Advisors**” means, collectively, Pachulski Stang Ziehl & Jones LLP, Alvarez & Marsal North America, LLC, and Gowling WLG.

42. “**Committee Monthly Fee Cap**” means, the sum of \$300,000 per month for the period commencing on August 1, 2019, through the Effective Date which amount represents the maximum aggregate amount of (a) professional fees and expenses that may be incurred by professionals retained by the Committee in the Chapter 11 Cases (including the Committee Advisors) for which reimbursement is sought and (b) expenses incurred by the members of the Committee for which reimbursement is sought, each pursuant to and in accordance with section 1103 of the Bankruptcy Code, *provided* that any unused amount from a prior month may be used for fees and expenses incurred in a subsequent month on a rolling basis.

43. “**Confirmation**” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

44. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

45. **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to sections 1128 and 1129 of the Bankruptcy Code, including any adjournments thereof.

46. **“Confirmation Recognition Order”** means the order granted by the Canadian Court recognizing the Confirmation Order in the Recognition Proceedings.

47. **“Confirmation Order”** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the ABL Agent (solely with respect to the economic and non-economic treatment of the ABL Agent and ABL Lenders pursuant to such order), the Winning Bidder (solely with respect to the Sale Transaction), and the Sponsor.

48. **“Consenting Term Loan Lenders”** means the Term Loan Lenders that are party to the RSA, together with their respective successors and permitted assigns and any subsequent Term Loan Lenders that become party to the RSA in accordance with the terms of the RSA.

49. **“Consummation”** means the occurrence of the Effective Date.

50. **“Contingent Amounts”** means any (a) Sale Proceeds or other amounts that any Debtor, Post-Effective Date Debtor, or the Wind-Down Trust receives from the Sale Transaction (i) pursuant to the Asset Purchase Agreement or the Confirmation Order, whether received immediately upon the consummation of the Sale Transaction or on a later date, that the Debtors will not distribute under the Plan on the Effective Date due to such proceeds being escrowed, earmarked, reserved, or otherwise set aside to satisfy a Claim with a higher priority than the DIP Claims in accordance with the DIP Intercreditor Agreement or pursuant to the Bankruptcy Code or as otherwise provided under the Plan and/or (ii) on a date after the Effective Date in accordance with the Asset Purchase Agreement or the Confirmation Order and/or (b) any proceeds or other amounts that any Debtor or Post-Effective Date Debtor receives from any other source after the Effective Date but excluding the GUC Sale Transaction Recovery Pool, the Last Out Loans Turnover Amount, and the Commercial Tort Proceeds.

51. **“D&O Liability Insurance Policies”** means, collectively, (a) all insurance policies (including any “tail policy”) of any of the Debtors for current or former directors’, members’, trustees’, managers’, and officers’ liability as of the Petition Date, and (b) all insurance policies (including any “tail policy”) for directors’, members’, trustees’, managers’, and officers’ liability maintained by the Debtors, the Estates, or the Post-Effective Date Debtors as of the Effective Date.

52. **“Debtor”** means one or more of the Debtors, as debtors and debtors in possession, each in its respective individual capacity as a debtor and debtor in possession in the Chapter 11 Cases.

53. **“Debtor Release”** means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.C of the Plan

54. **“Debtors”** means, collectively: (a) Dream II, (b) Hollander Home Fashions Holdings, LLC, (c) Hollander Sleep Products, LLC, (d) Hollander Sleep Products Kentucky, LLC, (e) Pacific Coast Feather, LLC, (f) Pacific Coast Feather Cushion, LLC, and (g) Hollander Sleep Products Canada Limited.

55. **“DIP ABL Agent”** means the administrative agent under the DIP ABL Credit Agreement, solely in its capacity as such.

56. **“DIP ABL Claims”** means any and all Claims derived from or based upon the DIP ABL Credit Facility, including all Claims for any fees and expenses of the DIP ABL Agent.

57. **“DIP ABL Credit Agreement”** means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP ABL Agent, and the DIP ABL Lenders, as may be amended, modified, restated, or supplemented from time to time.

58. ***“DIP ABL Credit Facility”*** means the senior secured revolving credit facility provided for under the DIP ABL Credit Agreement.

59. ***“DIP ABL Lenders”*** means the banks, financial institutions, and other lenders party to the DIP ABL Credit Agreement from time to time, each letter of credit issuer thereunder, and each bank product provider thereunder, each solely in their capacity as such.

60. ***“DIP ABL Order”*** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP ABL Credit Agreement and incur postpetition obligations thereunder.

61. ***“DIP Agents”*** means collectively, the DIP ABL Agent and the DIP Term Loan Agent.

62. ***“DIP Claims”*** means any and all Claims arising under or related to the DIP Facilities, including the Last Out DIP Loan Claims.

63. ***“DIP Credit Agreements”*** means collectively, the DIP ABL Credit Agreement and the DIP Term Loan Credit Agreement.

64. ***“DIP Facilities”*** means the DIP ABL Credit Facility and the DIP Term Loan Facility.

65. ***“DIP Intercreditor Agreement”*** means the amended and restated intercreditor agreement, by and among the ABL Agent and the Term Loan Agent, which amended and restated the prepetition intercreditor agreement in its entirety, and is binding and enforceable against the Borrowers (as such term is defined in the DIP Orders), the other “Grantors” thereunder, the Prepetition Secured Parties, and the DIP Lenders in accordance with its terms.

66. ***“DIP Lenders”*** means the banks, financial institutions, and other lenders party to the DIP Credit Agreements from time to time and the bank product providers thereunder.

67. ***“DIP Orders”*** means collectively, the DIP ABL Order and the DIP Term Loan Order.

68. ***“DIP Term Loan Agent”*** means the administrative agent under the DIP Term Loan Credit Agreement, solely in its capacity as such.

69. ***“DIP Term Loan Claims”*** means any and all Claims derived from or based upon the DIP Term Loan Credit Facility, including all Claims for any fees and expenses of the DIP Term Loan Agent.

70. ***“DIP Term Loan Credit Agreement”*** means that certain debtor-in-possession credit agreement by and among the Debtors, the DIP Term Loan Agent, and the DIP Term Loan Lenders, as may be amended, modified, restated, or supplemented from time to time.

71. ***“DIP Term Loan Credit Facility”*** means the credit facility provided for under the DIP Term Loan Credit Agreement.

72. ***“DIP Term Loan Distributable Cash”*** means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (a) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral), other than the DIP Term Loan Claims, in full in Cash, as provided herein, (b) fund the GUC Sale Transaction Recovery Pool, and (c) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

73. ***“DIP Term Loan Distributable Cash Deductions”*** means the payment or funding, or the reserving of estimates for such payments or funding, of Administrative Claims (other than DIP Term Loan Claims), Professional Fee Claims, the DIP ABL Claims, the Last Out DIP Loan Claims, the Priority Tax Claims, the Other Priority Claims, the Secured Tax Claims, the Other Secured Claims, any Cash amounts necessary to cover any cure payments not covered by the Asset Purchase Agreement, the payment of the statutory fees described in Article XII.C hereof, the

\$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, any reserves necessary to cover the reasonable estimated costs for the APA Post Closing Obligations (with such reasonable estimates to be developed in consultation with and subject to the reasonable approval of the Debtors, the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and the Winning Bidder, which approvals shall not be unreasonably withheld, conditioned, or delayed), and the initial \$600,000 of the GUC Sale Transaction Recovery Pool (as described in subsection (a) of the definition thereof).

74. **“DIP Term Loan Documents”** means the DIP Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, as may be amended, modified, restated, or supplemented from time to time.

75. **“DIP Term Loan Lenders”** means the banks, financial institutions, and other lenders party to the DIP Term Loan Credit Agreement from time to time, each solely in their capacity as such.

76. **“DIP Term Loan Order”** means collectively, the interim and final orders entered by the Bankruptcy Court authorizing the Debtors to enter into the DIP Term Loan Credit Agreement and incur postpetition obligations thereunder.

77. **“Disbursing Agent”** means, as applicable, the Debtors or the Plan Administrator (as applicable) or any Entity or Entities selected by the Debtors or the Plan Administrator to make or facilitate distributions contemplated under the Plan (in consultation with the DIP Term Loan Agent with respect to distributions made to the Holders of DIP Term Loan Claims and in consultation with the Term Loan Agent with respect to distributions made to the Holders of Term Loan Claims).

78. **“Disclosure Statement”** means the *Disclosure Statement for the Debtors’ First Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of July 21, 2019, as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code, which must be reasonably acceptable to the Debtors, the Committee, the Required Term Lenders, the Term Loan Agent, the ABL Agent, and the Sponsor.

79. **“Disputed”** means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

80. **“Disputed Claim Reserve”** means amounts in a bank account or accounts reserved for Disputed Claims.

81. **“Distribution Record Date”** means the date for determining which Holders of Allowed Claims or Allowed Interests are eligible to receive distributions under the Plan, which date shall be the Effective Date or such other date as is designated in a Final Order of the Bankruptcy Court.

82. **“Dream II”** means Dream II Holdings, LLC.

83. **“Effective Date”** means the date that is the first Business Day after the Confirmation Date on which (a) the conditions to the occurrence of the Effective Date have been satisfied or waived pursuant to Article IX.A and Article IX.B of the Plan and (b) no stay of the Confirmation Order is in effect, which shall be the day Consummation occurs.

84. **“Entity”** means an entity as such term is defined in section 101(15) of the Bankruptcy Code.

85. **“Estate”** means, as to each Debtor, the estate created on the Petition Date for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired by the Debtors after the Petition Date through the Effective Date.

86. **“Excess Distributable Cash”** means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets in excess of amounts necessary to satisfy the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan, and all Claims senior in priority to General Unsecured Claims, including the DIP Claims, the ABL Claims, and the Term Loan Claims, in full, in Cash, as provided herein.

87. **“Exculpated Party”** means collectively, and in each case solely in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Committee and each of its respective members; (d) the DIP Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the ABL Agent; (h) the ABL Lenders; (i) the Term Loan Agent; (j) the Term Loan Lenders; (k) the Sponsor; (l) the parties to the RSA; (m) the Plan Administrator; and (n) with respect to each of the foregoing entities, 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, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

88. **“Executory Contract”** means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 or 1123 of the Bankruptcy Code.

89. **“Federal Judgment Rate”** means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code.

90. **“File,” “Filed,” or “Filing”** means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.

91. **“Final Order”** means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal, petition for certiorari, or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing has been timely taken or filed, or as to which any appeal, petition for certiorari, or motion for reargument, reconsideration, or rehearing that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure or any comparable rule of the Bankruptcy Rules may be Filed relating to such order shall not cause such order to not be a Final Order.

92. **“General Unsecured Claim”** means any Claim that is not Secured and is not (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim), (b) an Other Secured Claim, (c) a Priority Tax Claim, (d) an Other Priority Claim, (e) an ABL Claim, (f) a Term Loan Claim, or (g) a DIP Claim. Any Term Loan Deficiency Claim shall be waived and shall not constitute a General Unsecured Claim.

93. **“Governmental Unit”** has the meaning set forth in section 101(27) of the Bankruptcy Code.

94. **“GUC Sale Transaction Recovery Pool”** means, in a Sale Transaction, from the first available proceeds of the Term Loan Priority Collateral: (a) Cash in the amount of \$600,000, plus (b) if the Term Loan Lenders receive more than a 30% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 5% of each dollar in excess thereof, plus (c) if the Term Loan Lenders receive more than a 50% recovery on account of their Term Loan Claims (based on the full amount of each such Holder’s Term Loan Claim), 7.5% of each dollar in excess thereof, less (d) any fees, expenses, and disbursements of the Plan Administrator in excess of the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and any fees, expenses, disbursements associated with the prosecution of Commercial Tort Claims, if any.

95. **“Holder”** means an Entity holding a Claim or an Interest in any Debtor.

96. ***“Hollander Canada”*** means Hollander Sleep Products Canada Limited.
97. ***“Impaired”*** means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.
98. ***“Indemnification Obligations”*** means each of the Debtors’ indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, members, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors.
99. ***“Information Officer”*** means the information officer appointed by the Canadian Court in the Recognition Proceedings.
100. ***“Initial Distribution Date”*** means the date on which the Disbursing Agent shall make initial distributions to Holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date but in no event shall be later than 30 days after the Effective Date.
101. ***“Intercompany Claim”*** means any Claim held by a Debtor or an Affiliate of a Debtor against another Debtor arising before the Petition Date and excludes, for the avoidance of doubt, the Canadian Intercompany Claim.
102. ***“Intercompany Interest”*** means an Interest in any Debtor, or a direct or indirect subsidiary of any Debtor, other than an Interest in Dream II.
103. ***“Intercreditor Agreement”*** means that certain Intercreditor Agreement, dated as of June 9, 2017, by and among the Prepetition Agents, as amended, restated, supplemented, or otherwise modified in accordance with its terms.
104. ***“Interest”*** means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized, or outstanding shares of capital stock of the Debtors and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security, including any Claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.
105. ***“Interim Compensation Order”*** means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 179], entered by the Bankruptcy Court on July 3, 2019, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.
106. ***“Judicial Code”*** means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.
107. ***“Last Out DIP Loan Claims”*** means any and all Claims derived from or based upon the Last Out DIP Loans.
108. ***“Last Out DIP Loans”*** means those Last Out Loans that upon entry of the final DIP ABL Order were deemed refinanced or replaced by, or otherwise converted into, Last Out Loans under the DIP ABL Credit Facility.
109. ***“Last Out Loans”*** means those “Last Out Loans” as defined in the ABL Credit Agreement.

110. ***“Last Out Loans Turnover”*** means the turnover of the Last Out Loans Turnover Amount in accordance with the terms of the Plan.

111. ***“Last Out Loans Turnover Amount”*** means an amount up to \$650,000 in the aggregate to be paid for the benefit of Holders of General Unsecured Claims, which shall be paid from (i) the first \$200,000 of any proceeds distributed to Holders of Last Out DIP Loan Claims on account of such Claims, plus (ii) 50 percent of each dollar received in excess of the first \$200,000 of any such proceeds distributed to the Holders of Last Out DIP Loan Claims up to a total maximum amount of \$650,000 (inclusive of the first \$200,000 of proceeds paid).

112. ***“Lien”*** means any lien, as such term is defined in section 101(37) of the Bankruptcy Code.

113. ***“Notice and Claims Agent”*** means Omni Management Group in its capacity as notice and claims agent for the Debtors and any successor.

114. ***“Other Priority Claim”*** means any Claim, to the extent such Claim has not already been paid during the Chapter 11 Cases, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

115. ***“Other Secured Claim”*** means any Secured Claim that is not a DIP Claim, an ABL Claim, a Term Loan Claim, or a Secured Tax Claim, and includes (i) any Claim secured by the Administration Charge, and (ii) the Canadian Intercompany Claim.

116. ***“Payoff Letter”*** means the payoff letter in respect of any payment in full of the DIP ABL Claims and ABL Claims (including Last Out DIP Loan Claims) in accordance with Section 1.4 of the DIP ABL Credit Agreement, to be agreed upon by the Debtor and the DIP ABL Agent prior to the Effective Date.

117. ***“Person”*** means a person as such term as defined in section 101(41) of the Bankruptcy Code.

118. ***“Petition Date”*** means the date on which each of the Debtors commenced the Chapter 11 Cases.

119. ***“Plan”*** means this *Debtors’ Joint Plan of Reorganization of Hollander Sleep Products, LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, as may be altered, amended, modified, or supplemented from time to time in accordance with Article X hereof, including the Plan Supplement (as modified, amended or supplemented from time to time), which is incorporated herein by reference and made part of the Plan as if set forth herein.

120. ***“Plan Administrator”*** means (a) if the Holders of Class 5 Claims vote to accept the Plan, a person or Entity designated by the Committee in consultation with the Debtors and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), or (b) if the Holders of Class 5 Claims vote to reject the Plan, a person or Entity designated by the Debtors in consultation with the Committee and the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), who will be disclosed prior to the Confirmation Hearing and will serve as the trustee and administrator for the Wind-Down Trust and have all power and authorities as set forth in Article IV.D of the Plan.

121. ***“Plan Administrator Certificate”*** means a certification Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made under the Plan.

122. ***“Plan Settlement”*** means the good faith compromise and settlement of all Claims, Interests, and controversies as described in Article IV.A of the Plan.

123. ***“Plan Supplement”*** means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, the initial draft of certain of such documents shall be Filed by the Debtors fourteen calendar days before the first day of the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Effective Date, as may be amended, supplemented, altered, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, including: (a) the Asset Purchase

Agreement; (b) the Schedule of Assumed Executory Contracts and Unexpired Leases; (c) the Schedule of Rejected Executory Contracts and Unexpired Leases; (d) the Schedule of Retained Causes of Action; (e) the Payoff Letter; (f) the identity and terms of compensation of the Plan Administrator; (g) the Wind-Down Trust Agreement; and (h) any necessary documentation related to the Sale Transaction, which shall be reasonably acceptable to the Debtors, the Sponsor, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

124. ***“Post-Effective Date Debtor”*** means any Debtor, or any successor thereto after the Effective Date.
125. ***“Prepetition Agents”*** means the ABL Agent and the Term Loan Agent.
126. ***“Prepetition Facilities”*** means the ABL Credit Facility and the Term Loan Facility.
127. ***“Prepetition Secured Lenders”*** means the ABL Lenders and Term Loan Lenders.
128. ***“Priority Tax Claim”*** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
129. ***“Pro Rata”*** means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.
130. ***“Professional”*** means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code, *provided* that, for the avoidance of doubt, the advisors to the Term Loan Agent, the DIP Agents, and the ABL Agent shall not constitute a “Professional.”
131. ***“Professional Fee Claims”*** mean all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court and regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent a Bankruptcy Court or higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.
132. ***“Professional Fee Escrow Account”*** means an interest-bearing escrow account to be funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Escrow Amount, *provided* that the Professional Fee Escrow shall be increased with Cash held by the Post-Effective Date Debtors or by the Wind-Down Trust to the extent applications are filed after the Effective Date in excess of the amount of Cash funded into the escrow as of the Effective Date, *provided* that any such incremental funding will not reduce the GUC Sale Transaction Recovery Pool or the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.
133. ***“Professional Fee Escrow Amount”*** means the total amount of Professional fees and expenses estimated pursuant to Article II.B.3 of the Plan.
134. ***“Proof of Claim”*** means a written proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.
135. ***“Proof of Interest”*** means a written proof of Interest Filed against any of the Debtor in the Chapter 11 Cases.
136. ***“Put Purchasers”*** means Sentinel Capital Partners V, L.P., Sentinel Dream Blocker, Inc., and Sentinel Capital Investors V, L.P.

137. “**Quarterly Distribution Date**” means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date, or as soon thereafter as is reasonably practicable.

138. “**Recognition Proceedings**” means the proceedings commenced by the Debtors under Part IV of the CCAA in the Canadian Court to recognize the Chapter 11 Cases as “foreign main proceedings” in Canada.

139. “**Reinstate**,” “**Reinstated**,” or “**Reinstatement**” means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

140. “**Released Party**” means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Plan Administrator; (i) the Winning Bidder; (j) the Sponsor; (k) the parties to the RSA; (l) the Committee; and (m) with respect to each of the foregoing in clauses (a) through (l), 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.”

141. “**Releasing Parties**” means, collectively, each of the following: (a) the Debtors; (b) the Post-Effective Date Debtors; (c) the Prepetition Secured Lenders; (d) the Prepetition Agents; (e) the DIP Lenders; (f) the Put Purchasers; (g) the DIP Agents; (h) the Winning Bidder; (i) the Sponsor; (j) the parties to the RSA; and (k) the Committee; (l) with respect to each of the foregoing in clauses (a) through (k), such Entity and its current and former Affiliates, and such Entities’ and their current and former Affiliates’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, 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, management companies, fund advisors, employees, agents, advisory board members (other than members of the Committee), financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such and solely to the extent of such Entity’s authority to bind any of the foregoing, including pursuant to agreement or applicable non-bankruptcy law; (m) all Holders of Claims that vote to accept the Plan; (n) all Holders of Claims that vote to reject the Plan but elect on their ballot to opt into the Third-Party Release; and (o) all Holders of Claims or Interests not described in the foregoing clauses (a) through (n) who elect to opt into the Third-Party Release.

142. “**Required DIP Lenders**” means the “Required Lenders” as defined in the DIP Term Loan Credit Agreement.

143. “**Required Term Lenders**” means the “Required Consenting Term Loan Lenders” as defined in the RSA.

144. “**Restructuring Transactions**” means the transactions described in Article IV.B of the Plan.

145. “**RSA**” means that certain restructuring support agreement, dated as of May 19, 2019, by and among the Debtors, the Consenting Term Loan Lenders, and the Sponsor, as amended and restated by that certain amended and restated restructuring support and settlement agreement, dated as of July 21, 2019, by and among the Debtors, the Consenting Term Loan Lenders, the Committee, and the Sponsor, as may be amended, restated, supplemented, or modified from time to time, which RSA was approved by the Bankruptcy Court on August 15, 2019 [Docket No. 298].

146. “**Sale Proceeds**” means all proceeds of the Sale Transaction, including the Cash proceeds and the Warrants, that the Debtors or the Plan Administrator shall receive in accordance with the Asset Purchase Agreement.

147. “**Sale Transaction**” means the sale of certain of the Debtors’ assets to the Winning Bidder to be consummated in accordance with the Plan and the Asset Purchase Agreement.

148. “**Schedule of Assumed Executory Contracts and Unexpired Leases**” means that certain schedule filed with the Plan Supplement of Executory Contracts and Unexpired Leases to be assumed by the Debtors pursuant to the Plan, or assumed by the Debtors and assigned to the Winning Bidder pursuant to the Plan and in accordance with the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder.

149. “**Schedule of Rejected Executory Contracts and Unexpired Leases**” means that certain schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder and shall be included in the Plan Supplement.

150. “**Schedule of Retained Causes of Action**” means that certain schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan or the Asset Purchase Agreement, as such schedule may be amended, modified, or supplemented from time to time by the Debtors, which shall be reasonably acceptable to the Debtors, the Term Loan Agent, the Required Term Lenders, and the Winning Bidder, and shall be included in the Plan Supplement.

151. “**Schedules**” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, as such schedules may be amended, modified, or supplemented from time to time.

152. “**Section 510(b) Claim**” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; *provided* that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

153. “**Secured**” means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court or Canadian Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor’s interest in such Estate’s interest in such property or to the extent of the amount subject to setoff, as applicable, which value shall be determined pursuant to section 506(a) of the Bankruptcy Code or (b) Allowed pursuant to the Plan as a Secured Claim.

154. “**Secured Tax Claim**” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

155. “**Securities Act**” means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

156. “**Security**” means a security as defined in section 2(a)(1) of the Securities Act.

157. “**Sponsor**” means Sentinel Capital Partners on behalf of itself and each of its affiliated investment funds or investment vehicles managed or advised by it, and its Affiliates, each solely in their capacity as Holders of direct or indirect equity interests in Dream II.

158. “**Term Loan Agent**” means Barings Finance LLC, in its capacity as administrative agent under the Term Loan Credit Agreement, solely in its capacity as such.

159. “**Term Loan Claims**” means any and all Claims relating to, arising out of, arising under, or arising in connection with the Term Loan Facility and the Term Loan Documents.

160. “**Term Loan Credit Agreement**” means that certain term loan credit agreement dated as of June 9, 2017, by and among Hollander Sleep Products, LLC, as borrower, Dream II and Hollander Home Fashions Holdings, LLC, as guarantors, the Term Loan Lenders, and the Term Loan Agent, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

161. “**Term Loan Deficiency Claim**” means a Term Loan Claim that is not a Secured Claim, which Term Loan Deficiency Claim shall be, subject to the occurrence of the Effective Date, waived pursuant to the Plan.

162. “**Term Loan Distributable Cash**” means any Cash proceeds or other Sale Proceeds of a Sale Transaction or the Wind-Down Trust Assets, including Contingent Amounts, in excess of amounts necessary to (i) satisfy all Claims senior in priority to the Term Loan Claims (including the ABL Claims and DIP ABL Claims secured by the ABL Priority Collateral) in full, in Cash, as provided herein, (ii) fund the GUC Sale Transaction Recovery Pool, and (iii) fund the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan.

163. “**Term Loan Documents**” means the Term Loan Credit Agreement and all other agreements, documents, and instruments related thereto, including any guaranty agreements, pledge and collateral agreements, intercreditor agreements, and other security agreements, in each case, as amended, modified, restated, or supplemented from time to time prior to the Petition Date.

164. “**Term Loan Facility**” means the term loan facility provided for under the Term Loan Credit Agreement.

165. “**Term Loan Lenders**” means the banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time, each solely in their capacity as such.

166. “**Term Loan Priority Collateral**” means “Term Loan Priority Collateral” as defined in the Intercreditor Agreement

167. “**Third-Party Release**” means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.D of the Plan.

168. “**U.S. Trustee**” means the Office of the United States Trustee for the Southern District of New York.

169. “**Unexpired Lease**” means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 or section 1123 of the Bankruptcy Code.

170. “**Unimpaired**” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

171. “**Voting Deadline**” means 4:00 p.m., prevailing Eastern Time, on August 28, 2019.

172. “**Warrants**” means the warrants to be issued to Dream II upon the consummation of the Sale Transaction by the Winning Bidder in accordance with the terms of the Asset Purchase Agreement, which warrants shall grant the holders of such warrants the right to purchase 7.5% of the fully diluted common equity in the Winning

Bidder on the terms set forth in the warrant agreement, which warrants and warrant agreement shall be in form and substance reasonably acceptable to the DIP Term Loan Agent (acting at the direction of the Required DIP Lenders), and shall be assignable and distributed in accordance with the terms of this Plan, *provided* that the DIP Term Loan Agent and the DIP Term Loan Lenders, by their execution and delivery of the Third Amendment to the DIP Term Loan Credit Agreement, dated as of September 3, 2019, are deemed to have acknowledged and agreed that the economic terms of the warrants, and not any other terms of the warrants or warrant agreement, as set forth on section 2.1 of the Asset Purchase Agreement in effect as of September 3, 2019, are acceptable.

173. “**Wind-Down Trust**” means that certain trust to be created on the Effective Date, as described in Article IV.E of the Plan.

174. “**Wind-Down Trust Account**” means the bank account or accounts used to fund all expenses and payments required to be made by the Plan Administrator, which shall be established by the Plan Administrator on or after the Effective Date.

175. “**Wind-Down Trust Agreement**” means that certain agreement establishing the Wind-Down Trust, which shall be reasonably acceptable to the Debtors, the Committee, the DIP Term Loan Agent, the Required DIP Lenders, the Term Loan Agent, and the Required Term Lenders and the form of which shall be included in the Plan Supplement.

176. “**Wind-Down Trust Assets**” means all of the assets of the Debtors’ Estates remaining after the closing of the Sale Transaction, which assets shall be treated as transferred to and beneficially owned by the Wind-Down Trust as of the Effective Date; *provided* that (a) any such assets that cannot be transferred to the Wind-Down Trust on the Effective Date shall be held by the Post-Effective Date Debtors for the benefit of the Wind-Down Trust for purposes of winding down the Debtors’ Estates and implementing the terms of the Plan and (b) any Canadian Assets shall continue to be owned by Hollander Canada, and the shares of which shall be owned by the Wind-Down Trust for purposes of winding down the Debtor’s Estates and implementing the terms of the Plan.

177. “**Winning Bidder**” means Bedding Acquisition, LLC and its successors and permitted assigns, as the purchaser of certain of the Debtors’ assets in accordance with the Asset Purchase Agreement.

B. *Rules of Interpretation*

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity’s successors and assigns; (5) unless otherwise specified, all references herein to “Articles” are references to Articles of the Plan or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation”; (8) unless otherwise specified, the words “herein,” “hereof,” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (9) subject to the provisions of any contract, certificate of incorporation, bylaw, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with, applicable federal law, including the Bankruptcy Code and the Bankruptcy Rules, or, if no rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court’s CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like

shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any effectuating provisions may be interpreted by the Debtors or Plan Administrator in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall be conclusive; (15) any references herein to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; (16) all references herein to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; (17) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (18) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable state limited liability company laws; and (19) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or the Post-Effective Date Debtors shall mean the Debtors and the Post-Effective Date Debtors, as applicable, to the extent the context requires.

C. *Computation of Time*

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. *Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided, however*, that corporate or limited liability company governance matters relating to the Debtors or the Post-Effective Date Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the applicable Debtor or the Post-Effective Date Debtors, as applicable.

E. *Reference to Monetary Figures*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. *Non-Consolidated Plan*

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan that addresses the reorganization of each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors and the Plan is a separate Plan for each Debtor.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS AND PRIORITY TAX CLAIMS**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III.

A. *Administrative Claims*

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim in accordance with the following: (1) if such Administrative Claim is Allowed on or prior to the Effective Date, no later than 30 days after the Effective Date or as soon as reasonably practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter); (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Petition Date, in accordance with the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by the Holder of such Allowed Administrative Claim and the Debtors or the Plan Administrator, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except for Professional Fee Claims and DIP Claims (which are addressed in Article II.B and Article II.C, respectively), and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Post-Effective Date Debtors and the Plan Administrator no later than the Administrative Claim Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Objections to such requests must be Filed and served on the Post-Effective Date Debtors (if the Post-Effective Date Debtors are not the objecting party), the Plan Administrator, and the requesting party on or before the Administrative Claim Objection Bar Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, the Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with, an order of the Bankruptcy Court that becomes a Final Order.

Except for Professional Fee Claims and DIP Claims, Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request on or before the Administrative Claim Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, or the property of any of the foregoing, and such Administrative Claims shall be deemed released as of the Effective Date without the need for any objection from the Debtors or the Plan Administrator or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

B. *Professional Fee Claims*

1. Final Fee Applications and Payment of Professional Fee Claims

All final requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than 30 days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders. The Plan Administrator shall pay the amount of the Allowed Professional Fee Claims owing to the Professionals in Cash to such Professionals, including from funds held in the Professional Fee Escrow Account when such Professional Fee Claims are Allowed by entry of an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

As soon as is reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Escrow Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals and for no other Entities until all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full

to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow Account or Cash held in the Professional Fee Escrow Account in any way. Funds held in the Professional Fee Escrow Account shall not be considered property of the Estates, the Debtors, the Plan Administrator, or the Post-Effective Date Debtors.

The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Debtors or the Plan Administrator, as applicable, from the funds held in the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by an order of the Bankruptcy Court; *provided* that the Debtors' and the Plan Administrator's obligations to pay Allowed Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow Account. When all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full to the Professionals pursuant to one or more Final Orders of the Bankruptcy Court, any remaining funds held in the Professional Fee Escrow Account shall promptly be paid to the Wind-Down Trust without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

3. Professional Fee Escrow Amount

The Professionals shall provide a reasonable and good-faith estimate of their fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date projected to be outstanding as of the Effective Date, and shall deliver such estimate to the Debtors no later than five days before the anticipated Effective Date; *provided, however*, that such estimate shall not be considered or deemed an admission or limitation with respect to the amount of the fees and expenses that are the subject of the Professional's final request for payment of Professional Fee Claims and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account, *provided* that the Plan Administrator shall use Cash from the Wind-Down Trust or the Post-Effective Date Debtors to increase the amount of the Professional Fee Escrow Account to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow Account based on such estimates.

4. Post-Confirmation Fees and Expenses

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by (a) the Debtors after the Confirmation Date, and (b) the Committee after the Confirmation Date through and including the Effective Date, in the ordinary course of business. The Debtors and the Plan Administrator, as applicable, shall pay within ten business days after submission of a detailed invoice to the Debtors or the Plan Administrator, as applicable, such reasonable claims for compensation or reimbursement of expenses incurred by the Professionals of the Debtors, as applicable. If the Debtors dispute the reasonableness of any such invoice, the Debtors or the Plan Administrator, as applicable, or the affected professional may submit such dispute to the Bankruptcy Court for a determination of the reasonableness of any such invoice, and the disputed portion of such invoice shall not be paid until the dispute is resolved. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. DIP Claims

As of the Effective Date, the DIP Claims shall be Allowed and deemed to be Allowed Claims in the full amount outstanding under the DIP Credit Agreements, including principal, interest, fees, costs, other charges, and expenses. Upon the indefeasible payment or satisfaction in full in Cash of the Allowed DIP Claims in accordance with the terms of this Plan, or other such treatment as contemplated by this Article II.C of the Plan, on the Effective Date all Liens and security interests granted to secure such obligations shall be automatically terminated and of no

further force and effect without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

1. DIP ABL Claims

Except as set forth in Article II.C.2 and to the extent that a Holder of an Allowed DIP ABL Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP ABL Claim, each such Holder of an Allowed DIP ABL Claim shall receive on the Effective Date payment in full in Cash of such Holder's Allowed DIP ABL Claim pursuant to the Payoff Letter. Notwithstanding anything to the contrary in this Plan, the Post-Effective Date Debtors shall be and remain bound by the indemnification and expense reimbursement provisions of the Payoff Letter in favor of the DIP ABL Agent and DIP ABL Lenders.

Pursuant to the DIP ABL Credit Agreement, all distributions pursuant to this Article II.C.1 shall be made to the DIP ABL Agent for distributions to the DIP ABL Lenders in accordance with the DIP ABL Credit Agreement and DIP ABL Loan Documents. The DIP ABL Agent shall hold or direct distributions for the benefit of the Holders of DIP ABL Claims. The DIP ABL Agent shall retain all rights as DIP ABL Agent under the DIP ABL Documents in connection with the delivery of the distributions to the DIP ABL Lenders. The DIP ABL Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP ABL Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP ABL Agent on account of the DIP ABL Claims shall be made by wire transfer.

2. Last Out DIP Loan Claims

Subject to the Last Out Loans Turnover, each Holder of an Allowed Last Out DIP Loan Claim (or to the extent the Last Out Loans are not rolled into the Last Out DIP Loans, the Holders of Last Out Loans) shall receive payments in accordance with the waterfall provisions of the DIP ABL Credit Agreement, the DIP Intercreditor Agreement, and the final DIP ABL Order and final DIP Term Loan Order.

3. DIP Term Loan Claims

Except to the extent that a Holder of an Allowed DIP Term Loan Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed DIP Term Loan Claim, each such Holder of an Allowed DIP Term Loan Claim shall receive (a) on the Effective Date, its Pro Rata share of (1) DIP Term Loan Distributable Cash (after the DIP Term Loan Distributable Cash Deductions) and (2) the Warrants and (b) after the Effective Date, until its Allowed DIP Term Loan Claim has been repaid in full in Cash (without taking into account the receipt of the Warrants) its Pro Rata share of all DIP Term Loan Distributable Cash constituting Contingent Amounts (after the DIP Term Loan Distributable Cash Deductions), if and when received by the Plan Administrator, which such DIP Term Loan Distributable Cash constituting Contingent Amounts shall be distributed by the Plan Administrator to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Claims shall be Allowed in the aggregate amount outstanding under the DIP Term Loan Credit Facility as of the Effective Date; *provided, however*, that the DIP Term Loan Claims in respect of contingent and unliquidated obligations of the Debtor under the DIP Term Loan Credit Agreement shall survive the Effective Date on an unsecured basis and shall not be released pursuant to the Plan or Confirmation Order, and shall be paid by the Plan Administrator as and when due under the DIP Term Loan Documents.

Pursuant to the DIP Term Loan Credit Agreement, all Cash distributions pursuant to this Article II.C.3 shall be made to the DIP Term Loan Agent for distributions to the DIP Term Loan Lenders in accordance with the DIP Term Loan Credit Agreement and DIP Term Loan Documents. The DIP Term Loan Agent shall hold or direct distributions for the benefit of the Holders of DIP Term Loan Claims. The DIP Term Loan Agent shall retain all rights as DIP Term Loan Agent under the DIP Term Loan Documents in connection with the delivery of the distributions to the DIP Term Loan Lenders. The DIP Term Loan Agent shall not have any liability to any person with respect to distributions made or directed to be made by such DIP Term Loan Agent, except for liability arising from gross negligence, willful misconduct, or actual fraud of the DIP Term Loan Agent. All cash distributions to be made hereunder to the DIP Term Loan Agent on account of the DIP Term Loan Claims shall be made by wire transfer.

D. *Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. *Classification of Claims and Interests*

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth in this Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.F hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that Class 8 shall be vacant at each Debtor other than Dream II. Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Claim/Interest	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	General Unsecured Claims	Impaired	Entitled to Vote
6	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
7	Intercompany Interests	Impaired or Unimpaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Interests in Dream II	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. *Treatment of Claims and Interests*

Subject to Article IV hereof, each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, compromise, settlement, and release

of, and in exchange for, such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Debtors and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the later of the Effective Date and the date such Holder's Claim or Interest becomes an Allowed Claim or Allowed Interest or as soon as reasonably practicable thereafter.

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of all Other Priority Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of the unpaid portion of its Other Priority Claim on the later of the Effective Date and such date such Other Priority Claim becomes an Allowed Other Priority Claim; or
 - (ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of all Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Other Secured Claim, each Holder of an Allowed Other Secured Claim shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor:
 - (i) payment in full in Cash of such Holder's Allowed Other Secured Claim;
 - (ii) the collateral securing such Holder's Allowed Other Secured Claim;
 - (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or
 - (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of an Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- (a) *Classification:* Class 3 consists of all Secured Tax Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Secured Tax Claim and the applicable Debtor or Post-Effective Date Debtor agree to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Secured Tax Claim, each such Holder shall receive, at the option of the applicable Debtor or Post-Effective Date Debtor, as applicable:
 - (i) payment in full in Cash of the unpaid portion of such Holder's Allowed Secured Tax Claim on the later of the Effective Date and such date such Secured Tax Claim becomes an Allowed Secured Tax Claim; or
 - (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years from the Petition Date, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable rate under non-bankruptcy law, subject to the option of the Plan Administrator to prepay the entire amount of such Allowed Secured Tax Claim during such time period.
- (c) *Voting:* Class 3 is Unimpaired under the Plan. Each Holder of a Secured Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, each Holder of a Secured Tax Claim is not entitled to vote to accept or reject the Plan.

4. Class 4 – Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed Term Loan Claim, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Term Loan Distributable Cash up to the full amount of such Holder's Allowed Term Loan Claim or such other treatment rendering such Holder's Allowed Term Loan Claim Unimpaired.
- (c) *Voting:* Class 4 is Impaired under the Plan. Holders of Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – General Unsecured Claims

- (a) *Classification:* Class 5 consists of all General Unsecured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, on the Effective Date, in full and final satisfaction, compromise, settlement, and release of and in exchange for such Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive, up to the full amount of such Holder's Allowed General Unsecured Claim, its Pro Rata share of:
 - (i) the Last Out Loans Turnover Amount;
 - (ii) the Commercial Tort Proceeds, if any;

(iii) the GUC Sale Transaction Recovery Pool; and

(iv) the Excess Distributable Cash, if any.

(c) *Voting:* Class 5 is Impaired under the Plan. Holders of Allowed General Unsecured Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – Intercompany Claims

(a) *Classification:* Class 6 consists of all Intercompany Claims.

(b) *Treatment:* Holders of Intercompany Claims shall not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Plan Administrator may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by the Debtors.

(c) *Voting:* Class 6 is Impaired under the Plan. Holders of Intercompany Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 – Intercompany Interests

(a) *Classification:* Class 7 consists of all Intercompany Interests.

(b) *Treatment:* Intercompany Interests shall be, at the option of the Debtors, in consultation with the Term Loan Agent and the Required Term Lenders, either:

(i) Reinstated in accordance with Article III.G of the Plan;

(ii) cancelled and released without any distribution on account of such Interests; or

(iii) solely in the case of Hollander Canada, transferred to and owned by the Wind-Down Trust.

(c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Intercompany Interests are either (i) conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code or (ii) presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Intercompany Interests are not entitled to vote to accept or reject the Plan.

8. Class 8 – Interests in Dream II

(a) *Classification:* Class 8 consists of all Interests in Dream II.

(b) *Treatment:* On the Effective Date, all Interests in Dream II will be cancelled, released, and extinguished, and will be of no further force or effect.

(c) *Voting:* Class 8 is Impaired under the Plan. Holders of Interests in Dream II are conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, Holders of Interest in Dream II are not entitled to vote to accept or reject the Plan.

9. Class 9 – Section 510(b) Claims

- (a) *Classification:* Class 9 consists of all Section 510(b) Claims.
- (b) *Allowance:* Notwithstanding anything to the contrary herein, a Section 510(b) Claim, if any such Claim exists, may only become Allowed by Final Order of the Bankruptcy Court. The Debtors are not aware of any valid Section 510(b) Claim and believe that no such Section 510(b) Claim exists.
- (c) *Treatment:* Allowed Section 510(b) Claims, if any, shall be cancelled, released, and extinguished as of the Effective Date, and will be of no further force or effect, and holders of Allowed Section 510(b) Claims will not receive any distribution on account of such Allowed Section 510(b) Claims.
- (d) *Voting:* Class 9 is Impaired under the Plan. Holders (if any) of Section 510(b) Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Therefore, Holders (if any) of 510(b) Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Claims that are Unimpaired, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Claims that are Unimpaired, *provided, however*, that the Reinstatement or other treatment of such Claims shall not be inconsistent with the Asset Purchase Agreement. Unless otherwise Allowed, Claims that are Unimpaired shall remain Disputed Claims under the Plan.

D. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

E. *Subordinated Claims*

Except as expressly provided herein, the allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors and the Plan Administrator reserve the right to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

F. *Elimination of Vacant Classes; Presumed Acceptance by Non-Voting Classes*

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court in an amount greater than zero as of the date of the Confirmation Hearing shall be considered vacant and deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

G. *Intercompany Interests*

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Winning Bidder, and in exchange for the Debtors' agreement under the Plan to use certain funds and assets as set forth in the Plan to make certain distributions and satisfy certain obligations of certain other Debtors to the Holders of certain Allowed Claims. For the avoidance of doubt, any Interest in non-Debtor subsidiaries owned by a Debtor shall continue to be owned by the applicable Post-Effective Date Debtor.

H. *Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. *General Settlement of Claims and Interests*

As discussed in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and applicable, law, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, including (1) the Debtors' agreement to (A) turnover any Commercial Tort Proceeds for the benefit of the Holders of General Unsecured Claims and (B) waive Avoidance Actions, (2) the DIP Term Loan Lenders agreement to consent to the treatment of the DIP Term Loan Claims set forth in Article II.C hereof in the event such treatment does not repay the DIP Term Loan Claims in full, (3) the Term Loan Lenders' agreement to (A) consent to the Debtors' funding of the GUC Sale Transaction Recovery Pool and the \$1.0 million reserved in the Wind-Down Trust for purposes set forth in Article IV.E.1 of the Plan and (B) subject to the occurrence of the Effective Date, forgo any Term Loan Deficiency Claim, (4) the Sponsor's agreement to fund the Last Out Loans Turnover Amount, and (5) the Committee's agreement to (A) support and take, and refrain from taking, actions set forth in the RSA, including taking those actions necessary to obtain Bankruptcy Court approval of the Plan and Disclosure Statement and (B) abide by the Committee Monthly Fee Cap, upon the Effective Date, the provisions of the Plan shall constitute and be deemed a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies released, settled, compromised, or otherwise resolved pursuant to the Plan, including (i) any challenge to the amount, validity, perfection, enforceability, priority, or extent of all Term Loan Claims, DIP Claims, and all ABL Claims (including any liens related to the foregoing), (ii) any Avoidance Actions, and (iii) any claims or Causes of Action against the Holders of Term Loan Claims, DIP Claims, ABL Claims, or Interests. The Plan shall be deemed a motion to approve the Plan Settlement pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates. Subject to Article VI hereof, all distributions made to Holders of Allowed Claims and Allowed Interests, as applicable, in any Class are intended to be and shall be final.

B. *Restructuring Transactions*

On the Effective Date, the Debtors shall enter into any transaction and shall take any actions as may be necessary or appropriate to effect the transactions described herein, including, as applicable: (i) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing

terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable Entities agree; (iii) the filing of appropriate certificates or articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable state or provincial law; and (iv) all other actions that the Debtors and the Winning Bidder determine to be necessary or appropriate in connection with the consummation of the Sale Transaction, including making filings or recordings that may be required by applicable law in connection with the Plan.

C. *Sources of Consideration for Plan Distributions*

On and after the Effective Date, the Debtors or the Plan Administrator, as applicable, will fund the Debtors' distributions and obligations under the Plan with Cash on hand, as well as the following sources of consideration. After the Effective Date, to the extent not held in the Professional Fee Escrow Account, the amounts held by the Wind-Down Trust shall be held in the Wind-Down Trust Account.

1. Sale Transaction and Sale Proceeds

The Debtors selected the Winning Bidder to consummate the Sale Transaction after a marketing process that was approved in and conducted in accordance with the Bidding Procedures Order. The Sale Transaction was the highest and otherwise best offer for the Debtors' assets. On the Effective Date, the Debtors shall consummate the Sale Transaction and, among other things, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. In exchange, the Winning Bidder shall pay to the Debtors the Sale Proceeds in accordance with the Asset Purchase Agreement.

Notwithstanding anything to the contrary in this Plan: (a) all APA Post Closing Obligations shall be treated in accordance with the Asset Purchase Agreement and paid from the Sale Proceeds, Wind-Down Trust Assets, or the Canadian Assets without the need for the filing of any Proof of Claim or request for payment with respect to such obligations, *provided* that such payments shall not be paid from any of the Wind-Down Trust Assets that constitute the Last Out Loans Turnover Amount or the GUC Sale Transaction Recovery Pool under the terms of this Plan, and shall be (i) appropriately estimated and reserved for prior to any distribution of the Sale Proceeds from the Debtors or their Estates, *provided* that the Debtors must make the distributions set forth in Article II.C.1, Article II.C.2, and Article II.C.3 hereof on the Effective Date, and (ii) paid in the ordinary course as and when due and payable; and (b) the Debtors, Post-Effective Date Debtors, and the Plan Administrator, as applicable, shall remain obligated to satisfy such post-closing obligations.

2. Last Out Loans Turnover Amount

The Sponsor shall cause to be delivered the Last Out Loans Turnover Amount to fund recoveries for the Holders of General Unsecured Claims. The Last Out Loans Turnover Amount shall be funded solely from the Cash proceeds, if any, received by the Sponsor on account of the Last Out DIP Loan Claims.

D. *Plan Administrator and Post-Effective Date Debtors*

The Plan Administrator shall act for the Post-Effective Date Debtors in the same fiduciary capacity as applicable to a board of managers (or, in the case of Hollander Canada, directors) and officers, subject to the provisions hereof (and all certificates of formation, membership agreements, articles of incorporation or amendment by-laws, and related documents, as applicable, are deemed amended pursuant to the Plan to permit and authorize the same). On the Effective Date, the authority, power, and incumbency of the persons acting as managers (or, in the case of Hollander Canada, directors) and officers for the Debtors shall be deemed to have resigned, and the Plan Administrator shall be appointed as the sole manager and sole officer for the Post-Effective Date Debtors and shall succeed to the powers of the Post-Effective Date Debtors' managers and officers (or, in the case of Hollander Canada, directors).

From and after the Effective Date, the Plan Administrator shall be the sole representative of and shall act for the Post-Effective Date Debtors. For the avoidance of doubt, the foregoing shall not limit the authority of the Plan Administrator to continue the employment of any former manager, director, or officer, including pursuant to any transition services agreement or other agreement entered into on or after the Effective Date by and between the Plan Administrator and the Winning Bidder.

Among other things, the Plan Administrator shall be responsible for: (1) winding down the Debtors' businesses and affairs as expeditiously as reasonably possible and administering the liquidation of the Post-Effective Date Debtors and any assets held by the Wind-Down Trust (including any assets held on its behalf by the Post-Effective Date Debtors while the Post-Effective Date Debtors are being wound down and any remaining Canadian Assets held by Hollander Canada) after the Effective Date and after consummation of the Sale Transaction, (2) resolving any Disputed Claims, (3) paying Allowed Claims, (5) performing pursuant to the Asset Purchase Agreement, including satisfying any liabilities owed to the Winning Bidder in accordance with the Asset Purchase Agreement, (6) filing appropriate tax returns, and (7) administering the Plan, and the Plan Administrator shall consult with the Information Officer in respect of any matters relating to the foregoing as such matters also relate to Canada. Without limiting the foregoing, the Plan Administrator shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (a) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court or Canadian Court, and (b) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court or Canadian Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

The Plan Administrator shall be named prior to Confirmation. The Plan Administrator shall represent the Wind-Down Trust and shall have the right to retain the services of attorneys, accountants, and other professionals that the Plan Administrator determines, in its sole discretion, are necessary to assist the Plan Administrator in performing his or her duties. The Plan Administrator shall pay the reasonable fees and expenses of such professionals upon the monthly submission of statements to the Plan Administrator. The Plan Administrator shall also pay the reasonable fees and disbursements of the Information Officer and its counsel upon the submission of invoices on a monthly basis to the Plan Administrator. The payment of the reasonable fees and expenses of the Plan Administrator's retained professionals and of the Information Officer and its counsel shall be made promptly and shall not be subject to the approval of the Bankruptcy Court. The fees and expenses of the Information Officer and its counsel shall remain subject to the approval of the Canadian Court in the Recognition Proceedings.

E. *Wind-Down*

On and after the Effective Date, the Plan Administrator will be authorized to implement the Plan and any applicable orders of the Bankruptcy Court and Canadian Court, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Estates.

On and after the Effective Date, the Plan Administrator shall cause the Debtors to comply with, and abide by, the terms of the Asset Purchase Agreement and take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Except to the extent necessary to complete the liquidation and wind-down of any remaining assets or operations, from and after the Effective Date, the Debtors (1) for all purposes, shall be deemed to have withdrawn their business operations from any state or province in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action to effectuate such withdrawal, (2) shall be deemed to have cancelled pursuant to this Plan all Interests, and (3) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date.

The filing of the final monthly operating or disbursement report (for the month in which the Effective Date occurs) and all subsequent quarterly reports shall be the responsibility of the Plan Administrator, and copies of all such reports shall be provided to the Information Officer as soon as reasonably practicable following their preparation and upon their filing. The Plan Administrator shall respond promptly to any reasonable information requests of the Information Officer in order to ensure the Information Officer can carry out its mandate pursuant to the orders of the Canadian Court in the Recognition Proceedings.

1. Wind-Down Trust and Distribution of Assets of Hollander Canada

On the Effective Date, the Wind-Down Trust will be formed pursuant to the Wind-Down Trust Agreement and immediately after the consummation of the Sale Transaction to receive all of the assets of the Post-Effective Date Debtors other than Hollander Canada. Any proceeds received in the Sale Transactions in respect of the Canadian Assets and distributed to Holders of Claims against Hollander Canada shall be treated as distributed to such Holders on behalf of Hollander Canada. Until final dissolution of Hollander Canada, (a) the shares of Hollander Canada shall be owned by the Wind-Down Trust and (b) any remaining Canadian Assets shall be continued to be owned by Hollander Canada until recovered by the Plan Administrator and shall be distributed by Hollander Canada to the Wind-Down Trust in respect of such shares as part of a plan of liquidation of Hollander Canada (within the meaning of section 331 of the Internal Revenue Code of 1986, as amended), subject to any withholding requirements in accordance with Article VI.G of the Plan; *provided* that the Plan Administrator shall have authority to take any and all necessary actions to transfer or close the Debtors' existing bank accounts or open new bank accounts, subject to the documentation with the applicable bank, as necessary, for the benefit of the Wind-Down Trust; *provided, further*, that any such assets of the Post-Effective Date Debtors not transferred to the Wind-Down Trust on the Effective Date, other than the remaining Canadian Assets, shall be deemed transferred to and beneficially owned by the Wind-Down Trust for U.S. federal and all other applicable tax purposes as of the Effective Date and, to the fullest extent permitted by U.S. federal and other applicable income tax law, each of the Post-Effective Date Debtors other than Hollander Canada shall be treated as liquidated on the Effective Date. All Canadian Assets will be distributed to Holders of Claims in each case in accordance with their respective entitlements under the Plan.

The Wind-Down Trust will be established for the primary purpose of liquidating the Wind-Down Trust Assets and winding down the Estates, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Wind-Down Trust. The Debtors or Post-Effective Date Debtors will have no reversionary or further interest in or with respect to the Wind-Down Trust Assets upon the transfer of the Wind-Down Trust Assets as more fully set forth in the Wind-Down Trust Agreement. For all U.S. federal income tax purposes, the beneficiaries of the Wind-Down Trust will be treated as grantors and owners thereof, and it is intended that the Wind-Down Trust be classified as a liquidating trust under section 301.7701-4 of the Treasury Regulations. Accordingly, it is intended for federal income tax purposes that the beneficiaries of the Wind-Down Trust be treated as if they had received an interest in the Wind-Down Trust's assets and then contributed such interests to the Wind-Down Trust. As soon as possible after the transfer of the Wind-Down Trust Assets to the Wind-Down Trust, the Plan Administrator, in consultation with any financial advisors it deems appropriate, shall make a good faith valuation of the Wind-Down Trust Assets. This valuation will be made available from time to time as may be relevant for tax reporting purposes. Each of the Debtors, the trustee(s) of the Wind-Down Trust, the Plan Administrator, and the Holders of Claims receiving interests in the Wind-Down Trust shall take consistent positions with respect to the valuation of the Wind-Down Trust Assets, and such valuation shall be utilized for all U.S. federal income tax purposes. The Wind-Down Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Wind-Down Trusts Assets, satisfy the Debtors' or the Post-Effective Date Debtors' obligations under the Asset Purchase Agreement, make timely distributions to the beneficiaries of the Wind-Down Trust pursuant to the Plan and the Confirmation Order, and not unduly prolong its duration.

The Debtors expect that the Disputed Claims Reserve will be treated as a "disputed ownership fund" governed pursuant to section 1.468B-9 of the Treasury Regulation, that any appropriate elections with respect thereto shall be made, and that such treatment will also be applied to the extent possible for state and local tax purposes. Under such treatment, a separate U.S. federal income tax return shall be filed with the U.S. Internal Revenue Service for the Disputed Claims Reserve, and the Disputed Claims Reserve will be subject to tax annually on a separate entity basis. Any taxes (including with respect to interest, if any, earned in the account, or any recovery on the portion of assets allocable to such account in excess of the Disputed Claims Reserve's basis in such assets) imposed on such account shall be paid out of the assets of the respective account (and reductions shall be made to amounts disbursed from the account to account for the need to pay such taxes).

On the Effective Date, any Estate non-Cash assets remaining after the Sale Transaction is consummated shall vest in the Wind-Down Trust, other than any Canadian Assets, for the purpose of facilitating the above tasks. Such assets shall be held free and clear of all Liens, Claims, and Interests, except as otherwise provided in the Plan. The Post-Effective Date Debtors, the Plan Administrator, and the Wind-Down Trust shall be deemed to be fully bound to the terms of the Plan, the Confirmation Order, and the Wind-Down Trust Agreement.

On the Effective Date or as soon as reasonably practicable thereafter, the Wind-Down Trust shall be funded with \$1.0 million pursuant to the Wind-Down Trust Agreement for the purpose of (a) satisfying all fees, expenses, and disbursements that the Plan Administrator may incur in connection with the wind down and dissolution of the Estates and the Post-Effective Date Debtors, each as applicable, (b) paying fees and expenses that any attorney, accountant, or other professional that the Plan Administrator has retained to facilitate its duties, (c) compensating the Plan Administrator, each in accordance with Article IV.D and Article IV.E of the Plan and the Wind-Down Trust Agreement, and (d) paying the reasonable fees and disbursements of the Information Officer and its counsel in accordance with Article IV.D of the Plan.

2. Tax Returns

After the Effective Date, the Plan Administrator shall complete and file all final or otherwise required federal, state, provincial, and local tax returns for each of the Debtors and the Wind-Down Trust.

3. Dissolution of the Post-Effective Date Debtors

Upon a certification to be Filed with the Bankruptcy Court by the Plan Administrator of all distributions having been made and completion of all its duties under the Plan and entry of a final decree closing the last of the Chapter 11 Cases, the Wind-Down Trust shall be deemed to be dissolved without any further action by the Plan Administrator, including the filing of any documents with the secretary of state for the state in which the Post-Effective Date Debtors are formed or any other jurisdiction. Notwithstanding the foregoing, the Plan Administrator shall retain the authority to take all necessary actions to dissolve the Post-Effective Date Debtors in, and withdraw the Post-Effective Date Debtors from applicable states and provinces to the extent required by applicable law.

4. Termination of Recognition Proceedings

The Plan Administrator shall deliver a certified copy of each of the following to the Information Officer prior to the Information Officer seeking an order of the Canadian Court terminating the Recognition Proceedings, discharging and releasing the Information Officer and granting related relief: (a) the Plan Administrator's Certificate, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the filing thereof by the Plan Administrator with the Bankruptcy Court, and (b) the final decree of the Bankruptcy Court closing the last of the Chapter 11 Cases, which shall be delivered by the Plan Administrator to the Information Officer forthwith upon the entry thereof by the Bankruptcy Court.

F. *Term Loan Deficiency Claim Waiver*

The Holders of Term Loan Deficiency Claims shall not receive any distribution on account of such Claims and, subject to the occurrence of the Effective Date, such Term Loan Deficiency Claims shall be deemed waived.

G. *Avoidance Actions Waiver*

The Debtors and the Post-Effective Date Debtors waive all Avoidance Actions.

H. *Cancellation of Existing Securities and Agreements*

On the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under the ABL Credit Agreement, the Term Loan Credit Agreement, and any other certificate, Security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors or giving rise to any Claim or Interest (except such certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are Reinstated pursuant to the Plan) shall be cancelled solely as to the Debtors and their Affiliates, and the Post-Effective Date Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors and their Affiliates pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other

instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically Reinstated pursuant to the Plan) shall be released. Notwithstanding the foregoing, no executory contract or unexpired lease (i) that has been, or will be, assumed pursuant to section 365 of the Bankruptcy Code or (ii) relating to a Claim that was paid in full prior to the Effective Date, shall be terminated or cancelled on the Effective Date, except that (a) the ABL Credit Agreement and Term Loan Credit Agreement shall continue in effect solely for the purpose of (I) allowing Holders of the ABL Claims and Term Loan Claims, as applicable, to receive the distributions provided for under the Plan, (II) allowing the ABL Agent and Term Loan Agent to receive or direct distributions from the Debtors and to make further distributions to the Holders of such Claims on account of such Claims, as set forth in Article VI.A of the Plan, and (III) preserving the ABL Agent's and Term Loan Agent's right to indemnification pursuant and subject to the terms of the ABL Credit Agreement and Term Loan Credit Agreement in respect of any Claim or Cause of Action asserted against the ABL Agent or Term Loan Agent, as applicable, *provided* that any Claim or right to payment on account of such indemnification shall be an Administrative Claim, and (b) the foregoing shall not affect the cancellation of shares issued pursuant to the Plan nor Intercompany Interests, which shall be treated as set forth in Article III.B.7.

I. *Corporate Action*

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (1) selection of the Plan Administrator; (2) implementation of the Restructuring Transactions; (3) consummation of the Sale Transaction; (4) performance under the Asset Purchase Agreement and related documentation; (5) execution of the Asset Purchase Agreement, and any and all other agreements, documents, securities, and instruments relating thereto, if applicable; (6) the entry into the Payoff Letter with respect to the DIP ABL Claims; and (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Post-Effective Date Debtors, and any corporate action required by the Debtors or the Post-Effective Date Debtors in connection with the Plan or corporate structure of the Debtors or Post-Effective Date Debtors shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Plan Administrator. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Plan Administrator, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Post-Effective Date Debtor, to the extent not previously authorized by the Bankruptcy Court. The authorizations and approvals contemplated by this Article IV.I shall be effective notwithstanding any requirements under non-bankruptcy law.

J. *Effectuating Documents; Further Transactions*

On and after the Effective Date, the Plan Administrator may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the Restructuring Transactions, the Sale Transaction, and the Securities issued pursuant to the Plan in the name of and on behalf of the Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

K. *Exemption from Securities Act Registration*

Pursuant to section 1145 of the Bankruptcy Code and, to the extent that section 1145 of the Bankruptcy Code is inapplicable, section 4(a)(2) of the Securities Act and/or the regulations promulgated thereunder, the offering, issuance, exchange, or distribution of any securities pursuant to the Plan is or shall be conducted in a manner that is exempt from, among other things, the registration requirements of section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a security.

L. *Exemption from Certain Taxes and Fees*

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code and applicable law, any transfers (whether from a Debtor to a Post-Effective Date Debtor or to any other Person) of property under the Plan (including pursuant to the Asset Purchase Agreement) or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Post-Effective Date Debtor, including in accordance with the Asset Purchase Agreement, (2) the Restructuring Transactions, (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (4) the making, assignment, or recording of any lease or sublease, or (5) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Sale Transaction), shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forgo the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

M. *Preservation of Causes of Action*

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this Article IV and Article VIII hereof and the Asset Purchase Agreement, the Plan Administrator shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action and notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan, other than Avoidance Actions and the Causes of Action (a) acquired by the Winning Bidder in accordance with the Sale Transaction or (b) released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, which shall be deemed released and waived by the Debtors, the Post-Effective Date Debtors, and the Wind-Down Trust as of the Effective Date, *provided* that Commercial Tort Claims shall be preserved for the sole benefit of the Holders of General Unsecured Claims and only the Plan Administrator shall have an obligation to commence, prosecute, or settle such Commercial Tort Claims, if any.

The Plan Administrator may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Wind-Down Trust. The Plan Administrator shall retain and may exclusively enforce any and all such Causes of Action. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Plan Administrator, as applicable, will not pursue any and all available Causes of Action against it, except as assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement or otherwise expressly provided in the Plan, including this Article IV and Article VIII of the Plan. Unless any such Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all such Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

**ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases*

On the Effective Date, except as otherwise provided herein, each Executory Contract or Unexpired Lease not previously assumed, assumed and assigned, or rejected shall be deemed automatically rejected by the applicable Post-Effective Date Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that: (1) are identified on the Schedule of Assumed Executory Contracts and Unexpired Leases; (2) have been previously assumed or rejected by the Debtors pursuant to a Bankruptcy Court order; (3) are the subject of a Filed motion to assume, assume and assign, or reject such Executory Contract or Unexpired Lease (or of a Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date; or (4) are a contract, release, or other agreement or document entered into in connection with the Plan.

Entry of the Confirmation Order shall constitute an order of the Bankruptcy Court approving, subject to and upon the occurrence of the Effective Date, the assumptions, assumptions and assignments, or rejections of the Executory Contracts and Unexpired Leases assumed, assumed and assigned, or rejected pursuant to the Plan and in accordance with the Asset Purchase Agreement. Any Filed motions to assume, assume and assign, or reject any Executory Contracts or Unexpired Leases (or Filed objection with respect to the proposed assumption and assignment of such contract) that is pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order but may be withdrawn, settled, or otherwise prosecuted by the Plan Administrator, with any such disposition to be deemed to effect an assumption, assumption and assignment, or rejection, as applicable, as of the Effective Date, *provided, however*, that with respect to any such Filed objection to an Executory Contract assumed and assigned to the Winning Bidder in accordance with the Asset Purchase Agreement, the Winning Bidder may revoke the proposed assumption and assignment of the subject Executory Contract prior to 10 days after entry of an Order by the Bankruptcy Court adjudicating the objection with respect to such Executory Contract, with such revocation to be accomplished by filing a notice with the Bankruptcy Court and serving a copy on the counterparty(ies) to such Executory Contract, and any such Executory Contract shall be deemed rejected as of the Effective Date.

Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A of the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party on or prior to the Effective Date, shall revert in and be fully enforceable by the Plan Administrator in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law.

To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. *Claims Based on Rejection of Executory Contracts or Unexpired Leases*

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within 30 days after the later of (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, (2) the effective date of such rejection, or (3) the Effective Date. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, the Estates, the Plan Administrator, the Winning Bidder, or the property of any of the foregoing Entities without the need for any objection by the Plan Administrator or further notice to, or action, order, or approval of the Bankruptcy 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 and released, 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 and 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.

C. *Cure of Defaults for Assumed Executory Contracts and Unexpired Leases*

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment in Cash, on the Effective Date or as soon as reasonably practicable thereafter, of the applicable cure amount identified on the Schedule of Assumed Executory Contracts or Unexpired Leases or other applicable Filed motion, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Post-Effective Date 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, any such dispute shall be resolved as set forth in Article V.A above with any related cure payments required by section 365(b)(1) of the Bankruptcy Code to be made following the entry of a Final Order resolving the dispute and approving the assumption. For any Executory Contract or Unexpired Lease being assumed, the applicable cure payment shall be made, in full in Cash, by the Winning Bidder if so provided by the Asset Purchase Agreement or otherwise by the Debtors or the Post-Effective Date Debtors. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any 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 prior to the effective date of assumption. **Any Proofs of Claim Filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. *Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases*

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Post-Effective Date Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases, and, to the extent that such rights are Acquired Assets, such rights shall be assigned to and enforceable by the Winning Bidder.

E. *Insurance Policies and Surety Bonds*

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Debtors shall be deemed to have assumed or assumed and assigned to the Winning Bidder, solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases, all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; *provided* that any insurance policies that are not assumed and assigned to the Winning Bidder shall be assumed by the Debtors for the sole purpose of resolving any Claims covered by such insurance policies, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

Except as set forth in Article V.F of the Plan, nothing in this Plan, the Plan Supplement, the Disclosure Statement, the Confirmation Order, or any other order of the Bankruptcy Court (including any other provision that

purports to be preemptory or supervening), (1) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any of such insurance policies or (2) alters or modifies the duty, if any, that the insurers or third party administrators have to pay claims covered by such insurance policies and their right to seek payment or reimbursement from the Debtors or the Plan Administrator (or the Winning Bidder, solely to the extent assumed and assigned to the Winning Bidder under the Asset Purchase Agreement) or draw on any collateral or security therefor. For the avoidance of doubt, insurers and third party administrators shall not need to nor be required to file or serve a cure objection or a request, application, claim, Proof of Claim, or motion for payment and shall not be subject to any claims bar date or similar deadline governing cure amounts or Claims.

Without limiting the foregoing, on the Effective Date, (1) all of the Debtors' obligations and commitments to any surety bond providers shall be deemed reaffirmed by the Plan Administrator or the Winning Bidder, as applicable, (2) surety bonds and related indemnification and collateral agreements entered into by any Debtor will be vested and performed by the applicable Post-Effective Date Debtor or the Winning Bidder, as applicable, and will survive and remain unaffected by entry of the Confirmation Order, and (3) the Plan Administrator shall be authorized to enter into new surety bond agreements and related indemnification and collateral agreements, or to modify any such existing agreements, to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

F. *Director, Officer, Manager, and Employee Liability Insurance*

On or before the Effective Date, the Debtors, on behalf of the Post-Effective Date Debtors, shall be authorized to and shall purchase and maintain directors, officers, managers, and employee liability tail coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies.

After the Effective Date, none of the Debtors or the Post-Effective Date Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

G. *Indemnification Obligations*

On and as of the Effective Date, the Indemnification Provision will be assumed and irrevocable and will survive the effectiveness of the Plan. None of the Post-Effective Date Debtors will amend and/or restate their respective governance documents before or after the Effective Date to terminate or adversely affect any of the Post-Effective Date Debtors' obligations to provide such indemnification rights or such directors,' officers,' employees,' or agents' indemnification right.

On and as of the Effective Date, any of the Debtors' indemnification obligations with respect to any contract or agreement that is the subject of or related to any litigation against the Debtors or Post-Effective Date Debtors, as applicable, shall be assumed by the Post-Effective Date Debtors and otherwise remain unaffected by the Chapter 11 Cases.

H. *Employee and Retiree Benefits*

Unless otherwise provided herein, all employee wages, compensation, and benefit programs in place as of the Effective Date with the Debtors shall be assumed and shall remain in place as of the Effective Date and, without limiting any authority provided to the board of directors or managers or members of the Post-Effective Date Debtors under the Post-Effective Date Debtors' respective formation and constituent documents, the Post-Effective Date Debtors will continue to honor such agreements, arrangements, programs, and plans in the ordinary course of business. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective

Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law. For the avoidance of doubt and without limiting the foregoing, the liabilities described in this Article V.H are not being assigned to or otherwise assumed by the Winning Bidder, except to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases.

I. *Collective Bargaining Agreements*

Unless otherwise provided in the Plan, the Collective Bargaining Agreements and any agreements, documents, or instruments relating thereto, are treated as and deemed to be an Executory Contract under the Plan. On the Effective Date, the Debtors shall be deemed to have assumed the Collective Bargaining Agreements and any agreements, documents, and instruments related thereto or assumed and assigned such contracts to the Winning Bidder solely to the extent set forth in the Asset Purchase Agreement and explicitly provided in the Schedule of Assumed Executory Contracts and Unexpired Leases. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreements shall be considered satisfied by the assumption (and assignment, as applicable) and cure in the ordinary course as provided herein. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreements shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

J. *Workers Compensation Program*

Unless otherwise provided in the Plan, as of the Effective Date, the Plan Administrator shall continue to honor obligations under all applicable workers' compensation laws in states and provinces in which the Debtors operated, as applicable, and the Plan Administrator shall honor obligations under the Debtors' (1) written contracts, agreements, and agreements of indemnity, in each case relating to workers' compensation, (2) self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation, and (3) workers' compensation insurance for the sole purpose of resolving any Claims covered by such workers' compensation insurance, resolving any Causes of Action retained in connection with such insurance policies, and collecting any and all outstanding deposits, restricted cash, and letters of credit related thereto to the extent reasonably necessary to implement the wind down of the Estates in accordance with the Plan and the Wind-Down Trust Agreement.

All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors', the Post-Effective Date Debtors', the Plan Administrator's, or the Winning Bidder's defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs and plans.

K. *Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and Executory Contracts and Unexpired Leases related thereto, if any, including easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

L. *Reservation of Rights*

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases or the Schedule of Rejected Executory Contracts and Unexpired

Leases, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Post-Effective Date Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory at the time of assumption or rejection, the Debtors or the Plan Administrator, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

M. *Nonoccurrence of Effective Date*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

N. *Contracts and Leases Entered Into After the Petition Date*

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed or assumed and assigned by such Debtor, will be performed by the Debtor, the Plan Administrator, or the Winning Bidder, as applicable, in the ordinary course of business. Accordingly, such contracts and leases (including any assumed or assumed and assigned Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. *Timing and Calculation of Amounts to Be Distributed*

Unless otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim or Allowed Interest on the Initial Distribution Date, on the next Quarterly Distribution Date after such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), or as soon as is reasonably practicable thereafter, each Holder of an Allowed Claim or Allowed Interests (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. *Distributions on Account of Obligations of Multiple Debtors*

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan, *provided* that Claims held by a single entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

C. *Disbursing Agent*

Except as otherwise provided herein, distributions under the Plan shall be made by the Disbursing Agent. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Wind-Down Trust.

D. *Rights and Powers of Disbursing Agent*

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash from the Wind-Down Trust.

E. *Delivery of Distributions and Undeliverable or Unclaimed Distributions*

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions

(a) Initial Distribution Date

Except as otherwise provided herein, on the Initial Distribution Date, the Disbursing Agent shall make distributions to Holders of Allowed Claims and Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' books and records or the register or related document maintained by, as applicable, the DIP Agents, the ABL Agent, or the Term Loan Agent as of the date of any such distribution; *provided* that the manner of such distributions shall be determined at the discretion of the Disbursing Agent; *provided, further*, that the address for each Holder of an Allowed Claim or Interest shall be deemed to be the address set forth in, as applicable, any Proof of Claim or Proof of Interest Filed by such Holder, or, if no Proof of Claim or Proof of Interest has been Filed, the address set forth in the Schedules. If a Holder holds more than one Claim in any one Class, all Claims of the Holder may be aggregated into one Claim and one distribution may be made with respect to the aggregated Claim.

(b) Quarterly Distribution Date

Except as otherwise determined by the Plan Administrator in its sole discretion, on each Quarterly Distribution Date or as soon thereafter as is reasonably practicable, the Disbursing Agent shall make the distributions required to be made on account of Allowed Claims and Interests under the Plan on such date. Any distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that distribution is not an Allowed Claim or Interest on such date, shall be distributed on the first

Quarterly Distribution Date after such Claim or Interest is Allowed. No interest shall accrue or be paid on the unpaid amount of any distribution paid on a Quarterly Distribution Date in accordance with Article VI.I of the Plan.

(c) Distributions to Holders of Term Loan Claims

Except as set forth in this Article VI.E.2(c), the Term Loan Agent shall be deemed to be the Holder of all Term Loan Claims for purposes of distributions to be made hereunder, and all distributions on account of such Term Loan Claims shall be made to or on behalf of the Term Loan Agent. The Term Loan Agent shall hold or direct such distributions for the benefit of the Holders of Term Loan Claims. As soon as practicable following compliance with the requirements set forth in this Article VI, the Term Loan Agent shall arrange to deliver or direct the delivery of such distributions for which it is the deemed Holder to or on behalf of such Holders of Allowed Term Loan Claims.

Notwithstanding anything to the contrary herein, the Term Loan Agent shall be entitled to maintain a record of Holders of Term Loan Claims in the ordinary course of business and shall be entitled without regard to the general occurrence of the Distribution Record Date, to make distributions that it receives under the Plan to Holders of Term Loan Claims based upon its books and records. The Term Loan Agent shall not be held liable to any person with respect to distributions made or directed to be made by the Term Loan Agent except for liability arising from gross negligence, willful misconduct, or actual fraud of the Term Loan Agent.

3. Minimum Distributions

Notwithstanding any other provision of the Plan, the Disbursing Agent will not be required to make distributions of Cash less than \$100 in value (whether cash or otherwise), and each such Claim to which this limitation applies shall be released pursuant to Article VIII and its Holder is forever barred pursuant to Article VIII from asserting such Claim against the Debtors, the Post-Effective Date Debtors, the Plan Administrator, or their property.

4. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the Wind-Down Trust automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Interest in property shall be released and forever barred.

A distribution shall be deemed unclaimed if a Holder has not: (a) accepted a particular distribution or, in the case of distributions made by check, negotiated such check; (b) given notice to the Plan Administrator of an intent to accept a particular distribution; (c) responded to the Debtors' or Plan Administrator's requests for information necessary to facilitate a particular distribution; or (d) taken any other action necessary to facilitate such distribution.

F. *Distributions on Account of Claims or Interests Allowed After the Effective Date*

1. Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims or Interests that are not Allowed Claims or Interests as of the Effective Date, but which later become Allowed Claims or Interests, as applicable, shall be deemed to have been made on the applicable Quarterly Distribution Date after they have actually been made, unless the Plan Administrator and the applicable Holder of such Claim or Interest agree otherwise. No interest shall accrue or be paid on a Disputed Claim before it becomes an Allowed Claim in accordance with Article VI.I of the Plan.

2. Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Plan Administrator, on the one hand, and the Holder of a Disputed Claim or Interest, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim or Interest until the Disputed Claim or Interest has become an Allowed Claim or Interest, as applicable, or has otherwise been resolved by settlement or Final Order; *provided* that if the Debtors do not dispute a portion of an amount asserted pursuant to an otherwise Disputed Claim, the Holder of such Disputed Claim shall be entitled to a distribution on account of that portion of such Claim, if any, that is not disputed at the time and in the manner that the Disbursing Agent makes distributions to similarly-situated Holders of Allowed Claims pursuant to the Plan.

G. *Compliance with Tax Requirements*

In connection with the Plan, to the extent applicable, the Debtors or the Plan Administrator, as applicable, shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Debtors and Plan Administrator, as applicable, reserve the right to allocate all distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

H. *Allocations Between Principal and Accrued Interest*

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. *No Postpetition Interest on Claims*

Unless otherwise specifically provided for in the Plan or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim.

J. *Foreign Currency Exchange Rate*

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in The Wall Street Journal, National Edition, on the Effective Date.

K. *Setoffs and Recoupment*

Except as expressly provided in this Plan, each Post-Effective Date Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Post-Effective Date Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided, however*, that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Post-Effective Date Debtor or its successor of any and all claims, rights, and Causes of Action that such Post-Effective Date Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in,

the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the Plan Administrator, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, all rights of counterparties to unexpired leases of nonresidential real property that have been rejected for setoff, recoupment, and subrogation are preserved and shall continue unaffected by Confirmation or the occurrence of the Effective Date.

L. *Claims Paid or Payable by Third Parties*

1. Claims Paid by Third Parties

The Debtors or the Plan Administrator, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or the Plan Administrator. To the extent that such Claim payment was made by the Winning Bidder to satisfy an obligation of the Debtors or the Post-Effective Date Debtors under the Asset Purchase Agreement, the Winning Bidder shall be promptly reimbursed for such payment in full in Cash from the Sale Proceeds or Wind-Down Trust Assets (other than the Wind-Down Trust Assets that constitute the GUC Sales Transaction Recovery Pool or the Last Out Loan Turnover Amount under the terms of this Plan), as applicable. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or the Plan Administrator on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the applicable Debtor or the Plan Administrator, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. If the Debtors or the Plan Administrator, as applicable, become aware of any payment of a Claim by a third party, the Debtors or Plan Administrator, as applicable, will send a notice of wrongful payment to the Holder of such Claim requesting the return of any excess payments and advising the recipient of the provisions of the Plan requesting turnover of excess estate funds. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Debtor or the Plan Administrator annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the two-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED, AND DISPUTED CLAIMS

A. *Allowance of Claims*

After the Effective Date, the Plan Administrator shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately before the Effective Date as long as such rights or defenses are not Avoidance Actions waived pursuant to Article IV.G hereof; except for such rights and defenses assigned or transferred to the Winning Bidder in accordance with the Asset Purchase Agreement.

B. *Claims Administration Responsibilities*

After the Effective Date, the Plan Administrator will (a) oversee the Claim administration process and (b) administer Commercial Tort Claims and Commercial Tort Proceeds, if any, for the benefit of Holders of General Unsecured Claims. Except as otherwise specifically provided in the Plan, the Plan Administrator shall have the sole authority: (1) to File, withdraw, or litigate to judgment objections to Claims or Interests and Commercial Tort Claims; (2) to settle or compromise any Disputed Claim or Commercial Tort Claims without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

C. *Estimation of Claims*

Before or after the Effective Date, the Plan Administrator and the Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant Post-Effective Date Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before fourteen days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. *Adjustment to Claims Without Objection*

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim or Interest that has been amended or superseded, cancelled or otherwise expunged (including pursuant to the Plan), may be adjusted or expunged (including on the Claims Register, to the extent applicable) by the Post-Effective Date Debtor without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim against or Interest in the same Debtor or another Debtor may be adjusted or expunged on the Claims Register by the Plan Administrator without the Plan Administrator having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. *Time to File Objections to Claims*

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

F. *Disallowance of Claims*

Any Claims or Interests held by Entities from which property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code, or that is a transferee of a transfer avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, but solely to the extent that any such Cause of Action is not an Avoidance Action waived pursuant to Article IV.G hereof, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Interests may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Wind-Down Trust. All Claims Filed on account of an indemnification obligation to a director, officer, or employee shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such indemnification obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

G. *Amendments to Claims*

On or after the Claims Bar Date or the Administrative Claims Bar Date, as appropriate, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Plan Administrator. Absent such authorization, any new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to or action, order, or approval of the Bankruptcy Court to the maximum extent provided by applicable law.

H. *No Distributions Pending Allowance*

If an objection to a Claim or portion thereof is Filed as set forth in Article VII.B, no payment or distribution provided under the Plan shall be made on account of such Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

I. *Distributions After Allowance*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim or Allowed Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Allowed Interest (as applicable) in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Disputed Interest becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim or Interest unless required under applicable bankruptcy law.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. *Settlement, Compromise, and Release of Claims and Interests*

Pursuant to, and to the maximum extent provided by, section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete

satisfaction, compromise, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Plan Administrator), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Proof of Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the settlement, compromise, and release of all Claims and Interests subject to the occurrence of the Effective Date.

B. Release of Liens

On the Effective Date, concurrently with the consummation of the Sale Transaction and to the extent required by the Asset Purchase Agreement, the Acquired Assets shall be transferred to and vest in the Winning Bidder free and clear of all Liens, Claims, charges, interests, or other encumbrances pursuant to sections 363(f) and 1141(c) of the Bankruptcy Code and in accordance with the terms of the Confirmation Order, the Confirmation Recognition Order, the Plan, and the Asset Purchase Agreement, each as applicable. Without limiting the foregoing, except as otherwise provided in the Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of an Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim, satisfaction in full of the portion of the Other Secured Claim (other than any Claim secured by the Administration Charge) or Secured Tax Claim that is Allowed as of the Effective Date and required to be satisfied pursuant to the Plan, except for Other Secured Claims (other than any Claim secured by the Administration Charge) that the Debtors elect to reinstate in accordance with Article III.B.2 hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, and compromised, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert automatically to the applicable Debtor and its successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Plan Administrator to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases, and the Debtors and their successors and assigns shall be authorized to file and record such terminations or releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. 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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation, dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the Prepetition Facilities, the DIP Facilities, the Sale Transaction, 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 liabilities or obligations of the Winning Bidder to the Debtors relating to the Asset Purchase Agreement, (2) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan, and (3) any Causes of Action listed on the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

D. *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, Post-Effective Date 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 Post-Effective Date 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 Post-Effective Date 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, entry into the Asset Purchase Agreement, the Chapter 11 Cases, the Recognition Proceedings, the formulation, preparation,

dissemination, negotiation, filing, or consummation of the RSA, the Disclosure Statement, the DIP Facilities, the Sale Transaction, the Asset Purchase Agreement, 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 liabilities or obligations of any Entity to the Winning Bidder relating to the Asset Purchase Agreement or any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including the Asset Purchase Agreement and any documents set forth in the Plan Supplement) executed to implement the Plan.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that each Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, (2) a good-faith settlement and compromise of such Claims; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors or Post-Effective Date Debtors or their respective Estates asserting any claim, Cause of Action, or liability related thereto, of any kind whatsoever, against any of the Released Parties or their property.

E. *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, or created or entered into in connection with the RSA, the Disclosure Statement, or the Plan, the filing of the Chapter 11 Cases, the Recognition Proceedings, 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 relating to the Asset Purchase Agreement or 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.

F. *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 released 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 Post-Effective Date 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.

Upon entry of the Confirmation Order and granting by the Canadian Court of the Confirmation Recognition Order in the Recognition Proceedings, all Holders of Claims and Interests and their respective current and former employees, agents, officers, directors, principals, and direct and indirect affiliates shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim or Allowed Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim or Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in this Article VIII.F of the Plan.

G. *Protections Against Discriminatory Treatment*

To the maximum extent provided by section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Post-Effective Date Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Post-Effective Date Debtors, or another Entity with whom the Post-Effective Date Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. *Document Retention*

On and after the Effective Date, the Post-Effective Date Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Plan Administrator.

I. *Reimbursement or Contribution*

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent

or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

J. *Term of Injunctions or Stays*

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

K. *Subordination Rights*

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code, or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan. Except as provided in the Plan, all subordination rights that a Holder of a Claim may have with respect to any distribution to be made pursuant to the Plan shall be terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan shall constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a Holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Estates, the Post-Effective Date Debtors, their respective property, and Holders of Claims and Interests and is fair, equitable, and reasonable.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Recognition Order shall have been granted by the Canadian Court in the Recognition Proceedings, and such orders shall not have been stayed, modified, or vacated on appeal;
2. the Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;
3. the Professional Fee Escrow Account shall have been established and funded with the Professional Fee Escrow Amount;
4. the payment in full of the DIP ABL Claims pursuant to the Payoff Letter; and
5. all conditions precedent to the consummation of the Sale Transaction shall have been satisfied in accordance with the terms thereof, and the closing of the Sale Transaction shall be deemed to occur concurrently with the occurrence of the Effective Date.

B. *Waiver of Conditions*

Subject to and without limiting the rights of each party to the RSA, the conditions to Consummation set forth in Article IX may be waived by the Debtors with the reasonable consent of the Term Loan Agent, the Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), and the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement) without notice, leave, or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan.

C. *Substantial Consummation*

The “substantial consummation” of the Plan, as defined in section 1101(2) of the Bankruptcy Code, with respect to any of the Debtors, shall be deemed to occur on the Effective Date.

D. *Effect of Failure of Conditions*

If the Effective Date of the Plan does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by the Debtors, any Holders, or any other Entity; (2) prejudice in any manner the rights of the Debtors, any Holders, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, or any other Entity in any respect.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. *Modification and Amendments*

Except as otherwise specifically provided in the Plan, the Debtors, with the reasonable consent of the Term Loan Agent, Required Term Lenders, the DIP ABL Agent (solely with respect to the economic and non-economic treatment of the DIP ABL Agent and DIP ABL Lenders pursuant to such order), the Committee (solely with respect to the economic and non-economic treatment of General Unsecured Claims), the Sponsor (solely with respect to the economic and non-economic treatment of the Last Out Loans or the Last Out DIP Loans, as applicable), or the Winning Bidder (solely to the extent relating to or concerning the Sale Transaction as contemplated in the Asset Purchase Agreement), reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 (as well as those restrictions on modifications set forth in the Plan), the Debtors expressly reserve their respective rights to revoke or withdraw, to alter, amend, or modify the Plan with respect to each Debtor, one or more times, before or after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. The Debtors shall not consent to any amendment, modification or supplement of the Asset Purchase Agreement that is adverse in any material respect to the interest of (i) the DIP ABL Lenders, without the consent of the DIP ABL Agent, or (ii) the DIP Term Loan Lenders, without the consent of the DIP Term Loan Agent.

B. *Effect of Confirmation on Modifications*

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. *Revocation or Withdrawal of Plan*

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date and to file subsequent plans, in each case subject to any applicable consent rights as set forth in the RSA, the DIP Orders, or the DIP Facilities. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of the Claims or Interests or Class of Claims or Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Causes of Action, or Interests; (b) prejudice in any manner the rights of such Debtor, any Holder, or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor, any Holder, or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, to the extent legally permissible, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;
2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals (including Accrued Professional Compensation Claims) authorized pursuant to the Bankruptcy Code or the Plan;
3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed (or assumed and assigned); (c) the Plan Administrator amending, modifying or supplementing, after the Effective Date, pursuant to Article V, the Executory Contracts and Unexpired Leases to be assumed (or assumed and assigned) or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory, expired, or terminated;
4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;
5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
7. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan, the Plan Supplement, the Disclosure Statement, or the Confirmation Order;
8. enter and enforce any order for the sale or transfer of property pursuant to sections 363, 1123, 1141, or 1146(a) of the Bankruptcy Code;

9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with Consummation, including interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

11. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the releases, injunctions and other provisions contained in Article VIII, and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;

12. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid in accordance with the Plan;

13. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

14. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or, subject to any applicable forum selection clauses, any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

15. enter an order or Final Decree concluding or closing any of the Chapter 11 Cases;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan;

17. consider any modifications of the Plan, to cure any defect or omission or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. determine requests for the payment of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order or any Entity's obligations incurred in connection with the Plan, including, subject to any applicable forum selection clauses, disputes arising under agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Restructuring Transactions, whether they occur before, on or after the Effective Date;

21. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

22. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, injunctions, and releases granted in connection with and under the Plan, including under Article VIII;

23. enforce all orders previously entered by the Bankruptcy Court; and

24. hear any other matter not inconsistent with the Bankruptcy Code.

**ARTICLE XII.
MISCELLANEOUS PROVISIONS**

A. *Immediate Binding Effect*

Subject to Article IX.A and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Post-Effective Date Debtors, the Plan Administrator, and any and all Holders of Claims or Interests (irrespective of whether their Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. *Additional Documents*

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Plan Administrator, as applicable, and all Holders receiving distributions pursuant to the Plan and all other parties in interest may, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. *Payment of Statutory Fees*

Each of the Debtors (or the Disbursing Agent on behalf of each of the Debtors) shall pay all fees payable pursuant to section 1930(a)(6) of the Judicial Code, together with any interest thereon pursuant to 31 U.S.C. § 3717, on or before the Effective Date in Cash, based on disbursements in and outside the ordinary course of the Debtors' business and Plan payments. Thereafter, such fees and any applicable interest shall be paid by each of the Post-Effective Date Debtors (or the Disbursing Agent on behalf of each of the Post-Effective Date Debtors) until the earlier of entry of a final decree closing such Chapter 11 Case or an order of dismissal or conversion, whichever occurs first.

D. *Statutory Committee and Cessation of Fee and Expense Payment*

On the Effective Date, the Committee shall dissolve automatically and the members thereof shall be released and discharged from all rights, duties, responsibilities, and liabilities arising on or prior to the Effective Date, from, or related to, the Chapter 11 Cases and under the Bankruptcy Code, except for the limited purpose of prosecuting requests for payment of Professional Fee Claims for services and reimbursement of expenses incurred prior to the Effective Date by the Committee and its Professionals. The Post-Effective Date Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to the Creditors' Committee after the Effective Date.

E. *Reservation of Rights*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders unless and until the Effective Date has occurred.

F. *Successors and Assigns*

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. *Notices*

To be effective, all notices, requests, and demands to or upon the Debtors shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered by courier or registered or certified mail (return receipt requested) or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed to the following:

1. If to the Debtors, to:

Hollander Sleep Products, LLC
901 Yamato Road, Suite 250
Boca Raton, Florida 33431
Attention: Marc L. Pfefferle
E-mail: mpfefferle@carlmarks.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Joshua A. Sussberg, P.C.
Christopher T. Greco, P.C.
E-mail: joshua.sussberg@kirkland.com
christopher.greco@kirkland.com

- and -

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attention: Joseph M. Graham
Laura Krucks
E-mail: joe.graham@kirkland.com
laura.krucks@kirkland.com

2. If to the ABL Agent or DIP ABL Agent, to:

Goldberg Kohn Ltd.
55 East Monroe, Suite 3300
Chicago, Illinois 60603
Attention: Randall Klein
E-mail address: Randall.Klein@goldbergkohn.com

3. If to the Term Loan Agent or the DIP Term Agent, to:

King & Spalding LLP
1180 Peachtree Street, NE Suite 1600
Atlanta, Georgia 30309
Attention: W. Austin Jowers
E-mail address: ajowers@kslaw.com

-and -

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036
Attention: Christopher G. Boies
Stephen M. Blank
E-mail address: cboies@kslaw.com
sblank@kslaw.com

4. If to the Committee, to:

Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, Suite 3400
New York, New York 10027
Attn: Robert J. Feinstein
Bradford J. Sandler
Email: rfeinstein@pszjlaw.com
bsandler@pszjlaw.com

After the Effective Date, the Plan Administrator may notify Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. *Entire Agreement*

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan. If the Effective Date does not occur, nothing herein shall be construed as a waiver by any party in interest of any or all of such party's rights, remedies, claims, and defenses, and such parties expressly reserve any and all of their respective rights, remedies, claims and, defenses. This Plan and the documents comprising the Plan Supplement, including any drafts thereof (and any discussions, correspondence, or negotiations regarding any of the foregoing) shall in no event be construed as, or be deemed to be, evidence of an admission or concession on the part of any party in interest of any claim or fault or liability or damages whatsoever. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, all negotiations, discussions, agreements, settlements, and compromises reflected in or related to Plan and the documents comprising the Plan Supplement is part of a proposed settlement of matters that could otherwise be the subject of litigation among various parties in interest, and such negotiations, discussions, agreements, settlements, and compromises shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of the Plan and the documents comprising the Plan Supplement.

I. *Exhibits*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the website of the Notice and Claims Agent at www.omnimgt.com/cases/hollander or (for a fee) the Bankruptcy Court's website at <http://www.ecf.nysb.uscourts.gov/>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order. For the avoidance of doubt, no provisions of the Plan Supplement may contradict the provisions under the Plan that require payment in full (in accordance with Section 1.4 of the DIP ABL Credit Agreement) of the DIP ABL Claims. Notwithstanding anything to the contrary in this Plan, in the event of any inconsistency between the Asset Purchase Agreement and this Plan, the Plan Supplement, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, the Asset Purchase Agreement shall control solely with respect to the assumption and assignment of Executory Contracts and Unexpired Leases, the Causes of Action listed on the Schedule of Retained

Causes of Action, the Acquired Assets, the Assumed Liabilities (as defined in the Asset Purchase Agreement), and any other matter between or among the Winning Bidder and the Debtors or the Plan Administrator, their successors and permitted assigns, or any other Entity, relating to the Asset Purchase Agreement.

J. *Non-Severability of Plan Provisions*

The provisions of the Plan, including its release, injunction, exculpation, and compromise provisions, are mutually dependent and non-severable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, consistent with the terms set forth herein; and (3) non-severable and mutually dependent.

K. *Votes Solicited in Good Faith*

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan and, therefore, no such parties will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan or any previous plan.

L. *Closing of Chapter 11 Cases*

The Plan Administrator shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order necessary to close the Chapter 11 Cases.

M. *Conflicts*

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

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Hollander Sleep Products, LLC

By: /s/ Marc L. Pfefferle

Name: Marc L. Pfefferle

Title: Chief Executive Officer

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

Ontario
**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

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Lawyers for the Applicant

Matter No: 1200852

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MOTION RECORD

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