

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: :  
: :  
: :  
: Chapter 11 Case No.  
STAR TRIBUNE HOLDINGS :  
CORPORATION, *et al.*, : 09-10244 (RDD)  
: :  
: (Jointly Administered)  
Debtors.<sup>1</sup> :

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**INTERIM ORDER (I) AUTHORIZING THE USE OF CASH COLLATERAL,  
(II) GRANTING ADEQUATE PROTECTION TO CERTAIN PRE-PETITION  
SECURED PARTIES, (III) GRANTING RELATED RELIEF AND  
(IV) SCHEDULING A FINAL HEARING**

Upon the motion (the “**Motion**”),<sup>2</sup> dated January 15, 2009, of Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Cases**”) pursuant to sections 105, 361, 362, 363(c)(2), 364(e) and 552 of the Bankruptcy Code, and Bankruptcy Rules 2002, 4001 and 9014, seeking, among other things:

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<sup>1</sup> The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors’ chapter 11 petitions.

<sup>2</sup> Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Motion.

(a) authorization for the Debtors to use cash collateral in which any First Lien Lender or Second Lien Lender (each as defined below) has an interest pursuant to any Loan Document;

(b) the granting of adequate protection to each lender (collectively, the “**First Lien Lenders**”) under and in connection with (i) the First Lien Senior Secured Credit Agreement dated as of March 5, 2007 (as amended, supplemented or otherwise modified from time to time, the “**First Lien Credit Agreement**”) among Snowboard Acquisition Corp. n/k/a Star Tribune, as borrower (the “**Borrower**”), each lender party thereto and Credit Suisse, as administrative agent and collateral agent (the “**First Lien Agent**”) and (ii) each loan document executed in connection with the First Lien Credit Agreement (collectively with the First Lien Credit Agreement, the “**First Lien Loan Documents**”);

(c) the granting of adequate protection to each lender (collectively, the “**Second Lien Lenders**” and, together with the First Lien Lenders, the “**Lenders**”) under and in connection with (i) the Second Lien Senior Secured Credit Agreement dated as of March 5, 2007 (as amended, supplemented or otherwise modified from time to time, the “**Second Lien Credit Agreement**”) among the Borrower, each lender party thereto and Credit Suisse, as administrative agent and collateral agent (the “**Second Lien Agent**” and, together with the First Lien Agent, the “**Agents**”) and (ii) each loan document executed in connection with the Second Lien Credit Agreement (collectively with the Second

Lien Credit Agreement, the “**Second Lien Loan Documents**” and, collectively with the First Lien Loan Documents, the “**Loan Documents**”);

(d) pursuant to Bankruptcy Rule 4001, that a initial interim hearing (the “**Initial Interim Hearing**”) on the Motion be held before this Court to consider entry of this Initial Interim Order;

(e) pursuant to Bankruptcy Rule 4001, that an interim hearing (the “**Interim Hearing**”) on the Motion be held before this Court to consider entry of this Interim Order; and

(f) that this Court schedule a final hearing (the “**Final Hearing**”) to consider entry of a final order authorizing the use of cash collateral and granting adequate protection to the Lenders.

Due and appropriate notice of the Motion, the relief requested therein and the Interim Hearing was served by the Debtors on (i) the thirty largest unsecured creditors of the Debtors (on a consolidated basis), (ii) the five largest secured creditors of the Debtors (on a consolidated basis), (iii) the Internal Revenue Service, (iv) each Agent, (v) counsel for an ad hoc committee of Second Lien Lenders and (vi) the Office of the United States trustee for the Southern District of New York (the “**U.S. Trustee**”).

The Initial Interim Hearing was held by this Court on January 16, 2009. Following the Initial Interim Hearing, the Court entered an order (the “**Initial Interim Cash Collateral Order**”) granting the relief requested in the Motion until January 21, 2009.

The Interim Hearing was held by this Court on January 20, 2009.

Upon the record made by the Debtors at the Interim Hearing and after due deliberation and consideration and sufficient cause appearing therefor,

IT IS FOUND, DETERMINED, ORDERED AND ADJUDGED, that:

1. *Jurisdiction and Venue.* This Court has subject-matter jurisdiction over the Cases, the Motion and the parties and property affected hereby pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. *Notice.* Under the circumstances, the notice given by the Debtors of the Motion and the Interim Hearing constitutes due and sufficient notice thereof and complies with Bankruptcy Rule 4001(b) and Local Bankruptcy Rule 4001-2.

3. *Findings Regarding the Use of Cash Collateral.*

(a) Good cause has been shown for the entry of this Interim Order.

(b) The Debtors have an immediate need to use cash collateral to permit, among other things, the orderly continuation of the operation of their businesses, to maintain business relationships with vendors, suppliers and customers, to make payroll, to make capital expenditures and to satisfy other working capital and operational needs. The Debtors' access to sufficient working capital and liquidity through the use of cash collateral and other financial accommodations is vital to the preservation and maintenance of the Debtors' going concern values and successful reorganization.

(c) The terms of the use of cash collateral are fair and reasonable and constitute reasonably equivalent value and fair consideration.

(d) Absent granting the relief sought by this Interim Order, the Debtors' estates will be immediately and irreparably harmed. The use of cash collateral in accordance with this Interim Order is therefore in the best interest of the Debtors' estates. In the Motion, the debtors have sought pursuant to this Interim Order the use of only that amount of cash collateral, as provided in the Budget (defined below) that is necessary to avoid immediate and irreparable harm to their estates pending the Final Hearing.

(e) *Debtors' Stipulations.* Without prejudice to the rights of any other party, including the rights of other estates under 11 U.S.C. §541 the Debtors, for themselves and not as debtors in possession, admit, stipulate and agree that:

(f) As of the Petition Date, the Debtors had borrowed from the First Lien Lenders the sum of \$380,750,000 in respect of the aggregate principal amount of loans made and the sum of approximately \$3,334,179 in respect of the aggregate principal amount of letters of credit issued, in each case, by the First Lien Lenders pursuant to, and in accordance with the terms of, the First Lien Credit Agreement, *plus*, in each case, pre-petition interest thereon and fees, expenses (including any attorneys', accountants', appraisers' and financial advisors' fees that are chargeable or reimbursable under the First Lien Credit Agreement), charges and other obligations incurred in connection therewith as provided in the First Lien Loan Documents (collectively, the "**First Lien Pre-Petition Debt**").

(g) The Debtors acknowledge and agree that pursuant to the First Lien Loan Documents and to secure the First Lien Pre-Petition Debt, the Debtors granted to the First Lien Agent for the benefit of the First Lien Lenders a first priority lien on and security interest in substantially all of their assets (the “**First Lien Security Interests**”).

(h) The Debtors acknowledge and agree that the First Lien Agent timely perfected the First Lien Security Interests.

(i) Pursuant to the Second Lien Credit Agreement, the Second Lien Lenders extended loans to the Debtors in an aggregate principal amount of \$96,000,000 *plus* pre-petition interest thereon (the “**Second Lien Pre-Petition Debt**” and, collectively with the First Lien Pre-Petition Debt, the “**Pre-Petition Debt**”), secured by certain liens and security interests granted to the Second Lien Agent for the benefit of the Second Lien Lenders pursuant to and in connection with the Second Lien Loan Documents (the “**Second Lien Security Interests**” and, collectively with the First Lien Security Interests, the “**Pre-Petition Security Interests**”).

4. *Use of Cash Collateral.* The Debtors shall not use any cash collateral (as defined in section 363(a) of the Bankruptcy Code) that is subject to any Pre-Petition Security Interest (“**Cash Collateral**”) except as permitted herein or as otherwise approved by this Court. Subject to the terms and conditions of this Interim Order, the Debtors are hereby authorized to use Cash Collateral during the period (the “**Interim Period**”) from the Petition Date through and including the date of termination of the use

of Cash Collateral under paragraph 16, and the Lenders are directed promptly to turn over to the Debtors all Cash Collateral received or held by them.

5. *Carve-Out.* The Debtors are also authorized to use Cash Collateral to pay the following costs, fees and expenses (collectively, the “**Carve-Out**”): (a) all fees required to be paid to the Clerk of the Bankruptcy Court or to the U.S. Trustee pursuant to section 1930(a) of title 28 of the United States Code and/or section 3717 of title 31 of the United States Code, (b) all reasonable fees and expenses incurred by a trustee appointed pursuant to section 726(b) of the Bankruptcy Code in an amount not exceeding \$100,000 in the aggregate and (c) subject to the limitations of paragraph 7(e) hereof, (i) all allowed costs, fees and expenses of professionals retained by the Debtors or any statutory committee appointed in the Cases pursuant to section 1102(a)(1) or section 1114 of the Bankruptcy Code (each, a “**Committee**”) and (ii) expenses allowed by the Bankruptcy Court incurred by Committee members in the performance of their duties (but excluding fees and expenses of third party professionals employed by such members), *provided* that following due receipt of a Default Notice (as defined below), and for so long as the Event of Default specified in such Default Notice is continuing, the Debtors are only authorized to pay in costs, fees and expenses specified in clause (c) of this paragraph up to an amount agreed to by the parties prior to, or found by the Court to be appropriate at, the Final Hearing *plus*, without duplication, all accrued and unpaid allowed costs, fees and expenses incurred by the Debtors, any Committee or Committee member prior to the date of receipt of such Default Notice.

6. *Adequate Protection of Interests.* Each Lender is entitled, pursuant to sections 361, 363(e) and 364(d)(1) of the Bankruptcy Code, to adequate protection of its Pre-Petition Security Interests for, and equal in amount to, the net post-petition diminution in the value (each such diminution, a “**Diminution in Value**”) of the Pre-Petition Security Interests of such Lender, calculated in accordance with section 506(a) of the Bankruptcy Code, including, without limitation, any Diminution in Value resulting from the sale, lease or use by the Debtors of property (including, without limitation, Cash Collateral) subject to any Pre-Petition Security Interest and the stay of enforcement of any Pre-Petition Security Interest arising from section 362 of the Bankruptcy Code. For the avoidance of doubt, to the extent it is determined that the First Lien Lenders were undersecured as of the Petition Date, the Diminution in Value of the Second Lien Security Interests shall conclusively be deemed to be zero.

7. *First Lien Adequate Protection.* As adequate protection, the First Lien Agent, on behalf of itself and the First Lien Lenders, is hereby granted the following (collectively, the “**First Lien Adequate Protection**”):

(a) Adequate Protection Lien. Subject to paragraph 7 herein, as security for and solely to the extent of any Diminution in Value of the First Lien Security Interests, the First Lien Agent is hereby granted for its benefit and the benefit of the First Lien Lenders, effective and perfected as of the date of entry of this Interim Order and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements or other agreements, a first-priority security interest in and lien on all the pre- and post-

petition property of the Debtors other than the Excluded Assets (the “**First Lien Adequate Protection Lien**”), subject and subordinate only to (i) any valid, enforceable, perfected and unavoidable liens on the Debtors’ assets and property in existence as of the Petition Date or duly perfected after the Petition Date to the extent permitted by section 546(b) of the Bankruptcy Code (other than the First Lien Security Interests) and (ii) the Carve-Out.

(b) Super-Priority Claim. Subject to paragraph 7 herein, to the extent of any Diminution in Value of the First Lien Security Interests, the First Lien Agent, on behalf of itself and the First Lien Lenders, is hereby granted an administrative claim (the “**First Lien Super-Priority Claim**”) as provided for in section 507(b) of the Bankruptcy Code. The First Lien Super-Priority Claim shall, subject and subordinate only to the Carve-Out, be an allowed claim against each Debtor (jointly and severally) with priority over any and all administrative expenses and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all other administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all other administrative expenses or other claims arising under any other provision of the Bankruptcy Code, including, without limitation, sections 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 726 or 1114 of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed First Lien Super-Priority Claim shall be payable from

and have recourse to all pre- and post-petition property of the Debtors other than the Excluded Assets.

(c) Reasonable Fees and Expenses. The Debtors shall promptly pay or reimburse the reasonable costs and expenses of the First Lien Agent's financial and legal advisors in accordance with the First Lien Credit Agreement, including, without limitation, Latham & Watkins, LLP, in accordance with the arrangements existing immediately prior to the Petition Date, subject to review by the Court.

(d) Information. The Debtors shall continue to provide the First Lien Agent with (i) financial and other reporting substantially in compliance with the First Lien Credit Agreement, (ii) access to the Debtors' business premises to the extent permitted under the First Lien Credit Agreement and (iii) other additional information as the First Lien Agent may reasonably request from time to time. Any information provided pursuant to this paragraph 8(d) shall be subject to the confidentiality provisions of the First Lien Credit Agreement, which provisions shall remain in full force and effect.

(e) Compliance With Budget. Except as otherwise expressly provided in this Interim Order, Cash Collateral may be used only (i) for the purposes identified in the budget provided to the First Lien Agent, the Court, the U.S. Trustee and to any statutory Committee of unsecured creditors (the "**Creditors' Committee**") (as may be modified or updated from time to time with the prior written consent of the First Lien Agent or upon order of the Court, the "**Budget**") and (ii) in respect of each operating expenditure line item in the Budget, in an

amount not to exceed the amount specified for expenditure in such line item, *provided* that (x) in any week during the Interim Period, for any operating expenditure line item in the Budget during such week the Debtors may use Cash Collateral in excess of that set forth in the Budget for that particular expenditure line item so long as (A) the percentage deviation for all operating expenditure line items, excluding Professional Fees (as defined in the Budget), during such week shall not exceed 8.75%, in the aggregate, of the amount set forth in the Budget for all operating expenditure line items and (B) the percentage deviation for the Professional Fees expenditure line item (which is tested monthly, not weekly) shall not exceed 2.5% (for all Professional Fees in the aggregate, excluding the Professional Fees for the First Lien Agent's professionals), of the amount set forth in the Budget for such operating expenditure line item and (y) any amount not expended in any week during the Interim Period may be added to the Budget in any subsequent weeks (in any line item, on a cumulative basis) during the Interim Period; *provided further* that Cash Collateral may be used for the Debtors' letter of credit and vendor cash deposit expenditures (the "**Deposits**") in an amount not to exceed \$5,000,000 (the "**Deposit Cap**") in the aggregate; *provided, however*, that the consent of the First Lien Agent (not unreasonably to be withheld) shall be required for any Deposit exceeding \$100,000, *provided further, however*, that the Debtors may pay or post up to \$250,000 in Deposits without the consent of the First Lien Agent. The Court shall retain jurisdiction to determine, on any motion by the Debtors for expedited relief, whether posting any Deposit as to which the

First Lien Agent has not consented is in the best interests of these chapter 11 estates (in which case, no such consent shall be required). The Debtors may also use amounts for the “other” line item set forth in the Budget for any expense, whether or not specified in the Budget. The Debtors shall furnish to the First Lien Agent and to the Creditors’ Committee, in form reasonably satisfactory to the First Lien Agent, on Friday (or if Friday is not a business day, the next business day) of each week, a weekly report, in each case in respect of the prior week, of expenditures, receipts, disbursements and a reconciliation of actual expenditures, receipts and disbursements with those set forth in the Budget, showing any variance to the projected aggregate expenditures in the Budget.

8. *Second Lien Adequate Protection.* As adequate protection, the Second Lien Agent, on behalf of itself and the Second Lien Lenders, is hereby granted the following (collectively, the “**Second Lien Adequate Protection**” and, collectively with the First Lien Adequate Protection, the “**Adequate Protection**”):

(a) Adequate Protection Lien. Subject to paragraph 7 herein, as security for and solely to the extent of any Diminution in Value of the Second Lien Security Interests, the Second Lien Agent is hereby granted for its benefit and the benefit of the Second Lien Lenders, effective and perfected as of the date of entry of this Interim Order and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements or other agreements, a junior security interest in and lien on all the pre- and post-petition property of the Debtors other than the Excluded Assets (the “**Second Lien**

**Adequate Protection Lien**”), subject and subordinate only to (i) the First Lien Security Interests, (ii) the First Lien Adequate Protection Lien, (iii) any valid, enforceable, perfected and unavoidable liens on the Debtors’ assets and property in existence as of the Petition Date (other than the Second Lien Security Interests) or duly perfected after the Petition Date to the extent permitted by section 546(b) of the Bankruptcy Code and (iv) the Carve-Out.

(b) Super-Priority Claim. Subject to paragraph 7 and to the extent of any Diminution in Value of the of the Second Lien Security Interests, the Second Lien Agent, on behalf of itself and the Second Lien Lenders, is hereby granted an administrative claim (the “**Second Lien Super-Priority Claim**”) as provided for in section 507(b) of the Bankruptcy Code. The Second Lien Super-Priority Claim shall, subject to the Carve-Out, be an allowed claim against each Debtor (jointly and severally) with priority immediately junior to the First Lien Super-Priority Claim and priority over any and all other administrative expenses and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all other administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under any other provision of the Bankruptcy Code, including, without limitation, sections 105, 326, 328, 330, 331, 503(b), 507(a), 507(b), 726 or 1114 of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed Second Lien

Super-Priority Claim shall be payable from and have recourse to all pre- and post-petition property of the Debtors other than the Excluded Assets.

9. *Excluded Assets.* The “**Excluded Assets**” are (i) all claims and causes of action (collectively, “**Avoidance Actions**”), and all products and proceeds thereof, arising under or permitted by sections 502(d), 506(c), 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code and any other avoidance claims and avoidance causes of action arising under or permitted by state or federal law, *provided* that, subject only to and effective upon entry of an order granting the relief requested following the Final Hearing, any proceeds or property recovered, unencumbered or otherwise the subject of successful Avoidance Actions (other than any Avoidance Action in which any Agent or Lender is a defendant, or in which any Pre-Petition Security Interest, Loan Document or payment thereunder is contested), whether by judgment, settlement or otherwise (“**Avoidance Proceeds**”), shall not be Excluded Assets, and (ii) any asset that the Debtors are prohibited by law or contract from encumbering.

10. *Reservation of Rights of First Lien Agent.* Under the circumstances and given that the adequate protection provided herein is consistent with the Bankruptcy Code, including section 506(b) thereof, the Court finds that the adequate protection provided herein is reasonable and sufficient to protect the interests of the Lenders. However, in the event of a material change of circumstances, the First Lien Agent may request further or different adequate protection, and the Debtors or any other party may contest any such request.

11. *Preservation of Rights Granted Under the Interim Order.*

(a) No claim or lien having a priority superior to or *pari passu* with those granted by this Interim Order to the First Lien Agent on behalf of the First Lien Lenders shall be granted or allowed while any portion of the First Lien Debt remains outstanding, unless (i) the First Lien Agent has consented in writing to such grant or allowance or (ii) such superior or *pari passu* claim or lien is permitted under the First Lien Loan Documents.

(b) The liens and security interests included in the First Lien Adequate Protection shall not be subject or junior to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estates under section 551 of the Bankruptcy Code or (ii) subordinated to or made *pari passu* with any other lien or security interest, whether under section 364(d) of the Bankruptcy Code or otherwise, except to the extent permitted hereunder.

(c) If an order dismissing any of the Cases under section 1112 of the Bankruptcy Code or otherwise is at any time entered, (i) such order shall provide, in accordance with sections 105 and 349 of the Bankruptcy Code, that until all First Lien Debt shall have been paid and satisfied in full, the First Lien Adequate Protection shall (A) continue in full force and effect, (B) remain binding on all parties in interest and (C) maintain the priorities and status provided in this Interim Order and (ii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in clause (i).

(d) If any or all of the provisions of this Interim Order are hereafter reversed, modified, vacated or stayed, such reversal, stay, modification or vacatur shall not affect (i) the validity of Adequate Protection obligations incurred prior to the actual receipt of written notice by each Agent of the effective date of such reversal, stay, modification or vacatur or (ii) the validity or enforceability of any lien or priority authorized or created hereby or pursuant to the Adequate Protection. Notwithstanding any such reversal, stay, modification or vacatur, any use of Cash Collateral prior to the actual receipt of written notice by each Agent of the effective date of such reversal, stay, modification or vacatur shall be governed in all respects by the original provisions of this Interim Order, and each Agent and each Lender shall be entitled to all the rights, remedies, privileges and benefits granted in section 364(e) of the Bankruptcy Code and this Interim Order with respect to all uses of Cash Collateral and all Adequate Protection.

12. *Limitation on Use of Cash Collateral.* Subject to the entry of the Final Order, notwithstanding anything herein, no borrowings, letters of credit, Cash Collateral, Pre-Petition Collateral or the Carve-Out may be used for any of the following (each, a “**Lender Claim**”): (a) to object, contest or raise any defense to, the validity, perfection, priority, extent or enforceability of any amount due under any Loan Document, or the liens or claims granted under this Interim Order or the Loan Documents, (b) to assert any claim or cause of action against any Lender or its agents, affiliates, representatives, attorneys or advisors, (c) to prevent, hinder or otherwise delay the assertion, enforcement or realization by any Agent on any Pre-Petition Security Interest in accordance with this

Interim Order, (d) to assert or prosecute any action for preferences, fraudulent conveyances, other avoidance power claims or any other any claims, counterclaims or causes of action, objections, contests or defenses against any Agent or any Lender or their respective affiliates, representatives, attorneys or advisors in connection with matters related to the Loan Documents, the Pre-Petition Debt or the Pre-Petition Security Interests or (e) to seek to modify any of the rights granted to any Agent hereunder or under the Loan Documents, *provided* that advisors to the Creditors' Committee may investigate the Pre-Petition Security Interests at an expense not to exceed \$75,000.

13. *Effect of Stipulations on Third Parties.*

(a) Each stipulation, admission and agreement contained in this Interim Order, including, without limitation, in paragraph 3(e) of this Interim Order, shall be binding upon all other parties in interest, including, without limitation, the Creditors' Committee, the Debtors and any successor thereto (including, without limitation, any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors) except to the extent that (i) any party in interest has, subject to the limitations contained herein, timely filed an adversary proceeding or contested matter asserting a Lender Claim with respect to such stipulation or admission by no later than the date that is 90 days (or such later date as has been agreed to, in writing, by the First Lien Agent in its sole discretion) after the initial selection of counsel by the Creditors' Committee, and (ii) there is a final order in favor of the plaintiff sustaining such Lender Claim.

(b) The success of any particular Lender Claim shall not alter the binding effect on each party in interest of any stipulation or admission not subject to such Lender Claim. Except to the extent (but only to the extent) a timely filed adversary proceeding or contested matter asserting a Lender Claim is successful, (i) the Pre-Petition Debt shall constitute allowed claims, not subject to counterclaim, offset, subordination, recharacterization, defense or avoidance, for all purposes in the Cases and any subsequent chapter 7 cases, (ii) the Pre-Petition Security Interests shall be deemed to have been, as of the Petition Date, legal, valid, binding and perfected, not subject to recharacterization, subordination or avoidance and (iii) the Pre-Petition Debt and the Pre-Petition Security Interests shall not be subject to any other or further challenge by any party in interest seeking to exercise the rights of the Debtors' estates, including, without limitation, any successor thereto (including, without limitation, any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors).

(c) Nothing in this Order vests or confers on any person (as defined in the Bankruptcy Code), including the Creditors' Committee, standing or authority to pursue any cause of action belonging to the Debtors or their estates, including, without limitation, Lender Claims with respect to the Loan Documents or the Pre-Petition Debt.

14. *Priorities Among Lenders.* Notwithstanding anything to the contrary herein or in any other order of this Court, in determining the relative priorities and rights of the Lenders as among themselves (including, without limitation, the relative priorities

and rights of the Lenders with respect to Adequate Protection granted hereunder), such priorities and rights shall continue to be governed by the Loan Documents.

15. *Termination.* This Interim Order and the use of Cash Collateral authorized herein shall become effective immediately upon authorization and approval by this Court. Except with respect to the payment of accrued items set forth in the Budget, and subject to the Carve-Out, the use of Cash Collateral authorized herein shall terminate at the earliest to occur of (a) 11:59 p.m. (prevailing Eastern time) on the third business day after the date of receipt by the Debtors of a Default Notice from the First Lien Agent of the occurrence of an Event of Default (but only if the Event of Default described in the Default Notice has actually occurred and is still continuing as of such date); (b) 11:59 p.m. (prevailing Eastern time) on the first business day following the date of the Final Hearing; and (c) 11:59 p.m. (prevailing Eastern time) on April 13, 2009, *provided* that the First Lien Agent serves a notice of termination on the Debtors, the U.S. Trustee and the Creditors' Committee so that such notice is actually received by such parties by 11:59 p.m. (prevailing Eastern time) on April 8, 2009. The foregoing, in each case, is subject to the Debtors' right to seek a further order of this Court authorizing continued use of Cash Collateral on these or different terms or upon consent of the undersigned and the right of the First Lien Agent to object to such request.

16. An "**Event of Default**" occurs if:

(a) The Court enters an order converting one or more of the Cases to a case under chapter 7 of the Bankruptcy Code, or any of the Debtors shall file a motion or not oppose a motion seeking such relief.

(b) The Court enters an order dismissing one or more of the Cases, or any of the Debtors shall file a motion or not oppose a motion seeking such relief.

(c) The Debtors fail to comply in any material way with this Interim Order.

(d) The Court enters an order in any of the Cases or any successor cases that stays, modifies, vacates or reverses this Interim Order or that otherwise affects the effectiveness of this Interim Order.

(e) The Debtors exceed the expenditure limits of the Budget, subject to the permitted variances set forth herein.

(f) The Court enters an order in any of the Cases granting relief from the automatic stay to allow a third party or third parties to proceed against property subject to the Pre-Petition Security Interests with a value in excess of \$2,000,000.

(g) The Court enters an order appointing (i) a chapter 11 trustee or (ii) an examiner with expanded powers to operate or manage substantially all of the financial affairs of the Debtors.

(h) The sum of cash in a given calendar week and (i) Cash Equivalents (as defined in the First Lien Credit Agreement) held by the Debtors and (ii) any Deposits posted by the Debtors (x) for which the First Lien Agent's consent was not necessary, (y) for which the First Lien Agent consented or (z) for which the Court has found that that the First Lien Agent's failure to consent was unreasonable, is less than \$20,000,000, measured as of the last business day of

any such week (or as otherwise agreed to by the Debtors and the First Lien Agent).

(i) Any labor union whose members are employed by the Debtors issues a formal notice of intent to strike or participate in any strike or similar work stoppage.

The First Lien Agent may waive any Event of Default at any time.

17. *Notice of Event of Default.* To be effective, a notice of default (a “**Default Notice**”) must be served on the Debtors, the U.S. Trustee and the Creditors’ Committee and must describe in reasonable detail the Event of Default that is the basis for the Default Notice.

18. *Notice of Termination.* To be effective, a notice of termination (a “**Termination Notice**”) must be served on the Debtors, the U.S. Trustee and the Creditors’ Committee, and must describe in reasonable detail the Event of Default that is the basis for the Default Notice.

19. *Limitation on Charging Expenses Against Collateral.* Subject only to and effective upon entry of an order granting the relief requested following the Final Hearing, except to the extent of the Carve-Out, no expenses of administration of the Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the Lenders’ collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law without the prior written consent of the applicable Agents and applicable

Lenders, as the case may be, and no such consent shall be implied from any other action, inaction, or acquiescence by any of the Agents or the Lenders.

20. *Order Governs.* In the event of any inconsistency between the provisions of this Interim Order and the Motion, the provisions of this Interim Order shall govern.

21. *Binding Effect; Successors and Assigns.* The provisions of this Interim Order, including all findings herein, shall be binding upon all parties in interest in these Cases, including, without limitation, each Agent, each Lender, the Creditors' Committee, each Debtor and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Debtors) and shall inure to the benefit of each Agent, each Lender, each Debtor and their respective successors and assigns.

22. *Initial Interim Cash Collateral Order.* The terms of this Interim Order shall supersede and replace the provisions of the Initial Interim Cash Collateral Order with respect to the adequate protection of the Lenders.

23. *Final Hearing.* The Final Hearing will be held by this Court on February 6, 2009 at 10:00 a.m. (prevailing Eastern time).

24. *Notice.* By January 21, 2009, the Debtors shall serve a copy of this Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing, to any party that has filed a request for notices with this Court and to the Creditors' Committee. Any party in interest objecting to the relief sought at the Final Hearing shall serve a written objection upon (a) Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, attorneys for the Debtors; (b) Latham & Watkins, LLP, 885 Third Avenue, New York, New York 10022, Attn: Mark A. Broude, attorneys for the First Lien Agent, (c) if the Creditors' Committee has been appointed, on the Creditors' Committee, and (d) the U.S. Trustee, and shall file such objection (with a copy to chambers) with the Clerk of the United States Bankruptcy Court, Southern District of New York, in each case to allow actual receipt no later than [February 3, 2009] at 4:00 p.m. (prevailing Eastern time).

Dated: January 20, 2009

New York, New York

/s/ Robert D. Drain

THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE