

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
NORTHERN DIVISION**

In re:

REMINGTON OUTDOOR COMPANY,
INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 20-81688-CRJ11

Jointly Administered

**FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 AND 507
(I) AUTHORIZING USE OF CASH COLLATERAL, (II) GRANTING ADEQUATE
PROTECTION, (III) MODIFYING AUTOMATIC STAY, AND (IV) GRANTING
RELATED RELIEF**

This matter having come before the Court upon the motion (the “**Motion**”)² by Remington Outdoor Company, Inc. (“**Remington**” or the “**Company**”), and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned Chapter 11 cases (collectively, the “**Chapter 11 Cases**”), pursuant to Sections 105, 361, 362, 363, 364, 503, and 507 of title 11 of the United States Code (11 U.S.C. §§ 101, *et seq.*, as amended, the “**Bankruptcy Code**”), and Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for:

- (i) authorization to use “**Cash Collateral**,” as defined in Section 363(a) of the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Remington Outdoor Company, Inc. (4491); FGI Holding Company, LLC (9899); FGI Operating Company, LLC (9774); Remington Arms Company, LLC (0935); Barnes Bullets, LLC (8510); TMRI, Inc. (3522); RA Brands, L.L.C. (1477); FGI Finance, Inc. (0109); Remington Arms Distribution Company, LLC (4655); Huntsville Holdings LLC (3525); 32E Productions, LLC (2381); Great Outdoors Holdco, LLC (7744); and Outdoor Services, LLC (2405). The Debtors’ corporate headquarters is located at 100 Electronics Blvd SW, Huntsville, Alabama 35824.

² Capitalized terms used but not otherwise defined herein have the meanings given to them in the Motion or the D’Arcy Declaration, as applicable.

Bankruptcy Code, that the Debtors are holding or may obtain, pursuant to Bankruptcy Code Sections 105, 361, 363, 503, and 507 and Bankruptcy Rule 4001(b), subject in all respects to the terms and conditions set forth in this Final Order;

(ii) the modification of the Prepetition Credit Documents to (A) reduce the “Collateral Base Floor” (as defined in the applicable Prepetition Credit Documents) (if applicable) by \$20 million (from the amount of the Collateral Base Floor in effect immediately before the Petition Date) immediately upon release of the remaining Disbursed Cash Collateral (as defined below) from the Dominion Accounts (all references to “Dominion Account(s)” referenced herein shall mean as defined in the Priority Term Loan Credit Agreement) after entry of this Final Order, (B) increase the “Collateral Base Floor Reduction Amount” (as defined in the Priority Term Loan Credit Agreement) to \$31 million immediately upon entry of this Final Order (C) reduce the Minimum Cash Amount (defined in the Priority Term Loan Credit Agreement) to \$0, (D) revise the definition of “First Priority Collateral” (defined in the Priority Term Loan Credit Agreement) to include all ABL Priority Collateral (as defined in the Intercreditor Agreement (as amended by the Intercreditor Amendment (as defined in Amendment No. 5 (as defined below)) and this Final Order), (E) confirm that, effective immediately upon entry of this Final Order, the liens on the PPE Collateral (as defined below) securing the Priority Term Loan Obligations are perfected first priority security interests up to the first \$31 million of the value and/or proceeds thereof and, upon recovery by Priority Term Loan Secured Creditors of such amount from the PPE Collateral, the liens of the Priority Term Loan Agent on the PPE Collateral shall have third priority, (F) provide that Incremental Loans are not available under the Priority Term Loan Credit Agreement and (G) delete and render null and void Section 5 of Amendment No. 5 and Section 7 of Amendment No. 1 to Intercreditor (as defined below);

(iii) entry of this “**Final Order**” authorizing the use of Cash Collateral subject to the terms and conditions set forth herein and approving the relief requested in the Motion on a final basis;

(iv) payment of the Consent Fee (as defined below) and the provision of adequate protection to the Prepetition Secured Creditors (as defined below) to the extent set forth in this Final Order;

(v) vacating and modifying the automatic stay imposed by Section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of this Final Order; and

(vi) granting related relief.

The Court having considered the Motion, the exhibits attached thereto, the *Declaration of Ken D’Arcy in Support of Chapter 11 Petitions and First Day Pleadings of Remington Outdoor Company, Inc. and Its Affiliated Debtors and Debtors-in-Possession*, the *Declaration of Bradley C. Meyer in Support of Debtors’ Cash Collateral Motion and Bidding Procedures Motion*, the *Declaration of Colin M. Adams in Support of Debtors’ Cash Collateral Motion and Bidding Procedures Motion*, the evidence submitted or adduced, and the arguments of counsel made at the interim hearing held on the Motion (the “**Interim Hearing**”) and the final hearing held on the Motion (the “**Final Hearing**”); and notice of the Interim Hearing and Final Hearing having been given in accordance with Bankruptcy Rules 2002, 4001(b), (c) and (d), 6004 and 9014; and the Interim Hearing and Final Hearing to consider the relief requested in the Motion having been held and concluded; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved or overruled by the Court; and it appearing to the Court that, pursuant to Bankruptcy Rule 4001(c)(2), granting the relief requested is necessary to avoid immediate and

irreparable harm to the Debtors and their estates, and otherwise is fair and reasonable and in the best interests of the Debtors, their estates, and their creditors and equity holders, and is essential for the continued operation of the Debtors' businesses; and after due deliberation and consideration, and for good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING AND THE FINAL HEARING BY THE DEBTORS, INCLUDING THE SUBMISSIONS OF DECLARATIONS AND THE REPRESENTATIONS OF COUNSEL, THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:³

A. Petition Date. On July 27, 2020 (the "**Petition Date**"), each of the Debtors filed a separate voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Alabama (the "**Court**"), commencing the Chapter 11 Cases.

B. Debtors in Possession. The Debtors are continuing to manage and operate their businesses and properties as debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. Jurisdiction and Venue. This Court has jurisdiction, pursuant to 28 U.S.C. §§ 157(b) and 1334, over these proceedings and over the persons and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue for the Chapter 11 Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The bases for the relief sought in the Motion and granted in this Final

³ The findings and conclusions set forth herein constitute the Bankruptcy Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any findings of fact constitute conclusions of law, they are adopted as such. To the extent any conclusions of law constitute findings of fact, they are adopted as such.

Order are Sections 105, 361, 362, 363, 364, 503, and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001, 6004 and 9014.

D. Committee Formation. On August 6, 2020, the United States Bankruptcy Administrator for the Northern District of Alabama (the “**Bankruptcy Administrator**”) appointed an official committee of unsecured creditors in the Chapter 11 Cases pursuant to Section 1102 of the Bankruptcy Code (the “**Committee**”).

E. Debtors’ Stipulations. After consultation with their attorneys and financial advisors, and without prejudice to the rights of parties in interest as set forth in paragraph 20 herein, the Debtors (on behalf of and for themselves and their estates) admit, stipulate, acknowledge and agree that (collectively, paragraphs E(i) through E(xvi) below are referred to herein as the “**Debtors’ Stipulations**”):

(i) *Priority Term Loan Facility.* The Debtors are party to that certain Loan and Security Agreement, dated as of April 18, 2019 (as amended (i) by that certain (a) Amendment No. 1 dated May 1, 2019, (b) Amendment No. 2 dated June 24, 2019, (c) Amendment No. 3 dated August 15, 2019, (d) Amendment No. 4 dated October 11, 2019, (e) Amendment No. 5 dated February 21, 2020 (“**Amendment No. 5**”), (f) Amendment No. 6 dated March 27, 2020, (g) Amendment No. 7 dated June 18, 2020, (h) Amendment No. 8 dated June 26, 2020, and (i) Amendment No. 9 dated July 7, 2020, and (ii) as further amended, restated, supplemented, and/or otherwise modified from time to time, including pursuant to the Interim Order (as defined below) and this Final Order and any replacements or refinancings thereof, the “**Priority Term Loan Credit Agreement**” and together with all other related documents, guarantees and agreements, including, without limitation, security agreements, mortgages, pledge agreements, assignments, financing statements and other agreements, documents, instruments or certificates executed in

connection with the Priority Term Loan Credit Agreement, the “**Priority Term Loan Documents**”), by and among Debtor FGI Operating Company, LLC, as borrower (the “**Borrower**”), the other Debtors party thereto from time to time, as guarantors, Cantor Fitzgerald Securities, as administrative agent and initial collateral agent (in such capacities, the “**Priority Term Loan Agent**”), and the lenders party thereto (the “**Priority Term Loan Lenders**” and together with the Priority Term Loan Agent, the “**Priority Term Loan Secured Creditors**”), which provided for a priority term loan facility in an aggregate principal amount of up to \$85,500,000 (which amount does not include the incremental facility thereunder) (the “**Priority Term Loan Facility**”). Each of the Priority Term Loan Documents is valid, binding, and enforceable in accordance with its terms. As consideration for the agreement of the Priority Term Loan Lenders to authorize the use of their Cash Collateral, including without limitation, the Disbursed Cash Collateral (which, prior to the Petition Date, was maintained in a Dominion Account subject to the sole dominion of the Priority Term Loan Agent and to which the Debtors were not permitted access), the elimination of the Minimum Cash Amount covenant from the Priority Term Loan Credit Agreement, the reduction of the Collateral Base Floor (as defined in the Prepetition Term Loan Credit Agreement) by \$20 million (from the amount of the Collateral Base Floor in effect immediately before the Petition Date) and the other terms and conditions set forth in the *Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying Automatic Stay, (IV) Granting Related Relief, and (V) Scheduling a Final Hearing* Docket No. 90 (the “**Interim Order**”) and this Final Order, the Debtors and Priority Term Loan Lenders have agreed that (i) the Debtors shall pay to the Priority Term Loan Lenders a consent fee in the amount of 3.00%⁴ of

⁴ The difference between the amount of the Consent Fee as defined in this Final Order and the Consent Fee as defined in the Interim Order shall be netted out of any proceeds of the sale of the Adequate Protection Collateral and/or

the Petition Date Priority Term Loan Amount (defined below) which was paid in kind and added to principal (and shall thereafter accrue interest) immediately upon entry of the Interim Order provided that such consent fee shall be reduced (retroactive to the date of the entry of the Interim Order) to 2.50% of the Petition Date Priority Term Loan Amount if (A) within ten (10) days after the Petition Date, the Debtors have entered into one or more asset purchase agreements with one or more stalking horse bidders evidencing such stalking horse bidders' agreement to buy property and assets of the Debtors for a cash purchase price of at least \$50 million in the aggregate and (B) the transaction(s) evidenced by either such asset purchase agreement(s) or one or more other asset purchase agreement(s) for the purchase of property and assets of the Debtors for a cash purchase of at least \$50 million in the aggregate shall have been consummated (such consent fee, as applicable, the "**Consent Fee**") and (ii) to the extent that the Priority Term Loan Secured Creditors have not been paid \$31 million of Net Sale Proceeds (for application to the Priority Term Loan Obligations) pursuant to paragraph G(ii)(e) herein prior to the filing of a Chapter 11 plan of reorganization for the Debtors, such plan shall provide for the payment of Priority Term Loan Obligations in cash on the effective date of such plan of at least an amount equal to \$31 million minus the amount of Net Sale Proceeds already received (in cash) by Priority Term Loan Secured Creditors (for application to the Priority Term Loan Obligations) since the Petition Date (for the avoidance of doubt, Priority Term Loan Secured Creditors are not waiving their right to seek to have the full amount of the Priority Term Loan Obligations be paid in full in cash under a Chapter 11 plan of reorganization for the Debtors as opposed to some other treatment under such plan). The "**Petition Date Priority Term Loan Amount**" shall mean all principal (outstanding as of the

Prepetition Collateral securing the Priority Term Loan Obligations and reserved for payment of taxes and other administrative claims to be designated by the Committee (the "**Consent Fee Reduction Reserve**").

Petition Date), all accrued interest on the Priority Term Loan Obligations since the last interest payment made on account of the Priority Term Loan Obligations prior to the Petition Date (but not including (i) interest on the Consent Fee solely for purposes of determining the amount of the Consent Fee and (ii) interest previously paid on a regularly scheduled quarterly interest payment date under the Priority Term Loan Credit Agreement), all fees payable after the Petition Date (for the avoidance of doubt, (x) expressly including the Exit Fee and Prepayment Premium and (y) excluding legal fees) and all other Priority Term Loan Obligations (other than legal fees) that are or remain outstanding after the Petition Date (for the avoidance of doubt, although interest shall not accrue on the Consent Fee solely for purposes of determining the amount of the Consent Fee, once the Consent Fee is calculated and added to the principal as of the date on which the Interim Order was entered, interest shall thereafter accrue on the Consent Fee).

(ii) *Priority Term Loan Obligations.* As of the Petition Date, the aggregate outstanding principal amount owed jointly and severally by the Debtors under the Priority Term Loan Documents was not less than \$75,500,000 (together with any interest, fees (including, without limitation, OID (as defined in the Priority Term Loan Credit Agreement), the Exit Fee (as defined in the Priority Term Loan Credit Agreement), the Prepayment Premium (as defined in the Priority Term Loan Credit Agreement) and any other exit and prepayment fees), expenses (including, without limitation, the reasonable and documented fees, disbursements and other charges of counsel to the Priority Term Loan Secured Creditors), costs and other charges or amounts paid, incurred or accrued prior to the Petition Date in accordance with the Priority Term Loan Documents, and further including all “Obligations” as defined in the Priority Term Loan Credit Agreement, the Consent Fee and all interest, fees, costs, expenses, and other charges allowable under Section 506(b) of the Bankruptcy Code, plus all other payments required to be

made to the Priority Term Loan Secured Creditors pursuant to this Final Order, collectively, the **“Priority Term Loan Obligations”**).

(iii) As more fully set forth in the Priority Term Loan Documents and subject to Permitted Prior Liens (as defined below) and the Intercreditor Agreement (as defined below), prior to the Petition Date, to secure repayment of the Priority Term Loan Obligations the Debtors granted the Priority Term Loan Agent valid, binding, properly perfected, enforceable, non-avoidable first priority security interests in and liens on (a) certain assets of the Debtors, including, without limitation, accounts receivable, intellectual property, inventory, and all other “ABL Priority Collateral” (as defined in the Intercreditor Agreement) (excluding clause (xiv) of such definition) and proceeds thereof, and (b) substantially all other assets of the Debtors that do not constitute ABL Priority Collateral (as defined in the Intercreditor Agreement) but including for the purposes for this clause (b) assets described in clause (xiv) of the definition ABL Priority Collateral (as defined in the Intercreditor Agreement) (the assets described in this clause (b), the **“PPE Collateral”**), *provided, however*, that the liens on the PPE Collateral securing the Priority Term Loan Obligations are perfected first priority security interests only up to the first \$7.5 million of the value and/or proceeds thereof and, upon recovery by Priority Term Loan Secured Creditors of such amount from the PPE Collateral, the liens of the Priority Term Loan Agent on the PPE Collateral shall have third priority. In connection with Priority Term Loan Lenders’ agreement to release the Disbursed Cash Collateral pursuant to the terms and conditions set forth in this Final Order and effective immediately upon entry of this Final Order, the Prepetition Secured Creditors have agreed that the foregoing priorities set forth in the Intercreditor Agreement (and referenced in the proviso set forth in the immediately preceding sentence) shall be deemed amended such that the liens on the PPE Collateral securing the Priority Term Loan Obligations are perfected first

priority security interests up to the first \$31 million of the value and/or proceeds thereof and, upon recovery by Priority Term Loan Secured Creditors of such amount from the PPE Collateral, the liens of the Priority Term Loan Agent on the PPE Collateral shall have third priority (the collateral subject to a first priority lien of the Priority Term Loan Agent, the “**ABL Priority Collateral**”, and the collateral subject to a third priority lien of the Priority Term Loan Agent, the “**TL Priority Collateral**” and together with the ABL Priority Collateral, the “**Prepetition Collateral**” and liens granted to the Priority Term Loan Agent thereon, the “**Priority Term Loan Liens**”). As of the Petition Date, the value of the collateral securing the Priority Term Loan Obligations exceeded the amount of the Priority Term Loan Obligations, and accordingly the Priority Term Loan Obligations constitutes allowed secured claims within the meaning of Section 506 of the Bankruptcy Code, together with accrued and unpaid and hereafter accruing interest, reasonable and documented fees (including, without limitation, attorneys’ reasonable fees and related expenses), costs, charges and contingent indemnification obligations arising under or related to the Priority Term Loan Documents.

(iv) *FILO Term Loan Facility.* The Debtors are party to that certain First Lien Last-Out Term Loan Agreement, dated as of May 15, 2018 (as amended (i) by that certain (a) Amendment No. 1, dated as of April 18, 2019, (b) Amendment No. 2, dated as of May 1, 2019, (c) Amendment No. 3, dated as of August 15, 2019, (d) Amendment No. 4, dated as of October 11, 2019, (e) Amendment No. 5, dated as of February 21, 2020, and (f) Amendment No. 6, dated as of March 27, 2020, and (ii) as further amended, restated, supplemented and/or otherwise modified from time to time, including any replacements or refinancings thereof, the “**FILO Term Loan Agreement**” and together with all other related documents, guarantees and agreements, including, without limitation, security agreements, mortgages, pledge agreements,

assignments, financing statements and other agreements, documents, instruments or certificates executed in connection with the FILO Term Loan Agreement, the “**FILO Term Loan Documents**”), by and among the Borrower, the other Debtors party thereto from time to time, as guarantors, Ankura Trust Company, LLC, as administrative agent and collateral agent (in such capacities, the “**FILO Agent**”), and the lenders party thereto (the “**FILO Lenders**” and together with the FILO Agent, the “**FILO Term Loan Secured Creditors**”), which provided for a term loan in the principal amount of \$55,000,000 (“**FILO Term Loan Facility**”). Each of the FILO Term Loan Documents is valid, binding, and enforceable in accordance with its terms.

(v) *FILO Term Loan Obligations.* As of the Petition Date, the aggregate outstanding principal amount owed jointly and severally by each of the Debtors under the FILO Term Loan Documents was not less than \$55,000,000 (together with all accrued and unpaid interest, fees (including, without limitation, any early termination and prepayment fees, including, but not limited to the Prepayment Premium, as defined in the FILO Term Loan Agreement), expenses (including, without limitation, the reasonable and documented fees, disbursements and other charges of counsel to the FILO Lenders and FILO Agent), costs, expenses and other charges or amounts paid, incurred or accrued prior to the Petition Date in accordance with the FILO Term Loan Documents, and further including all “Obligations” as defined in the FILO Term Loan Documents, plus all interest, fees, costs and other charges allowable under Section 506(b) of the Bankruptcy Code, plus all other payments required to be made to the FILO Term Loan Secured Creditors pursuant to this Final Order, the “**FILO Term Loan Obligations**”).

(vi) As more fully set forth in the FILO Term Loan Documents and subject to Permitted Prior Liens and the Intercreditor Agreement, prior to the Petition Date, to secure repayment of the FILO Term Loan Obligations the Debtors granted the FILO Agent valid, binding,

properly perfected, enforceable, non-avoidable (a) first priority security interests in and liens on the TL Priority Collateral and (b) second priority security interests in and liens on the ABL Priority Collateral (collectively, the **“FILO Term Loan Liens”**).

(vii) *Exit Term Loan Facility.* The Debtors are party to that certain Term Loan Agreement, dated as of May 15, 2018 (as amended (i) by that certain (a) Amendment No. 1, dated as of April 18, 2019, (b) Amendment No. 2, dated as of May 1, 2019, (c) Amendment No. 3, dated as of August 15, 2019, (d) Amendment No. 4, dated as of February 21, 2020, and (e) Amendment No. 5, dated as of March 27, 2020, and (ii) as further amended, restated, supplemented and/or otherwise modified from time to time, including any replacements or refinancings thereof, the **“Exit Term Loan Agreement”** and together with all other related documents, guarantees and agreements, including without limitation, security agreements, mortgages, pledge agreements, assignments, financing statements and other agreements, documents, instruments or certificates executed in connection with the Exit Term Loan Agreement, the **“Exit Term Loan Documents”**), by and among the Borrower, the other Debtors party thereto from time to time, as guarantors, Ankura Trust Company, LLC, as administrative agent and collateral agent (in such capacities, the **“Exit Term Loan Agent”**), and the lenders party thereto (the **“Exit Term Loan Lenders”** and together with the Exit Term Loan Agent, the **“Exit Term Loan Secured Creditors”**), which provided for a term loan in an original principal amount of \$100,000,000 that increased due to PIK elections to a principal amount of \$110,710,000 (the **“Exit Term Loan Facility”**). Each of the Exit Term Loan Documents is valid, binding, and enforceable in accordance with its terms.

(viii) *Exit Term Loan Obligations.* As of the Petition Date, the aggregate outstanding principal amount owed by the Debtors under the Exit Term Loan Documents was not less than \$110,707,574.49 (together with all accrued and unpaid interest, fees (including, without

limitation, any early termination and prepayment fees, including, but not limited to the Prepayment Premium, as defined in the Exit Term Loan Agreement), expenses (including, without limitation, the reasonable and documented fees, disbursements and other charges of counsel to the Exit Term Loan Lenders and Exit Term Loan Agent), costs and other charges or amounts paid, incurred or accrued prior to the Petition Date in accordance with the Exit Term Loan Documents, and further including all “Obligations” as defined in the Exit Term Loan Documents, plus all interest, fees, costs, expenses and other charges allowable under Section 506(b) of the Bankruptcy Code, plus all other payments required to be made to the Exit Term Loan Secured Creditors pursuant to this Final Order, the “**Exit Term Loan Obligations**”).

(ix) As more fully set forth in the Exit Term Loan Documents and subject to Permitted Prior Liens and the Intercreditor Agreement, prior to the Petition Date, to secure repayment of the Exit Term Loan Obligations the Debtors granted to the Exit Term Loan Agent (i) second priority security interests in and liens on the TL Priority Collateral and (ii) a third priority security interest in and lien on the ABL Priority Collateral (collectively, the “**Exit Term Loan Liens**”).

(x) The Priority Term Loan Agent, the FILO Agent, and the Exit Term Loan Agent are collectively referred to herein as the “**Prepetition Agents**.” The Priority Term Loan Secured Creditors, FILO Term Loan Secured Creditors, and Exit Term Loan Secured Creditors are collectively referred to herein as the “**Prepetition Secured Creditors**.” The Priority Term Loan Documents, FILO Term Loan Documents, and Exit Term Loan Documents are collectively referred to herein as the “**Prepetition Credit Documents**.” The Priority Term Loan Facility, FILO Term Loan Facility, and Exit Term Loan Facility are collectively referred to herein as the “**Prepetition Secured Credit Facilities**.” The Priority Term Loan Liens, FILO Term Loan Liens,

and Exit Term Loan Liens are collectively referred to herein as the “**Prepetition Liens.**” The Priority Term Loan Obligations, FILO Term Loan Obligations, and Exit Term Loan Obligations are collectively referred to herein as the “**Prepetition Secured Obligations.**”

(xi) Pursuant to the Order (A) *Approving Solicitation Procedures*, (B) *Approving Adequacy of Disclosure Statement*, and (C) *Confirming Plan* (the “**Prior Confirmation Order**”) entered by the United States Bankruptcy Court for the District of Delaware in the Prior Cases on May 4, 2018, (a) upon the Effective Date (as defined in the Prior Confirmation Order) of the plan in the Prior Cases, the FILO Term Loan Documents, the Exit Term Loan Documents, and the Exit ABL Facility (collectively with the FILO Term Loan Facility and the Exit Term Loan Facility, the “**Exit Facilities**”) were “effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby”; (b) the liens granted by the Debtors to secure the obligations under the Exit Facilities were “valid, binding, and enforceable liens on the collateral specified in the relevant agreements executed by the [] Debtors”; (c) the guarantees, mortgages, pledges, liens, and other security interests granted pursuant to or in connection with the Exit Facilities were “granted in good faith” and “deemed not to constitute a fraudulent conveyance or fraudulent transfer, shall not otherwise be subject to avoidance, recharacterization, or subordination, and the priorities of such guarantees, mortgages, pledges, liens, and other security interests shall be as set forth in [the Intercreditor Agreement and other Prepetition Credit Documents]”; and (d) the liens and security interests granted in connection with the Exit Facilities were automatically perfected upon entry of the Prior Confirmation Order, without the need for any filings, recordings, approvals, and consents to perfect such liens and security interests.

(xii) *Subordination Provisions.* The relationship in terms of claims, priority, rights and remedies between and among the Prepetition Secured Creditors is governed by the terms of that certain Amended and Restated Intercreditor Agreement dated as of April 18, 2019 (as (i) amended pursuant to that certain Amendment No. 1 dated February 21, 2020 (“**Amendment No. 1 to Intercreditor**”) and (ii) as otherwise amended, restated, modified and/or supplemented from time to time including pursuant to the Interim Order and this Final Order, the “**Intercreditor Agreement**”). The Intercreditor Agreement is a subordination agreement as referenced by Section 510(a) of the Bankruptcy Code.

(xiii) *Huntsville Mortgage.* In February 2014, Debtor Remington obtained a \$12.5 million loan from the City of Huntsville, Alabama (the “**City of Huntsville**”). The loan is evidenced by a promissory note executed by Remington in favor of the City of Huntsville (the “**Huntsville Note**”) and secured by a first priority mortgage on the Debtors’ firearm facilities in Huntsville (the “**Huntsville Mortgage**”). As of the Petition Date, the aggregate outstanding principal balance under the Huntsville Note was approximately \$12.5 million.

(xiv) *Validity, Perfection and Priority of Prepetition Liens and Obligations.* The Debtors for and on behalf of themselves and their respective estates, and the Prepetition Secured Creditors (without limiting the rights of parties in interest under paragraph 20 of this Final Order other than the Debtors and the Prepetition Secured Creditors) admit, stipulate, acknowledge and agree that: (a) the Prepetition Liens on the Prepetition Collateral are valid, binding, enforceable, non-avoidable and properly perfected, (b) the Prepetition Liens have priority over any and all other liens, if any, on the Prepetition Collateral, subject only to other liens that were (x) valid, perfected and unavoidable liens in favor of third parties that were in existence immediately prior to the Petition Date, or (y) valid and unavoidable liens in favor of third parties that were in existence

immediately prior to the Petition Date that were perfected subsequent to the Petition Date as permitted by Section 546(b) of the Bankruptcy Code, in each case, that were senior in priority to the Prepetition Liens as of the Petition Date and otherwise had priority over any and all other liens on the Prepetition Collateral (subject to, as among the Prepetition Secured Creditors, the lien priorities set forth in the Intercreditor Agreement) (the liens described in (x) and (y), the **“Permitted Prior Liens”**);⁵ (c) the Prepetition Secured Obligations constitute legal, valid, binding, and non-avoidable obligations of the Debtors, constitute “allowed claims” within the meaning of Section 502 of the Bankruptcy Code, and are secured by the Prepetition Liens on the Prepetition Collateral; (d) no offsets, challenges, objections, defenses, claims, impairment or counterclaims of any kind or nature to any of the Prepetition Liens or the Prepetition Secured Obligations exist, and no portion of the Prepetition Liens or the Prepetition Secured Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, recoupment, reductions, setoff or subordination (whether equitable, contractual or otherwise) pursuant to the Bankruptcy Code or applicable non-bankruptcy law; and (e) the Debtors and their estates have no claims, objections, challenges, causes of actions, counterclaims, and/or choses in action, including without limitation, avoidance claims under Chapter 5 of the Bankruptcy Code, against any of the Prepetition Secured Creditors or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors or employees arising out of, based upon or related to the Prepetition Credit Documents, the Prepetition Secured Obligations or the Prepetition Liens.

⁵ Nothing herein shall constitute a finding or ruling by this Court that any such Permitted Prior Liens are valid, senior, enforceable, perfected or non-avoidable. Moreover, nothing shall prejudice the rights of any party in interest including, but not limited, to the Debtors and the Committee to challenge the validity, priority, enforceability, seniority, avoidability, perfection or extent of any such Permitted Prior Lien and/or security interest.

(xv) *Cash Collateral.* The Debtors admit, acknowledge, stipulate and agree that all of the Debtors' cash, including the cash in their deposit accounts, including, without limitation, \$23.5 million of cash in the aggregate from the Dominion Accounts (\$9.5 million of which amount shall be released from the Dominion Accounts upon entry of this Final Order and \$14 million of which was previously released from the Dominion Accounts upon entry of the Interim Order) (such \$23.5 million of funds released from the Dominion Accounts by the date on which the Final Order was entered, the "**Disbursed Cash Collateral**"), in each case wherever located, whether as original collateral or proceeds of other Prepetition Collateral, constitute Cash Collateral within the meaning of Section 363(a) of the Bankruptcy Code and is Prepetition Collateral of the Prepetition Secured Creditors and subject to the Prepetition Liens; *provided, however*, that, notwithstanding any other provisions set forth herein, the term "Cash Collateral" as used herein shall exclude (a) any "Cash Collateral" as such term is defined in the Priority Term Loan Credit Agreement, and (b) the cash balance maintained in the Dominion Accounts other than the Disbursed Cash Collateral (such "Cash Collateral" in the preceding sub-clauses (a) and (b), collectively, the "**Excluded Cash Collateral**"), and the Debtors admit, acknowledge, stipulate and agree that they are not seeking and will not seek authority to use any Excluded Cash Collateral, and that the Prepetition Secured Creditors are not consenting and have not consented to the use of any Excluded Cash Collateral. All cash proceeds of the Prepetition Collateral of the Prepetition Secured Creditors and Adequate Protection Collateral (as defined below) (but expressly excluding all Excluded Cash Collateral) subject to Adequate Protection Liens (as defined below), including all such cash proceeds of such Prepetition Collateral of the Prepetition Secured Creditors and Adequate Protection Collateral that is subject to Adequate Protection Liens held at any time and from time to time in any of the Debtors' banking, checking or other deposit accounts with financial

institutions, are and will be Cash Collateral of the Prepetition Secured Creditors within the meaning of Section 363(a) of the Bankruptcy Code.

(xvi) *Release.* Each of the Debtors and the Debtors' estates, on its own behalf and on behalf of its past, present and future predecessors, successors, heirs, subsidiaries, and assigns hereby to the maximum extent permitted by applicable law, forever, unconditionally, irrevocably and fully forever release, remise, acquit, relinquish, irrevocably waive and discharge each of the Prepetition Secured Creditors, and each of their respective successors, assigns, participants, representatives, owners, members, partners, financial advisors, investment advisors (including, without limitation, employees of investment advisors), legal advisors, managers, consultants, accountants, predecessors in interest, affiliates, subsidiaries, parents, officers, shareholders, directors, employees, attorneys and agents, past, present and future, and their respective heirs, predecessors, successors and assigns (collectively, the "**Releasees**") of and from any and all claims, controversies, responsibilities, disputes, remedies, objections, challenges, counterclaims, setoff rights, rights to subordinate, recoupment, liabilities, indebtedness and obligations, demands, damages, rights, assertions, allegations, suits, proceedings, losses, injuries, attorneys' fees, costs, expenses (including, without limitation, reasonable attorneys' fees), debts, liens, defenses, counterclaims, judgments, actions and causes of action of any and every nature whatsoever, whether arising in law, in equity, or otherwise, whether asserted or unasserted, whether suspected or unsuspected, whether accrued or unaccrued, and whether or not fixed, contingent, pending, threatened, known or matured including, without limitation, all legal and equitable theories of recovery, arising under common law, statute or regulation or by contract, of every nature and description that exist on the date hereof arising out of or relating to or in connection with, as applicable, the Debtors or any of the Prepetition Credit Documents, the

Prepetition Liens, the Prepetition Secured Obligations, the Prepetition Secured Credit Facilities, and/or the transactions contemplated hereunder or thereunder including, without limitation, (a) any so-called “lender liability” or equitable subordination claims or defenses, (b) any and all claims and causes of action arising under the Bankruptcy Code, and (c) any and all claims and causes of action with respect to the validity, priority, extent, perfection or avoidability of the Prepetition Credit Documents, Prepetition Secured Obligations, the Prepetition Secured Credit Facilities, the Prepetition Liens, and the Adequate Protection Arrangements (as defined below). The Debtors further waive and release any defenses (including, without limitation, any right of counterclaim, right of set-off or deduction) (a) as to the validity, perfection, priority, enforceability, and non-avoidability of the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Secured Credit Facilities, the Prepetition Liens and the Adequate Protection Arrangements and (b) to the payment of the Prepetition Secured Obligations that the Debtors now have or may claim to have against the Releasees, arising out of, connected with or relating to any and all acts, omissions or events occurring prior to the Bankruptcy Court entering this Final Order. The Debtors’ acknowledgements, stipulations and releases are binding on the Debtors and their representatives, successors and assigns and, subject to any action timely commenced by the Committee or other party in interest before the end of the Challenge Period (as defined below), on each of the Debtors’ estates, all creditors thereof and each of their respective representatives, successors and assigns, including, without limitation, any trustee or other representative appointed in the Chapter 11 Cases, whether such trustee or representative is appointed in Chapter 11 or Chapter 7. Notwithstanding anything to the contrary contained herein, the releases set forth in this paragraph E(xvi) shall become effective upon the expiration of the Challenge Period (as defined below) so as not to affect the standing of a Challenge Party to assert claims, if any, on behalf of

any Debtor that is a limited liability company or limited liability partnership in accordance with the terms and conditions of paragraph 20.

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

(i) *Request for Use of Cash Collateral.* The Debtors seek authority to, among other things, (a) use Cash Collateral subject to the terms of this Final Order and (b) to grant the Prepetition Secured Creditors adequate protection of their interests in the Prepetition Collateral.

(ii) *Immediate Need for Use of Cash Collateral.* The Debtors' need to use Cash Collateral is immediate and critical in order to enable the Debtors to continue operations and to administer and preserve the value of their estates. The Debtors do not have sufficient available working capital to operate their businesses, to maintain their properties in the ordinary course of business for more than a limited period, and to fund the costs of administering the Chapter 11 Cases without the authorized use of Cash Collateral. The ability of the Debtors to finance their operations, maintain business relationships, pay their employees, protect the value of their assets, and otherwise finance their operations and pursue a sale strategy to maximize value for their creditors requires the use of Cash Collateral, the absence of which would immediately and irreparably harm the Debtors, their estates, their creditors and equity holders, and the possibility for a successful administration of the Chapter 11 Cases. The use of the Prepetition Collateral, including without limitation, the Cash Collateral, pursuant to the terms of this Final Order, therefore, are in the best interests of the Debtors' estates.

(iii) *No Credit Available on More Favorable Terms.* Given their current financial condition, financing arrangements, and capital structure, the Debtors are unable to obtain financing from sources other than the use of Cash Collateral of the Prepetition Secured Creditors on terms more favorable than those set forth herein. The Prepetition Secured Creditors were not

willing to provide the use of their Cash Collateral without the type of protections afforded under this Final Order. The Debtors have been unable to obtain unsecured credit allowable under Section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors have also been unable to obtain credit: (a) having solely priority over that of administrative expenses of the kind specified in Sections 503(b), 507(a), and 507(b) of the Bankruptcy Code; (b) secured solely by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) secured solely by a junior lien on property of the Debtors and their estates that is subject to the FILO Term Loan Liens or the Exit Term Loan Liens. Financing on a postpetition basis is not otherwise available without granting the Prepetition Secured Creditors the protections set forth in this Final Order.

(iv) *Use of Cash Collateral.* As a condition to the authorization to use Cash Collateral, the Prepetition Secured Creditors require, and the Debtors have agreed, that the Cash Collateral shall be used solely as follows (such uses the “**Permitted Uses**”): (a) to provide ongoing operations and working capital of the Debtors during the Chapter 11 Cases; (b) to provide for other general corporate purposes of the Debtor during the Chapter 11 Cases, including the payment of professional fees of the Debtors, the Restructuring Committee, and the Committee; (c) to pay transaction fees and expenses; (d) to provide for operating expenses of the Debtors’ subsidiaries; (e) to pay the costs of administration of the Chapter 11 Cases, including prior to the delivery of a Carve-Out Trigger Notice (as defined below), to fund the Carve-Out (as defined below), and after the delivery of a Carve-Out Trigger Notice, to fund the aggregate amount of Allowed Professional Fees incurred prior to the delivery of the Carve-Out Trigger Notice plus the Post Trigger Notice Carve Out Amount (as defined below), including, in the case of Case Professionals, through deposits into the Professional Fee Reserve; (f) to pay the Adequate Protection Payments (as

defined below); (g) upon the closing of one or more sales of the Debtors' assets (the "**Asset Sale Closing**"), to pay, solely from the proceeds of a Sale, the amount payable to Ducera and its affiliates (the "**Transaction Fee**"); and (h) as otherwise contemplated in the Budget (as defined below) or permitted by the Controlling Agent; *provided* that no portion of the Cash Collateral shall be used, directly or indirectly, to (1) finance or make any distribution to the equity holders of Debtors (other than the Adequate Protection Payments in their capacities as Prepetition Secured Creditors or reasonable compensation in their capacities as employees of the Debtors); (2) make any payment or prepayment in respect of prepetition obligations of the Debtors (other than (x) in respect of the Prepetition Secured Obligations (subject to the Intercreditor Agreement), including the Adequate Protection Payments or (y) as is consistent with the Budget) except as may otherwise be consented to by the Controlling Agent or authorized by the Court; (3) make any payment in settlement of any claim, action or proceeding, before any court, arbitrator or other governmental body except as may otherwise be authorized by the Court; or (4) pay any fees or expenses incurred in connection with the initiation or prosecution or any claims, causes of action or other litigation against any Prepetition Secured Creditor or in connection with invalidating, disallowing, recharacterizing, setting aside, avoiding, subordinating, in whole or in part, or taking or attempting to take any other action to render unenforceable the Prepetition Liens, claims, the Prepetition Secured Obligations or interests of any Prepetition Secured Creditor. Nothing herein shall in any way prejudice or prevent any Prepetition Secured Creditor from objecting to any request, motion or application in the Chapter 11 Cases, including applications for compensation for services rendered or reimbursement of expenses.

G. Adequate Protection.

- (i) The Prepetition Secured Creditors have consented, or are deemed to consent

by virtue of the Intercreditor Agreement, to the use of Cash Collateral (excluding, for the avoidance of doubt, the Excluded Cash Collateral) on the terms set forth herein regardless of whether the Prepetition Secured Obligations remain outstanding.

(ii) The Priority Term Loan Secured Creditors are entitled to and shall receive adequate protection in the form of the following:⁶

- a. payment of all accrued and unpaid prepetition and postpetition interest (which, in the case of postpetition interest, shall be payable at the Default Rate (as defined in the Priority Term Loan Credit Agreement)) as and when due under the Priority Term Loan Credit Agreement;
- b. without duplication of any payments made pursuant to subparagraph G(ii)(c) below, payment of all fees, costs, expenses (including, without limitation, fees due to the Priority Term Loan Secured Creditors under the Priority Term Loan Documents), disbursements and indemnities incurred by the Priority Term Loan Secured Creditors under the Priority Term Loan Credit Agreement prior to, on and/or after the Petition Date;
- c. payment of professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel, including, without limitation, Shipman & Goodwin LLP as counsel to the Priority Term Loan Agent and Brown Rudnick LLP as counsel to Whitebox Advisors LLC, and other third-party consultants, including financial advisors) incurred by the Priority Term Loan Secured Creditors and reimbursable under the Priority Term Loan Documents arising prior to the Petition Date and all professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel and other third party consultants, including financial advisors) incurred by the Priority Term Loan Secured Creditors and reimbursable under the Priority Term Loan Documents arising on and subsequent to the Petition Date, which, with respect to legal fees, for the avoidance of doubt, shall be limited to: (A) one primary counsel firm for the Priority Term Loan Agent (Shipman & Goodwin LLP), and one local counsel firm for the Priority Term Loan Agent, and (B) one primary counsel firm for

⁶ In the event that the Priority Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the Priority Term Loan Adequate Protection Payments as payments on principal in respect of the Priority Term Loan Obligations and/or (ii) disgorgement of any Priority Term Loan Adequate Protection Payments received by the Priority Term Loan Secured Creditors are expressly reserved.

the Priority Term Loan Lenders (Brown Rudnick LLP), and one local counsel firm for the Priority Term Loan Lenders; and, in the event of any actual conflict of interest for counsel in (A) and (B) above, one additional counsel firm to the affected parties (the “**Priority Term Loan Professional Fee Payments**” and together with the foregoing sub-clauses (a) and (b) and clause (d) below, collectively, the “**Priority Term Loan Adequate Protection Payments**”), which shall be payable in accordance with paragraph 14 below;

- d. upon entry of the Interim Order, payment in kind of the Consent Fee; and
- e. subject to the terms of any order of the Court entered into connection with a timely Challenge, within three (3) business days of the receipt thereof by the Debtors, the application and payment of cash sale proceeds of the Adequate Protection Collateral and Prepetition Collateral (net of (i) any bona fide direct costs incurred in connection with such sale, including any applicable transfer taxes or recording charges payable by the Debtors as a result of any gain recognized in connection with such sale, (ii) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any indebtedness that is secured by a lien on the assets in question solely to the extent that such liens are senior to the liens of the Priority Term Loan Agent in such assets pursuant to the Intercreditor Agreement or by operation of law as of the Petition Date, (iii) the Asset Sale Top Off Amount, including the Transaction Fee, and (iv) such other administrative expenses and necessary costs of the Chapter 11 Cases that are set forth in the Budget dated July 27, 2020 (as modified by the revised Budget attached hereto) (not to exceed \$15.9 million until after the satisfaction in full of the Obligations (as defined in the Priority Term Loan Documents and including all applicable Adequate Protection Payments and Priority Term Loan Obligations) in cash), or such other wind-down budget as may be reasonably agreed by the Debtors and the Prepetition Secured Creditors in consultation with the Committee) (the “**Net Sale Proceeds**”) to the Priority Term Loan Secured Creditors to satisfy accrued and unpaid Priority Term Loan Adequate Protection Payments, the Priority Term Loan Secured Creditors’ Adequate Protection Superpriority Claim, and the Priority Term Loan Obligations.

- (iii) The FILO Term Loan Secured Creditors are entitled to and shall receive

adequate protection in the form of the following:⁷

- a. payment of all accrued and unpaid prepetition and postpetition interest (which, in the case of postpetition interest, shall be payable at the Interest Rate (as defined in the FILO Term Loan Agreement) applicable as if the FILO Agent elected to increase the Applicable Margin (as defined in the FILO Term Loan Agreement) otherwise used to calculate the applicable Interest Rate for Base Rate Loans (as defined in the FILO Term Loan Agreement) and Eurodollar Rate Loans (as defined in the FILO Term Loan Agreement), by two percent (2.00%) per annum upon the occurrence and continuation of an Event of Default (as defined in the FILO Term Loan Agreement) as and when due under the FILO Term Loan Agreement;
- b. without duplication of any payments made pursuant to subparagraph G(iii)(c) below, payment of all fees (including, without limitation, fees due to the FILO Agent under the FILO Term Loan Documents), costs, expenses, disbursements and indemnities incurred by the FILO Term Loan Secured Creditors under the FILO Term Loan Agreement prior to, on and/or after the Petition Date;
- c. payment of professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel, including, without limitation, Davis Polk & Wardwell LLP as primary counsel to the FILO Agent, one local counsel to the FILO Agent, Pillsbury Winthrop Shaw Pittman LLP as primary counsel to the FILO Lenders and one local counsel firm to the FILO Lenders, and other third-party consultants, including financial advisors) incurred by the FILO Term Loan Secured Creditors and reimbursable under the FILO Term Loan Documents arising prior to the Petition Date and all professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel and other third party consultants, including financial advisors) incurred by the FILO Term Loan Secured Creditors and reimbursable under the FILO Term Loan Documents arising on or subsequent to the Petition Date, which, with respect to legal fees, for the avoidance of doubt, shall be limited to: (A) one primary counsel firm for the FILO Agent (Davis Polk & Wardwell LLP), and one local counsel firm for the FILO Agent, and (B) one primary counsel firm for the FILO Lenders (Pillsbury Winthrop Shaw Pittman LLP), and one local counsel firm for the FILO Lenders; and, in the event of any actual

⁷ In the event that the FILO Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the FILO Term Loan Adequate Protection Payments as payments on principal in respect of the FILO Term Loan Obligations and/or (ii) disgorgement of any FILO Term Loan Adequate Protection Payments received by the FILO Term Loan Secured Creditors are expressly reserved.

conflict of interest for counsel in (A) and (B) above, one additional counsel firm to the affected parties (the “**FILO Term Loan Professional Fee Payments**” and together with the foregoing sub-clauses (a) and (b), collectively, the “**FILO Term Loan Adequate Protection Payments**”), which shall be payable in accordance with paragraph 14 below; and

- d. subject to the terms of any order of the Court entered into connection with a timely Challenge, within three (3) business days of the receipt thereof by the Debtors, subject to the prior payment in full in cash of the Priority Term Loan Obligations, the application and payment of Net Sale Proceeds less the Consent Fee Reduction Reserve in an amount to be mutually agreed by the Debtors (in consultation with the Committee) and the FILO Term Loan Secured Creditors to the FILO Term Loan Secured Creditors to satisfy accrued and unpaid FILO Term Loan Adequate Protection Payments, the FILO Term Loan Secured Creditors’ Adequate Protection Superpriority Claim, and the FILO Term Loan Obligations.

(iv) The Exit Term Loan Secured Creditors are entitled to and shall receive adequate protection in the form of the following:⁸

- a. without duplication of any payments made pursuant to subparagraph G(iv)(b) below, payment of all fees (including, without limitation, fees due to the Exit Term Loan Agent under the Exit Term Loan Documents), costs, expenses, disbursements and indemnities incurred by the Exit Term Loan Secured Creditors under the Exit Term Loan Agreement prior to, on and/or after the Petition Date; and
- b. without duplication of any payments made pursuant to subparagraph G(iii)(c) or G(iv)(a) above, payment of professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel, including, without limitation, Davis Polk & Wardwell LLP as primary counsel to the Exit Term Loan Agent, one local counsel to the Exit Term Loan Agent, Pillsbury Winthrop Shaw Pittman LLP as primary counsel to the Exit Term Loan Lenders and one local counsel firm to the Exit Term Loan Lenders, and other third-party consultants, including financial advisors) incurred by the Exit Term Loan Secured Creditors and reimbursable under the Exit Term Loan

⁸ In the event that the Exit Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the Exit Term Loan Adequate Protection Payments as payments on principal in respect of the Exit Term Loan Obligations and/or (ii) disgorgement of any Exit Term Loan Adequate Protection Payments received by the Exit Term Loan Secured Creditors are expressly reserved.

Documents arising prior to the Petition Date and all professional fees, costs, expenses and disbursements (including, but not limited to, the fees, costs, expenses and disbursements of counsel and other third party consultants, including financial advisors) incurred by the Exit Term Loan Secured Creditors and reimbursable under the Exit Term Loan Documents arising on or subsequent to the Petition Date, which, with respect to legal fees, for the avoidance of doubt, shall be limited to: (A) Davis Polk & Wardwell LLP, and one local counsel firm, as counsel to the Exit Term Loan Agent, and (B) Pillsbury Winthrop Shaw Pittman LLP, and one local counsel firm, as counsel to the Exit Term Loan Lenders; and, in the event of any actual conflict of interest for counsel in (A) and (B) above, one additional counsel firm to the affected parties (the “**Exit Term Loan Professional Fee Payments**” or the “**Exit Term Loan Adequate Protection Payments**”, as the case may be), which shall be payable in accordance with paragraph 14 below; and

- c. the Exit Term Loan Secured Creditors reserve the right to seek, including as additional adequate protection, the immediate application and payment of sale proceeds by the Debtors to the Exit Term Loan Secured Creditors to satisfy accrued and unpaid Exit Term Loan Adequate Protection Payments, the Exit Term Loan Secured Creditors’ Adequate Protection Superpriority Claim, and the Exit Term Loan Obligations.⁹

(v) Pursuant to Bankruptcy Code Sections 361(2) and 363(c)(2), effective as of the Petition Date, and in each case without the necessity of the execution (or recordation or other filing) of security agreements, control agreements, pledge agreements, financing statements, mortgages or other similar documents, or by possession or control, each of the Prepetition Secured Creditors are entitled to and shall be granted, subject to the priorities set forth in this Final Order, valid and perfected replacement and additional security interests in, and liens on all of the Debtors’ right, title, and interest in, to, and under all Adequate Protection Collateral (the “**Adequate Protection Liens**”) to secure the payment of an amount equal to any diminution in value of the Prepetition Secured Creditors’ respective Prepetition Liens on and interests in the Prepetition

⁹ The rights of the Debtors and all other parties in interest to contest such relief are hereby preserved.

Collateral, subject to the priorities set forth in this Final Order.

(vi) Pursuant to Bankruptcy Code Sections 503 and 507(b), effective as of the Petition Date, each of the Prepetition Secured Creditors are entitled to and shall be granted, subject to the priorities set forth in this Final Order and the Intercreditor Agreement, as applicable, an allowed superpriority administrative expense claim against each of the Debtors on a joint and several basis in an amount equal to any diminution in value of the Prepetition Secured Creditors' respective Prepetition Liens on and interests in the Prepetition Collateral (the "**Adequate Protection Superpriority Claims**") and together with the Adequate Protection Payments¹⁰, the Adequate Protection Liens, and any other forms of adequate protection provided hereunder, the "**Adequate Protection Arrangements**"), which Adequate Protection Superpriority Claims shall have recourse to and be payable from the Adequate Protection Collateral, subject to the priorities set forth in this Final Order.

(vii) Based on the Motion and on the record presented to the Court, the terms of the proposed Adequate Protection Arrangements and of the use of the Prepetition Collateral (including the Cash Collateral) are fair and reasonable, reflect the Debtors' prudent exercise of business judgment and constitute reasonably equivalent value and fair consideration for the use of Cash Collateral.

¹⁰ The term "**Adequate Protection Payments**" means the Priority Term Loan Adequate Protection Payments, the FILO Term Loan Adequate Protection Payments, and the Exit Term Loan Adequate Protection Payments, collectively.

(viii) Based on the Motion and on the record presented to the Court, the interest of the Huntsville Note holder's interest in the property subject to the Huntsville Mortgage is adequately protected by the equity cushion over such interest.

H. Sections 506(c) and 552(b). Each Prepetition Secured Creditor shall be entitled to the benefits of a waiver of (i) the provisions of Section 506(c) of the Bankruptcy Code; (ii) any "equities of the case" claims under Section 552(b) of the Bankruptcy Code; and (iii) the equitable doctrine of "marshaling" or any similar doctrine with respect to the Adequate Protection Collateral and the Prepetition Collateral.

I. Good Faith.

(i) *Willingness to Authorize the Use of Cash Collateral*. The Prepetition Secured Creditors have indicated a willingness to provide the use of Cash Collateral to the Debtors subject to: (a) the entry of this Final Order; and (b) entry of findings by this Court that such use of Cash Collateral is essential to the Debtors' estates, that the Prepetition Secured Creditors are permitting the use of Cash Collateral on the terms set forth herein in good faith, and that the Prepetition Secured Creditors' protections granted pursuant to this Final Order will have the protections provided in Section 364(e) of the Bankruptcy Code and will not be affected by any subsequent reversal, modification, vacatur, amendment, reargument or reconsideration of this Final Order or any other order.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e)*. The access of the Cash Collateral by the Debtors pursuant to this Final Order reflects the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and is supported by reasonably equivalent value and consideration. The terms of the Cash Collateral use was negotiated in good faith and at arms' length among the Debtors and the Prepetition Secured Creditors. The use of the

Cash Collateral shall be deemed to have been so allowed, advanced, made, used or extended in good faith, and for valid business purposes and uses, within the meaning of Section 364(e) of the Bankruptcy Code, and the Prepetition Secured Creditors are therefore entitled to the protection and benefits of Section 364(e) of the Bankruptcy Code and this Final Order.

J. Notice. Notice of the Interim Hearing and the Final Hearing and the emergency relief requested in the Motion has been provided by the Debtors, whether by facsimile, email, overnight courier or hand delivery, to certain parties in interest, including: (i) the Bankruptcy Administrator; (ii) counsel to the Committee; (iii) the holders of the 40 largest unsecured claims against the Debtors on a consolidated basis; (iv) counsel to Cantor Fitzgerald Securities, as Priority Term Loan Agent; (v) counsel to Whitebox Advisors LLC, (vi) counsel to Ankura Trust Company, LLC, as FILO Agent and as Exit Term Loan Agent; (vii) the Securities and Exchange Commission; (viii) the Internal Revenue Service; (ix) counsel to the United Mine Workers of America; (x) counsel to the Huntsville Note holder; (xi) counsel to the FILO Lenders; and (xii) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors have made reasonable efforts to afford the best notice possible under the circumstances and such notice is good and sufficient to permit the relief set forth in this Final Order, and no other or further notice is or shall be required.

K. Immediate Entry. Sufficient cause exists for immediate entry of this Final Order pursuant to Bankruptcy Rule 4001(c)(2).

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

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Financing Approved. The Motion is granted on a final basis, and the use of Cash Collateral (excluding, for the avoidance of doubt, the Excluded Cash Collateral) on a final basis is authorized, subject to the terms and conditions set forth in this Final Order. Upon entry of this Final Order: (a) the Prepetition Credit Documents are modified to (i) reduce the “Collateral Base Floor” (defined in the Priority Term Loan Credit Agreement) by \$20 million (from the amount of the Collateral Base Floor in effect immediately before the Petition Date) immediately upon release of the remaining Disbursed Cash Collateral from the Dominion Accounts after entry of this Final Order, (ii) increase the “Collateral Base Floor Reduction Amount” (defined in the Priority Term Loan Credit Agreement) to \$31 million immediately upon entry of this Final Order, (iii) reduce the Minimum Cash Amount (defined in the Priority Term Loan Credit Agreement) to \$0, (iv) revise the definition of “First Priority Collateral” (defined in the Priority Term Loan Credit Agreement) to include all ABL Priority Collateral (as defined in the Intercreditor Agreement (as amended by the Intercreditor Amendment (as defined in Amendment No. 5)) and this Final Order), (v) provide that the liens on the PPE Collateral securing the Priority Term Loan Obligations are perfected first priority security interests up to the first \$31 million of the value and/or proceeds thereof and, upon recovery by Priority Term Loan Secured Creditors of such amount from the PPE Collateral, the liens of the Priority Term Loan Agent on the PPE Collateral shall have third priority, (vi) provide that Incremental Loans are not available under the Priority Term Loan Credit Agreement and (vii) delete and render null and void Section 5 of Amendment No. 5 and Section 7 of Amendment No. 1 to Intercreditor; and (b) the Debtors shall be permitted to transfer \$9.5 million of the Disbursed Cash Collateral from the Dominion Accounts to the Debtors’ operating account. The Consent Fee was paid in kind and added to the principal (and shall thereafter accrue interest)

with respect to the Priority Term Loan Obligations (and constitutes Priority Term Loan Obligations) immediately and without further action upon entry of the Interim Order.

2. Objections Overruled. All objections to the use of Cash Collateral to the extent not withdrawn or resolved are hereby overruled.

3. Subject to the terms and conditions of this Final Order, and subject to and solely to the extent provided in the Budget (subject to the Permitted Variance), the Debtors are authorized to use Cash Collateral until the Termination Notice Date (as defined herein) (subject to the Remedies Notice Period (as defined herein)); *provided* that the use of Cash Collateral for Allowed Professional Fees, including the Post Trigger Notice Carve Out Amount and the application of amounts from the Professional Fee Reserve and for the payment of any Adequate Protection Payments, shall not be subject to the Budget; *provided, further*, that notwithstanding any other provisions set forth herein, the Debtors are not authorized to use any Excluded Cash Collateral. For the avoidance of doubt and notwithstanding anything set forth herein or in the Budget, the Debtors shall promptly make all Adequate Protection Payments when and as due as set forth in this Final Order. Nothing in this Final Order shall authorize the disposition of any assets of the Debtors or their estates outside the ordinary course of business (which shall be subject to further orders of this Court), or any Debtor's use of any Cash Collateral or other proceeds resulting therefrom, except as permitted in this Final Order.

4. Adequate Protection Payments.

(a) The Debtors are hereby authorized to pay the Priority Term Loan Adequate Protection Payments, the FILO Term Loan Adequate Protection Payments and the Exit Term Loan Adequate Protection Payments without need to obtain further Court approval, including, without

limitation, the Priority Term Loan Professional Fee Payments, the FILO Term Loan Professional Fee Payments, and the Exit Term Loan Professional Fee Payments.¹¹

(b) The Priority Term Loan Secured Creditors shall receive adequate protection in the form of the Priority Term Loan Adequate Protection Payments when such payments are due in accordance with the Priority Term Loan Credit Agreement (other than the Priority Term Loan Professional Fee Payments, which shall be payable in accordance with paragraph 14 below).¹²

(c) The FILO Term Loan Secured Creditors shall receive adequate protection in the form of the FILO Term Loan Adequate Protection Payments when such payments are due in accordance with the FILO Term Loan Agreement (other than the FILO Term Loan Professional Fee Payments, which shall be payable in accordance with paragraph 14 below).¹³

(d) The Exit Term Loan Secured Creditors shall receive adequate protection in the form of the Exit Term Loan Adequate Protection Payments when such payments are due in accordance with the Exit Term Loan Agreement (other than the Exit Term Loan Professional Fee Payments, which shall be payable in accordance with paragraph 14 below).¹⁴

¹¹ In the event that the Priority Term Loan Secured Creditors, FILO Term Loan Secured Creditors and/or Exit Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the Priority Term Loan Adequate Protection Payments, the FILO Term Loan Adequate Protection Payments and/or the Exit Term Loan Adequate Protection Payments, as applicable, as payments on principal in respect of the Priority Term Loan Obligations, the FILO Term Loan Obligations and/or the Exit Term Loan Obligations, as applicable, and/or (ii) disgorgement of any Priority Term Loan Adequate Protection Payments, FILO Term Loan Adequate Protection Payments or Exit Term Loan Adequate Protection Payments, as applicable, received by the Priority Term Loan Secured Creditors, FILO Term Loan Secured Creditors and Exit Term Loan Secured Creditors, respectively, are expressly reserved.

¹² In the event that the Priority Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the Priority Term Loan Adequate Protection Payments as payments on principal in respect of the Priority Term Loan Obligations and/or (ii) disgorgement of any Priority Term Loan Adequate Protection Payments received by the Priority Term Loan Secured Creditors are expressly reserved.

¹³ In the event that the FILO Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the FILO Term Loan Adequate Protection Payments as payments on principal in respect of the FILO Term Loan Obligations and/or (ii) disgorgement of any FILO Term Loan Adequate Protection Payments received by the FILO Term Loan Secured Creditors are expressly reserved.

¹⁴ In the event that the Exit Term Loan Secured Creditors are determined to be undersecured, the rights of all parties in interest to seek (i) to recharacterize the Exit Term Loan Adequate Protection Payments as payments on principal in

5. Adequate Protection Liens.

(a) *Creation of Adequate Protection Liens.* To the extent of any diminution in value of their respective Prepetition Liens on the Prepetition Collateral, each of the Prepetition Secured Creditors shall be granted, subject to the priorities set forth in this Final Order, the Adequate Protection Liens on all of the Debtors' right, title and interest in and to all of the real and personal property of such Debtor, in each case whether now or hereafter existing, whether tangible or intangible, whether now owned or hereafter acquired, wherever the same may be located and whether or not subject to the UCC, including, without limitation, the following (the "**Adequate Protection Collateral**"):

- (i) all Accounts;
- (ii) all Chattel Paper;
- (iii) all Money and all Deposit Accounts, together with all amounts on deposit from time to time in such Deposit Accounts;
- (iv) all Documents;
- (v) all General Intangibles, including all intellectual property, Payment Intangibles and Software;
- (vi) all Goods, including Inventory, Equipment and Fixtures;
- (vii) all Instruments;
- (viii) all Investment Property and real property;
- (ix) all Letter-of-Credit Rights and other Supporting Obligations;
- (x) all Records;

respect of the Exit Term Loan Obligations and/or (ii) disgorgement of any Exit Term Loan Adequate Protection Payments received by the Exit Term Loan Secured Creditors are expressly reserved.

(xi) all Commercial Tort Claims; and

(xii) all Proceeds and Accessions with respect to any of the foregoing Adequate Protection Collateral.

Each category of Adequate Protection Collateral shall have the meaning set forth in the UCC (to the extent such term is defined in the UCC). Notwithstanding the foregoing, the Adequate Protection Collateral shall not include any (i) claims and causes of action under Section 502(d), 544, 545, 547, 548 and 550 of the Bankruptcy Code (the “**Avoidance Actions**”), *provided* that if any other party is granted a lien on Avoidance Actions, the Adequate Protection Collateral shall include, and the Adequate Protection Liens shall attach to, Avoidance Actions with the same priority as otherwise provided herein; (ii) fee reserves or escrows established for the purpose of satisfying the fees and expenses of Case Professionals (the “**Professional Fee Reserve**”) except to the extent of any Loan Party’s reversionary interest in any excess remaining in the Professional Fee Reserve after the payment in full of all Allowed Professional Fees (which, with respect to Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice, shall not exceed the Post Trigger Notice Carve Out Amount); (iii) “Adequate Assurance Deposits” (as defined in the Utilities Motion (as defined below)) maintained in any “Utility Deposit Account” (as defined in the Utilities Motion) pursuant to interim or final orders of the Court granting the *Debtors’ Motion for Entry of Interim and Final Orders (I) Determining Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Services, (III) Establishing Procedures for Determining Adequate Assurance of Payment, and (IV) Scheduling a Final Hearing* (the “**Utilities Motion**”) and deposits held directly by Huntsville Utilities, CNEG, Duke Energy, Piedmont Natural Gas, and Sprague Operating Resources, in each case, except to the extent of any Loan Party’s reversionary interest in any excess

deposit remaining after the claims of such entities are paid in full; (iv) cash deposits existing as of the Petition Date in connection with workers' compensation, unemployment insurance and other types of social security benefits (including cash deposits securing letters of credit posted in respect of such benefits) except to the extent of any Loan Party's reversionary interest in any excess deposit remaining after the claims of such entities are paid in full; or (v) the proceeds of the foregoing.

(b) *Treatment of Adequate Protection Liens.*

(i) Other than as set forth herein, the Adequate Protection Liens shall be senior to any lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any cases under Chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases (collectively, "**Successor Cases**"). The Adequate Protection Liens shall be valid and enforceable against any trustee or other estate representative appointed in the Chapter 11 Cases or any Successor Cases, upon the conversion of any of the Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code (or in any other Successor Cases), and/or upon the dismissal of any of the Chapter 11 Cases or Successor Cases.

(ii) The Adequate Protection Liens granted to the Priority Term Loan Secured Creditors shall be subordinate and subject only to (i) the Permitted Prior Liens to the extent they have priority over the Priority Term Loan Liens as of the Petition Date and (ii) the Carve-Out and the claims of any Case Professionals payable from the Professional Fee Reserve (which, with respect to Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice, shall not exceed the Post Trigger Notice Carve Out Amount).

(iii) The Adequate Protection Liens granted to the FILO Term Loan Secured Creditors shall be subordinate and subject only to (i) the Priority Term Loan Liens and the

Adequate Protection Liens granted to the Priority Term Loan Secured Creditors, (ii) the Permitted Prior Liens to the extent they have priority over the FILO Term Loan Liens as of the Petition Date, and (iii) the Carve-Out and the claims of any Case Professionals payable from the Professional Fee Reserve (which, with respect to Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice, shall not exceed the Post Trigger Notice Carve Out Amount).

(iv) The Adequate Protection Liens granted to the Exit Term Loan Secured Creditors will be subordinate and subject only to (i) the Priority Term Loan Liens and the Adequate Protection Liens granted to the Priority Term Loan Secured Creditors, (ii) the FILO Term Loan Liens and the Adequate Protection Liens granted to the FILO Term Loan Secured Creditors, (iii) the Permitted Prior Liens to the extent they have priority over the Exit Term Loan Liens as of the Petition Date, and (iv) the Carve-Out and the claims of any Case Professionals payable from the Professional Fee Reserve (which, with respect to Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice, shall not exceed the Post Trigger Notice Carve Out Amount). For the avoidance of doubt, the Adequate Protection Liens granted to the Priority Term Loan Secured Creditors shall be senior to and have priority over the Adequate Protection Liens granted to the other Prepetition Secured Creditors, subject to the terms and conditions of the Intercreditor Agreement.

6. Adequate Protection Superpriority Claims.

(a) *Superpriority Claim of Prepetition Secured Creditors.* As further adequate protection of the interests of the Prepetition Secured Creditors with respect to the Prepetition Secured Obligations, the Prepetition Secured Creditors shall be granted, subject to the priorities set forth in this Final Order, the Adequate Protection Superpriority Claims to the extent that the Adequate Protection Liens do not adequately protect against any diminution in the value of the

Prepetition Secured Creditors' interests in the Prepetition Collateral. The Adequate Protection Superpriority Claims shall be payable from or have recourse to all pre- and postpetition property of the Debtors and all proceeds thereof, including the proceeds of Avoidance Actions.

(b) *Priority of Adequate Protection Superpriority Claims.*

(i) The Adequate Protection Superpriority Claims granted to the Priority Term Loan Secured Creditors will be (i) junior only to (A) claims included in the Carve-Out and (B) claims to the extent secured by the Permitted Prior Liens solely to the extent they have priority over the Priority Term Loan Liens as of the Petition Date and (ii) senior to the Adequate Protection Superpriority Claims granted to the Prepetition Secured Creditors (other than the Priority Term Loan Secured Creditors).

(ii) The Adequate Protection Superpriority Claims granted to the FILO Term Loan Secured Creditors will be junior only to (i) claims included in the Carve-Out, (ii) the Priority Term Loan Obligations, the Priority Term Loan Liens, the Adequate Protection Liens granted to the Priority Term Loan Secured Creditors, and the Adequate Protection Superpriority Claims granted to the Priority Term Loan Secured Creditors, and (iii) claims to the extent secured by the Permitted Prior Liens to the extent they have priority over the FILO Term Loan Liens as of the Petition Date.

(iii) The Adequate Protection Superpriority Claims granted to the Exit Term Loan Secured Creditors will be junior only to (i) claims included in the Carve-Out, (ii) the Priority Term Loan Obligations, the Priority Term Loan Liens, the Adequate Protection Liens granted to the Priority Term Loan Secured Creditors, and the Adequate Protection Superpriority Claims granted to the Priority Term Loan Secured Creditors, (iii) the FILO Term Loan Obligations, the FILO Term Loan Liens, the Adequate Protection Liens granted to the FILO Term Loan Secured

Creditors, and the Adequate Protection Superpriority Claim granted to the FILO Term Loan Secured Creditors, and (iv) claims to the extent secured by the Permitted Prior Liens to the extent they have priority over the Exit Term Loan Liens as of the Petition Date.

(iv) The Adequate Protection Superpriority Claims granted to the Prepetition Secured Creditors will otherwise have priority over administrative expenses of the kinds specified in or ordered pursuant to Sections 503(b) and 507(b) of the Bankruptcy Code. For the avoidance of doubt, the Adequate Protection Superpriority Claims granted to the Priority Term Loan Secured Creditors shall be senior to and have priority over the Adequate Protection Superpriority Claims of the other Prepetition Secured Creditors, subject to the terms and conditions of the Intercreditor Agreement.

7. Budget Maintenance. The initial budget (a copy of which is attached hereto as Exhibit 1) (as the same may be modified from time to time consistent with this Final Order, the “**Budget**”)¹⁵ shall be in form and substance reasonably acceptable to the Prepetition Secured

¹⁵ The Budget shall include (i) administrative expenses incurred during the Budget Period, (ii) application of the sale proceeds plus, in the Debtors’ discretion after the satisfaction in full of the Obligations (as defined in the Priority Term Loan Documents and including all applicable Adequate Protection Payments and Priority Term Loan Obligations) in cash, remaining unused amounts in the Budget, if any, in an amount not to exceed \$2.0 million, to fund wind-down costs as set forth under the heading “Post-Sale Bankruptcy Related Expenses” and “Accrued Operating Expenses”, and (iii) any transition service costs and any required expense reimbursement or break-up fee incurred to a stalking horse bidder imposed on the estates in connection with any Court approved Section 363 asset purchase agreement not otherwise provided for in the Budget; *provided that* (a) for the avoidance of doubt the “Accrued Operating Expenses” set forth on page 2 of the Budget do not include, and therefore do not authorize the expenditure on account of, any prepetition claims, charges, or expenses whatsoever, including, but not limited to, claims arising pursuant to Section 503(b)(9) of the Bankruptcy Code, or prepetition taxes, or any other claim, charge, or expense relating to periods prior to the occurrence of the Petition Date and (b) upon completion of the wind-down by virtue of this Court’s entry of an order so confirming, any unused budgeted amounts in wind-down costs as set forth under the heading “Post-Sale Bankruptcy Related Expenses” and “Accrued Operating Expenses” shall continue to constitute Cash Collateral subject to the terms and conditions of this Final Order and remain in (or immediately revert to) the Debtors’ operating account subject to the priorities and the other distribution provisions of this Final Order or other order of the Court. For further avoidance of doubt, the Prepetition Secured Creditors agree that the Budget shall include the “Post-Sale Bankruptcy Related Expenses” and “Accrued Operating Expenses” in the Budget, and have authorized the retention and use of sale proceeds of up to \$15.9 million for such purposes plus, after the satisfaction in full of the Obligations (as defined in the Priority Term Loan Documents and including all applicable Adequate Protection Payments and Priority Term Loan Obligations) in cash, remaining unused amounts in the Budget, if any, in an amount not to exceed \$2.0 million. With respect to the Post-Sale Bankruptcy Related Expenses and Accrued Operating Expenses in the Budget, the \$15.9 million allocation is an aggregate amount and any proposed disbursement for any particular line item that is not, in

Creditors constituting requisite lenders under each Prepetition Secured Credit Facility. The Debtors shall update the Budget on Friday of each week by delivery of a copy of each updated Budget to counsel to the Priority Term Loan Agent, counsel to Whitebox Advisors LLC, counsel to the FILO Agent and Exit Term Loan Agent, counsel to the FILO Lenders, and counsel to the Committee. Such proposed updated Budget shall become the applicable Budget unless (x) the Priority Term Loan Agent (at the direction, or with the consent, of the Required Lenders (as defined in the Priority Term Loan Credit Agreement)) or (y)(i) after the payment in full in cash of the Priority Term Loan Obligations, but prior to the payment in full of the FILO Term Loan Obligations, the FILO Agent (at the direction, or with the consent, of the Required Lenders (as defined in the FILO Term Loan Agreement)), and (ii) after the payment in full in cash of the Priority Term Loan Obligations and the FILO Term Loan Obligations, the Exit Term Loan Agent (at the direction, or with the consent, of the Required Lenders (as defined in the Exit Term Loan Agreement)) (as applicable, the “**Controlling Agent**”) shall have delivered to the Debtors a written notice that such proposed updated Budget is not reasonably acceptable to the Controlling Agent, as applicable, by 5:00 p.m. (New York City time), on the day that is three (3) business days after receipt thereof, and upon receipt of such notice, the previously delivered Budget shall continue to constitute the applicable Budget until a Budget is agreed to among the Debtors, the Controlling Agent (such acceptance not to be unreasonably withheld, delayed or conditioned) in accordance with this paragraph. On or before Friday of each week after the Petition Date, the Debtors shall deliver to the Priority Term Loan Agent, Whitebox Advisors LLC, the FILO Agent, the FILO Lenders, the Exit Term Loan Agent, and the Committee (and to counsel to each of the foregoing)

fact, disbursed for such line item, may be disbursed for another line item in the Post-Sale Bankruptcy Related Expenses and/or Accrued Operating Expenses set forth in the Budget (provided that the amounts allocated for Professionals Fees may not be reallocated until after final allowance of Professional Fees).

a report showing (i) actual receipts on a weekly and cumulative basis through the previous Friday for the prior two (2) week period, (ii) actual disbursements on a weekly and cumulative basis through the previous Friday for the prior four (4) week period, (iii) actual fees of Case Professionals set forth in Fees Statements (as defined below) received by the Debtors on cumulative basis through the previous Friday for the Budget Period (as defined below), and (iv) a comparison to the same periods in the Budget, including variances of cash receipts, disbursements, and fees of Case Professionals for those periods (the “**Variance Report**”). The Debtors shall (a) deliver written notice to counsel to the Prepetition Agents and the Committee promptly upon the Debtors obtaining knowledge that the aggregate amount of the fees of Case Professionals set forth in all Fee Statements received by the Debtors during the Initial Budget Period and any additional Budget Period exceed the aggregate amount of projected fees of Case Professionals set forth in the Budget dated July 27, 2020, (b) to the extent that the Required Lenders (as defined in the Prepetition Credit Documents) have agreed to a Budget of fees for Case Professionals for any Subsequent Budget Period, agree to deliver written notice to counsel to the Prepetition Agents and the Committee promptly upon the Debtors obtaining knowledge that the aggregate amount of the fees of Case Professionals set forth in all Fee Statements received by the Debtors during such Budget Period exceed the aggregate amount of projected fees of Case Professionals set forth in such Budget approved by Prepetition Secured Creditors; and (c) the Debtors will hold and participate in biweekly conference calls at a time mutually agreed between the Borrower and the Prepetition Agents with all Prepetition Secured Creditors and advisors to the Committee who choose to attend such call during which call the Budget and the Variance Report shall be reviewed by the Borrower.

8. Modification of Automatic Stay. The automatic stay imposed under Section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Final Order, including, without limitation, to permit the Debtors to grant the Adequate Protection Liens and the Adequate Protection Superpriority Claims, and to make the Adequate Protection Payments.

9. Perfection of Adequate Protection Liens.

(a) *Automatic Perfection of Liens.* The Interim Order and this Final Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of all liens granted herein, including the Adequate Protection Liens, without the necessity of filing or recording any financing statement, mortgage, notice, or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action (including, for the avoidance of doubt, entering into any deposit account control agreement, collateral access agreement, customs broker agreement or freight forwarding agreement) to validate or perfect (in accordance with applicable non-bankruptcy law) the Adequate Protection Liens, or to entitle the Prepetition Secured Creditors to the priorities granted herein.

10. Proceeds of Subsequent Financing. If the Debtors, any trustee, any responsible officer or any other estate representative subsequently appointed in the Chapter 11 Cases or any Successor Cases shall obtain credit or incur debt pursuant to Sections 364(b), 364(c) or 364(d) of the Bankruptcy Code at any time prior to the repayment in full in cash of all Prepetition Secured Obligations, including subsequent to the confirmation of any plan of reorganization or liquidation with respect to any or all of the Debtors and the Debtors' estates, but excluding any such credit or debt extended by any person that has prior to or concurrently with extending such credit or debt has entered into an asset purchase agreement with one or more of the Debtors, then all the cash

proceeds derived from such credit or debt shall immediately be turned over (i) first, to the Priority Term Loan Agent for application to any accrued and unpaid Priority Term Loan Adequate Protection Payments and any Adequate Protection Superpriority Claim of the Priority Term Loan Secured Creditors and thereafter for application to the Priority Term Loan Obligations in accordance with the Priority Term Loan Documents until the Priority Term Loan Obligations are paid in full in cash, (ii) second, to the FILO Agent for application to any accrued and unpaid FILO Term Loan Adequate Protection Payments and any Adequate Protection Superpriority Claim of the FILO Term Loan Secured Creditors and thereafter for application to the FILO Term Loan Obligations in accordance with the FILO Term Loan Documents until the FILO Term Loan Obligations are paid in full in cash, (iii) third, to the Exit Term Loan Agent for application to any accrued and unpaid Exit Term Loan Adequate Protection Payments and any Adequate Protection Superpriority Claim of the Exit Term Loan Secured Creditors and thereafter for application to the Exit Term Loan Obligations in accordance with the Exit Term Loan Documents until the Exit Term Loan Obligations are paid in full in cash, and (iv) thereafter, in accordance with the Bankruptcy Code or as may otherwise be ordered by the Court.

11. Termination Events. With respect to (1) the Priority Term Loan Secured Creditors prior to the payment in full in cash of the Priority Term Loan Obligations, any outstanding Priority Term Loan Adequate Protection Payments and Adequate Protection Superpriority Claims of the Priority Term Loan Secured Creditors, (2) the FILO Term Loan Secured Creditors prior to the payment in full in cash of the FILO Term Loan Obligations, any outstanding FILO Term Loan Adequate Protection Payments and Adequate Protection Superpriority Claims of the FILO Term Loan Secured Creditors, and (3) the Exit Term Loan Secured Creditors prior to the payment in full in cash of the Exit Term Loan Obligations, any outstanding Exit Term Loan Adequate Protection

Payments and Adequate Protection Superpriority Claims of the Exit Term Loan Secured Creditors, the term “**Termination Event**” with respect to the Debtors’ use of Cash Collateral means the occurrence of one or more of the following events:

(i) the passing of 5:00 p.m. (prevailing Central Time) the date that is 135 days after the Petition Date (unless extended with the written consent of the applicable Prepetition Agent, acting at the direction of the Required Lenders (as defined in the applicable Prepetition Credit Documents), in its sole discretion, which extension thereof shall be effective without further application to, or approval by, the Court);

(ii) without the written consent of the applicable Prepetition Agent, acting at the direction of the Required Lenders (as defined in the applicable Prepetition Credit Documents), any Debtor files a motion, pleading or application seeking, or the Court enters an order, (A) appointing an interim or permanent trustee in the Chapter 11 Cases or the appointment of an examiner in the Chapter 11 Cases having enlarged powers relating to the operation of the business of the Debtors under Section 1106(b) of the Bankruptcy Code; (B) dismissing the Chapter 11 Cases or converting the Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code; (C) granting relief from or modifying the automatic stay of Section 362 of the Bankruptcy Code (1) to allow one or more creditors to execute upon or enforce a lien on any portion of the Prepetition Collateral or the Adequate Protection Collateral having a book value in excess of \$5,000,000 in the aggregate or (2) with respect to any lien of, or the granting of any lien on any Prepetition Collateral or any other property or assets of any Debtor to, any state or local environmental or regulatory agency or authority; (D) to the extent adversely affecting the rights of the applicable Prepetition Secured Creditors, amending, supplementing, staying, reversing, vacating or otherwise modifying any of this Final Order or the applicable Prepetition Secured Creditors’ rights, benefits, privileges or remedies under this Final Order or any other Prepetition Credit Document; (E) confirming a Chapter 11 plan for the Debtors or any modification thereto over the objection of any of the Priority Term Loan Secured Creditors that (i) does not provide for the satisfaction in full of the Obligations (as defined in the Priority Term Loan Documents and including all applicable Adequate Protection Payments and Priority Term Loan Obligations) in cash or (ii) reinstates the Priority Term Loan Obligations; or (F) confirming a Chapter 11 plan for the Debtors or any modification thereto over the objection of any of the FILO Term Loan Secured Creditors or Exit Term Loan Secured Creditors that does not either (1) provide for the satisfaction in full of the Obligations (as defined in the applicable Prepetition Credit Documents) in cash or (2) provide for payments to the Prepetition Secured Creditors in respect of their Adequate Protection Superpriority Claims and Prepetition Secured Obligations in accordance with the respective priorities among the Prepetition Secured Creditors set forth in Section 1129(b) of the Bankruptcy Code, subject to the Intercreditor Agreement and this Final Order;

(iii) the effective date of any confirmed Chapter 11 plan for the Debtors or any Debtor;

(iv) the entry of any order of the Court terminating the Debtors' use of Cash Collateral as to the applicable Prepetition Secured Creditors;

(v) the failure by the Debtors to make any payment to such Prepetition Secured Creditors required pursuant to this Final Order within five (5) business days of when due;

(vi) any proceeding is commenced by any Debtor seeking, or otherwise consenting to, (x) the invalidation, subordination, or other challenge to the Prepetition Secured Obligations, Prepetition Liens, the Adequate Protection Liens of the Prepetition Secured Creditors or the Adequate Protection Superpriority Claims of the Prepetition Secured Creditors or (y) any relief under section 506(c) of the Bankruptcy Code with respect to any Prepetition Collateral, including the Cash Collateral;

(vii) the failure by the Debtors to deliver to the applicable Prepetition Secured Creditors any of the documents, reporting, or other information required to be delivered pursuant to this Final Order or the Prepetition Credit Documents when due (excluding, in each case, any notice required solely as a result of the commencement of the Chapter 11 Cases) and (a) with respect to any regularly scheduled deliverables, such failure continues for five (5) business days after written notice thereof from the applicable Prepetition Agent, (b) with respect to any other such deliverables, such failure continues for the greater of any grace period therefor in the applicable Prepetition Credit Documents and five (5) business days, or (c) any such documents or other information shall contain a material misrepresentation;

(viii) as of the date of the most recent Variance Report, commencing with the Variance Report delivered for the first full four-week period after the Petition Date, the Debtors shall have made any cash disbursement during any Trailing Four-Week Period¹⁶ that would cause the total amount of actual cash disbursements for such Trailing Four-Week Period to exceed the total amount of projected cash disbursements set forth in the Budget for such Trailing Four-Week Period by more than seventeen and one half percent (17.5%) of such projected cash disbursements in the aggregate for such Trailing Four-Week Period ("**Permitted Variance**"); *provided* that the foregoing does not prevent (and the foregoing calculation shall not include) any cash disbursements used to pay the fees and expenses of Case Professionals from the Professional Fee Reserve or the Carve Out or any payment of the Adequate Protection Payments; *provided further* that to the extent that disbursements set forth in the Budget for any Trailing Four-Week Period are not, in fact, disbursed during such period, the budgeted disbursements for subsequent Budget periods shall be amended so that the Debtors may carry forward any unspent budgeted disbursements from prior periods, which may be used by the Debtors to reduce expense variances;

(ix) until the Priority Term Loan Secured Obligations have been paid in full in cash and, in the case of the FILO Term Loan Obligations and Exit Term Loan

¹⁶ "**Trailing Four-Week Period**" means the four-week period up to and through the Friday of the most recent week then ended.

Obligations, satisfied in accordance with their treatment under a Chapter 11 plan for the Debtors, as of the date of the most recent Variance Report, commencing the Friday of the first full calendar week after the Petition Date, actual cash receipts of the Debtors, on a consolidated basis, during any Trailing Two-Week Period¹⁷ set forth in the Budget shall be less than sixty-five percent (65)% of the total amount of set forth in the Budget for all receipts during such Trailing Two-Week Period; *provided* that in the event that actual cash receipts of the Debtors, on a consolidated basis, exceed the amount set forth in the Budget for any Trailing Two-Week Period set forth in the Budget, the excess budgeted receipts may be carried forward to subsequent measurement periods ; *provided further* that if actual cash receipts of the Debtors, on a consolidated basis, are less than sixty-five percent (65%) of the amount set forth in the Budget for any Trailing Two-Week Period set forth in the Budget solely as a result of a delay in receipt of one or more identifiable receivable(s) that were projected to be received during such Trailing Two-Week Period in the Budget, then Remington may provide the Prepetition Agents with documentation showing receipt of such receivable(s) not more than seven (7) days after the end of such Trailing Two-Week Period, and such receivable(s) shall be treated as having being received during such Trailing Two-Week Period;

(x) the failure of the Debtors to observe or perform any of the material terms or material provisions contained in this Final Order and such failure continues unremedied for five (5) days after notice thereof from the applicable Prepetition Agent;

(xi) failure of the Debtors to execute one or more asset purchase agreements, in form and substance reasonably satisfactory to Priority Term Loan Secured Creditors, evidencing the sale of at least \$50 million of the Debtors' property and assets in the aggregate within forty-five (45) days after the Petition Date;

(xii) the failure of an order approving the Sale Procedures Motion¹⁸ to have been entered within thirty-five (35) days after the Petition Date or such other date as may be extended by the Controlling Agent;

(xiii) entry of an order of this Court approving the terms of any debtor in possession financing for any of the Debtors having priority over the Prepetition Secured Obligations or secured by liens having priority over the Prepetition Liens or Adequate Protection Liens other than financing approved by the Prepetition Agents (acting at the direction of the Required Lenders (as defined in the applicable Prepetition Credit Documents));

¹⁷ **"Trailing Two-Week Period"** means the two-week period up to and through the Friday of the most recent week then ended or if a two-week period has not then elapsed from the Petition Date, the period from the Petition Date through the Friday of the most recent week ended.

¹⁸ **"Sale Procedures Motion"** means a motion, in form and substance reasonably acceptable to the Prepetition Agents (acting at the direction of the Required Lenders (as defined in the applicable Prepetition Credit Documents)), establishing procedures for the sale of certain assets of the Debtors.

(xiv) the failure of this Final Order to have been entered within forty-five (45) days after the Petition Date or such other date as may be extended by the Controlling Agent;

(xv) the failure of an order of the Court approving one or more sales of at least \$50 million of the Debtors' assets in the aggregate to have been entered by the date that is 107 days after the Petition Date or such other date as may be extended by the Prepetition Agents, acting at the direction of Required Lenders (as defined in the applicable Prepetition Credit Documents);

(xvi) the failure of the Asset Sale Closing to occur by the date that is 143 days after the Petition Date or such other date as may be extended by the Prepetition Agents, acting at the direction of Required Lenders (as defined in the applicable Prepetition Credit Documents);

(xvii) the failure to comply with Section 7.9 of the Priority Term Loan Credit Agreement; or

(xviii) as of the date of the most recent Variance Report, the aggregate amount of fees of Case Professionals set forth in all Fee Statements received by the Debtors during the Budget Periods (including the Initial Budget Period, the Wind-down Budget Period, and (if applicable) any Subsequent Budget Period)¹⁹ exceed the aggregate amount of projected fees of Case Professionals set forth in the Budget dated July 27, 2020 (which, for the avoidance of doubt, for the Initial Budget Period, is \$8,445,750), *provided* that the Prepetition Secured Creditors may consent, in their sole discretion, to a Budget of fees for Case Professionals in amounts satisfactory to Prepetition Secured Creditors, in their sole discretion, to be incurred during subsequent Budget Periods, including with respect to any Subsequent Budget Period, such amount as the Prepetition Secured Creditors consent to, in their sole discretion; *provided* that the foregoing does not (a) restrict the payment of the fees or expenses of any Case Professional or affect the priority of the Carve-Out or (b) prevent (and the foregoing calculation shall not include) any payment of the Transaction Fee (solely to the extent that the Transaction Fee is not included in the Budget) from any asset sale proceeds or payment of the Adequate Protection Payments; *provided further* that to the extent that disbursements set forth in the Budget for the fees and expenses of Case Professionals in any Budget Period are not, in fact, disbursed during such period, the Debtors may carry forward any unspent budgeted disbursements for the fees and expenses of Case Professionals to a subsequent Budget Period (for the avoidance of doubt, if the Prepetition Secured Creditors do not agree to a Budget of fees for Case Professionals for a Subsequent Budget Period and the sale of substantially all assets of the Debtors is not consummated in the Initial Period, a Termination Event shall occur when the aggregate

¹⁹ “**Budget Period**” means (i) initially the nine (9) week period commencing on the Petition Date (the “**Initial Budget Period**”) and (ii) thereafter, the wind-down period through the estimated effective date of a chapter 11 plan (the “**Wind-down Budget Period**”); *provided* that in the event the sale of substantially all assets of the Debtors is not consummated within the Initial Budget Period, if the Required Lenders (as defined in the Prepetition Credit Documents) consent to a Budget (in their sole and absolute discretion) for an additional Budget Period subsequent to the Initial Budget Period and prior to the Wind-down Budget Period, such additional Budget Period shall be referred to as the “**Subsequent Budget Period**”.

amount of fees of Case Professionals set forth in all Fee Statements received by the Debtors during the Budget Periods (including the Initial Budget Period, the Wind-down Budget Period, and (if applicable) any Subsequent Budget Period) exceeds the aggregate amount of projected fees of Case Professionals set forth in the Budget dated July 27, 2020).

12. Rights and Remedies Upon a Termination Event.

(a) *Termination.* Immediately upon the occurrence and during the continuance of a Termination Event, the Controlling Agent may notify the Debtors in writing that the use of Cash Collateral is terminated (such notice, a “**Termination Notice**” and the date of any such notice, the “**Termination Notice Date**”).

(b) *Notice of Termination.* Any Termination Notice shall be given by electronic mail (or other electronic means) to counsel to the Debtors, counsel to the Debtors’ special restructuring committee comprised solely of independent and disinterested directors (the “**Restructuring Committee**”) (Akin Gump Strauss Hauer & Feld LLP, Attn: Sarah Schultz), counsel to the Committee (Fox Rothschild LLP, Attn: Gordon Gouveia and Michael Sweet), the Bankruptcy Administrator (Attn: Richard Blythe), counsel to the Priority Term Loan Agent (Shipman & Goodwin LLP, Attn: Nate Z. Plotkin and Kathleen M. LaManna), counsel to Whitebox Advisors LLC (Brown Rudnick LLP, Attn: Andreas P. Andromalos and Tia C. Wallach), counsel to the FILO Agent and the Exit Term Loan Agent (Davis Polk & Wardwell LLP, Attn: Donald Bernstein and Joanna McDonald), and counsel to the FILO Lenders (Pillsbury Winthrop Shaw Pittman LLP, Attn: Joshua D. Morse).

(c) Unless the Court orders otherwise, upon the expiration of a period of five (5) business days after the Termination Notice Date (the “**Remedies Notice Period**”):

(i) with respect to a Termination Notice delivered by the Priority Term Loan Agent: (i) the use of Cash Collateral of the Priority Term Loan Secured Creditors shall cease (except to fund the Carve-Out); (ii) the Priority Term Loan Obligations shall be due

and payable, without further notice or demand, and (iii) any automatic stay otherwise applicable to the Priority Term Loan Secured Creditors is hereby modified so that the Priority Term Loan Secured Creditors shall be entitled to exercise all rights and remedies against the PPE Collateral (up to the first \$31 million of the value thereof) and the Excluded Cash Collateral in accordance with the Priority Term Loan Documents and this Final Order, and shall be permitted to satisfy therefrom, as applicable, any outstanding Priority Term Loan Adequate Protection Payments, Adequate Protection Superpriority Claims of the Priority Term Loan Secured Creditors, the Priority Term Loan Liens and the other Priority Term Loan Obligations, in accordance with the priorities set forth in this Final Order, and subject only to the Carve-Out and Permitted Prior Liens;

(ii) with respect to a Termination Notice delivered by the Controlling Agent, (i) the use of Cash Collateral of the Prepetition Secured Creditors shall cease (except to fund the Carve-Out) and (ii) such Controlling Agent (at the direction of Required Lenders (as defined in the applicable Prepetition Credit Documents)) shall be entitled to file a motion on seven (7) business days' notice thereafter seeking relief (subject to the Intercreditor Agreement) from the automatic stay, and the Debtors are deemed to consent to the hearing of such motion on seven (7) business days' notice.

(d) During the Remedies Notice Period, the Debtors shall be entitled to seek, and each of the Prepetition Secured Creditors is deemed to consent to, an emergency hearing with the Court for the sole purpose of contesting a Termination Notice solely on the basis of whether a Termination Event has occurred. During the Remedies Notice Period, the Debtors may continue to use the Cash Collateral subject to the terms of this Final Order and the Budget (subject to the Permitted Variance), and to fund the Carve-Out.

13. Good Faith; No Modification or Stay of this Final Order. The Prepetition Secured Creditors have acted in good faith in connection with this Final Order and its reliance on this Final Order is in good faith. Based on the findings set forth in this Final Order and the record made during the Interim Hearing and the Final Hearing, in the event any or all of the provisions of this Final Order are hereafter reversed, modified, amended or vacated by a subsequent order of this Court, or any other court, the Prepetition Secured Creditors are entitled to the protections provided in Section 363(m) of the Bankruptcy Code. Any such reversal, modification, amendment or vacatur shall not affect the validity and enforceability of any lien, claim or priority authorized or created hereby, *provided* that this Final Order was not stayed by court order after due notice had been given to the Prepetition Secured Creditors at the time the liens, claims or priorities were authorized and/or created. Any liens or claims granted to the Prepetition Secured Creditors hereunder arising prior to the effective date of any such reversal, modification, amendment or vacatur of this Final Order shall be governed in all respects by the original provisions of this Final Order, including entitlement to all rights, remedies, privileges and benefits granted herein, *provided* that this Final Order was not stayed by court order after due notice had been given to the Prepetition Secured Creditors at the time the liens, claims or priorities were authorized and/or created.

14. Expenses. The Debtors are authorized to pay (i) the Priority Term Loan Professional Fee Payments, (ii) the FILO Term Loan Professional Fee Payments and (iii) the Exit Term Loan Professional Fee Payments, in each case, upon the Debtors' receipt of invoices for the payment thereof. Payment of any fees and expenses of professionals retained by the Priority Term Loan Secured Creditors, the FILO Term Loan Secured Creditors, or the Exit Term Loan Secured Creditors shall (a) not be subject to allowance by the Court and (b) be made promptly within six

(6) business days of receipt by the Debtors of a summary invoice from the respective professional, which invoice shall contain the aggregate number of hours billed and a summary description of such professional's services and expenses. The professionals for the Priority Term Loan Secured Creditors, the FILO Term Loan Secured Creditors, and the Exit Term Loan Secured Creditors shall deliver by electronic means a copy of their respective summary invoices to counsel to the Debtors, counsel to the Debtors' Restructuring Committee, counsel for the Committee, and the Bankruptcy Administrator, redacted as necessary with respect to any privileged or confidential information contained therein. Any objections raised by the Debtors, the Debtors' Restructuring Committee, the Committee, or the Bankruptcy Administrator with respect to such invoices shall be (a) filed with the Court and served on the applicable Prepetition Secured Creditor and its respective counsel within five (5) business days of the receipt of the applicable invoice, and (b) absent a consensual resolution or other agreement within five (5) business days of the filing of an objection, submitted to the Court for resolution; *provided, however*, that any objection that the Debtors, the Debtors' Restructuring Committee, the Committee, or the Bankruptcy Administrator may raise to the invoices of the professionals of the Prepetition Secured Creditors shall be limited solely to the reasonableness of the disputed fees (a "**Fee Objection**"). In the event that a Fee Objection is timely and properly filed in accordance herewith, then (a) the Debtors shall promptly pay any undisputed portion of the applicable professional's outstanding fees and expenses, and (b) the provisions of Section 107 of the Bankruptcy Code and Rule 9018 of the Federal Rules of Bankruptcy Procedure shall apply.

15. Proofs of Claim. Without prejudice to the rights of parties in interest as set forth in paragraph 20 herein, none of the Prepetition Secured Creditors will be required to file proofs of claim or requests for approval of administrative expenses in any of the Chapter 11 Cases or

Successor Cases, and the provisions of this Final Order relating to the amount of the Prepetition Secured Obligations, the Prepetition Liens and the Adequate Protection Arrangements shall constitute sufficient and timely filed proofs of claim and/or administrative expense requests in respect of such obligations and such secured and/or priority status in each of the Chapter 11 Cases. For the avoidance of doubt, subject to paragraph 20 herein, the books and records of the Prepetition Agents shall be deemed conclusive as to the amount of the claims of each party absent manifest error. However, in order to facilitate the processing of claims, to ease the burden upon the Court and to reduce an unnecessary expense to the Debtors' estates, each Prepetition Agent is each authorized, but not directed, to file in the Debtors' lead chapter 11 case *In re Remington Outdoor Company, Inc., et al.*, Case No. 20-81688-11, a single, master proof of claim on behalf of themselves and the Priority Term Loan Secured Creditors, FILO Term Loan Secured Creditors or the Exit Term Loan Secured Creditors, as applicable, on account of any and all of their respective claims arising under the Priority Term Loan Documents, the FILO Term Loan Documents or the Exit Term Loan Documents, as applicable, and hereunder (the "**Master Proof of Claim**") against each of the Debtors. Without prejudice to the rights of parties in interest as set forth in paragraph 20 herein, upon the filing of the Master Proof of Claim against each of the Debtors, the Priority Term Loan Agent, the other the Priority Term Loan Secured Creditors, the FILO Agent, the other FILO Term Loan Secured Creditors, the Exit Term Loan Agent and the other Exit Term Loan Secured Creditors and each of their respective successors and assigns, shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against each of the Debtors of any type or nature whatsoever with respect to the Priority Term Loan Documents, FILO Term Loan Documents and the Exit Term Loan Documents, as applicable, and the claim of each Priority Term Loan Secured Creditor (and each of its respective successors

and assigns), each FILO Term Loan Secured Creditor (and each of its respective successors and assigns) and each Exit Term Loan Secured Creditor (and each of its respective successors or assigns) named in each Master Proof of Claim shall be treated as if such entity had filed a separate proof of claim in each case of the Chapter 11 Cases. The Priority Term Loan Agent, FILO Agent and Exit Term Loan Agent shall not be required to identify whether any Priority Term Loan Secured Creditor, FILO Term Loan Secured Creditor or Exit Term Loan Secured Creditor, as applicable, acquired its claim from another party and the identity of any such party or to amend the Master Proof of Claim to reflect a change in the holders of the claims set forth therein or a reallocation among such holders of the claims asserted therein resulting from the transfer of all or any portion of such claims. The provisions of this paragraph 15 and the Master Proof of Claim are intended solely for the purpose of administrative convenience and shall not affect the right of each Priority Term Loan Secured Creditor (or its successors in interest), FILO Term Loan Secured Creditor (or its successors in interest) or Exit Term Loan Secured Creditor (or its successors in interest), as applicable, to vote separately on any plan proposed in these Chapter 11 Cases. None of the Priority Term Loan Agent, the FILO Agent or the Exit Term Loan Agent shall be required to attach any instruments, agreements or other documents evidencing the obligations owing by any of the Debtors to the Priority Term Loan Secured Creditors, the FILO Term Loan Secured Creditors or the Exit Term Loan Secured Creditors, as applicable, which instruments, agreements or other documents will be provided upon written request to counsel to the Priority Term Loan Agent, the FILO Agent or the Exit Term Loan Agent, as applicable.

16. Carve-Out.

(a) *Carve-Out.* As used in this Final Order, the “**Carve-Out**” means, collectively, the sum of: (i) all fees required to be paid to the Clerk of the Bankruptcy Court and

to the Bankruptcy Administrator pursuant to 28 U.S.C. §1930(a) and Section 3717 of title 31 of the United States Code, (ii) reasonable and documented expenses of the members of the Committee up to an amount not to exceed \$10,000 (for the avoidance of doubt, excluding any professional fees incurred by any of such members), and (iii) the aggregate amount of unpaid fees and expenses of the Debtors', the Restructuring Committee's and the Committee's professionals, in each case retained, or as otherwise authorized, by an order of the Court (which order has not been reversed, vacated or stayed unless such stay is no longer effective) under Sections 327(a), 363 or 1103(a) of the Bankruptcy Code (the "**Case Professionals**"), to the extent such fees and expenses are ultimately allowed and payable pursuant to an order of the Court (which order has not been reversed, vacated or stayed) ("**Allowed Professional Fees**"), which amount under this clause (ii) shall not exceed the sum of: (x) the aggregate amount of such Allowed Professional Fees incurred prior to the delivery of a written notice delivered by email (or other electronic means) by the Controlling Agent to the Debtors, which notice may be delivered following the occurrence and during the continuation of a Termination Event (the "**Carve-Out Trigger Notice**"), plus (y) \$2,500,000 for Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice (the "**Post Trigger Notice Carve Out Amount**").

(b) *Professional Fee Reserve.* The Debtors shall establish and fund the Professional Fee Reserve for purposes of funding the Carve-Out, which shall be deposited in a segregated account (the "**Professional Fee Reserve Account**"). Upon the entry of this Final Order, the Debtors shall be permitted to use the Cash Collateral (excluding, for the avoidance of doubt, the Excluded Cash Collateral) to fund the Professional Fee Reserve in the amount of the projected fees and expenses set forth in the Budget for Case Professionals through the anticipated effective date of a Chapter 11 plan (other than the Transaction Fee) (the balance of the Professional

Fee Reserve, the “**Funded Reserve Amount**”). Each Case Professional may deliver to the Debtors and the Bankruptcy Administrator a good-faith estimate of the cumulative total amount of unreimbursed fees and expenses incurred from time to time (each such statement, a “**Fee Statement**”), and to the extent the amount of Allowed Professional Fees accrued and claimed in all outstanding Fee Statements exceeds the Funded Reserve Amount and such fees and expenses have otherwise not been paid by the Debtors, the Debtors shall, within one (1) business day, fund additional amounts into the Professional Fee Reserve equal to the difference between the Funded Reserve Amount and the amount accrued and claimed in the applicable Fee Statement (each, a “**Top Off Amount**”). In addition, upon the Asset Sale Closing, the Debtors shall, within one (1) business day, fund additional amounts into the Professional Fee Reserve (not to exceed the Carve-Out) from the proceeds from the Asset Sale Closing equal to the Transaction Fee plus the remaining projected fees and expenses set forth in the Budget for Case Professionals (with respect to the Transaction Fee, solely from the cash purchase price paid in connection with the Asset Sale Closing) not previously either paid by the Debtors or transferred to the Professional Fee Reserve (the “**Asset Sale Top Off Amount**”). The Funded Reserve Amount shall be maintained, and the funds therein shall be held in trust, for the benefit of the Case Professionals. Any and all amounts in the Professional Fee Reserve shall not be subject to any cash sweep and/or foreclosure provisions in the Prepetition Credit Documents and the Prepetition Secured Creditors shall not be entitled to sweep or foreclose on such amounts notwithstanding any provision to the contrary in the Prepetition Credit Documents.

(c) On the day on which a Carve-Out Trigger Notice is given to the Debtors in accordance with paragraph 16(a) above, the Carve-Out Trigger Notice shall constitute a demand to the Debtors to utilize all cash on hand as of such date and any available cash thereafter held by

any Debtor to fund a reserve in an amount equal to the then unpaid amounts of the Allowed Professional Fees in excess of the Funded Reserve Amount in an amount not to exceed the Carve-Out; *provided* that Case Professionals shall have five (5) business days from the date of a Carve-Out Trigger Notice to deliver additional Fee Statements to the Debtors, and the Debtors shall fund into the Funded Reserve Amount any Top Off Amounts. The Debtors shall deposit such amounts in the Professional Fee Reserve Account in trust to pay such then unpaid Allowed Professional Fees (the “**Pre-Carve Out Trigger Notice Reserve**”) prior to any and all other claims. On the date thereof, the Carve-Out Trigger Notice shall also constitute a demand to the Debtors to utilize all cash on hand as of such date and any available cash thereafter held by any Debtor, after funding the Pre-Carve Out Trigger Notice Reserve, to fund a reserve in an amount equal to the Post Trigger Notice Carve Out Amount to the extent not already funded. The Debtors shall deposit such amounts in the Professional Fee Reserve Account in trust to pay such Allowed Professional Fees benefiting from the Post Trigger Notice Carve Out Amount prior to any and all other claims.

(d) The Debtors shall be permitted to pay, from the Professional Fee Reserve, as and when the same may become due and payable, the Allowed Professional Fees of Case Professionals (except, with respect to the Transaction Fee, only after the Asset Sale Top Off Amount has been funded) regardless of whether a Termination Event has occurred in a maximum amount not to exceed the Carve-Out. Notwithstanding the foregoing, the Transaction Fee shall be deemed part of the Carve-Out; *provided* that the Transaction Fee shall be paid solely from the proceeds of a sale and not from the Professional Fee Reserve (unless and until the Asset Sale Top Off Amount has been funded) and shall not reduce the amounts available in the Budget for Allowed Professional Fees. For the avoidance of doubt, nothing in this Final Order or the Prepetition Credit Documents shall prohibit or restrict the payment of the fees and expenses of any Case Professional

from any retainers paid prior to the Petition Date and held by such Case Professional. Further, notwithstanding anything to the contrary in this Final Order, (i) the failure of the Professional Fee Reserve to satisfy in full the Allowed Professional Fees shall not affect the priority of the Carve-Out, and (ii) in no way shall the Budget, Carve-Out, Post Trigger Notice Carve Out Amount, Professional Fee Reserve, or any of the foregoing be construed as a cap or limitation on the amount of the Allowed Professional Fees due and payable by the Debtors. For the avoidance of doubt and notwithstanding anything to the contrary in this Final Order or in any Prepetition Credit Documents, the Carve-Out shall be senior to all liens and claims securing the Adequate Protection Liens, the Prepetition Liens, the Adequate Protection Superpriority Claims, and any and all other forms of adequate protection; *provided* that the payment of the Transaction Fee shall be paid from the cash purchase price paid in connection with the Asset Sale Closing).

(e) *No Direct Obligation to Pay Professional Fees or Committee Expenses.*

Except for funding the Carve-Out from the Cash Collateral (or, in the case of the Transaction Fee, from the cash purchase price paid in connection with the Asset Sale Closing) (excluding, for the avoidance of doubt, any Excluded Cash Collateral), none of the Prepetition Secured Creditors shall be responsible for the funding, direct payment or reimbursement of any fees or disbursements of any Case Professionals incurred in connection with the Chapter 11 Cases or any Successor Cases. Nothing in this Final Order or otherwise shall be construed to obligate the Prepetition Secured Creditors in any way to pay compensation to or to reimburse expenses of any Case Professional, or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement. Notwithstanding anything in this Final Order, the payment of the Allowed Professional Fees shall not be subject to the Budget.

(f) For the avoidance of doubt and notwithstanding any other provisions set forth herein, nothing in this paragraph 16 shall authorize or permit the payment of Allowed Professional Fees incurred from and after the delivery of a Carve-Out Trigger Notice in excess of the Post Trigger Notice Carve Out Amount.

(g) The Case Professionals shall use commercially reasonable efforts to deliver estimates of accrued fees to the Debtors on a weekly basis, provided that failure of any Case Professional to deliver any such estimate on a weekly basis shall not restrict the payment of the fees and expenses of such Case Professional or affect the priority of the Carve-Out.

17. Limitations on the Use of Cash Collateral and the Carve-Out. The Cash Collateral and the Carve-Out shall not be used, directly or indirectly, to (i) finance or make any distribution to the equity holders of the Debtors (other than (x) Adequate Protection Payments in their capacities as Prepetition Secured Creditors and (y) reasonable compensation in their capacities as employees of the Debtors); (ii) make any payment or prepayment in respect of prepetition obligations (other than (x) in respect of the Prepetition Secured Obligations (subject to the Intercreditor Agreement), including the Adequate Protection Payments or (y) as is consistent with the Budget) except as may otherwise be authorized by the Controlling Agent or the Court; (iii) make any payment in settlement of any claim, action or proceeding, before any court, arbitrator or other governmental body except as may otherwise be authorized by the Controlling Agent or, to the extent permitted in the Budget, the Court; or (iv) pay any fees or expenses incurred in connection with the initiation or prosecution of any claims, causes of action or other litigation against any Prepetition Secured Creditors or in connection with invalidating, disallowing, recharacterizing, setting aside, avoiding, subordinating, in whole or in part, or taking or attempting to take any other action to render unenforceable the Prepetition Liens, claims, the Prepetition

Secured Obligations or interests of any Prepetition Secured Creditor. Nothing herein shall in any way prejudice or prevent any Prepetition Secured Creditor from objecting to any request, motion or application in the Chapter 11 Cases, including applications for compensation for services rendered or reimbursement of expenses.

18. Notwithstanding anything to the contrary herein, no more than an aggregate of \$75,000 of the proceeds of the Prepetition Collateral (including Cash Collateral) or the Carve-Out may be used by the Committee, if any, during the Challenge Period to investigate the claims and liens of the Prepetition Secured Creditors (and other potential claims, counterclaims, causes of action or defenses against the Prepetition Secured Creditors).

19. Payment of Compensation. Nothing herein shall be construed as consent to the allowance of any professional fees or expenses of any Case Professionals or shall affect the right of any party to object to the allowance and payment of such fees and expenses.

20. Reservation of Certain Third Party Rights and Bar of Challenges and Claims.

(a) The stipulations, findings, representations and releases contained in this Final Order with respect to the Prepetition Secured Creditors, the Prepetition Liens, the Prepetition Credit Documents, and the Prepetition Secured Obligations shall be binding upon all parties-in-interest, any trustee appointed in these cases and the Committee (excluding the Debtors and the Prepetition Secured Creditors, each, a “**Challenge Party**”), unless and solely to the extent that (i) any Challenge Party with standing initiates an action or adversary proceeding relating to a Challenge (defined below) prior to the expiration of the Challenge Period (defined below) and (ii) the Court rules in favor of the plaintiff in any such timely and properly filed Challenge; *provided* that, solely to the extent necessary to effectuate a timely Challenge by any Challenge Party, such stipulations, findings, representations and releases shall not be binding on any Debtor that is a

limited liability company until the expiration of the Challenge Period unless and solely to the extent that (i) any Challenge Party with standing initiates an action or adversary proceeding relating to a Challenge prior to the expiration of the Challenge Period and (ii) the Court rules in favor of the plaintiff in any such timely and properly filed Challenge. For purposes of this paragraph 20: (a) “**Challenge**” means any claim or cause of action against any of the Prepetition Secured Creditors on behalf of the Debtors’ creditors and interest holders, or to object to or to challenge the stipulations, findings or Debtors’ Stipulations set forth herein, including, but not limited to those in relation to: (i) the validity, extent, priority, or perfection of the mortgage, security interests, and liens of any Prepetition Secured Creditor; (ii) the validity, allowability, priority, or amount of any of the Prepetition Secured Obligations (including any fees included therein); (iii) the secured status of any of the Prepetition Secured Obligations; or (iv) any liability of any of the Prepetition Secured Creditors with respect to anything arising from any of the respective Prepetition Credit Documents or any defense, claims, counterclaims or any other causes of action (whether in law or in equity) that the estates may hold against the Prepetition Secured Creditors; and (b) “**Challenge Period**” means the date that is (x) for the Committee, 45 calendar days from its formation and (y) for all other Challenge Parties, thirty (30) calendar days after the entry of the Interim Order; *provided* that if the Committee has filed a motion to obtain standing to prosecute a Challenge on behalf of one or more of the Debtors’ estates prior to expiration of the applicable Challenge Period (each, a “**Standing Motion**”), the Challenge Deadline shall be tolled solely with respect to the Committee and solely with respect to any Challenge specifically identified by such Standing Motion until the Standing Motion is resolved and, if the Committee is granted standing, the Committee shall file a complaint with respect to the Challenge specifically identified by such Standing Motion within two (2) business days of entry of the order granting

standing; *provided further* that if a chapter 7 trustee is appointed prior to the expiration of the Challenge Period for the Committee, such trustee shall have until the later of (x) the expiration of the Challenge Period and (y) the date that is twenty (20) days after the appointment of such trustee, subject to extension by the Court, to initiate a Challenge. Except as set forth in the immediately preceding proviso, nothing herein shall be deemed to grant standing or extend or toll the Challenge Period in favor of any Challenge Party absent further order of this Court. The Debtors, if timely notified in writing of a potential Challenge and if such Challenge is commenced in a timely manner as set forth herein, shall retain authority to prosecute, settle or compromise such Challenge in the exercise of their business judgment and subject to any applicable further order of court.

(b) Automatically and without further action of the Court or any other party in interest, upon the expiration of the Challenge Period without the filing of a Challenge (the **“Challenge Period Termination Date”**): (A) any and all such Challenges and objections by any party (including, without limitation, the Committee, any Chapter 11 trustee, and/or any examiner or other estate representative appointed in the Chapter 11 Cases, and any Chapter 7 trustee and/or examiner or other estate representative appointed in any Successor Case), shall be deemed to be forever waived, released and barred, (B) all matters not subject to the Challenge, and all findings, Debtors’ Stipulations, waivers, releases, affirmations and other stipulations as to the priority, perfection, secured status, allowability, amount, extent, and validity as to each Prepetition Secured Creditors’ claims, liens, and interests shall be of full force and effect and forever binding upon the Debtors, the Debtors’ bankruptcy estates and all creditors, interest holders, and other parties in interest in the Chapter 11 Cases and any Successor Cases; and (C) any and all claims or causes of action against any of the Debtors or the Prepetition Secured Creditors relating in any way to the Debtors, the Prepetition Collateral, the Prepetition Liens, the Prepetition Secured Obligations, the

Prepetition Secured Credit Facilities, or the Prepetition Credit Documents shall be forever waived and released by the Debtors' estates, all creditors, interest holders and other parties in interest in the Chapter 11 Cases and any Successor Cases.

21. Credit Bidding. Pursuant to 363(k) of the Bankruptcy Code, including the right of any party in interest to request that the Court for cause order otherwise, and the Prepetition Credit Documents, each Prepetition Agent may, at the direction, or with the consent, of the Required Lenders (as defined in the applicable Prepetition Credit Documents and consistent with the Prepetition Credit Documents), credit bid all or any portion of their applicable Prepetition Secured Creditors' respective claims, including, without limitation, the Prepetition Secured Obligations and any Adequate Protection Superpriority Claim of such Prepetition Secured Creditors, in connection with any proposed sale of any, all, or substantially all of the Debtors' assets, including, without limitation, sale occurring pursuant to Section 363 of the Bankruptcy Code or included as part of a reorganization plan subject to confirmation under Section 1129(b)(2)(A)(ii) of the Bankruptcy Code or a sale or disposition by a Chapter 7 trustee for any Debtor under Section 725 of the Bankruptcy Code.

22. No Third Party Rights. Except as explicitly provided for herein, this Final Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

23. Section 506(c) Claims. No costs or expenses of administration which have been or may be incurred in the Chapter 11 Cases at any time shall be charged against the Prepetition Secured Creditors, the Prepetition Collateral (including Cash Collateral) or the Prepetition Liens pursuant to Sections 105 or 506(c) of the Bankruptcy Code, or otherwise. All rights to surcharge the interests of the Prepetition Secured Creditors, or the Prepetition Collateral (including Cash

Collateral) under Section 506(c) of the Bankruptcy Code or any other applicable principle of equity or law shall be and are hereby finally and irrevocably waived, and such waiver shall be binding upon the Debtors, their estates, any trustee appointed in the Chapter 11 cases or in any Successor Cases, and all parties in interest in the Chapter 11 Cases or in any Successor Cases.

24. No Marshaling/Applications of Proceeds; Waiver. None of the Prepetition Secured Creditors shall be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the Prepetition Collateral. The Debtors’ irrevocably waive their right to seek to use the Excluded Cash Collateral on a non-consensual basis.

25. Section 552(b). The Prepetition Secured Creditors shall be entitled to all of the rights and benefits of Section 552(b) of the Bankruptcy Code. The “equities of the case” exception under Section 552(b) of the Bankruptcy Code shall not apply to the Prepetition Secured Creditors with respect to proceeds, products, offspring or profits of any of the Prepetition Collateral.

26. Joint and Several Liability. Nothing in this Final Order shall be construed to constitute a substantive consolidation of any of the Debtors’ estates, it being understood, however, that the Debtors shall be jointly and severally liable for the Prepetition Secured Obligations and their other obligations hereunder and under the Prepetition Credit Documents.

27. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Final Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the Prepetition Secured Creditors’ right to seek any other or supplemental relief in respect of the Debtors, including, without limitation, the right to seek additional or different adequate protection; (b) the rights of any of the Prepetition Secured Creditors to seek the payment by the Debtors of post-petition interest or fees pursuant to Section 506(b) of the Bankruptcy Code; (c) any of the rights of the Prepetition Secured Creditors under the Bankruptcy Code or under non-

bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of Section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Chapter 11 Cases or Successor Cases, conversion of any of the Chapter 11 Cases to cases under Chapter 7, or appointment of a Chapter 11 trustee or examiner with expanded powers, or (iii) propose, subject to the provisions of Section 1121 of the Bankruptcy Code, a Chapter 11 plan or plans; or (d) the Debtors' rights to seek use of Cash Collateral (other than Excluded Cash Collateral) on a non-consensual basis. Other than as expressly set forth in this Final Order, any other rights, claims or privileges (whether legal, equitable or otherwise) of the Debtors and the Prepetition Secured Creditors are preserved.

28. No Waiver by Failure to Seek Relief. The failure of any Prepetition Agent to seek relief or otherwise exercise rights and remedies under this Final Order, the Prepetition Credit Documents or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of such Prepetition Agent or any other Prepetition Secured Creditor.

29. Binding Effect of Final Order. Immediately upon entry by this Court (notwithstanding any applicable law or rule to the contrary), the terms and provisions of this Final Order shall become valid and binding upon and inure to the benefit of the Debtors, the Prepetition Secured Creditors, all other creditors of any of the Debtors, the Committee or any other court appointed committee in the Chapter 11 Cases, and all other parties in interest and their respective successors and assigns, including any trustee or other fiduciary hereafter appointed in any of the Chapter 11 Cases, any Successor Cases, or upon dismissal of any Chapter 11 Case or Successor Case.

30. No Modification of Final Order. Until and unless the Prepetition Secured Obligations have been paid in full in cash (such payment being without prejudice to any terms or provisions contained in any Prepetition Secured Facility which survive such discharge by their terms), and all commitments to extend credit under each Prepetition Secured Facility have been terminated, the Debtors irrevocably waive the right to seek and shall not seek or consent to, directly or indirectly, without the prior written consent of the Prepetition Agents (at the direction or with the consent of the Required Lenders (as defined in the applicable Prepetition Credit Documents)) to the extent adversely affected thereby (which consent shall not be unreasonably, withheld, delayed or conditioned) (i) any reversal, modification, stay, vacatur or amendment to this Final Order; (ii) a priority claim for any administrative expense or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation any administrative expense of the kind specified in Sections 503(b), 507(a) or 507(b) of the Bankruptcy Code) in any of the Chapter 11 Cases or Successor Cases, equal or superior to the Adequate Protection Superpriority Claims, other than the Carve-Out and the Priority Term Loan Obligations which shall be senior to all of the other Adequate Protection Superpriority Claims; or (iii) any lien on any of the Adequate Protection Collateral with priority equal or superior to the Adequate Protection Liens. The Debtors irrevocably waive any right to seek any amendment, reversal, stay, vacatur, modification or extension of this Final Order without the prior written consent, as provided in the foregoing, of the Prepetition Agents (at the direction or with the consent of the Required Lenders (as defined in the applicable Prepetition Credit Documents)) to the extent adversely affected thereby (such consent not to be unreasonably withheld, delayed, or conditioned), and no such consent shall be implied by any other action, inaction or acquiescence of the Prepetition Agents.

31. Final Order Controls. In the event of any inconsistency between the terms and conditions of the Prepetition Credit Documents or the Interim Order, on the one hand, and this Final Order, on the other hand, the provisions of this Final Order shall govern and control.

32. Survival. The provisions of this Final Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases. The terms and provisions of this Final Order, including the claims, liens, security interests and other protections granted to the Prepetition Secured Creditors pursuant to this Final Order, notwithstanding the entry of any such order, shall continue in the Chapter 11 Cases, in any Successor Cases, or following dismissal of the Chapter 11 Cases or any Successor Cases, and shall maintain their priority as provided by this Final Order until all Prepetition Secured Obligations have been paid in full in cash and all commitments to extend credit under the Prepetition Secured Credit Facilities are terminated. The terms and provisions in this Final Order concerning the indemnification shall continue in the Chapter 11 Cases and in any Successor Cases, following dismissal of the Chapter 11 Cases or any Successor Cases, following termination of the Prepetition Credit Documents.

33. Effect of this Final Order. This Final Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect immediately, notwithstanding anything to the contrary proscribed by applicable law.

34. Retention of Jurisdiction. The Court has and will retain jurisdiction to enforce this Final Order according to its terms and to resolve any disputes with respect to this Final Order.

Dated this the 20th day of August, 2020.

/s/ Clifton R. Jessup, Jr.
Clifton R. Jessup, Jr.
United States Bankruptcy Judge

EXHIBIT 1

Budget

	Week #:	1	2	3	4	5	6	7	8	9	9-Week							
(\$ in millions)	Week Ending:	7/28 - 8/2	8/9	8/16	8/23	8/30	9/6	9/13	9/20	9/21 - 9/29	Total							
Cash Receipts																		
Customer Collections	\$	4.7	\$	5.7	\$	5.7	\$	5.9	\$	5.3	\$	5.1	\$	5.1	\$	5.1	\$	47.8
Misc. Cash Receipts		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.9
Total Cash Receipts	\$	4.9	\$	5.8	\$	5.8	\$	6.0	\$	5.4	\$	5.2	\$	5.2	\$	5.2	\$	48.7
Operating Disbursements																		
Payables - Material Purchases	\$	(2.3)	\$	(2.5)	\$	(2.4)	\$	(2.4)	\$	(2.4)	\$	(2.0)	\$	(2.2)	\$	(2.2)	\$	(20.9)
Payroll and Benefits		(0.9)		(2.4)		(3.1)		(2.4)		(3.7)		(2.0)		(3.5)		(2.0)		(25.7)
Corporate Overhead		(0.4)		(0.4)		(0.7)		(0.7)		(0.7)		(1.0)		(0.7)		(0.7)		(6.1)
Commissions		-		-		-		-		(0.4)		-		-		-		(0.9)
Excise Taxes		-		-		-		-		-		-		-		-		-
Cash Disbursements from Operations	\$	(3.6)	\$	(5.3)	\$	(6.3)	\$	(5.6)	\$	(7.3)	\$	(5.0)	\$	(6.5)	\$	(4.9)	\$	(53.5)
Net Operating Cash Flow	\$	1.3	\$	0.5	\$	(0.5)	\$	0.4	\$	(1.9)	\$	0.2	\$	(1.2)	\$	0.3	\$	(4.8)
Restructuring Cash Flow																		
Professional Fees	\$	(8.4)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(8.4)
Other Chapter 11 Related Expenses		(1.0)		(0.3)		(0.3)		(0.3)		-		-		-		(0.3)		(2.1)
Total Restructuring Cash Flow	\$	(9.4)	\$	(0.3)	\$	(0.3)	\$	(0.3)	\$	-	\$	-	\$	-	\$	-	\$	(10.5)
Financing Cash Flow																		
Debt Service Costs	\$	-	\$	-	\$	-	\$	(1.4)	\$	(0.1)	\$	-	\$	-	\$	-	\$	(2.4)
Total Financing Cash Flow	\$	-	\$	-	\$	-	\$	(1.4)	\$	(0.1)	\$	-	\$	-	\$	-	\$	(3.9)
Total Net Cash Flow	\$	(8.1)	\$	0.2	\$	(0.8)	\$	(1.3)	\$	(2.0)	\$	0.2	\$	(1.2)	\$	0.3	\$	(6.5)
Beginning Cash Balance	\$	45.0	\$	36.8	\$	37.1	\$	36.3	\$	35.0	\$	33.0	\$	33.2	\$	31.9	\$	32.2
Plus: Change in Cash		(8.1)		0.2		(0.8)		(1.3)		(2.0)		0.2		(1.2)		0.3		(6.5)
Ending Cash Balance	\$	36.8	\$	37.1	\$	36.3	\$	35.0	\$	33.0	\$	33.2	\$	31.9	\$	32.2	\$	25.7
Less: Cash Collateral		(19.8)		(23.2)		(23.8)		(24.2)		(24.5)		(22.6)		(22.5)		(22.2)		(21.5)
Total Liquidity	\$	17.1	\$	13.9	\$	12.5	\$	10.8	\$	8.5	\$	10.5	\$	9.4	\$	10.0	\$	4.1
Memo: Borrowing Base		46.6		43.2		42.6		42.2		41.9		43.7		43.8		44.1		44.8

Note: The budget for the Initial Budget Period does not include certain administrative costs, such as accrued corporate expenses not assumed by the buyer, professional fees incurred post-closing and post-effective wind-down costs. Week 1 represents only the post-petition period and the beginning cash balance of \$45.0MM was a previously estimated amount as of the petition date. For the avoidance of doubt, the amount which will be funded to the professional fee reserve account is \$8,445,750; amount shown in the forecast is rounded.

Post-Closing Administrative Costs

Post-Sale Bankruptcy Related Expenses (\$MM) ⁽¹⁾	Amount
Professional Fees	\$4.0
Plan Administrator / Wind-down Costs	2.0
Total	\$6.0

Accrued Operating Expenses (\$MM)	Amount
Payroll and Benefits ⁽²⁾	\$ -
IBNR Medical Costs	2.0
Post-Petition Taxes	4.5
Ordinary Course Professionals	0.5
Utilities	0.9
Shipping & Logistics	1.0
Commissions	1.0
Total	\$9.9

Total Post-Sale & Accrued Operating Expenses	\$15.9
---	---------------

(1) Does not include success fees related to a transaction

(2) Accrued payroll for pre-closing periods are assumed as a cash payment in the 9-week cash collateral forecast in week 9

Notice Recipients

District/Off: 1126-8
Case: 20-81688-CRJ11

User: admin
Form ID: pdf000

Date Created: 8/20/2020
Total: 103

Recipients submitted to the BNC (Bankruptcy Noticing Center) without an address:

cr Geodis Logistics, LLC

TOTAL: 1

Recipients of Notice of Electronic Filing:

ba	Richard M Blythe	Richard_Blythe@almba.uscourts.gov
op	Sarah Link Schultz	sschultz@akingump.com
aty	Alinor C. Sterling	asterling@koskoff.com
aty	Andrew J. Shaver	ashaver@bradley.com
aty	Andrew Philip Walker	walker.andrew@pbgc.gov
aty	Benjamin L. Locklar	ben.locklar@beasleyallen.com
aty	Benjamin Shaw Goldman	bgoldman@handfirm.com
aty	Bill D Bensinger	bdbensinger@csattorneys.com
aty	Daniel D Sparks	ddsparks@csattorneys.com
aty	David Elsberg	delsberg@selendygay.com
aty	David M. Bernard	dbernard@koskoff.com
aty	David W. Ross, Esq.	dross@babstcalland.com
aty	Derek F Meek	dmeek@burr.com
aty	Donald Bernstein	Donald.bernstein@davispolk.com
aty	Edward J Peterson, III	epeterson.ecf@srbp.com
aty	Elizabeth S. Lynch	lynch@lynchsharp.com
aty	Eric J. Taube	eric.taube@wallerlaw.com
aty	Eric T Ray	eric.ray@wallerlaw.com
aty	Erica K. Dausch	edausch@babstcalland.com
aty	Frederick Darrell Clarke, III	fclarke@rumberger.com
aty	Hanna Lahr	hlahr@burr.com
aty	Hannah Leah Uricchio	urichio.hannah@pbgc.gov
aty	Jay R. Bender	jbender@babco.com
aty	Jeffrey W. Wisner	jwisner@koskoff.com
aty	Jeremy L Retherford	jretherford@balch.com
aty	Jesse S Vogtle, Jr	jesse.vogtle@wallerlaw.com
aty	Joanna Caitlin Berry McDonald	joanna.mcdonald@davispolk.com
aty	Jonathan Paul Hoffmann	jhoffmann@balch.com
aty	Jordan Garman	jgarman@selendygay.com
aty	Joshua D. Koskoff	jkoskoff@koskoff.com
aty	Kathleen M. LaManna	klamanna@goodwin.com
aty	Kimberly E. Neureiter	neureiter.kimberly@pbgc.gov
aty	Matthew M Cahill	mcahill@bakerdonelson.com
aty	Melissa W. Larsen	mwlarson67@gmail.com
aty	Paul Greenwood	paul.greenwood@wallerlaw.com
aty	Paul M. Hoffmann	paul.hoffmann@stinson.com
aty	R. Scott Williams	swilliams@rumberger.com
aty	Rita L Hullett	rhullett@bakerdonelson.com
aty	Stephen B Porterfield	sporterfield@sirrote.com
aty	Steven Pohl	spohl@brownrudnick.com
aty	Steven D Altmann	steve@nomberglaw.com
aty	Stuart H. Memory	smemory@memorylegal.com
aty	Stuart M Maples	smaples@mapleslawfirm.com
aty	Tazewell Shepard	taze@ssmattorneys.com
aty	Tazewell Taylor Shepard, IV	ty@ssmattorneys.com
aty	Thomas Benjamin Humphries	thumphries@sirrote.com
aty	Vivek Vijay Tata	vtata@selendygay.com

TOTAL: 47

Recipients submitted to the BNC (Bankruptcy Noticing Center):

db	Remington Outdoor Company, Inc.	100 Electronics Boulevard SW	Huntsville, AL 35824
cr	Franklin Advisers, Inc.	One Franklin Parkway	San Mateo, CA 94403
sp	Stephen H. Warren	O'Melveny & Myers LLP	400 South Hope Street Los Angeles, CA 90071-2899
sp	Karen Rinehart	O'Melveny & Myers LLP	400 South Hope Street Los Angeles, CA 90071-2899
op	Bradley C Meyer	Ducera Partners LLC	499 Park Avenue, 16th Floor New York, NY 10022
op	Colin M. Adams	M-III Advisory Partners, LP	130 W 42nd Street, 17th Floor New York, NY 10036
sp	Nancy Mitchell	Times Square Tower	7 Times Square New York, NY 10036
sp	Diana M. Perez	Times Square Tower	7 Times Square New York, NY 10036
cr	Ankura Trust Company, LLC	c/o Benjamin S. Goldman	Hand Arendall Harrison Sale LLC 1801 5th Avenue North Suite 400 Birmingham, AL 35203
cr	United Mine Workers of America	c/o R. Scott Williams	2001 Park Place North Suite 1300 Birmingham, AL 35203 UNITED STATES

cr	Pension Benefit Guaranty Corporation	Office of General Counsel	1200 K St., NW	Suite	
	340 Washington, DC 20005				
cr	CZ Acquisition, LLC	c/o Jesse S. Vogtle, Jr.	Waller Lansden Dortch & Davis, LLP	1901 Sixth Ave	
	N Suite 1400	Birmingham, AL 35203			
cr	CZ Acquisition, LLC	c/o Paul H. Greenwood	Waller Lansden Dortch & Davis, LLP	1901 Sixth	
	Avenue N, Suite 1400	Birmingham, AL 35203			
cr	Huntsville Utilities	c/o Maples Law Firm PC	200 Clinton Avenue West	Suite 1000	Huntsville, AL 35801
cr	State of Alabama Department of Commerce	c/o Memory Memory & Causby	P.O. Box		
	4054 Montgomery, AL 36103				
sp	Jennifer Taylor	O'Melveny & Myers LLP	Two Embarcadero Center 28th Floor	San Francisco, CA	
	94111-3823				
cr	St. Marks Powder, Inc. and General Dynamics Ordnance & Tactical Systems Canada Valleyfield			c/o Stephen	
	Porterfield	2311 Highland Avenue South	Birmingham, AL 35203		
intp	Corteva, Inc.	Ballard Spahr LLP	919 Market Street, 11th Floor	Wilmington, DE 19801	
cr	Constellation NewEnergy Gas Division, LLC	c/o Eric T. Ray	Waller Lansden Dortch & Davis, LLP		
	1901 Sixth Ave N, Suite 1400	Birmingham, AL 35203			
cr	Oneida Molded Plastics, Inc	104 South Warner Street	Oneida, NY 13421		
aty	Safety First Ammo, LLC	c/o Edward J. Peterson, Esquire	Stichter, Riedel, Blain & Postler, P.A.	110	
	E. Madison St., Ste. 200	Tampa, FL 33602			
cr	Kennametal, Inc.	Babst, Calland, Clements and Zomnir, P.C	Two Gateway Center	Pittsburgh, PA	
	15222				
cr	Official Committee of Unsecured Creditors of Remington Outdoor Company, Inc.		c/o Baker Donelson	420	
	20th St. N.	Suite 1400	Birmingham, AL 35203		
cr	Official Committee of Unsecured Creditors of Remington Outdoor Company, Inc.		Fox Rothschild		
	LLP	345 California St. Ste 2200	San Francisco, CA 94104-2670		
cr	Oracle America, Inc.	Buchalter, A Professional Corporation	c/o Shawn M. Christianson	55 2nd St.,	
	17th Fl.	San Francisco, CA 94105	SAN FRANCISCO		
aty	Andreas P. Andromalos	Brown Rudnick LLP	One Financial Center	Boston, MA 02111	
aty	Andrew M. Carty	Brown Rudnick LLP	Seven Times Square	New York, NY 10036	
aty	Andrew V Alfano	Pillsbury Winthrop Shaw Pittman, LLP	31 West 52nd Street	New York, NY	
	10019				
aty	Erica R. Iverson	Selendy & Gay PLLC	1290 Avenue of the Americas	New York, NY 10104	
aty	Faith Gay	Selendy & Gay PLLC	1290 Avenue of the Americas	New York, NY 10104	
aty	Gary Svirsky	Times Square Tower	7 Times Square	New York, NY 10036	
aty	Gordon E. Gouveia	Fox, Rothschild LLP	321 N. Clark St. Ste 1600	Chicago, IL 60654	
aty	Jan M. Hayden	Baker Donelson Bearman Caldwell & Berkow			
aty	John M. Craig	Law Office of Russell R. Johnson III PLC	2258 Wheatlands Drive	Manakin-Sabot,	
	VA 23103				
aty	Jordan W. Garmon	Selendy & Gay PLLC	1290 Avenue of the Americas	New York, NY 10104	
aty	Joshua D. Morse	Pillsbury Winthrop Shaw Pittman, LLP	Four Embarcadero Center, 22nd Floor	San	
	Francisco, CA 94111				
aty	Michael A. Sweet	Fox Rothschild LLP	345 California St. Ste 2200	San Francisco, CA 94104-2670	
aty	Russell R. Johnson, III	Law Firm of Russell R. Johnson III, PLC	14890 Washington Street, 1st		
	Floor	Haymarket, VA 20169			
smg	Richard Blythe	BA Decatur	P O Box 3045	Decatur, AL 35602	
10502795	Elizabeth S. Lynch	Lunch, Sharp & Associates	9229 Ward Parkway, Suite 370	Kansas City, MO	
	64114				
10490579	Internal Revenue Service	P.O. Box 7346	Philadelphia, PA 19101-7346		
10499502	International Paper Company	1740 International Drive	Memphis, TN 38197		
10499050	Massachusetts Department of Revenue	P.O. Box 9564	Boston, MA 02114		
10503400	Oracle America, Inc.	c/o Shawn M. Christianson, Esq.	Buchalter PC	55 2nd St., 17th Fl.	San
	Francisco, CA 94105				
10503820	Petron Automation, Inc.	65 Mountain View Dr.	Watertown, CT 06795-0679		
10492389	Praxair Distribution, Inc	4555 S. Palo Verde, Ste 125	Tucson, AZ 85714		
10502122	Precious Seguin	c/o Lynch Sharp & Associates, LLC	9229 Ward Parkway, Suite 370	Kansas City,	
	MO 64114				
10492264	RPA International Limited	Plot 3 Shipston Business Village	Tilemans Lane Industrial		
	Estate	Shipston on Stour CV36 4FF	United Kingdom GB		
10492388	Ryan Frisbie	4555 S. Palo Verde, Ste 125	Tucson, AZ 85714		
10490578	Secretary of the Treasury	1500 Pennsylvania Ave., NW	Washington, DC 20220		
10498882	Spectrum	1600 Dublin Rd	Columbus, OH 43215		
10502492	Syracuse Supply	43 County Route 59	Phoenix, NY 13135		
10490577	U.S. Securities and Exchange Commission	Regional Director, Branch of Reorganizat	Atlanta Regional		
	Office, Suite 900	950 East Paces Ferry Road	Atlanta, GA 30326		
10490580	United States Attorney	Northern District of Alabama	1801 Fourth Avenue North	Birmingham, AL	
	35203				
10490581	United States Bankruptcy Administrator	Northern District of Alabama	1800 Fifth Avenue		
	North	Birmingham, AL 35203			

TOTAL: 55