

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:) Chapter 11
HARTFORD COMPUTER HARDWARE,)
INC., *et al.*,¹) Case No. 11-49744 (PSH)
) (Joint Administration Pending)
Debtors.)
) Hon. Pamela S. Hollis

INTERIM AND PROPOSED FINAL ORDER(I) PROHIBITING UTILITIES FROM ALTERING, REFUSING, OR DISCONTINUING SERVICES TO, OR DISCRIMINATING AGAINST, THE DEBTORS; (II) DETERMINING THAT THE UTILITIES ARE ADEQUATELY ASSURED OF FUTURE PAYMENT; (III) ESTABLISHING PROCEDURES FOR DETERMINING REQUESTS FOR ADDITIONAL ASSURANCE; AND (IV) PERMITTING UTILITY COMPANIES TO OPT OUT OF THE PROCEDURES ESTABLISHED HEREIN

This matter coming before the Court on the Motion of the Debtors for Interim and Final Orders: (I) Prohibiting Utilities from Altering, Refusing or Discontinuing Services to, or Discriminating Against the Debtors; (II) Determining That the Utilities are Adequately Assured of Future Payment; (III) Establishing Procedures for Determining Requests for Additional Assurance; and (IV) Permitting Utility Companies to Opt Out of the Procedures Established Herein (the "Motion")²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

¹ The Debtors are Hartford Computer Hardware, Inc. (FEIN 27-4297525), Nexicore Services, LLC (FEIN 03-0489686), Hartford Computer Group, Inc. (FEIN 36-2973523), and Hartford Computer Government, Inc (FEIN 20-0845960).

² Capitalized terms not defined herein shall have the meaning given to them in the Motion.



IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. Subject to the procedures described below, no Utility Company may (a) alter, refuse, terminate, or discontinue utility services to, and/or discriminate against, the Debtors on the basis of the commencement of these chapter 11 cases or on account of outstanding prepetition invoices or (b) require additional assurance of payment, other than the Proposed Adequate Assurance, as a condition to the Debtors receiving such utility services pending the entry of a Final Order or this Order becoming a Final Order as set forth below.
5. Utility Companies (excluding De Minimis Providers) shall be entitled to an Adequate Assurance Deposit in the amount set forth on **Exhibit A** to the Motion, within twenty days of the first day hearing (the "First Day Hearing"), provided that such Utility Company is not currently paid in advance for its services or holding a deposit (after taking into account any valid offsets of the Debtors' prepetition debts against such deposit under applicable law) equal to or greater than the Adequate Assurance Deposit (which remaining deposit shall be deemed to be the Adequate Assurance Deposit for purposes of this Order).
6. As a condition of accepting an Adequate Assurance Deposit, the accepting Utility Company shall be deemed to have stipulated that the Adequate Assurance Deposit constitutes adequate assurance of future payment to such Utility Company within the meaning of section

366 of the Bankruptcy Code, and shall further be deemed to have waived any right to seek additional adequate assurance during the Debtors' bankruptcy cases, unless the Utility Company makes an additional adequate assurance request (each, an "Additional Assurance Request") at least five days prior to the final hearing date (the "Final Hearing Date") on the Motion as set by the Court (the "Request Deadline").

7. Any Adequate Assurance Deposit requested by, and provided to, any Utility Company pursuant to the procedures described herein shall be returned to the Debtors at the conclusion of these chapter 11 cases, if not returned or applied earlier.

8. The following Adequate Assurance Procedures are approved in all respects:

- a. Any Utility Company desiring assurance of future payment for utility service beyond the Proposed Adequate Assurance must serve an Additional Assurance Request so that it is received by the Debtors' counsel by the Request Deadline at the following address: Katten Muchin Rosenman LLP, 525 W. Monroe Street, Chicago, Illinois 60661 (Attn: John P. Sieger, Esq.).
- b. Any Additional Assurance Request must (i) be made in writing, (ii) set forth the location(s) for which utility services are provided and the relevant account number(s), (iii) describe any deposits, prepayments or other security currently held by the requesting Utility Company, (iv) describe any payment delinquency or irregularity by the Debtors for the postpetition period, and (v) specify the amount and nature of assurance of payment that would be satisfactory to the Utility Company. Any Additional Assurance Request that fails to meet these requirements shall be deemed an invalid request for adequate assurance.
- c. Upon the Debtors' receipt of an Additional Assurance Request at the addresses set forth above, the Debtors shall have the greater of (i) 14 days from the receipt of such Additional Assurance Request or (ii) 30 days from the Petition Date (collectively, the "Resolution Period") to negotiate with the requesting Utility Company to resolve its Additional Assurance Request. The Resolution Period may be extended by agreement of the Debtors and the applicable Utility Company.
- d. The Debtors, in their discretion, may resolve any Additional Assurance Request by mutual agreement with the requesting Utility Company and without further order of the Court, and may, in connection with any such


resolution, in their discretion, provide the requesting Utility Company with additional assurance of future payment in a form satisfactory to the Utility Company, including, but not limited to, cash deposits, prepayments and/or other forms of security, if the Debtors believe such additional assurance is reasonable.

- e. If the Debtors determine that an Additional Assurance Request is not reasonable, and are not able to resolve such request during the Resolution Period, the Debtors, during or immediately after the Resolution Period, will request a hearing before this Court to determine the adequacy of assurances of payment made to the requesting Utility Company (the "Determination Hearing"), pursuant to section 366(c)(3)(A) of the Bankruptcy Code.
 - f. Pending the resolution of the Additional Assurance Request at a Determination Hearing, the Utility Company making such request shall be restrained from discontinuing, altering or refusing service to the Debtors on account of unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.
 - g. Other than through the Opt-Out Procedures, any Utility Company that does not comply with the Adequate Assurance Procedures is deemed to find the Proposed Adequate Assurance satisfactory to it and is forbidden from discontinuing, altering or refusing service on account of any unpaid prepetition charges, or requiring additional assurance of payment (other than the Proposed Adequate Assurance).
9. The following Opt-Out Procedures are approved in all respects:
- a. A Utility Company that desires to opt-out of the Determination Procedures must file an objection (a "Procedures Objection") with the Court and serve such Procedures Objection so that it is *actually received* within 15 days of entry of this Order by the Debtors at the following address: Katten Muchin Rosenman LLP, 525 W. Monroe Street, Chicago, Illinois 60661 (Attn: John P. Sieger, Esq.).
 - b. Any Procedures Objection must (i) be made in writing; (ii) set forth the location(s) for which utility services are provided and the relevant account number(s); (iii) describe any deposits, prepayments or other security currently held by the objecting Utility Company; (iv) explain why the objecting Utility Company believes the Proposed Adequate Assurance is not sufficient adequate assurance of future payment; and (v) identify, and explain the basis of, the Utility Company's proposed adequate assurance requirement under section 366(c)(2) of the Bankruptcy Code.

- c. The Debtors, in their discretion, may resolve any Procedures Objection by mutual agreement with the objecting Utility Company and without further order of the Court, and may, in connection with any such resolution and in its discretion, provide a Utility Company with assurance of future payment, including, but not limited to, cash deposits, prepayments or other forms of security, if the Debtors believe such assurance of payment is reasonable.
- d. If the Debtors determine that a Procedures Objection is not reasonable and is not able to reach a prompt alternative resolution with the objecting Utility Company, the Procedures Objection will be heard at the Final Hearing.
- e. Any Utility Company that does not timely file a Procedures Objection is deemed to consent to, and shall be bound by, the Adequate Assurance Procedures.

10. The Debtors are authorized, as necessary, to provide notice and a copy of the Interim Order (which, for purposes of this paragraph, shall be the Final Order after entry of such Final Order) to the Utility Companies not listed on the Utility Service List (collectively, the “Additional Utility Companies”), as such Utility Companies are identified. The Interim Order, including the Adequate Assurance Procedures, shall apply to any Additional Utility Companies; provided, however, that (a) the Opt-Out Procedures shall apply only to the extent that a Procedures Objection made by an Additional Utility Company is filed with the Court and submitted to the Debtors’ counsel no later than 4:00 p.m. (CST) on the date that is the earlier of (i) five business days before the Final Hearing or (ii) 10 days after service of the Interim Order on such Additional Utility Company and (b) the deadline for an Additional Utility Company to submit an Additional Assurance Request under the Adequate Assurance Procedures will be 25 days after the date the Interim Order is served upon such Additional Utility Company.

11. A Final Hearing to resolve any Procedures Objections shall be conducted on

 Jan 26, 2012 at 10:30^a .m., Central Time.

12. A Utility Company shall be deemed to have adequate assurance of payment under section 366 of the Bankruptcy Code unless and until: (a) the Debtors, in their discretion, agree to (i) an Additional Assurance Request or (ii) an alternative assurance of payment with the Utility Company during the Resolution Period; or (b) this Court enters an order at the Final Hearing or any Determination Hearing requiring that additional adequate assurance of payment be provided.

13. Nothing herein constitutes a finding that any entity is or is not a Utility Company hereunder or under section 366 of the Bankruptcy Code, whether or not such entity is listed on the Utility Service List.

14. The Debtors shall serve a copy of this Order on each Utility Company listed on the Utility Service List within two business days of the date this Order is entered.

15. The terms and conditions of this Order shall be effective and enforceable immediately upon its entry. This Order shall be deemed to be the Final Order with respect to any Utility Company that does not file a timely Procedures Objection as described herein.

16. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this order.

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE