

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

In re:)	
)	Case No. 15-02741-TOM11
)	
WALTER ENERGY, INC., <i>et al.</i> ,)	Chapter 11
)	
Debtors.)	Jointly Administered

NOTICE OF SUBMISSION OF “REDLINE” VERSIONS OF ORDERS

The Official Committee of Unsecured Creditors (the “Committee”) of Walter Energy, Inc., *et al.* and the related debtors (collectively, the “Debtors”) submits the attached proposed “redline” versions of the orders concerning *Debtors’ Motion for an Order (A) Authorizing the Debtors to Assume a Restructuring Support Agreement and (B) Granting Related Relief* [Docket No. 44] (the “**RSA Assumption Motion**”) and the *Debtors’ Motion for Entry of Interim and Final Orders Under 11 U.S.C. §§ 105, 361, 362, 363, 507 and 552, Bankruptcy Rules 2002, 4001, 6003, 6004 and 9014 (A) (I) Authorizing Postpetition Use of Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, and (III) Scheduling a Final Hearing; and (B) Granting Related Relief* [Docket No. 42] (the “**Cash Collateral Motion**” and together with the RSA Assumption Motion, collectively, the “**Pending Motions**”). The redline marked against the Debtors’ proposed RSA Order as related to the RSA Assumption Motion is attached hereto as Exhibit A. The redline version of the RSA provisions proposed to be amended under the Committee’s Order is attached as Exhibit A-1. The redline version of the Order related to the Cash Collateral Motion is attached hereto as Exhibit B.

Dated: September 9, 2015

Birmingham, Alabama



15027411509090000000000007

CHRISTIAN & SMALL LLP

/s/ Daniel D. Sparks

Bill D. Bensinger
Daniel D. Sparks
1800 Financial Center
505 North 20th Street
Birmingham, Alabama 35203
Tel: (205) 250-6626
Fax: (205) 328-7234
Email: bdbensinger@csattorneys.com
ddsparks@csattorneys.com

- and -

MORRISON & FOERSTER LLP

Lorenzo Marinuzzi
Brett H. Miller
Jennifer L. Marines
250 West 55th Street
New York, NY 10019
Tel: (212) 468-8045
Fax: (212) 209-1835
Email: LMarinuzzi@mofo.com
brettmiller@mofo.com
jmarines@mofo.com

Proposed counsel to the Official Committee
of Unsecured Creditors of Walter Energy,
Inc., *et al.*

EXHIBIT A

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

In re:

WALTER ENERGY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 15-02741-TOM11

Jointly Administered

**ORDER (A) AUTHORIZING THE DEBTORS TO ASSUME A
RESTRUCTURING SUPPORT AGREEMENT
AND (B) GRANTING RELATED RELIEF**

Upon consideration of the motion (the “Motion”)² of the Debtors, seeking entry of an order, pursuant to sections 105, 363 and 365 of title 11 of the U.S. Code (the “Bankruptcy Code”) and rules 2002, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for entry of an order: (i) authorizing the Debtors to assume that certain *Restructuring Support Agreement*, dated as of July 15, 2015 by and between the Debtors and the holders of first lien claims signatories thereto (the “RSA Parties”) and as amended on August 5, 2015 and August 7, 2015 (as the same may be further amended from time to time, the “Restructuring Support Agreement” or “RSA”); and (ii) granting related relief; and it appearing that jurisdiction is proper pursuant to 28 U.S.C. §§ 157 and 1334; and venue of these Chapter 11 Cases and the motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco, LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co., LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors’ corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.

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

appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and upon consideration of the First Day Declaration; and upon consideration of the objections to the Motion filed by the Official Committee of Unsecured Creditors, the UMWA Funds, United Steelworkers, BOKE, N.A., and Dominion Resources Black Warrior Trust (collectively, the “Objecting Parties”); and following a contested hearing on the Motion held on September 2 and 3, 2015; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors and other parties-in-interest subject to certain modifications requested by the Objecting Parties; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Motion is GRANTED to the extent provided herein.

2. The Debtors are authorized to assume the Restructuring Support Agreement in its entirety subject to the amended terms set forth herein, and effective as of the date of entry of this Order, the Restructuring Support Agreement is hereby assumed pursuant to section 365(a) of the Bankruptcy Code.

3. Section 5 of the Restructuring Support Agreement is amended to provide as follows:

5. 363 Sale Triggering Events. Upon the Majority Holders’ giving of written notice of the occurrence of a Triggering Event (as defined below) to the Company in accordance with Section 13 hereof, and in the absence of an unresolved Triggering Event Dispute (as defined below), notwithstanding anything to the contrary herein or in the Restructuring Documents, the Company shall cease pursuing and shall withdraw the Plan (and the Holder Parties shall no longer have any obligation to support the Plan) and instead exclusively use its best efforts to pursue and consummate the 363 Sale if any one or more of the following events occurs (each, a “Triggering Event”):

(a) at 5:00 p.m. prevailing Central Time on July 15, 2015, unless the Company shall have filed a motion seeking the appointment of a retiree committee under section 1114 of the Bankruptcy Code (the “1114 Retiree Committee Appointment Motion”).

which motion shall be in form and substance acceptable to the Company and the Majority Holders;

(b) (i) at 5:00 p.m. prevailing Central Time on August 26, 2015, unless the Company shall have made a proposal under sections 1113 and 1114 of the Bankruptcy Code to the United Mine Workers of America ("UMWA") or (ii) at 5:00 p.m. prevailing Central Time on September 4, 2015, unless the Company shall have made a proposal under sections 1113 and 1114 of the Bankruptcy Code to the United Steelworkers ("USW"), in each case, in form and substance acceptable to the Majority Holders;

(c) at 5:00 p.m. prevailing Central Time on August 12, 2015, unless the hearing on the 1114 Retiree Committee Appointment Motion shall have commenced in the Bankruptcy Court;

(d) at 5:00 p.m. prevailing Central Time on August 26, 2015, unless the Company shall have filed the Plan (except the Plan supplements) and Disclosure Statement (except exhibits), each consistent with the Restructuring Term Sheet and in form and substance reasonably acceptable to the Company and the Majority Holders, with the Bankruptcy Court;

(e) at 5:00 p.m. prevailing Central Time on November 27, 2015, unless the Company shall have filed with the Bankruptcy Court the exhibits to the Disclosure Statement, including projections for the time period to be set forth in the Business Plan, in form and substance reasonably acceptable to the Company and the Majority Holders;

(f) at 5:00 p.m. prevailing Central Time on November 27, 2015, unless the Bankruptcy Court shall have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Company and the Majority Holders;

(g) at 5:00 p.m. prevailing Central Time on December 7, 2015, unless (i) a motion seeking approval of the Bankruptcy Court of an agreement between the Pension Benefit Guaranty Corporation (the "PBGC") and the Company pursuant to which the Company's qualified single employer defined benefit pension plans will be terminated, which agreement shall be in form and substance reasonably acceptable to the Majority Holders, shall have been filed with the Bankruptcy Court, or motions to terminate the Company's qualified single employer defined benefit pension plans have been filed by the Company with the Bankruptcy Court and (ii) motions to terminate the Company's excess and supplemental non-qualified pension plans, in each case in form and substance reasonably acceptable to the Majority Holders, have been filed by the Company with the Bankruptcy Court;

(h) at 5:00 p.m. prevailing Central Time on December 7, 2015, unless (i) motion(s) seeking the approval of the Bankruptcy Court of settlement(s) with respect to the collective bargaining agreement(s) (the "Collective Bargaining Agreement(s)") entered into with the authorized representative(s) of the respective UMWA and/or USW employees in form and substance reasonably acceptable to the Company and the Majority

Holders (each, a “Labor Settlement”) shall have been filed or (ii) if no such motion(s) shall have been filed with the Bankruptcy Court with respect to any such Labor Settlement(s), a motion(s) under section 1113 of the Bankruptcy Code (including a motion filed pursuant to section 1113(c) of the Bankruptcy Code (an “1113 Motion”) seeking the rejection of certain Collective Bargaining Agreement(s) of the Company with the UMWA and the USW), in each case in form and substance reasonably acceptable to the Company and the Majority Holders and which can be combined with the motions required under Section 5(i) below, shall have been filed by the Company with the Bankruptcy Court:

(i) at 5:00 p.m. prevailing Central Time on December 7, 2015, unless (i) a motion seeking the approval of the Bankruptcy Court of the settlement(s) with respect to a Retiree Group (as defined below) entered into with the applicable authorized representative of the respective retirees or the retiree committee, each in form and substance reasonably acceptable to the Company and the Majority Holders (a “Retiree Settlement”) shall have been filed or (ii) if no such motion shall have been filed with the Bankruptcy Court with respect to any such Retiree Settlement, motions under section 1114 of the Bankruptcy Code, in each case in form and substance reasonably acceptable to the Company and the Majority Holders and which can be combined with the motions required under Section 5(h) above, shall have been filed by the Company with the Bankruptcy Court with respect to “retiree benefits” (as defined in section 1114 of the Bankruptcy Code) affecting the Company being received by UMWA retirees, United Steelworkers retirees, and non-union retirees (each, a “Retiree Group”):

(j) at 5:00 p.m. prevailing Central Time on December 7, 2015, unless the Company shall have commenced the Solicitation:

(k) at 5:00 p.m. prevailing Central Time on December 28, 2015, unless (i) the hearings with respect to the motions filed pursuant to Section 5(h) and Section 5(i) above shall have commenced in the Bankruptcy Court or (ii) if no such hearings shall have commenced with respect to such motions, the Bankruptcy Court shall have approved a Labor Settlement or Retiree Settlement, as applicable:

(l) at 5:00 p.m. prevailing Central Time on January 25, 2016, unless the Bankruptcy Court shall have (i) entered an order approving each of the motions filed pursuant to Section 5(h) and Section 5(i) above and granting relief reasonably acceptable to the Company and to the Majority Holders or (ii) if no such order shall have been entered with respect to any such motions, the Bankruptcy Court shall have approved a Labor Settlement or Retiree Settlement, as applicable:

(m) at 5:00 p.m. prevailing Central Time on the date that is 21 days after the date on which the orders described in clause (i) of Section 5(l) above are entered by the Bankruptcy Court, unless the Company shall have (i) implemented the relief granted by the Bankruptcy Court in such order or (ii) entered into a settlement with the applicable parties with respect to any Collective Bargaining Agreement or with the applicable

Retiree Group, as applicable, which settlement is approved by the Bankruptcy Court and is in form and substance acceptable to the Company and the Majority Holders;

(n) the occurrence of a strike, work slowdown or other concerted labor activity that lasts for more than three (3) days and reduces production by over 100,000 tonnes, as measured against the Company's mining plan;

(o) if, as of the effective date of the Plan, the aggregate amount of all allowed or projected Administrative and Priority Claims (as defined herein) exceeds \$10.0 million, which projections the Company, in consultation with the Holder Parties' Advisors, shall reasonably formulate in advance of the confirmation hearing in connection with the Plan. For purposes hereof, "Administrative and Priority Claims" means any non-ordinary course administrative expense claims and non-ordinary course priority tax claims. For the avoidance of doubt, Administrative and Priority Claims do not include any claims for fees and expenses of any professional, claims arising under sections 503(b)(9) or 507(b) of the Bankruptcy Code, postpetition operating expenses, severance obligations and payments, ordinary course administrative and priority tax claims, cure amounts related to assumed executory contracts, reclamation and environmental obligations, Coal Act and Black Lung obligations, and employee and retiree benefit obligations accrued in the ordinary course of business prior to implementing relief under sections 1113 and 1114 of the Bankruptcy Code;

(p) at 5:00 p.m. prevailing Central Time on March 9, 2016, unless the Bankruptcy Court shall have entered the Confirmation Order in form and substance acceptable to the Company and the Majority Holders; or

(q) at 5:00 p.m. prevailing Central Time on April 5, 2016, unless there shall have occurred a substantial consummation (as defined in section 1101 of the Bankruptcy Code) of the Plan;

provided, however, that all parties recognize the inherent authority of the Bankruptcy Court to modify or qualify its own orders as it deems necessary.

4. Section 6 of the Restructuring Support Agreement is amended to provide as follows:

6. Termination of Obligations. Following written notice to the Company or the Holder Parties, as applicable, in accordance with Section 13 hereof, this Agreement may be terminated as follows and, except as otherwise provided herein, all obligations of the Parties shall immediately terminate and be of no further force and effect upon such termination (each such termination event, a "Support Termination Event"):

(a) by the mutual written consent of the Company and the Majority Holders;

(b) by the Majority Holders upon (x) a breach (other than an immaterial breach) by the Company of any of the undertakings, representations, warranties or covenants of

the Company set forth in this Agreement, including the Company's obligations under Section 4, or (y) the failure by the Company to act in a manner materially consistent with this Agreement, which breach or failure to act remains uncured for a period of three (3) business days after the receipt of written notice in accordance with Section 13 hereof of such breach from the Majority Holders;

(c) by the Company upon a breach (other than an immaterial breach) by the Holder Parties of any of the undertakings, representations, warranties or covenants of the Holder Parties set forth in this Agreement, which breach remains uncured for a period of three (3) business days after the receipt of written notice in accordance with Section 13 hereof of such breach from the Company;

(d) (i) by the Majority Holders, in the event a Fiduciary Action occurs (whether or not notice of such is provided) or (ii) by the Company, if the Company so elects, in connection with a Fiduciary Action upon two (2) business days prior written notice to the Majority Holders in accordance with Section 13 hereof ;

(e) by the Majority Holders upon the occurrence of any of the following events, unless such event is waived or the applicable deadline is extended by the Majority Holders in writing (which waiver or extension may be withheld, conditioned or delayed by the Majority Holders):

(i) at 5:00 p.m. prevailing Central Time on July 15, 2015, unless the Company shall have commenced the Chapter 11 Cases;

(ii) on or prior to July 15, 2015 and concurrently with the filing of the Chapter 11 Cases, unless the Company shall have filed a Cleansing Document (as defined in the applicable confidentiality agreements by and between Walter and certain of the Holder Parties), as required by such confidentiality agreements;

(iii) at 5:00 p.m. prevailing Central Time on September 9, 2015, unless the Company shall have filed with the Bankruptcy Court the Sale Motion;

(iv) at 5:00 p.m. prevailing Central Time on October 15, 2015, unless the Bankruptcy Court shall have entered the Bidding Procedures Order in form and substance reasonably acceptable to the Company and the Majority Holders;

(v) at 5:00 p.m. prevailing Central Time on March 9, 2016, unless the Bankruptcy Court shall have entered a Confirmation Order in form and substance reasonably acceptable to the Company and the Majority Holders that has become a Final Order; provided that the foregoing shall not constitute a "Support Termination Event" if prior to such time the Bankruptcy Court shall have entered the Sale Order in form and substance reasonably acceptable to the Company and the Majority Holders, which Sale Order provides that the successor clause contained in the Collective Bargaining Agreements between the Company and the UMW is not enforceable against the purchaser of assets pursuant to the 363 Sale

(or the Bankruptcy Court otherwise grants relief to the Company under section 1113 of the Bankruptcy Code and the Company implements such relief which eliminates the successor clause contained in the Collective Bargaining Agreements between the Company and the UMW). "Final Order" means an order or judgment of the Bankruptcy Court (or any other court of competent jurisdiction) entered by the Clerk of the Bankruptcy Court (or such other court) on the docket in the Chapter 11 Cases (or the docket of such other court), which has not been modified, amended, reversed, vacated or stayed and as to which (A) the time to appeal, petition for certiorari, or move for a new trial, stay, reargument or rehearing has expired and as to which no appeal, petition for certiorari or motion for new trial, stay, reargument or rehearing shall then be pending or (B) if an appeal, writ of certiorari, new trial, stay, reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court (or other court of competent jurisdiction) shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, stay, reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, stay, reargument or rehearing shall have expired, as a result of which such order shall have become final in accordance with Rule 8002 of the Federal Rules of Bankruptcy Procedure; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Federal Rules of Bankruptcy Procedure, may be filed relating to such order, shall not cause an order not to be a Final Order;

(vi) at 5:00 p.m. prevailing Central Time on April 5, 2016, unless (A) there shall have occurred a substantial consummation (as defined in section 1101 of the Bankruptcy Code) of the Plan or (B) a consummation of the 363 Sale;

(vii) if the Company fails to obtain entry of the Interim Cash Collateral Order and the Final Cash Collateral Order within 5 and 50 calendar days, respectively, after the Petition Date, which Cash Collateral Orders, for the avoidance of doubt, shall be in form and substance reasonably acceptable to the Company and the Majority Holders, and shall provide as adequate protection, among other things, cash interest payments to Holder Parties on account of First Lien Claims in an amount equal to 50% of the contractual non-default rate on the First Lien Claims and payment of fees and expenses of the Holder Parties' Advisors and certain other parties in accordance with the terms of the Cash Collateral Orders;

(viii) if the Company fails to obtain entry of an RSA Order within 60 days after the Petition Date, which order shall include a waiver or modification of the automatic stay to provide any notices contemplated by and in accordance with this Agreement;

(ix) upon the filing by the Company of any motion or other request for relief seeking to (A) dismiss any of the Chapter 11 Cases, (B) convert any of the

Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code other than as contemplated by the Restructuring, or (C) appoint a trustee or an examiner pursuant to section 1104 of the Bankruptcy Code in any of the Chapter 11 Cases;

(x) upon the entry of an order by the Bankruptcy Court (A) dismissing any of the Chapter 11 Cases, (B) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code other than as contemplated by the Restructuring, (C) appointing a trustee or an examiner pursuant to section 1104 of the Bankruptcy Code in any of the Chapter 11 Cases, (D) terminating exclusivity under section 1121 of the Bankruptcy Code, (E) making a finding of fraud, dishonesty or misconduct by any executive, officer or director of the Company, regarding or relating to the Company, or (F) vacating, amending, terminating, extending or modifying the Cash Collateral Orders without the consent of the Majority Holders;

(xi) the Company files, proposes or otherwise supports any plan of liquidation, asset sale of all or substantially all of the Company's assets or plan of reorganization other than the Restructuring;

(xii) an order is entered by the Bankruptcy Court granting relief from the automatic stay to the holder or holders of any security interest to permit foreclosure (or the granting of a deed in lieu of foreclosure on the same) on any of the Company's assets (other than in respect of insurance proceeds or with respect to assets having a fair market value of less than \$1,000,000 in the aggregate);

(xiii) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction (including the Bankruptcy Court), of any ruling or order denying any requisite approval of, delaying, impeding or enjoining the confirmation or consummation of the Plan, the 363 Sale or any other aspect of the Restructuring;

(xiv) the Company experiences any circumstance, change, effect, event, occurrence, state of facts or development, either alone or in combination that has had, or is reasonably likely to have a material adverse effect on the financial condition, business, assets, prospects or operations of the Company taken as a whole;

(xv) a failure by the Company to pay the fees and expenses set forth in Section 4(b) of this Agreement;

(xvi) the entry of an order by any court of competent jurisdiction invalidating, disallowing, subordinating, or limiting, in any respect, as applicable, the enforceability, priority, or validity of the claims and liens of the First Lien Lenders under the First Lien Credit Facility or the claims and liens of the First Lien Noteholders under the First Lien Indenture as stipulated to by the Company in the Interim Cash Collateral Order, if such claims and liens have a fair market

value in excess of \$1,000,000 in the aggregate, without the written consent of the Majority Holders;

(xvii) the entry of an order by any court of competent jurisdiction granting the relief sought in an involuntary proceeding against the Company seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief in respect of the Company or the Company's debts, or of a substantial part of the Company's assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership or similar law now or hereafter in effect (provided that such involuntary proceeding is not dismissed within a period of thirty (30) days after the filing thereof);

(xviii) except in each case with respect to the Restructuring, if the Company (A) voluntarily commences any case or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, except as provided for in this Agreement, (B) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described above, (C) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of the Company's assets, (D) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) makes a general assignment or arrangement for the benefit of creditors or (F) takes any corporate action for the purpose of authorizing any of the foregoing;

(xix) a "Termination Event" under and as defined in the Cash Collateral Orders has occurred; or

(xx) unless otherwise agreed to in writing by the Majority Holders, the Canadian Entities (A) incur any new secured debt or any unsecured debt outside of the ordinary course of business (other than as it relates to the Permitted Non-Debtor Affiliate Payments (as such term is defined in the Interim Cash Collateral Order));

provided, however, that all parties recognize the inherent authority of the Bankruptcy Court to modify or qualify its own orders as it deems necessary.

Upon the termination of this Agreement pursuant to this Section 6, this Agreement shall forthwith become void and of no further force or effect, each Party shall be released from its commitments, undertakings and agreements under or related to this Agreement, and there shall be no liability or obligation on the part of any Party; provided, however, that in no event shall any such termination relieve a Party from (i) liability for its breach or non-performance of its obligations hereunder prior to the date of such termination, notwithstanding any termination of this Agreement by any other Party, and (ii)

obligations under this Agreement which expressly survive any such termination pursuant to Section 16; provided further, however, that notwithstanding anything to the contrary herein, (i) the right to terminate this Agreement under this Section 6 shall not be available to any Party whose failure to fulfill any material obligation under this Agreement has been the cause of, or resulted in, the occurrence of a Support Termination Event and (ii) any Support Termination Event may be waived only in accordance with this Agreement and the procedures established by Section 9, in which case the Support Termination Event so waived shall be deemed not to have occurred, this Agreement shall be deemed to continue in full force and effect, and the rights and obligations of the Parties shall be restored, subject to any modification set forth in such waiver. Upon termination of this Agreement, any and all consents, agreements, undertakings, tenders, waivers, forbearances and votes delivered by a Holder Party prior to such termination shall be deemed, for all purposes, to be null and void ab initio and shall not be considered or otherwise used in any manner by the Company or any other party. For the avoidance of doubt, the automatic stay arising pursuant to section 362 of the Bankruptcy Code shall be deemed waived or modified for purposes of providing notice or exercising rights hereunder.

5. ~~3.~~The Debtors are authorized to pay the fees, costs and expenses of the Holder Parties, the Holder Parties' Advisors and Consultants pursuant to and in accordance with the Restructuring Support Agreement.

6. ~~4.~~The Restructuring Support Agreement shall be binding and enforceable against the parties thereto in accordance with its terms.

7. ~~5.~~The Debtors are authorized to enter into amendments to the Restructuring Support Agreement, from time to time as necessary, subject to the terms and conditions set forth in the Restructuring Support Agreement. Within two (2) business days of the effective date of each such amendment, the Debtors will file a notice attaching a copy of any such amendments with the Court.

8. ~~6.~~Notice of the Motion as provided therein shall be deemed good and sufficient.

9. ~~7.~~The failure of any Holder Party to seek relief or otherwise exercise its rights and remedies under this Order, the Restructuring Support Agreement or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder or otherwise

of any of the Holder Parties.

10. ~~8.~~ The automatic stay arising pursuant to section 362 of the Bankruptcy Code is waived or modified for purposes of providing notices or exercising rights under the RSA.

11. Notwithstanding (i) the findings and conclusions contained herein, which are made solely for the purposes of entering this Order approving the Debtors' assumption of the Restructuring Support Agreement as modified herein, or (ii) anything to the contrary in the Restructuring Support Agreement, all parties' rights with respect to the transactions contemplated by the Restructuring Support Agreement, including, but not limited to, the right to make arguments regarding lack of good faith, breach of fiduciary or other duties on the part of the Debtors or the Holder Parties, or any other claims whatsoever are otherwise fully preserved.

12. ~~9.~~ Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7062, and 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. ~~10.~~ The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

14. ~~11.~~ The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

15. ~~12.~~ The Court shall retain jurisdiction over any matters arising from or related to the interpretation of this Order.

Dated: September ____, 2015
Birmingham, Alabama

THE HONORABLE TAMARA O. MITCHELL
UNITED STATES BANKRUPTCY JUDGE

Document comparison by Workshare Compare on Wednesday, September 09,
2015 12:30:18 PM

Input:	
Document 1 ID	PowerDocs://NEW YORK/1202853/1
Description	NEW YORK-#1202853-v1-Walter _ _ Amended_Proposed_RSA __ Assumption_Order _ _
Document 2 ID	PowerDocs://NEW YORK/1202853/5
Description	NEW YORK-#1202853-v5-Walter _ _ Amended_Proposed_RSA __ Assumption_Order _ _
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	56
Deletions	10
Moved from	0
Moved to	0
Style change	0
Format changed	0

Total changes	66
---------------	----

EXHIBIT A-1

5. 363 Sale Triggering Events. Upon the Majority Holders' giving of written notice of the occurrence of a Triggering Event (as defined below) to the Company in accordance with Section 13 hereof, and in the absence of an unresolved Triggering Event Dispute (as defined below), notwithstanding anything to the contrary herein or in the Restructuring Documents, the Company shall cease pursuing and shall withdraw the Plan (and the Holder Parties shall no longer have any obligation to support the Plan) and instead exclusively use its best efforts to pursue and consummate the 363 Sale if any one or more of the following events occurs (each, a "Triggering Event"):

(a) at 5:00 p.m. prevailing Central Time on July 15, 2015, unless the Company shall have filed a motion seeking the appointment of a retiree committee under section 1114 of the Bankruptcy Code (the "1114 Retiree Committee Appointment Motion"), which motion shall be in form and substance acceptable to the Company and the Majority Holders;

(b) (i) at 5:00 p.m. prevailing Central Time on August ~~12~~, 26, 2015, unless the Company shall have made a proposal under sections 1113 and 1114 of the Bankruptcy Code to the United Mine Workers of America ("UMWA") or (ii) at 5:00 p.m. prevailing Central Time on ~~August 26~~, September 4, 2015, unless the Company shall have made a proposal under sections 1113 and 1114 of the Bankruptcy Code to the United Steelworkers ("USW"), in each case, in form and substance acceptable to the Majority Holders;

(c) at 5:00 p.m. prevailing Central Time on August 12, 2015, unless the hearing on the 1114 Retiree Committee Appointment Motion shall have commenced in the Bankruptcy Court;

(d) at 5:00 p.m. prevailing Central Time on August 26, 2015, unless the Company shall have filed the Plan (except the Plan supplements) and Disclosure Statement (except exhibits), each consistent with the Restructuring Term Sheet and in form and substance reasonably acceptable to the Company and the Majority Holders, with the Bankruptcy Court;

(e) at 5:00 p.m. prevailing Central Time on ~~October 21~~, November 27, 2015, unless the Company shall have filed with the Bankruptcy Court the exhibits to the Disclosure Statement, including projections for the time period to be set forth in the Business Plan, in form and substance reasonably acceptable to the Company and the Majority Holders;

(f) at 5:00 p.m. prevailing Central Time on ~~October 28~~, November 27, 2015, unless the Bankruptcy Court shall have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Company and the Majority Holders;

(g) at 5:00 p.m. prevailing Central Time on ~~October 21, 2015~~ December 7, 2015, unless (i) a motion seeking approval of the Bankruptcy Court of an agreement between the Pension Benefit Guaranty Corporation (the "PBGC") and the Company pursuant to

which the Company's qualified single employer defined benefit pension plans will be terminated, which agreement shall be in form and substance reasonably acceptable to the Majority Holders, shall have been filed with the Bankruptcy Court, or motions to terminate the Company's qualified single employer defined benefit pension plans have been filed by the Company with the Bankruptcy Court and (ii) motions to terminate the Company's excess and supplemental non-qualified pension plans, in each case in form and substance reasonably acceptable to the Majority Holders, have been filed by the Company with the Bankruptcy Court;

(h) at 5:00 p.m. prevailing Central Time on December 7, 2015, unless (i) motion(s) seeking the approval of the Bankruptcy Court of settlement(s) with respect to the collective bargaining agreement(s) (the "Collective Bargaining Agreement(s)") entered into with the authorized representative(s) of the respective UMWA and/or USW employees in form and substance reasonably acceptable to the Company and the Majority Holders (each, a "Labor Settlement") shall have been filed or (ii) if no such motion(s) shall have been filed with the Bankruptcy Court with respect to any such Labor Settlement(s), a motion(s) under section 1113 of the Bankruptcy Code (including a motion filed pursuant to section 1113(c) of the Bankruptcy Code (an "1113 Motion") seeking the rejection of certain Collective Bargaining Agreement(s) of the Company with the UMWA and the USW), in each case in form and substance reasonably acceptable to the Company and the Majority Holders and which can be combined with the motions required under Section 5(i) below, shall have been filed by the Company with the Bankruptcy Court;

(i) at 5:00 p.m. prevailing Central Time on ~~October 21~~, December 7, 2015, unless (i) a motion seeking the approval of the Bankruptcy Court of the settlement(s) with respect to a Retiree Group (as defined below) entered into with the applicable authorized representative of the respective retirees or the retiree committee, each in form and substance reasonably acceptable to the Company and the Majority Holders (a "Retiree Settlement") shall have been filed or (ii) if no such motion shall have been filed with the Bankruptcy Court with respect to any such Retiree Settlement, motions under section 1114 of the Bankruptcy Code, in each case in form and substance reasonably acceptable to the Company and the Majority Holders and which can be combined with the motions required under Section 5(h) above, shall have been filed by the Company with the Bankruptcy Court with respect to "retiree benefits" (as defined in section 1114 of the Bankruptcy Code) affecting the Company being received by UMWA retirees, United Steelworkers retirees, and non-union retirees (each, a "Retiree Group");

(j) at 5:00 p.m. prevailing Central Time on ~~November 4~~, December 7, 2015, unless the Company shall have commenced the Solicitation;

(k) at 5:00 p.m. prevailing Central Time on ~~November 11~~, December 28, 2015, unless (i) the hearings with respect to the motions filed pursuant to Section 5(h) and Section 5(i) above shall have commenced in the Bankruptcy Court or (ii) if no such hearings shall have commenced with respect to such motions, the Bankruptcy Court shall have approved a Labor Settlement or Retiree Settlement, as applicable;

(l) at 5:00 p.m. prevailing Central Time on ~~December 9, 2015~~, January 25, 2016, unless the Bankruptcy Court shall have (i) entered an order approving each of the motions filed pursuant to Section 5(h) and Section 5(i) above and granting relief reasonably acceptable to the Company and to the Majority Holders or (ii) if no such order shall have been entered with respect to any such motions, the Bankruptcy Court shall have approved a Labor Settlement or Retiree Settlement, as applicable;

(m) at 5:00 p.m. prevailing Central Time on the date that is 21 days after the date on which the orders described in clause (i) of Section 5(l) above are entered by the Bankruptcy Court, unless the Company shall have (i) implemented the relief granted by the Bankruptcy Court in such order or (ii) entered into a settlement with the applicable parties with respect to any Collective Bargaining Agreement or with the applicable Retiree Group, as applicable, which settlement is approved by the Bankruptcy Court and is in form and substance acceptable to the Company and the Majority Holders;

(n) the occurrence of a strike, work slowdown or other concerted labor activity that lasts for more than three (3) days and reduces production by over 100,000 tonnes, as measured against the Company's mining plan;

(o) if, as of the effective date of the Plan, the aggregate amount of all allowed or projected Administrative and Priority Claims (as defined herein) exceeds \$10.0 million, which projections the Company, in consultation with the Holder Parties' Advisors, shall reasonably formulate in advance of the confirmation hearing in connection with the Plan. For purposes hereof, "Administrative and Priority Claims" means any non-ordinary course administrative expense claims and non-ordinary course priority tax claims. For the avoidance of doubt, Administrative and Priority Claims do not include any claims for fees and expenses of any professional, claims arising under sections 503(b)(9) or 507(b) of the Bankruptcy Code, postpetition operating expenses, severance obligations and payments, ordinary course administrative and priority tax claims, cure amounts related to assumed executory contracts, reclamation and environmental obligations, Coal Act and Black Lung obligations, and employee and retiree benefit obligations accrued in the ordinary course of business prior to implementing relief under sections 1113 and 1114 of the Bankruptcy Code;

(p) at 5:00 p.m. prevailing Central Time on ~~January 13~~, March 9, 2016, unless the Bankruptcy Court shall have entered the Confirmation Order in form and substance acceptable to the Company and the Majority Holders; or

(q) at 5:00 p.m. prevailing Central Time on ~~February 3~~, April 5, 2016, unless there shall have occurred a substantial consummation (as defined in section 1101 of the Bankruptcy Code) of the Plan;

provided, however, that all parties recognize the inherent authority of the Bankruptcy Court to modify or qualify its own orders as it deems necessary.

6. Termination of Obligations. Following written notice to the Company or the Holder Parties, as applicable, in accordance with Section 13 hereof, this Agreement may be terminated as follows and, except as otherwise provided herein, all obligations of the Parties shall immediately terminate and be of no further force and effect upon such termination (each such termination event, a “Support Termination Event”):

(a) by the mutual written consent of the Company and the Majority Holders;

(b) by the Majority Holders upon (x) a breach (other than an immaterial breach) by the Company of any of the undertakings, representations, warranties or covenants of the Company set forth in this Agreement, including the Company’s obligations under Section 4, or (y) the failure by the Company to act in a manner materially consistent with this Agreement, which breach or failure to act remains uncured for a period of three (3) business days after the receipt of written notice in accordance with Section 13 hereof of such breach from the Majority Holders;

(c) by the Company upon a breach (other than an immaterial breach) by the Holder Parties of any of the undertakings, representations, warranties or covenants of the Holder Parties set forth in this Agreement, which breach remains uncured for a period of three (3) business days after the receipt of written notice in accordance with Section 13 hereof of such breach from the Company;

(d) (i) by the Majority Holders, in the event a Fiduciary Action occurs (whether or not notice of such is provided) or (ii) by the Company, if the Company so elects, in connection with a Fiduciary Action upon two (2) business days prior written notice to the Majority Holders in accordance with Section 13 hereof ;

(e) by the Majority Holders upon the occurrence of any of the following events, unless such event is waived or the applicable deadline is extended by the Majority Holders in writing (which waiver or extension may be withheld, conditioned or delayed by the Majority Holders):

(i) at 5:00 p.m. prevailing Central Time on July 15, 2015, unless the Company shall have commenced the Chapter 11 Cases;

(ii) on or prior to July 15, 2015 and concurrently with the filing of the Chapter 11 Cases, unless the Company shall have filed a Cleansing Document (as defined in the applicable confidentiality agreements by and between Walter and certain of the Holder Parties), as required by such confidentiality agreements;

(iii) at 5:00 p.m. prevailing Central Time on September 9, 2015, unless the Company shall have filed with the Bankruptcy Court the Sale Motion;

(iv) at 5:00 p.m. prevailing Central Time on ~~September 30~~, October 15, 2015, unless the Bankruptcy Court shall have entered the Bidding Procedures

Order in form and substance reasonably acceptable to the Company and the Majority Holders;

(v) at 5:00 p.m. prevailing Central Time on ~~February 3,~~ March 9, 2016, unless the Bankruptcy Court shall have entered a Confirmation Order in form and substance reasonably acceptable to the Company and the Majority Holders that has become a Final Order; provided that the foregoing shall not constitute a “Support Termination Event” if prior to such time the Bankruptcy Court shall have entered the Sale Order in form and substance reasonably acceptable to the Company and the Majority Holders, which Sale Order provides that the successor clause contained in the Collective Bargaining Agreements between the Company and the UMW is not enforceable against the purchaser of assets pursuant to the 363 Sale (or the Bankruptcy Court otherwise grants relief to the Company under section 1113 of the Bankruptcy Code and the Company implements such relief which eliminates the successor clause contained in the Collective Bargaining Agreements between the Company and the UMW). “Final Order” means an order or judgment of the Bankruptcy Court (or any other court of competent jurisdiction) entered by the Clerk of the Bankruptcy Court (or such other court) on the docket in the Chapter 11 Cases (or the docket of such other court), which has not been modified, amended, reversed, vacated or stayed and as to which (A) the time to appeal, petition for certiorari, or move for a new trial, stay, reargument or rehearing has expired and as to which no appeal, petition for certiorari or motion for new trial, stay, reargument or rehearing shall then be pending or (B) if an appeal, writ of certiorari, new trial, stay, reargument or rehearing thereof has been sought, such order or judgment of the Bankruptcy Court (or other court of competent jurisdiction) shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, stay, reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, stay, reargument or rehearing shall have expired, as a result of which such order shall have become final in accordance with Rule 8002 of the Federal Rules of Bankruptcy Procedure; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Federal Rules of Bankruptcy Procedure, may be filed relating to such order, shall not cause an order not to be a Final Order;

(vi) at 5:00 p.m. prevailing Central Time on ~~February 3,~~ April 5, 2016, unless (A) there shall have occurred a substantial consummation (as defined in section 1101 of the Bankruptcy Code) of the Plan or (B) a consummation of the 363 Sale;

(vii) if the Company fails to obtain entry of the Interim Cash Collateral Order and the Final Cash Collateral Order within 5 and 50 calendar days, respectively, after the Petition Date, which Cash Collateral Orders, for the avoidance of doubt, shall be in form and substance reasonably acceptable to the Company and the Majority Holders, and shall provide as adequate protection,

among other things, cash interest payments to Holder Parties on account of First Lien Claims in an amount equal to ~~80~~50% of the contractual non-default rate on the First Lien Claims and payment of fees and expenses of the Holder Parties' Advisors and certain other parties in accordance with the terms of the Cash Collateral Orders;

(viii) if the Company fails to obtain entry of an RSA Order within 60 days after the Petition Date, which order shall include a waiver or modification of the automatic stay to provide any notices contemplated by and in accordance with this Agreement;

(ix) upon the filing by the Company of any motion or other request for relief seeking to (A) dismiss any of the Chapter 11 Cases, (B) convert any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code other than as contemplated by the Restructuring, or (C) appoint a trustee or an examiner pursuant to section 1104 of the Bankruptcy Code in any of the Chapter 11 Cases;

(x) upon the entry of an order by the Bankruptcy Court (A) dismissing any of the Chapter 11 Cases, (B) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code other than as contemplated by the Restructuring, (C) appointing a trustee or an examiner pursuant to section 1104 of the Bankruptcy Code in any of the Chapter 11 Cases, (D) terminating exclusivity under section 1121 of the Bankruptcy Code, (E) making a finding of fraud, dishonesty or misconduct by any executive, officer or director of the Company, regarding or relating to the Company, or (F) vacating, amending, terminating, extending or modifying the Cash Collateral Orders without the consent of the Majority Holders;

~~(xi) upon the Company's withdrawal, waiver, amendment or modification, or the filing of (or announced intention to file) a pleading seeking to withdraw, waive, amend or modify, any term or condition of any of the Restructuring Documents or any documents related thereto, including motions, notices, exhibits, appendices and orders, in a manner not acceptable in form and substance to the Majority Holders;~~(xii) the Company files, proposes or otherwise supports any plan of liquidation, asset sale of all or substantially all of the Company's assets or plan of reorganization other than the Restructuring;

~~(xiii)~~xii) an order is entered by the Bankruptcy Court granting relief from the automatic stay to the holder or holders of any security interest to permit foreclosure (or the granting of a deed in lieu of foreclosure on the same) on any of the Company's assets (other than in respect of insurance proceeds or with respect to assets having a fair market value of less than \$1,000,000 in the aggregate);

~~(xiv)~~xiii) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction (including the Bankruptcy Court), of any ruling or order denying any requisite approval of, delaying,

impeding or enjoining the confirmation or consummation of the Plan, the 363 Sale or any other aspect of the Restructuring;

(~~xv~~xiv) the Company experiences any circumstance, change, effect, event, occurrence, state of facts or development, either alone or in combination that has had, or is reasonably likely to have a material adverse effect on the financial condition, business, assets, prospects or operations of the Company taken as a whole;

(~~xvi~~xv) a failure by the Company to pay the fees and expenses set forth in Section 4(b) of this Agreement;

(~~xvii~~xvi) the entry of an order by any court of competent jurisdiction invalidating, disallowing, subordinating, or limiting, in any respect, as applicable, the enforceability, priority, or validity of the claims and liens of the First Lien Lenders under the First Lien Credit Facility or the claims and liens of the First Lien Noteholders under the First Lien Indenture as stipulated to by the Company in the Interim Cash Collateral Order, if such claims and liens have a fair market value in excess of \$1,000,000 in the aggregate, without the written consent of the Majority Holders;

(~~xviii~~xvii) the entry of an order by any court of competent jurisdiction granting the relief sought in an involuntary proceeding against the Company seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief in respect of the Company or the Company's debts, or of a substantial part of the Company's assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership or similar law now or hereafter in effect (provided that such involuntary proceeding is not dismissed within a period of thirty (30) days after the filing thereof);

(~~xix~~xviii) except in each case with respect to the Restructuring, if the Company (A) voluntarily commences any case or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, except as provided for in this Agreement, (B) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described above, (C) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of the Company's assets, (D) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) makes a general assignment or arrangement for the benefit of creditors or (F) takes any corporate action for the purpose of authorizing any of the foregoing;

(~~xx~~xix) a “Termination Event” under and as defined in the Cash Collateral Orders has occurred; or

(~~xx~~xx) unless otherwise agreed to in writing by the Majority Holders, the Canadian Entities (A) incur any new secured debt or any unsecured debt outside of the ordinary course of business (other than as it relates to the Permitted Non-Debtor Affiliate Payments (as such term is defined in the Interim Cash Collateral Order)) ~~or (B) commence, or become subject to, any restructuring or insolvency proceeding in any jurisdiction; or (xxii) unless otherwise agreed to in writing by the Majority Holders, commencement of a sale process or other actions in furtherance of a disposition of any material assets of the Canadian Entities.~~

provided, however, that all parties recognize the inherent authority of the Bankruptcy Court to modify or qualify its own orders as it deems necessary.

Upon the termination of this Agreement pursuant to this Section 6, this Agreement shall forthwith become void and of no further force or effect, each Party shall be released from its commitments, undertakings and agreements under or related to this Agreement, and there shall be no liability or obligation on the part of any Party; provided, however, that in no event shall any such termination relieve a Party from (i) liability for its breach or non-performance of its obligations hereunder prior to the date of such termination, notwithstanding any termination of this Agreement by any other Party, and (ii) obligations under this Agreement which expressly survive any such termination pursuant to Section 16; provided further, however, that notwithstanding anything to the contrary herein, (i) the right to terminate this Agreement under this Section 6 shall not be available to any Party whose failure to fulfill any material obligation under this Agreement has been the cause of, or resulted in, the occurrence of a Support Termination Event and (ii) any Support Termination Event may be waived only in accordance with this Agreement and the procedures established by Section 9, in which case the Support Termination Event so waived shall be deemed not to have occurred, this Agreement shall be deemed to continue in full force and effect, and the rights and obligations of the Parties shall be restored, subject to any modification set forth in such waiver. Upon termination of this Agreement, any and all consents, agreements, undertakings, tenders, waivers, forbearances and votes delivered by a Holder Party prior to such termination shall be deemed, for all purposes, to be null and void ab initio and shall not be considered or otherwise used in any manner by the Company or any other party. For the avoidance of doubt, the automatic stay arising pursuant to section 362 of the Bankruptcy Code shall be deemed waived or modified for purposes of providing notice or exercising rights hereunder.

Document comparison by Workshare Compare on Wednesday, September 09, 2015 11:59:39 AM

Input:	
Document 1 ID	PowerDocs://NEW YORK/1203078/1
Description	NEW YORK-#1203078-v1-Walter_-_RSA_Excerpts
Document 2 ID	PowerDocs://NEW YORK/1202561/7
Description	NEW YORK-#1202561-v7-Walter_-_RSA_termination_terms
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	42
Deletions	27
Moved from	2
Moved to	2
Style change	0
Format changed	0
Total changes	73

EXHIBIT B

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

In re:)	Chapter 11
WALTER ENERGY, INC., <i>et al.</i>)	Case No. 15-02741-TOM11
Debtors. ¹)	Jointly Administered
)	
)	

**FINAL ORDER (A) AUTHORIZING POSTPETITION USE
OF CASH COLLATERAL, (B) GRANTING ADEQUATE PROTECTION TO
PREPETITION SECURED PARTIES AND (C) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”) [Docket No. 42]² dated July 15, 2015 of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), pursuant to sections 105, 361, 362, 363, 507(b) and 552(b) of title 11 of the United States Code (the “Bankruptcy Code”) and Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) 2002, 4001, 6003, 6004 and 9014, seeking, among other things, entry of a final order (this “Final Order”):

- (I) authorizing the Debtors, subject and pursuant to the terms and conditions set forth in this Final Order, to (a) use the Cash Collateral (as defined herein), which Cash Collateral shall be used in accordance with the Budget Covenant (as defined herein), including a budget reflecting income and categories of expenses reasonably acceptable ~~in all respects~~ to the Steering Committee (as defined herein) ~~and the~~ Administrative Agent (as defined herein) and the Creditors’ Committee (as defined herein), each in their ~~sole~~ respective reasonable discretion, including any variances therefrom

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co. LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors’ corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

and the financial covenants (as such budget may be extended, varied, supplemented, or otherwise modified in accordance with the provisions of this Final Order (as defined herein), the “Approved Budget”) and (b) provide adequate protection on account of the aggregate postpetition diminution in the value of the Prepetition Collateral (as defined herein) as a consequence of the Debtors’ use, sale or lease of the Prepetition Collateral, including any Cash Collateral (as defined below), and/or the imposition of the automatic stay to the Prepetition Secured Parties (as defined herein) who have allegedly been granted prepetition liens and security interests under the following documents (collectively, the “Prepetition Debt Documents”):

- (a) the Credit Agreement, dated as of April 1, 2011 (as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time, the “Credit Agreement” and together with all mortgage, security, pledge, guaranty and collateral agreements, including the 1L Security Agreement (as defined below) and all other documentation executed in connection with any of the foregoing, each as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time, the “First Lien Credit Documents”), among Walter Energy, Inc. (“Walter”), as U.S. borrower, Western Coal Corp.³ and Walter Energy Canada Holdings, Inc., as Canadian borrowers, the lenders from time to time party thereto (collectively, the “First Lien Lenders”), and Morgan Stanley Senior Funding, Inc., as administrative agent (in such capacity, the “Administrative Agent”);
- (b) the Indenture, dated as of September 27, 2013 (as amended, waived, supplemented or otherwise modified from time to time, the “First Lien Indenture” and together with all mortgage, security, pledge, guaranty and collateral agreements, including the 1L Notes Collateral Agreement (as defined below) and all other documentation executed in connection with the foregoing, each as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time, the “First Lien Indenture Documents” and together with the First Lien Credit Documents, the “First Lien Documents”), among Walter, as issuer, certain of its subsidiaries, as guarantors, and Wilmington Trust, National Association (as successor to Union Bank, N.A.), as trustee (in such

³ Western Coal Corp. was a Canadian borrower at the time of entry into the First Lien Credit Agreement and related documents. In connection with a 2012 restructuring, substantially all of Western Coal Corp.’s assets were transferred to Walter Canadian Coal Partnership, and Western Coal Corp. was dissolved, with its remaining assets (including its partnership interest in Walter Canadian Coal Partnership) distributed to Walter Energy Canada Holdings, Inc.

capacity, the “First Lien Trustee”) and collateral agent for the noteholders from time to time of the 9.50% Senior Secured Notes due 2019 (collectively, the “First Lien Noteholders” and, together with the First Lien Trustee, the Administrative Agent and the First Lien Lenders, the “First Lien Secured Parties”);

- (c) the Indenture, dated as of March 27, 2014 (as amended, waived, supplemented or otherwise modified from time to time, the “Second Lien Indenture” and together with all mortgage, security, pledge, guaranty and collateral agreements, including the 2L Collateral Agreement (as defined below) and all other documentation executed in connection with the foregoing, each as amended, restated, amended and restated, waived, supplemented or otherwise modified from time to time, the “Second Lien Indenture Documents”), among Walter, as issuer, certain of its subsidiaries, as guarantors, and Wilmington Trust, National Association, as trustee (in such capacity, the “Second Lien Trustee” and, together with the First Lien Trustee, the “Indenture Trustees”) and collateral agent for the noteholders from time to time of the 11.0%/12.0% Senior Secured Second Lien PIK Toggle Notes due 2020 (collectively, the “Second Lien Noteholders” and, together with the Second Lien Trustee and the First Lien Secured Parties, collectively, the “Prepetition Secured Parties”);

- (II) subject to any Challenge (as defined below) commenced during the Challenge Period (as defined below) waiving the Debtors’ right to surcharge the Prepetition Collateral pursuant to Bankruptcy Code section 506(c);
- (III) modifying the automatic stay imposed by Bankruptcy Code section 362 to the extent necessary to implement and effectuate the terms of this Final Order; and
- (IV) waiving any applicable stay with respect to the effectiveness and enforceability of this Final Order (including a waiver pursuant to Bankruptcy Rule 6004(h)).

The *Interim Order (A) Authorizing Postpetition Use of Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, (C) Scheduling a Final Hearing Pursuant to Bankruptcy Rule 4001(b) and (D) Granting Related Relief* (the “Interim Order”) [Docket No. 59] having been entered by the Court on July 15, 2015; and the hearing to consider the approval of

the Motion on a final basis (the “Final Hearing”) having been held by the Court on September 2 ~~and 31~~, 2015; and upon the record made by the Debtors and objecting parties at the interim hearing on the Motion (including the First Day Declaration) ~~and~~, the Final Hearing, and the hearing regarding the Debtors’ motion to assume (the “RSA Assumption Motion”) the RSA (as defined below); and this Court having heard and resolved or overruled all objections to the final relief requested in the Motion (except to the extent the arguments raised in the objections to this Final Order and to the RSA Assumption Motion have been incorporated herein); and it appearing that the final relief ~~requested in the Motion~~ set forth herein is in the best interests of the Debtors, their estates and creditors; and after due deliberation and consideration and sufficient cause appearing therefor,

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

1. *The Motion.* The Motion is granted on a final basis as set forth herein. Any objection to the Motion to the extent not withdrawn or resolved is hereby overruled; provided, however, that the objections of the Creditors’ Committee, UMWA and other third parties to the linking of this Final Order with the RSA are sustained, as provided herein. All actions taken in connection with or in reliance on the Interim Order are hereby reaffirmed in full as if taken in connection with or in reliance on this Final Order.

2. *Jurisdiction.* This Court has core jurisdiction over the above-captioned chapter 11 cases (the “Chapter 11 Cases”) commenced on July 15, 2015 (the “Petition Date”), the Motion, and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. *Statutory Committees.* On July 30, 2015, the Office of the Bankruptcy Administrator for the Northern District of Alabama (the “Bankruptcy Administrator”) appointed

the official committee of unsecured creditors (the “Creditors’ Committee”) in the Chapter 11 Cases [Docket No. 268]. On July 30, 2015, the Court entered an order authorizing the formation of a committee of retired employees (the “Retiree Committee”) pursuant to Bankruptcy Code sections 1114(c)(2) and 1114(d) [Docket No. 264]. As of the date hereof, no other official committees have been appointed in the Chapter 11 Cases.

4. *Notice.* The Debtors have caused notice of the Motion, the relief requested therein and the Final Hearing to be served on: (a) the Bankruptcy Administrator; (b) counsel to the Administrative Agent; (c) counsel to the First Lien Trustee; (d) counsel to the Second Lien Trustee; (d) counsel to a steering committee (the “Steering Committee”) of First Lien Lenders and First Lien Noteholders; (e) counsel to the ad hoc group of unsecured creditors; (f) the Internal Revenue Service; (g) the Securities and Exchange Commission; (h) the U.S. Environmental Protection Agency; (i) counsel to the United Mine Workers of America (the “UMWA”); (j) counsel to the United Steel Workers; (k) the holders of the fifty (50) largest unsecured claims against the Debtors, on a consolidated basis; and (l) the United States Attorney for the Northern District of Alabama. Under the circumstances, the notice given by the Debtors of the Motion, the relief requested therein and of the Final Hearing constitutes due and sufficient notice thereof and complies with Bankruptcy Rules 2002 and 4001(b) and (d).

5. *Debtors’ Stipulations.* Subject to the rights granted to certain parties, other than the Debtors, to challenge the Prepetition Secured Parties’ claims and liens before the termination of the Challenge Period (as defined herein) as set forth below in paragraph 16, the Debtors admit, stipulate, and agree that:

(a) As of the Petition Date, all of the Debtors (excluding Jefferson Warrior Railroad Company, Inc., Jim Walter Homes, LLC, Walter Home Improvement, Inc., Blue Creek

Energy, Inc., Sloss-Sheffield Steel & Iron Company, SP Machine, Inc., and V Manufacturing Company) (collectively, the “Obligated Debtors”) were unconditionally indebted and liable to the Prepetition Secured Parties, without defense, counterclaim or offset of any kind, for the following:

- (i) all debts, liabilities and obligations of every kind and nature owed by the Obligated Debtors under the First Lien Credit Documents, including, without limitation, the Loans (as defined in the Credit Agreement) made by the First Lien Lenders to such Debtors in the outstanding aggregate principal amount of \$978,178,601.35 of term loans, and US\$50,688,432.80 and C\$24,070,494.00 (the “Canadian LCs”) in outstanding letters of credit, plus accrued and unpaid interest, fees (including any prepayment fees), expenses, penalties, premiums and other obligations incurred in connection therewith, in each case in accordance with the terms of the First Lien Credit Documents (collectively, the “Credit Agreement Obligations”); the Credit Agreement Obligations are unconditionally guaranteed by the U.S. Subsidiary Guarantors (as defined in the Credit Agreement) and are secured by first priority security interests in and liens on (the “Credit Agreement Liens”) substantially all of the assets of Walter and the U.S. Subsidiary Guarantors, including Cash Collateral (as defined herein) (the “Prepetition Collateral”), pursuant to and on the terms set forth in (A) the U.S. Guaranty and Collateral Agreement, dated as of April 1, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the “1L Security Agreement”), among Walter, the U.S. Subsidiary Guarantors and Morgan Stanley Senior Funding, Inc., as collateral agent (in such capacity, the “Credit Agreement Collateral Agent”), (B) the Grant of Security Interest in United States Trademarks, dated as of April 1, 2011, made by Walter to the Credit Agreement Collateral Agent, and (C) such other mortgage, security, pledge, guaranty and collateral agreements executed in connection with the Credit Agreement;
- (ii) all debts, liabilities and obligations of every kind and nature owed by the Obligated Debtors under the First Lien Indenture Documents (collectively, the “First Lien Indenture Obligations” and together with the Credit Agreement Obligations, the “First Lien Obligations”), including, without limitation, the Notes (as defined in the First Lien Indenture) issued to the First Lien Noteholders in the outstanding aggregate principal amount of \$970,000,000 under the First Lien Indenture, plus accrued and unpaid interest, fees, penalties, premium, expenses and other obligations incurred in connection therewith, in

each case in accordance with the terms of the First Lien Indenture Documents; the First Lien Indenture Obligations are unconditionally guaranteed by the same entities that have guaranteed the Credit Agreement Obligations and secured, *pari passu* with the Credit Agreement Liens, by first priority security interests in and liens on the Prepetition Collateral (collectively with the Credit Agreement Liens, the “Prepetition First Priority Liens”), pursuant to and in accordance with the terms of (A) the First-Lien Notes Collateral Agreement, dated as of September 27, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the “1L Notes Collateral Agreement”), among Walter, certain of its subsidiaries from time to time party thereto and Wilmington Trust, National Association (as successor to Union Bank, N.A.), as collateral agent (in such capacity, the “1L Notes Collateral Agent”), (B) the Grant of Security Interest in United States Trademarks, dated as of September 27, 2013, made by Walter to the 1L Notes Collateral Agent, and (C) such other mortgage, security, pledge, guaranty and collateral agreements executed in connection with the First Lien Indenture; and

- (iii) all debts, liabilities and obligations of every kind and nature owed by the Obligated Debtors under the Second Lien Indenture Documents (collectively, the “Second Lien Indenture Obligations” and together with the First Lien Obligations, the “Prepetition Obligations”), including, without limitation, the Notes (as defined in the Second Lien Indenture) issued to the Second Lien Noteholders in the outstanding aggregate principal amount (including interest that has been capitalized) of \$360.5 million under the Second Lien Indenture, plus accrued and unpaid interest, fees, penalties, premium, expenses and other obligations incurred in connection therewith, in each case in accordance with the terms of the Second Lien Indenture Documents; the Second Lien Indenture Obligations are unconditionally guaranteed by the same entities that have guaranteed the First Lien Obligations and secured by second priority security interests in and liens on the Prepetition Collateral (the “Prepetition Second Priority Liens” and together with the Prepetition First Priority Liens, the “Prepetition Liens”), pursuant to and in accordance with the terms of (A) the Second-Lien Notes Collateral Agreement, dated as of March 27, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “2L Notes Collateral Agreement”), among Walter, certain of its subsidiaries from time to time party thereto and Wilmington Trust, National Association, as collateral agent (in such capacity, the “2L Notes Collateral Agent”), (B) the Grant of Security Interest in United States Trademarks, dated as of March 27, 2014, made by Walter to the 2L Notes Collateral Agent, and (C) all other mortgage,

security, pledge, guaranty and collateral agreements executed in connection with the Second Lien Indenture.

(b) The Prepetition Obligations constitute the legal, valid, binding, non-avoidable obligations of the Obligated Debtors.

(c) The Prepetition Liens are valid, binding, perfected, non-avoidable, and enforceable liens on and security interests in the Prepetition Collateral, subject in each case, solely as among the Prepetition Secured Parties, to the terms of the Intercreditor Agreement (as defined herein) and, prior to giving effect to the Interim Order, those other liens explicitly permitted by the applicable Prepetition Debt Documents (in each case, only to the extent such permitted exceptions were valid, properly perfected, non-avoidable liens senior in priority to the respective liens and security interests of the Prepetition Secured Parties on the Petition Date) (the “Permitted Priority Liens”), if any.

(d) (i) No portion of the Prepetition Obligations, the Prepetition Debt Documents, and the transactions contemplated thereby is subject to contest, attack, objection, recoupment, defense, setoff, counterclaim, avoidance, recharacterization, reclassification, reduction, disallowance, recovery, disgorgement, attachment, “claim” (as defined in the Bankruptcy Code), impairment, subordination or other challenge pursuant to the Bankruptcy Code or applicable nonbankruptcy law; (ii) the Debtors do not have any claims, challenges, counterclaims, causes of action, defenses, recoupment, disgorgement, or setoff rights related to the Prepetition Obligations or the Prepetition Debt Documents, whether arising under the Bankruptcy Code or applicable nonbankruptcy law, on or prior to the date hereof, against the Prepetition Secured Parties and their respective affiliates, subsidiaries, agents, officers, directors, employees, attorneys and advisors; and (iii) the Debtors each irrevocably waive, for themselves,

and their subsidiaries, shareholders, and affiliates, any right to challenge or contest in any way the perfection, validity, priority and enforceability of the Prepetition Liens or the validity or enforceability of the Prepetition Obligations and the Prepetition Debt Documents. Any order entered by the Court in relation to the establishment of a bar date for any claims (including without limitation administrative expense claims) in any of the Chapter 11 Cases or any successor cases shall not apply to the Prepetition Secured Parties. The Prepetition Obligations, Prepetition Liens, interests, rights, priorities and protections granted to, or in favor of the Prepetition Secured Parties, as set forth in the Interim Order, this Final Order and in the applicable Prepetition Debt Documents shall be deemed a timely filed proof of claim on behalf of these Prepetition Secured Parties in each of these Chapter 11 Cases, and none of the Prepetition Secured Parties shall be required to file a proof of claim with respect thereto.

(e) 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 (collectively, the "Releasors") shall, to the maximum extent permitted by applicable law, unconditionally, irrevocably, fully and forever release, remise, acquit, relinquish, irrevocably waive and discharge each of the Prepetition Secured Parties and each of their respective former, current, or future officers, employees, directors, agents, representatives, owners, members, partners, financial advisors, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors in interest (collectively, the "Releasees") of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, rights, assertions, allegations, actions, suits, controversies, proceedings, losses, damages, injuries, attorneys' fees, costs, expenses, or judgments of every type, whether known, unknown, asserted, unasserted, suspected, unsuspected, accrued,

unaccrued, fixed, contingent, pending, or threatened 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 relating to any of the Prepetition Debt Documents, or the transactions contemplated under such documents, including, without limitation, (i) any so-called “lender liability,” equitable subordination, equitable disallowance or recharacterization claims or defenses, (ii) any and all claims and causes of action arising under the Bankruptcy Code, and (iii) any and all claims and causes of action regarding the validity, priority, perfection or avoidability of the Prepetition Liens and the Prepetition Obligations. The Debtors’ acknowledgments, stipulations, and releases shall be binding on the Debtors and their respective representatives, successors and assigns and, only subject to any action timely commenced by the Creditors’ Committee or any other party in interest, and in any case which is granted the requisite standing before the expiration of the Challenge Period as provided in paragraph 16, on each of the Debtors’ estates, all creditors thereof and each of their respective representatives, successors and assigns, ~~including, without limitation;~~ provided however, that the releases contained in this paragraph 5(e) shall not bind any trustee or other representative appointed by the Court, whether such trustee or representative is appointed in cases under chapter 11 or chapter 7 of the Bankruptcy Code.

(f) For purposes of this Final Order, the term “Cash Collateral” shall mean and include all “cash collateral” as defined in Bankruptcy Code section 363 in which the Prepetition Secured Parties have a perfected lien, security interest or other interest, in each case whether existing on the Petition Date, arising pursuant to the Interim Order or this Final Order, or otherwise. The Debtors stipulate that any and all of the Debtors’ cash, cash equivalents, negotiable instruments, investment property, securities, and any amounts generated from the use,

sale, lease or other disposition of the Prepetition Collateral, in each case wherever located, constitute Cash Collateral and Prepetition Collateral of the Prepetition Secured Parties.

(g) As of the Petition Date, the Debtors have not brought and are not aware of any claims, objections, challenges, causes of action, including without limitation, avoidance claims under chapter 5 of the Bankruptcy Code against the Prepetition Secured Parties arising out of or related to the Prepetition Obligations.

(h) To the Debtors' knowledge, as of the Petition Date, there were no other perfected liens on or security interests in the Prepetition Collateral except for the Prepetition Liens and the Permitted Priority Liens.

6. *Section 552(b)*. Each of the Prepetition Secured Parties shall be entitled to all of the rights and benefits of Bankruptcy Code section 552(b). ~~The~~ provided that the Prepetition Secured Parties shall remain subject to the "equities of the case" exception under Bankruptcy Code section 552(b) ~~shall not apply to~~ until the expiration of the Challenge Period (as defined herein) unless the Creditors' Committee or other party permitted to do so (including but not limited to the UMWA) has initiated a Challenge (as defined herein), in which case the Prepetition Secured Parties ~~with respect to proceeds, products, or profits of any of the Prepetition Collateral~~ shall remain subject to the "equities of the case" exception under Bankruptcy Code section 552(b) unless and until such Challenge is resolved in favor of the Prepetition Secured Parties or withdrawn by the party that commenced the Challenge.

7. *Findings Regarding the Use of Cash Collateral and Prepetition Collateral.*

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

(b) The Debtors have an immediate need to use the Cash Collateral to permit, among other things, the orderly continuation of their businesses, pay their operating expenses and preserve the going concern value of the Debtors.

(c) The preservation and maintenance of the Debtors' businesses and assets is necessary to maximize value. Absent the Debtors' ability to use Cash Collateral ~~in accordance with the terms hereof (including, without limitation, the Budget Covenant)~~, the continued operation of the Debtors' businesses would not be possible, and irreparable harm to the Debtors, their estates, and their creditors would occur. Authorization to use the Cash Collateral is therefore (i) critical to the Debtors' ability to maximize the value of these chapter 11 estates, (ii) in the best interests of the Debtors and their estates, and (iii) necessary to avoid immediate and irreparable harm to the Debtors, their creditors, and their assets, businesses, goodwill, reputation, and employees.

(d) The terms of the use of the Cash Collateral pursuant to this Final Order are fair and reasonable, ~~and reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties~~ under the circumstances.

(e) The Steering Committee, the Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, the Second Lien Trustee, the 1L Notes Collateral Agent, and the 2L Notes Collateral Agent, as applicable, have consented to (or, as applicable, have been directed to, or it has been asserted that they are deemed to have consented to pursuant to the Intercreditor Agreement referred to below), conditioned upon the entry of this Final Order, the Debtors' proposed use of Cash Collateral, on the terms and conditions set forth in this Final

Order and in accordance with the Budget Covenant. Pursuant and subject to the terms of the Amended and Restated Intercreditor Agreement, dated as of March 27, 2014 (as amended, supplemented or otherwise modified from time to time, the “Intercreditor Agreement”), among Walter, the other grantors from time to time party thereto, the Credit Agreement Collateral Agent, the 1L Notes Collateral Agent, the 2L Notes Collateral Agent, and each additional Collateral Agent (as defined in the Intercreditor Agreement) and Authorized Representative (as defined in the Intercreditor Agreement) from time to time party thereto, the 1L Notes Collateral Agent, the First Lien Noteholders, the 2L Notes Collateral Agent and the Second Lien Noteholders are precluded from objecting to the use of Cash Collateral under certain circumstances, including if the Credit Agreement Collateral Agent has consented thereto and the adequate protection provisions set forth herein are adhered to.

(f) The continued use of Cash Collateral has been negotiated ~~in good faith and at arms’ length~~ among the Debtors, the Steering Committee, the Credit Agreement Collateral Agent (on behalf of the First Lien Lenders) and the Administrative Agent, as applicable, and, therefore, the use of the Cash Collateral by the Debtors in accordance with the terms of this Final Order shall be deemed to have been extended, issued, or made in “good faith²²,” subject to the Challenge rights set forth below in paragraph 16.

(g) On the Petition Date, the Debtors and certain of the Prepetition Secured Parties entered into that certain Restructuring Support Agreement (as amended from time to time in accordance therewith, the “RSA”), which contains the parties’ agreements and undertakings with respect to the Debtors’ restructuring.

8. *Authorization of Use of Cash Collateral.* Subject to the terms hereof and in accordance with the Budget Covenant, the Debtors are hereby authorized to use the Cash

Collateral during the period from the Petition Date through and including the Termination Date for: (a) working capital requirements; (b) general corporate purposes; (c) adequate protection payments to the Prepetition Secured Parties as contemplated herein; and (d) the costs and expenses of administering these Chapter 11 Cases (including payments benefiting from the Carve-Out) incurred in the Chapter 11 Cases; provided that the Debtors shall not be authorized to use Cash Collateral to pay fees or expenses (x) in excess of \$~~50,000 per month (the “Committee Monthly Cap”)~~, ~~on account of Professional Persons (as defined herein) retained by any official committee appointed in these Chapter 11 Cases, including the Creditors’ Committee and Retiree Committee,~~ (y) ~~in excess of \$25,000~~600,000 (the “Investigation Budget”) for the Creditors’ Committee to investigate (but not prepare, initiate or prosecute) Claims and Defenses (as defined herein) against the Prepetition Secured Parties before the termination of the Challenge Period (as defined herein); ~~or (zy)~~ or (zy) to initiate or prosecute proceedings or actions on account of any Claims and Defenses against the Prepetition Secured Parties (such action, a “Challenge”). For the avoidance of doubt and notwithstanding any other provision of this Final Order, other than the Investigation Budget (which may be used solely for the purposes authorized in this paragraph 8), no Cash Collateral, Prepetition Collateral or Collateral, ~~Collateral~~ or any proceeds thereof, or any portion of the Carve-Out may be used directly or indirectly by any Debtor, any official committee appointed in the case, including the Creditors’ Committee and Retiree Committee, or any trustee appointed in the Chapter 11 Cases or any successor case, or any other person, party or entity to (i) investigate, object, contest, or raise any defense to the validity, perfection, priority, extent, or enforceability of the Prepetition Obligations, the Prepetition Liens or any action purporting to do any of the foregoing; (ii) investigate, assert or prosecute any Claims and Defenses against the Prepetition Secured Parties or their respective predecessors-in-interest,

agents, affiliates, representatives, attorneys, or advisors or any action purporting to do the foregoing in respect of the Prepetition Obligations and/or the Prepetition Liens; (iii) prevent, hinder, or otherwise delay the Prepetition Secured Parties' enforcement, or realization on the Prepetition Obligations, Cash Collateral, the Prepetition Liens, the Adequate Protection Obligations, or the Adequate Protection Liens in accordance with the Final Order; (iv) seek to modify any of the rights granted to the Prepetition Secured Parties hereunder (other than with the consents contemplated hereunder); (v) apply to the Court for authority to approve superpriority claims or grant liens (other than the Approved Liens (as defined below)) in the Collateral or any portion thereof that are senior to, or on parity with, the Adequate Protection Liens, the Superpriority Claims or the Prepetition Liens, unless all Prepetition Obligations and claims under the Interim Order and this Final Order have been refinanced or paid in full in cash (including the cash collateralization of any letters of credit) or otherwise agreed to in writing by the Administrative Agent and the Steering Committee, each in its ~~sole~~reasonable discretion; or (vi) seek to pay any amount on account of any claims arising prior to the Petition Date unless such payments are agreed to in writing by the Steering Committee and the Creditors' Committee (each in its ~~sole~~reasonable discretion), are authorized in any "first day" orders or are otherwise included in the Approved Budget and, in all cases, payment of such prepetition claims shall have been approved by the Court.

9. *Entitlement to Adequate Protection.* ~~The Prepetition~~Subject to the Challenge rights set forth herein, the First Lien Secured Parties are entitled to adequate protection of their respective interests in the Prepetition Collateral (including, without limitation, the Cash Collateral) on which the ~~Prepetition~~First Lien Secured Parties hold perfected security interests as of the Petition Date in an amount equal to the aggregate postpetition diminution in value of the

Prepetition Collateral, including any Cash Collateral, from and after the Petition Date (such diminution in value, the “Diminution in Value”), ~~including, without limitation,~~ to the extent such diminution results from the sale, lease or use by the Debtors of the Prepetition Collateral, the subordination of the Prepetition Liens to the Carve-Out, or the imposition of the automatic stay pursuant to Bankruptcy Code section 362 (such adequate protection, as set forth in paragraphs 10 and 11 below, the “Adequate Protection Obligations”).

10. *Adequate Protection Claims and Liens.*

(a) Adequate Protection for the First Lien Secured Parties. As adequate protection for the Diminution in Value of the Prepetition Collateral, the First Lien Secured Parties are hereby granted the following claims, liens, rights and benefits:

- (i) ***First Lien Superpriority Claim.*** The Adequate Protection Obligations due to the First Lien Secured Parties (the “First Lien Adequate Protection Obligations”) shall constitute allowed joint and several superpriority claims against each of the Debtors as provided in Bankruptcy Code section 507(b) (collectively, the “First Lien Superpriority Claim”), with priority over any and all administrative expenses and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all other administrative expenses of the kind specified in Bankruptcy Code sections 503(b) and 507(b), and over any and all other administrative expenses or other claims arising under any other provision of the Bankruptcy Code, including, without limitation, Bankruptcy Code sections 105, 326, 327, 328, 330, 331, 365, 503, 506, 507(a), 507(b), 546, 552, 726, 1113 or 1114, whether or not such expenses or claims may become secured by a judgment lien or other nonconsensual lien, levy or attachment, subject and subordinate only to the Carve-Out, provided that under no circumstances shall the First Lien Superpriority Claim be enforced against the proceeds of any Avoidance Actions (as defined below);
- (ii) ***First Lien Adequate Protection Liens.*** Subject to the Carve-Out, as security for the First Lien Adequate Protection Obligations, effective as of the Petition Date and perfected without the necessity of the execution by the Debtors (or recordation or other filing) of security agreements, control agreements, pledge agreements, financing

statements, mortgages or other similar documents, or the possession or control by the First Lien Secured Parties of any Postpetition Collateral (as defined below), the following security interests and liens are hereby granted to the First Lien Secured Parties (all such liens and security interests, the “First Lien Adequate Protection Liens”):

(A) Pursuant to Bankruptcy Code sections 361(2) and 363(c)(2), a valid, binding, continuing, enforceable, fully-perfected, non-avoidable additional and replacement first priority lien on, and security interest in, all property (including any previously unencumbered property), whether now owned or hereafter acquired or existing and wherever located, of each Debtor and each Debtor’s “estate” (as created pursuant to Bankruptcy Code section 541(a)), of any kind or nature whatsoever, real or personal, tangible or intangible, and now existing or hereafter acquired or created, including, without limitation, all cash, accounts, inventory, goods, contract rights, mineral rights, instruments, documents, chattel paper, patents, trademarks, copyrights, and licenses therefor, accounts receivable, receivables and receivables records, general intangibles, payment intangibles, tax or other refunds, insurance proceeds, letters of credit, owned real estate, real property leaseholds, fixtures, deposit accounts, commercial tort claims, securities accounts, instruments, investment property, letter-of-credit rights, supporting obligations, machinery and equipment, real property, leases (and proceeds from the disposition thereof), all of the issued and outstanding capital stock of each Debtor (other than Walter), other equity or ownership interests held by a Debtor, including equity interests in subsidiaries and non-wholly-owned subsidiaries, money, investment property, and causes of action ~~(including causes of action arising under Bankruptcy Code section 549 and any related action under Bankruptcy Code section 550) and the proceeds of any causes of action under Bankruptcy Code sections 502(d), 544, 545, 547, 548, 550 or 553 or the proceeds of any other avoidance actions under the Bankruptcy Code or applicable non-bankruptcy law (collectively, the “Avoidance Actions”)~~, Cash Collateral, and all cash and non-cash proceeds, rents, products, substitutions, accessions, and profits of any of the collateral described above, documents, vehicles, intellectual property, securities, partnership or membership interests in limited liability companies and capital stock, including, without limitation, the products, proceeds and supporting obligations thereof, whether in existence on the Petition Date or thereafter created, acquired, or arising and wherever located (all such property (including the Junior Collateral (as defined herein)), other than the Prepetition Collateral in existence

immediately prior to the Petition Date, being collectively referred to as, the “Postpetition Collateral” and collectively with the Prepetition Collateral, the “Collateral”), which liens and security interests shall be senior to any and all other liens and security interests other than the Carve-Out, the Bid Protections (as defined below) and the Permitted Priority Liens, if any, and liens granted to third parties on Cash Collateral to secure Approved Collateralized Obligations (as defined below) (the “Approved Liens”).

(B) Subject to the Carve-Out, pursuant to Bankruptcy Code sections 361(2) and 363(c)(2), a valid, binding, continuing, enforceable, fully-perfected non-avoidable junior priority replacement lien on, and security interest in, all property, whether now owned or hereafter acquired or existing and wherever located, of each Debtor and each Debtor’s “estate” (as created pursuant to Bankruptcy Code section 541(a)), property of any kind or nature whatsoever, real or personal, tangible or intangible, and now existing or hereafter acquired or created, including, without limitation, all cash, accounts, inventory, goods, contract rights, mineral rights, instruments, documents, chattel paper, patents, trademarks, copyrights, and licenses therefor, accounts receivable, receivables and receivables records, general intangibles, payment intangibles, tax or other refunds, insurance proceeds, letters of credit, contracts, owned real estate, real property leaseholds, fixtures, deposit accounts, commercial tort claims, securities accounts, instruments, investment property, letter-of-credit rights, supporting obligations, machinery and equipment, real property, leases (and proceeds from the disposition thereof), all of the issued and outstanding capital stock of each Debtor (other than Walter), other equity or ownership interests held by a Debtor, including equity interests in subsidiaries and non-wholly-owned subsidiaries, money, investment property, causes of action, Cash Collateral, and all cash and non-cash proceeds, rents, products, substitutions, accessions, and profits of any of the collateral described above, documents, vehicles, intellectual property, securities, partnership or membership interests in limited liability companies and capital stock, including, without limitation, the products, proceeds and supporting obligations thereof, whether now existing or hereafter acquired, that is subject only to (x) the Permitted Priority Liens, (y) the Bid Protections or (z) valid and non-avoidable liens in existence immediately prior to the Petition Date that are perfected after the Petition Date to the extent permitted by Bankruptcy Code section 546(b), which valid, perfected and unavoidable liens are senior in priority to the security interests and liens in favor of the

Administrative Agent and the First Lien Trustee (the “Junior Collateral”).

(C) Notwithstanding anything in this Final Order to the contrary, the Collateral shall not include, and neither the Prepetition Liens nor the Adequate Protection Liens (as defined herein) shall attach to, any causes of action arising under chapter 5 of the Bankruptcy Code, the proceeds of any action arising under chapter 5 of the Bankruptcy Code, or the proceeds of any other avoidance actions under the Bankruptcy Code or applicable non-bankruptcy law (collectively, the “Avoidance Actions”).

(D) ~~(C)~~ The First Lien Adequate Protection Liens shall not be (1) subject or subordinate to, or *pari passu* with, ~~(a) any lien or security interest that is avoided and preserved for the benefit of the Debtors and their estates under Bankruptcy Code section 551 or (b)~~ any lien or security interest arising on or after the Petition Date, but subject to the Carve-Out or any stalking horse purchaser bid protections ~~approved by the Steering Committee in its sole discretion and~~ approved by the Bankruptcy Court in connection with the Sale Motion (the “Bid Protections”), or (2) except as otherwise set forth in paragraphs 10(a)(ii)(A) and 10(a)(ii)(B) hereof, subordinated to or made *pari passu* with any other lien, claim or security interest under Bankruptcy Code sections 363 or 364 or otherwise.

- (iii) ***Carve-Out.*** For purposes hereof, the “Carve-Out” shall mean, following the Termination Date, the sum of: (A) all fees required to be paid to the clerk of the Court and the Bankruptcy Administrator (without regard to the Carve-Out Trigger Notice (as defined herein)); (B) reasonable fees and expenses up to \$25,000 in the aggregate incurred by a trustee appointed under Bankruptcy Code section 726(b) (without regard to the Carve-Out Trigger Notice); (C) subject to ~~the Committee Monthly Cap with respect to Professional Fees incurred by Professional Persons retained by the Creditors’ Committee, the Retiree Committee or any other statutory committee appointed in the Chapter 11 Cases, and subject to any Professional Fees permitted to be incurred by the Creditors’ Committee under~~ any limitations imposed by the Investigation Budget, ~~to the extent allowed, whether by interim order, procedural order or otherwise,~~ all accrued and unpaid reasonable fees, costs, and expenses (the “Professional Fees”) incurred by persons or firms retained by the Debtors, the Creditors’ Committee, the Retiree Committee or any other statutory committee appointed in the Chapter 11 Cases pursuant to Bankruptcy Code section 327, 328, or 363 (collectively, the “Professional Persons”) at any time before or on the

day of delivery by the Administrative Agent or Steering Committee of a Carve-Out Trigger Notice (the “Pre-Trigger Date Fees”); and (D) after the delivery by the Administrative Agent or Steering Committee of the Carve-Out Trigger Notice (the “Trigger Date”), to the extent allowed at any time, whether by interim order, procedural order or otherwise, the payment of (1) all Professional Fees of Professional Persons retained by the Debtors and (2) ~~subject to the Committee Monthly Cap, the payment of~~all Professional Fees of Professional Persons incurred by the Creditors’ Committee, the Retiree Committee or any other statutory committee appointed in the Chapter 11 Cases, not to exceed \$5 million in the aggregate for clauses (1) and (2) incurred after the Trigger Date (the amount set forth in this clause (D) being the “Post-Carve Out Trigger Notice Cap”); provided that nothing herein shall be construed to impair the ability of any party to object to the fees, expenses, reimbursement or compensation described in clauses (C) or (D) above, on any grounds. On the day on which a Carve-Out Trigger Notice is given to the Debtors, such Carve-Out Trigger Notice also 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 aggregate amount equal to the accrued and unpaid Pre-Trigger Date Fees plus the Post-Carve Out Trigger Notice Cap, and the Debtors shall deposit and hold any such amounts in a segregated account at a financial institution selected by the Debtors for such purpose and solely for the benefit of the Professional Persons entitled thereto. The reserved funds shall be released from time to time from the segregated account to pay when due any Pre-Trigger Date Fees and any fees and expenses incurred after Post-Carve Out Trigger Notice that are included in the Post-Carve Out Trigger Notice Cap under clause (D) above. Such account and amounts therein shall be free and clear of all liens, claims and interests of any party other than the Professional Persons entitled thereto. Notwithstanding the foregoing, (X) other than as permitted in connection with the Investigation Budget the Carve-Out shall not include, apply to or be available for any fees or expenses incurred by any party in connection with (1) the investigation, preparation, initiation or prosecution of any claims, causes of action, proceeding, adversary proceeding or other litigation against any of the Prepetition Secured Parties (in such capacity), including challenging the amount, validity, perfection, priority or enforceability of or asserting any defense, counterclaim or offset to, the Prepetition Obligations and the Prepetition Liens granted under the Prepetition Debt Documents in favor of the Prepetition Secured Parties, including, without limitation, for lender liability or pursuant to Bankruptcy Code section 105, 510, 544, 547, 548, 549, 550 or 552, applicable nonbankruptcy law or otherwise; (2) attempts to modify any of the rights granted to the

Prepetition Secured Parties hereunder (other than with the consents contemplated hereunder); (3) attempts to prevent, hinder or otherwise delay any of the Prepetition Secured Parties' enforcement or realization upon any Collateral in accordance with the Prepetition Debt Documents and this Final Order; or (4) paying any amount on account of any claims arising before the Petition Date unless such payments are approved by an order of this Court, in the Approved Budget or otherwise consented to by the Steering Committee in its ~~sole~~reasonable discretion, and (Y) so long as the Carve-Out Trigger Notice shall not have been delivered, the Carve-Out shall not be reduced by the payment of Professional Fees allowed at any time by this Court. ~~Any claim incurred in connection with any of the activities described above (other than as permitted in connection with the Investigation Budget in an amount not exceeding such Investigation Budget) shall not be allowed, treated or payable as an administrative expense claim for purposes of Bankruptcy Code section 1129(a)(9)(A).~~ For purposes of the foregoing, "Carve-Out Trigger Notice" shall mean a written notice delivered by the Administrative Agent or the Steering Committee to the Debtors, Debtors' counsel, the Bankruptcy Administrator, counsel to the Creditors' Committee and counsel to the Retiree Committee, upon the occurrence and during the continuance of a Termination Event (as defined below), stating that the Post-Carve Out Trigger Notice Cap has been invoked. For the avoidance of doubt and notwithstanding anything to the contrary herein or in the Prepetition Debt Documents, the Carve-Out shall be senior to all liens and claims arising out of the Prepetition Debt Documents, including the Prepetition Liens, the Adequate Protection Liens, the Superpriority Claims, and any and all other forms of adequate protection, liens or claims securing or relating to the Prepetition Obligations.

~~(b) Adequate Protection for the Second Lien Trustee and Second Lien Noteholders. As adequate protection for the Diminution in Value of their liens and interests in the Prepetition Collateral, the Second Lien Trustee and the Second Lien Noteholders are hereby granted the following claims, liens, rights and benefits:~~

- ~~(i) **Second Lien Superpriority Claims.** The Adequate Protection Obligations due to the Second Lien Trustee and the Second Lien Noteholders (the "Second Lien Adequate Protection Obligations") shall constitute joint and several superpriority claims against the Debtors as provided in Bankruptcy Code section 507(b) (the "Second Lien Superpriority Claim" and together with the First Lien Superpriority Claim, the "Superpriority Claims"), with priority over~~

~~any and all administrative expenses and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all other administrative expenses of the kind specified in Bankruptcy Code sections 503(b) and 507(b), and over any and all other administrative expenses or other claims arising under any other provision of the Bankruptcy Code, including, without limitation, Bankruptcy Code sections 105, 326, 327, 328, 330, 331, 365, 503, 506, 507(a), 507(b), 546, 552, 726, 1113 or 1114, whether or not such expenses or claims may become secured by a judgment lien or other noneconsensual lien, levy or attachment, subject and subordinate only to the Carve Out, the First Lien Superpriority Claim, the First Lien Obligations and the Bid Protections.~~

- (ii) ~~**Second Lien Adequate Protection Liens.** As security for the Second Lien Adequate Protection Obligations, effective as of the Petition Date and perfected without the necessity of the execution by the Debtors (or recordation or other filing) of security agreements, control agreements, pledge agreements, financing statements, mortgages or other similar documents, or the possession or control by the Second Lien Indenture Trustee of any Postpetition Collateral, security interests and liens are hereby granted to the Second Lien Indenture Trustee for the benefit of the Second Lien Noteholders on the Postpetition Collateral, subject and subordinate only to the (A) the Carve Out, (B) the First Lien Adequate Protection Liens, (C) the liens and security interests securing the First Lien Obligations, (D) the Permitted Priority Liens, (E) the Bid Protections and (F) Approved Liens, and subject further to the Intercreditor Agreement (all such liens and security interests, the “Second Lien Adequate Protection Liens,” and collectively with the First Lien Adequate Protection Liens, the “Adequate Protection Liens”). The Second Lien Adequate Protection Liens shall not be subject or subordinate to, or *pari passu* with, any lien or security interest that is avoided and preserved for the benefit of the Debtors and their estates under Bankruptcy Code section 551.~~

(b) ~~(e)~~ For the avoidance of doubt, (i) to the extent ACE American Insurance Company and/or any of its affiliates (collectively, “ACE”) had valid and perfected liens and/or security interests on property (including ~~cash collateral~~ Cash Collateral) of the Debtors as of the Petition Date, which liens and/or security interests were senior to the liens and/or security interests of each of the Prepetition Secured Parties, such liens and/or security interests shall be senior to any liens and/or security interests granted pursuant to this Order, (ii) the Prepetition

Secured Parties do not have liens and/or security interests on any letter(s) of credit for which ACE is the beneficiary or ~~any~~ any proceeds thereof and (iii) this [Final](#) Order does not grant the Debtors any right to use any property (or the proceeds thereof) held by ACE as collateral to secure obligations under insurance policies and related agreements.

11. *Additional Adequate Protection.* As additional adequate protection:

(a) Payments: The Debtors are authorized ~~and directed~~ to pay in cash to the Administrative Agent, for the ratable benefit of the First Lien Lenders (including in respect of any unreimbursed drawings on letters of credit), and to the First Lien Trustee, for the ratable benefit of the First Lien Noteholders: ~~(i) all interest accrued but unpaid as of the Petition Date calculated based on 100% of the applicable non-default contract rate as set forth in the First Lien Credit Documents and the First Lien Indenture Documents, as applicable, by no later than December 31, 2015, with such payments to be received by the Administrative Agent and First Lien Trustee on or before 12:00 PM (prevailing Eastern time) on such date; and (ii)~~ all interest accruing after the Petition Date under the First Lien Credit Documents (with the LIBO Rate under the First Lien Credit Documents fixed at 1.00% per annum for purposes of such postpetition interest payments under the First Lien Credit Documents) and the First Lien Indenture Documents, respectively, in each case calculated based on ~~80~~[50](#)% of the applicable contract non-default rate set forth in the First Lien Credit Documents and the First Lien Indenture Documents, as applicable, which postpetition interest shall be payable on a monthly basis in equal installments (but subject to adjustment if the principal amount of such indebtedness shall be reduced) on the 15th day of each month, or the next business day if the 15th day is not a business day, with such payments to be received by the Administrative Agent and First Lien Trustee on or before 12:00 PM (prevailing Eastern time) on such date. The aforementioned

payments of interest are without prejudice to the rights of the Administrative Agent and the First Lien Trustee (and any party-in-interest's right to object thereto) to assert a claim for payment of additional interest at any other rates in accordance with the applicable governing documents but without prejudice to the right of any party-in-interest with standing to do so to seek to recharacterize such payments as principal. All computations of postpetition interest shall be made on the basis of a year of 360 days and a month of 30 days. Any and all adequate protection payments made pursuant to the terms of this Final Order (including any and all fees, costs and expenses payable under this paragraph 11) shall remain, until the closing of these Chapter 11 Cases, subject to (i) recharacterization as principal, (ii) reallocation pursuant to section 506(b) of the Bankruptcy Code, and (iii) disgorgement in the event of a successful Challenge to any of the Prepetition Liens or any claims held by any of the Prepetition Secured Lenders. Nothing in this Final Order, including the adequate protection payments, shall be deemed to imply that the First Lien Lenders are entitled to post-petition interest, whether at the default contract rate or otherwise, and the rights of all entities in connection therewith are fully preserved.

(b) Agent/Indenture Trustee Fees and Expenses: The Debtors shall promptly pay, in cash, (x) all Letter of Credit Fees and Facing Fees (each as defined in the Credit Agreement), and any annual administrative agent fees and other fees set forth in Section 4.01(b) through (e) of the Credit Agreement (including, in each case, all amounts set forth in Section 4.01(a) through (e) of the Credit Agreement accrued with respect to periods on or prior to the Petition Date) on the respective dates for the payment (or, in the case of all amounts accrued as of the Petition Date, promptly upon entry of the Interim Order) of all such fees as provided in the Credit Agreement, at the applicable non-default rate provided for in the First Lien Credit Documents with respect to such fees and (y) upon presentment of an applicable invoice to the

Debtors (with a copy of such invoice to be presented contemporaneously to both the Bankruptcy Administrator and counsel for the Creditors' Committee), all reasonable, actual, and documented (in customary detail, redacted for privilege and work product) fees, costs and expenses incurred by each of the Administrative Agent and the First Lien Trustee, including, without limitation, the fees, costs and expenses of one lead counsel, one local counsel (if necessary) and, if needed, one Canadian counsel for each of the Administrative Agent and the First Lien Trustee, in each case in accordance with the applicable engagement letters (if any) and the Prepetition Debt Documents and without further order of, or application to, the Court or notice to any party other than as provided in this paragraph 11(b) [and paragraph 11\(f\)](#).

(c) Steering Committee Fees and Expenses. The Debtors shall promptly pay in cash ~~upon presentment of an applicable invoice to the Debtors (with a copy of such invoice to be presented contemporaneously to both the Bankruptcy Administrator and counsel for the Creditors' Committee, if any)~~, all reasonable, actual, and documented (in customary detail, redacted for privilege and work product) fees, costs and expenses of (i) Akin Gump Strauss Hauer & Feld LLP ("Akin Gump"), as lead counsel, Burr Forman LLP ("Burr Forman"), as Alabama counsel, Cassels Brock & Blackwell LLP ("Cassels"), as Canadian counsel, Jackson Kelly LLP ("Jackson Kelly"), as West Virginia counsel, Lazard Frères & Co. LLC ("Lazard"), as financial advisor, and Stephen Douglas Williams Consulting LLC, as consultant, to the Steering Committee ("Williams Consulting" and together with Akin Gump, Burr Forman, Cassels, Jackson Kelly and Lazard, the "Steering Committee Advisors," [and collectively with the advisors authorized to submit invoices pursuant to paragraph 11\(b\), the "First Lien Secured Party Advisors"](#)) and (ii) any other consultants or advisors retained by the Steering Committee (and not by individual Steering Committee members) (the parties described in this paragraph 11(c)(ii),

collectively, the “Consultants”) in connection with the Restructuring (as defined in the RSA); provided that the Steering Committee shall provide notice to the Debtors and the Creditors’ Committee prior to retaining any such Consultants, in each case, in accordance with engagement letters (if any) of such professional (including the Restructuring Fee as defined in Lazard’s engagement letter), and in each case, without further order of, or application to, the Court or notice to any party other than as provided in this paragraph 11(c) and paragraph 11(f); provided that no success fees shall be payable to Williams Consulting or any Consultant. In addition, the Debtors shall promptly reimburse each Steering Committee member in cash for all reasonable and documented out-of-pocket costs and expenses (without limiting the Debtors’ obligations pursuant to the previous sentence, which out-of-pocket costs and expenses should not include any advisor and professional fees for such individual Steering Committee member) incurred by such member in connection with the Restructuring, subject to the procedures set forth in paragraph 11(f).

(d) Credit Bidding. The Administrative Agent (on behalf of the First Lien Lenders); and the First Lien Trustee (on behalf of the First Lien Noteholders) ~~and the Second Lien Trustee (on behalf of the Second Lien Noteholders) (but only if any such credit bid provides, to the extent set forth in the Intercreditor Agreement, for the payment in full and in cash of all Prepetition Obligations owed to the First Lien Secured Parties and any amounts due and owing to the First Lien Secured Parties under the Interim Order and this Final Order, and provides for the cash collateralization of any letters of credit in accordance with the First Lien Credit Documents, the Interim Order and this Final Order)~~, as applicable, shall have the right to credit bid (X) up to the full amount of the remaining Prepetition Obligations under the First Lien Credit Documents; and ~~First Lien Indenture Documents and the Second Lien Indenture~~

Documents, respectively and (Y) the First Lien Superpriority Claims, ~~the Second Lien Superpriority Claims~~, and any unpaid amounts due and owing under paragraph 11(a) through (c) hereof, as applicable, in the sale of any of the Collateral, including, without limitation, (a) pursuant to Bankruptcy Code section 363, (b) a plan of reorganization or a plan of liquidation under Bankruptcy Code section 1129, or (c) a sale or disposition by a chapter 7 trustee for any Debtor under Bankruptcy Code section ~~725-725~~; provided, that the credit bidding rights set forth in this paragraph 11(d) shall be subject in all cases, to the right of the Creditors' Committee or other parties in interest (including but not limited to the UMWA) to seek to limit such credit bidding rights pursuant to Bankruptcy Code section 363(k) until the expiration of the Challenge Period unless the Creditors' Committee or other party in interest (including but not limited to the UMWA) has initiated a Challenge, in which case the Committee shall retain its right to seek to limit the credit bidding rights set forth in this paragraph 11(d) unless and until such Challenge is resolved in favor of the Prepetition Secured Parties or withdrawn by the party that commenced the Challenge.

(e) Reporting and Budget Compliance. The Debtors shall comply in all respects with the provisions of this paragraph 11(e) (the "Budget Covenant"). The initial budget shall cover the 12-week period beginning the business week of the Petition Date (the "Initial Budget Period") and be in the form attached hereto as **Exhibit A** (the "Initial Budget"). On or before the last business day of the tenth week of the Initial Budget Period, the Debtors shall deliver an updated budget (the "Second Budget") for the 12-week period following the Initial Budget Period (the "Second Budget Period"). On or before the last business day of the tenth week of the Second Budget Period, the Debtors shall deliver an updated budget (the "Third Budget") and, together with the Initial Budget and the Second Budget, collectively, the

“Budgets”) for the 12-week period following the Second Budget Period (the “Third Budget Period”). The Budgets shall be delivered to the Steering Committee and the Administrative Agent, with a copy delivered to the Creditors’ Committee; provided that, the Budgets may be shared on a confidential basis with those Prepetition Secured Parties that have signed a confidentiality agreement or are otherwise subject to confidentiality restrictions pursuant to the Prepetition Debt Documents. The Initial Budget was the first budget utilized for reporting and permitted variance purposes (the “Approved Budget”). The Second Budget and the Third Budget provided thereafter shall be of no force and effect unless and until it is approved by the Steering Committee~~—and,~~ the Administrative Agent, and the Creditors’ Committee, each in its ~~sole~~reasonable discretion. The Steering Committee~~—and,~~ the Administrative Agent, and the Creditors’ Committee, each in its ~~sole~~reasonable discretion, shall approve or reject the Second Budget or the Third Budget within eleven (11) days after the last day that delivery thereof is permitted as set forth above; provided that, each of the Second Budget and the Third Budget shall be deemed approved upon the passage of such eleven (11) day period with no objection raised by the Steering Committee~~—and,~~ the Administrative Agent or the Creditors’ Committee. Upon the approval by the Steering Committee~~—and,~~ the Administrative Agent, and the Creditors’ Committee, each of the Second Budget and the Third Budget shall become the “Approved Budget” for the Second Budget Period and the Third Budget Period, as applicable. Every week (beginning with the first full week after the Petition Date), on the fifth business day of such week, the Debtors shall deliver to the Steering Committee Advisors, the advisors to the Administrative Agent, the advisors to the Creditors’ Committee and counsel to the Second Lien Trustee, a weekly variance report from the previous week comparing the actual cash receipts and disbursements of the Debtors with the receipts and disbursements in the Approved Budget (the

“Budget Variance Report”); provided that, the Budget Variance Report may be shared on a confidential basis with the Administrative Agent, the Steering Committee and the Second Lien Trustee. The Budget Variance Report shall include, among other things, (a) details regarding amounts paid under any order of the Court; (b) a detailed comparison, including commentary, of each week’s performance against the Approved Budget; and (c) a detailed comparison, including commentary, of aggregate performance since the commencement of the Approved Budget against such Approved Budget. The Debtors shall not allow (x) (i) “Cumulative Net Cash Flow” for the relevant Testing Period to have a negative variance of more than \$20 million from the “Cumulative Net Cash Flow” line item set forth in the Initial Budget and (ii) “Cumulative Disbursements” for the relevant Testing Period to have a negative variance of more than the greater of (a) \$7.5 million and (b) 5% of “Cumulative Disbursements” set forth in the Initial Budget for the relevant Testing Period from the “Cumulative Disbursements” line item set forth in the Initial Budget, (y) (i) “Cumulative Net Cash Flow” for the relevant Testing Period to have a negative variance of more than \$20 million from the “Cumulative Net Cash Flow” line item set forth in the Second Budget and (ii) “Cumulative Disbursements” for the relevant Testing Period to have a negative variance of more than the greater of (a) \$7.5 million and (b) 5% of “Cumulative Disbursements” set forth in the Second Budget for the relevant Testing Period from the “Cumulative Disbursements” line item set forth in the Second Budget and (z) (i) “Cumulative Net Cash Flow” for the relevant Testing Period to have a negative variance of more than \$20 million from the “Cumulative Net Cash Flow” line item set forth in the Third Budget and (ii) “Cumulative Disbursements” for the relevant Testing Period to have a negative variance of more than the greater of (a) \$7.5 million and (b) 5% of “Cumulative Disbursements” set forth in the Third Budget for the relevant Testing Period from the “Cumulative Disbursements” line item set

forth in the Third Budget. For purposes of the Cumulative Net Cash Flow and Cumulative Disbursements variance tests set forth above, (i) “Testing Period” shall mean (x) with respect to clause (x) in the prior sentence, the first two week period of the Initial Budget Period, and each cumulative period beginning with the beginning of the Initial Budget Period and ending every two weeks after the first two week period, (y) with respect to clause (y) in the prior sentence, the first two week period of the Second Budget Period, and each cumulative period beginning with the beginning of the Second Budget Period and ending every two weeks after the first two week period, and (z) with respect to clause (z) in the prior sentence, the first two week period of the Third Budget Period, and each cumulative period beginning with the beginning of the Third Budget Period and ending every two weeks after the first two week period and (ii) “Cumulative Net Cash Flow” and “Cumulative Disbursements” shall not include, but shall otherwise be permitted to be paid in accordance herewith, (w) adequate protection payments, (x) fees and expenses of professionals retained outside the ordinary course of business, (y) the Debtors’ use of the Cash Collateral to collateralize any new, replaced or renewed letters of credit, surety bonds or workers’ compensation obligations, in each case, that has either been consented to by the Steering Committee in its ~~sole discretion~~reasonable discretion or that the Debtors reasonably believe are necessary in order to ensure maintenance of their material permits and licenses and/or to avoid incurring administrative expenses arising from the potential revocation of permits (collectively, the “Approved Collateralized Obligations”) and (z) key employee retention payments approved by both the Steering Committee and the Court. The Debtors shall not allow cumulative capital expenditures beginning July 1, 2015, as calculated on a GAAP basis, to exceed the amounts set forth in the Debtors’ projected capital expenditure budget attached as an exhibit to the Initial Budget by more than the greater of (x) \$5 million and (y) 20%. Such capital

expenditure variance shall be tested as of the end of each calendar month, and the Debtors shall deliver to the Steering Committee Advisors, the advisors to the Administrative Agent and the advisors to the Creditors' Committee a variance report calculating such variance no later than 15 business days following the end of each calendar month, beginning with July 2015.

(f) Requirement of Invoices. Any and all fees, costs and expenses requested to be paid pursuant to paragraphs 11(b) or (c) of this Final Order shall be requested by submitting a monthly invoice to the Debtors, the Creditors' Committee and the Bankruptcy Administrator (the "Fee Review Parties"). The Fee Review Parties shall have ten (10) days following receipt of a monthly invoice to review such invoice (the "Fee Review Period") and, to the extent appropriate, object to the reasonableness of any or all fees or expenses described therein. At the expiration of the Fee Review Period the Debtors shall be authorized to pay the uncontested portion of any invoice submitted pursuant to paragraphs 11(b) or (c) of this Final Order. To the extent that the any of the Fee Review Parties have objected to a monthly invoice submitted pursuant to paragraphs 11(b) or (c) of this Final Order, the relevant Fee Review Party and First Lien Secured Party Advisor, Administrative Agent or First Lien Trustee as the case may be, shall meet and confer in an effort to resolve the dispute. To the extent that the dispute cannot be resolved consensually within twenty (20) days after the expiration of the Fee Review Period, the dispute shall be resolved by this Court.

(g) ~~(f)~~ Access to Records/Financial Reporting. In addition to, and without limiting, whatever rights of access the Prepetition Secured Parties have under the Prepetition Debt Documents, upon reasonable notice, at reasonable times and subject to appropriate confidentiality protections, the Debtors shall permit representatives and agents of the Steering Committee, the Creditors' Committee, and the Administrative Agent (i) to have access to and

inspect the Debtors' properties, subject to reasonable safety precautions, (ii) to examine the Debtors' books and records, and (iii) to discuss the Debtors' affairs, finances and condition with the Debtors' officers and financial advisors. In addition, the Debtors shall provide to the Steering Committee Advisors ~~and~~, the advisors to the Administrative Agent, the Creditors' Committee, and the UMW on a monthly basis, reports setting forth (i) substantive mine-by-mine details of the Debtors' operating performance, including its non-debtor subsidiaries and (ii) a detailed comparison, including commentary, of the month's actual operating performance against the projections, substantially in form and substance consistent with the Company's historical monthly reporting to the Board of Directors, as modified to include summary mine-level operating and financial data.

(h) ~~(g)~~ Executory Contracts and Unexpired Leases. The Debtors will ~~work~~consult with the Steering Committee and its advisors, and the Creditors' Committee and its advisors to determine which executory contracts and unexpired leases should be assumed or rejected by the Debtors. The Debtors will provide the Steering Committee and its advisors, and the Creditors' Committee and its advisors with all necessary information in order to analyze such a decision. ~~Other than in connection with the 363 Sale (as defined in the RSA) where the Purchaser (as defined in the Sale Term Sheet attached as Exhibit C to the RSA) is not the winning bidder for the Assets (as defined in the RSA), the Debtors shall not make any decision with regard to the assumption or rejection of executory contracts and unexpired leases without first obtaining the consent of the Steering Committee, which consent shall be in its sole discretion.~~

(i) ~~(h)~~ Employee Incentive/Retention Plans. The Debtors ~~shall not seek~~will consult with the Steering Committee and its advisors, and the Creditors' Committee and its

advisors prior to seeking approval of any employee incentive or retention plans (or any similar sort of retention or incentive program) ~~without the prior written consent of the Steering Committee, which consent shall be in its sole discretion.~~

(j) ~~(i)~~ Other Covenants.

1. The Debtors shall maintain their cash management arrangements in a manner consistent in all material respects with that described in ~~the~~ *The Debtors' Motion for an Order (A) (I) Approving Continued Use of the Debtors' Existing Cash Management System; (II) Authorizing Use of Existing Bank Accounts and Checks; (III) Waiving the Requirements of 11 U.S.C. 345(b); (IV) Granting Administrative Expense Status to Certain Postpetition Intercompany Claims; and (V) Authorizing the Continuation of Certain Intercompany Transactions; and (B) Granting Related Relief* (the "Cash Management Motion") [Docket No. 38], as modified by the order approving the Cash Management Motion [Docket No. 332] (as may be further amended).
2. Except as expressly permitted under the RSA, the Sale Motion (as defined in the RSA) or other "first day" pleadings, the Debtors shall not use, sell or lease any material assets outside the ordinary course of business, or seek authority of this Court to the extent required by Bankruptcy Code section 363, without obtaining the prior written consent of the Steering Committee, which consent shall be in its ~~sole~~reasonable discretion, and, when practicable, prior consultation with the Administrative Agent and the First Lien Trustee at least five (5) business days prior to the date on which the Debtors seek the Court's authority for such use, sale or lease. Subject to paragraph 10(a)(iii) hereof and the rights of any holder of a Permitted Priority Lien thereon, in the event of any such sale, lease, transfer, license, or other disposition of property of the Debtors (other than a disposition of all or substantially all of the Debtors' assets) that constitutes Collateral outside the ordinary course of business (to the extent permitted by the Prepetition Debt Documents and this Final Order) the Debtors are authorized ~~and directed, without further notice or order of this Court,~~ to immediately pay to the Administrative Agent or Indenture Trustees, as appropriate under the Intercreditor Agreement, for the benefit of the applicable Prepetition Secured Parties, 100% of the net cash proceeds resulting therefrom and allocable to the Collateral no later than the second business day following receipt of such proceeds. In the event of any casualty, condemnation, or similar event with respect to property that constitutes Collateral, the Debtors are authorized ~~and directed~~ to pay to the Administrative Agent or Indenture Trustees, as

appropriate under the Intercreditor Agreement, for the benefit of the applicable Prepetition Secured Parties, any insurance proceeds, condemnation award, or similar payment (excluding any amounts on account of any D&O policies) in excess of \$2,000,000 no later than the second business day following receipt of payment by the Debtors unless the applicable Prepetition Secured Parties consent, each in ~~their~~ sole its reasonable discretion but subject to the Intercreditor Agreement, in writing, to the funds being reinvested by the Debtors. Any payments to be made pursuant to this paragraph are subject in all respects to the rights of the Creditors' Committee and other parties in interest, including but not limited to the UMWA, to challenge the entitlement of the Prepetition Secured Parties to proceeds of their alleged collateral.

(k) ~~(j)~~ Restrictions on the Use of Collateral with Respect to Foreign and Non-Debtor Affiliates. The Debtors shall not transfer or use any Collateral, including any Cash Collateral, to or for the benefit of any direct or indirect foreign or non-debtor affiliate or subsidiary of the Debtors, including, without limitation, in connection with any professional fees and expenses incurred with respect to any restructuring of such subsidiary or affiliate, provided that the Debtors shall be permitted to make payments for the benefit of its foreign and non-debtor affiliates or subsidiaries (i) as expressly provided in an Approved Budget or (ii) with the prior consent of the Steering Committee, which consent shall be in its ~~sole~~ reasonable discretion (“Permitted Non-Debtor Affiliate Payments”) and, other than with respect to any payments made to or for the benefit of Black Warrior Methane Corp. and Black Warrior Transmission Corp., any such Permitted Non-Debtor Affiliate Payments shall be made pursuant to senior secured notes, which notes shall be pledged to the First Lien Secured Parties. For the avoidance of doubt, in the event that any Permitted Non-Debtor Affiliate Payment is made to any one or more Canadian Entity (as defined below), the Debtors shall be authorized to cause each such Canadian Entity ~~shall~~ to grant liens against all of its present and future property, assets and undertaking, and the Debtors shall be authorized to cause all other Canadian Entities ~~shall~~ to (i) guarantee repayment

of such Permitted Non-Debtor Affiliate Payment and (ii) grant liens against all of their respective present and future property, assets and undertaking as security for such guarantee obligations, and the Debtors shall be authorized to cause each such Permitted Non-Debtor Affiliate Payment and all of such guarantees and security ~~shall~~to be assigned and pledged by the maker of such Permitted Non-Debtor Affiliate Payment in favor of the First Lien Secured Parties, and in each such case, to cause the form of the note(s), security and guarantees ~~shall~~to be in form and substance satisfactory to the Steering Committee in its ~~sole~~reasonable discretion.

(l) ~~(k)~~ Right to Seek Additional Adequate Protection. The Interim Order and this Final Order are without prejudice to, and do not constitute a waiver of, expressly or implicitly, the rights of the Prepetition Secured Parties to request additional forms of adequate protection at any time or any party-in-interest's right to object thereto. Any such request must be consistent with the Intercreditor Agreement.

(m) ~~(h)~~ Independent Director of Canadian Entities. Within a reasonable period of time prior to taking any steps towards commencing a sale, marketing, restructuring or similar process with respect to the direct or indirect subsidiaries of Walter that are formed, incorporated or otherwise domiciled in Canada (each, a "Canadian Entity" and collectively, the "Canadian Entities"), Walter shall cause to be appointed to the board of Walter Energy Canada Holdings, Inc. an independent director mutually agreeable to the Debtors ~~and~~, the Steering Committee, and the Creditors' Committee or if the RSA is assumed, the Debtors ~~and~~, the Majority Holders (as defined in the RSA) and the Creditors' Committee (and, upon the request of such independent director, Walter shall cause such independent director to be appointed to the board of any other Canadian Entity so requested).

12. *Termination.* The Debtors' right to use the Cash Collateral pursuant to this Final Order shall automatically terminate (the date of any such termination, the "Termination Date") ~~without further notice or court proceeding~~ on the earliest to occur of (i) ~~February 3,~~April 5, 2016 or such later date as may be agreed to by the Steering Committee in writing in its ~~sole~~reasonable discretion, (ii) the effective date of any confirmed chapter 11 plan in any of the Chapter 11 Cases, (iii) the date of the consummation of a sale or other disposition of all or substantially all of the assets of the Debtors, and (iv) the occurrence of any of the events set forth in this paragraph 12(a) through (mi) below, unless waived by the Administrative Agent and the Steering Committee, each in its sole discretion (each of the following events, a "Termination Event" and collectively, the "Termination Events"):

(a) the Debtors' failure to: (i) use the Collateral, including without limitation Cash Collateral, in a manner consistent with the Approved Budget, but subject to the Budget Covenant, and otherwise comply in any respect with any provision of this Final Order (including, without limitation, the failure to make the payments identified in paragraphs 11(a), (b) and (c) when due in accordance with and under the terms hereof); or (ii) comply with any other covenant or agreement specified in this Final Order (including any obligations to comply with the provisions of paragraph 11 or the covenants and other obligations of the Debtors contained therein); in each case where such failure shall have continued unremedied for five (5) business days following receipt of written notice by the Debtors from the Administrative Agent ~~or,~~ the Steering Committee, and the Creditors' Committee of such failure;

(b) (i) an application, motion or other pleading shall have been filed by any Debtor seeking to amend, stay, supplement, vacate, extend or modify in any manner the Prepetition Secured Parties' rights or benefits under this Final Order; or (ii) an order shall have

been entered reversing, amending, supplementing, extending, staying, vacating, or otherwise modifying in any manner the Prepetition Secured Parties' rights or benefits under this Final Order, in each case, without the prior written consent of the Steering Committee and the Administrative Agent, each in its sole discretion;

(c) the date any provision of this Final Order shall for any reason cease to be valid and binding or any Debtor shall so assert in any pleading filed in any court;

(d) the date (i) any Chapter 11 Case shall be dismissed or converted to a case under chapter 7 of the Bankruptcy Code or any Debtor shall file a motion or other pleading seeking the dismissal or conversion of any Chapter 11 Case pursuant to Bankruptcy Code section 1112 or otherwise other than as expressly contemplated by the Restructuring (as defined in the RSA); or (ii) a trustee, responsible officer, or an examiner (other than a fee examiner) pursuant to Bankruptcy Code section 1104 is appointed or elected, as applicable, in any Chapter 11 Case, any Debtor applies for, consents to, or acquiesces in, any such appointment, or the Court shall have entered an order providing for such appointment, in each case without the prior written consent of the Steering Committee in its sole discretion;

(e) the Court shall have entered an order granting relief from the automatic stay to the holder or holders of any security interest to permit foreclosure (or the granting of a deed in lieu of foreclosure of the like) on any of the ~~Debtor~~Debtors's assets (other than in respect of insurance proceeds or with respect to assets having a fair market value of less than \$1,000,000);

(f) other than with respect to bid protections approved by the Steering Committee in its ~~sole~~reasonable discretion and as part of the Sale Motion, any Debtor shall have filed a motion or application for the approval of any superpriority claim or any lien in the Chapter

11 Cases (other than such claim or lien granted or permitted pursuant to this Final Order), which is *pari passu* with or senior to any of the Adequate Protection Liens, Superpriority Claims or Prepetition Liens, without the prior consent of the Steering Committee and the Administrative Agent, each in its sole discretion;

(g) other than with respect to the Carve-Out, the Approved Liens or any bid protections approved by the Steering Committee in its ~~sole~~reasonable discretion and as part of the Sale Motion, any Debtor shall create or incur, or the Court enters an order granting, any claim which is *pari passu* with or senior to any of the Prepetition Liens or Prepetition Obligations or the Adequate Protection Liens and Adequate Protection Obligations granted under the Interim Order or this Final Order;

(h) unless otherwise agreed to in writing by the Steering Committee in its ~~sole~~reasonable discretion, the ~~(i)~~ consummation of a sale or disposition of any material assets of the Debtors other than (i) in the ordinary course of business or (ii) unless otherwise ordered by this Court, as expressly provided for in the RSA, ~~or (ii) termination of the RSA;~~ or

(i) commencement of any action, ~~including the filing of any pleading,~~ by any Debtor, or direct or indirect non-debtor affiliate or subsidiary of a Debtor, including the filing of any pleading by such entity, against any of the Prepetition Secured Parties with respect to any of the Prepetition Obligations or Prepetition Liens other than as expressly contemplated in the RSA;

~~(j) unless otherwise agreed to in writing by the Steering Committee in its sole discretion, the Canadian Entities commence, or become subject to, any restructuring or insolvency proceeding in any jurisdiction;~~

~~(k) unless otherwise agreed to in writing by the Steering Committee in its sole discretion, commencement of a sale process or other actions in furtherance of a disposition of any material assets of the Canadian Entities;~~

~~(l) unless otherwise agreed to in writing by the Steering Committee in its sole discretion, incurrence of any new secured debt or any unsecured debt, which unsecured debt is incurred outside of the ordinary course of business (other than as it relates to the Permitted Non-Debtor Affiliate Payments or cash collateralization of the Canadian LCs using the cash on hand as of the Petition Date held by the Canadian Entities), by any of the Canadian Entities; or~~

~~(m) unless the order approving the RSA Assumption Motion (as defined in the RSA), which order includes a waiver or modification of the automatic stay to provide any notices contemplated by and in accordance with the RSA or this Final Order, as applicable, has been entered by the Court within sixty (60) days of the Petition Date.~~For the avoidance of doubt, and notwithstanding anything to the contrary in the RSA or any other order of this Court, neither the occurrence of a Triggering Event, a Support Termination Event (each as defined in the RSA) or any other asserted default under the RSA shall be, or shall be deemed to constitute, a Termination Event under this Final Order. Absent further order of this Court, to the extent that this Final Order is inconsistent with any other (i) agreement among the Debtors and the Prepetition Secured Parties or (ii) order of this Court with respect to the termination of the use of Cash Collateral by the Debtors, this Final Order shall govern.

13. *Remedies Upon a Termination Event.* The Debtors shall immediately provide notice to the Steering Committee, the Administrative Agent and each of the Indenture Trustees (with a copy to counsel for the Creditors' Committee, counsel to the Retiree Committee, counsel to the First Lien Trustee, counsel to the Second Lien Trustee and the Bankruptcy Administrator), of the occurrence of any Termination Event, at which time the Debtors' ability to use Cash Collateral hereunder shall terminate and the Adequate Protection Obligations shall become due and payable. Upon the occurrence of a Termination Event and following the giving of not less than ~~four~~five (45) business days' advance written notice (the "Enforcement Notice") to counsel to the Debtors, counsel to the Creditors' Committee and the Bankruptcy Administrator (the "Notice Period"), the Prepetition Secured Parties (subject as among themselves to the terms of the Intercreditor Agreement), may exercise any remedies available to them under this Final Order, the Prepetition Debt Documents and applicable non-bankruptcy law, including but not limited to (a) set off and apply immediately any and all amounts in accounts maintained by the Debtors against the Adequate Protection Obligations and Prepetition Obligations owed to the Prepetition Secured Parties and otherwise enforce rights against the Collateral for application towards the Adequate Protection Obligations and Prepetition Obligations; (b) take any and all actions necessary to take control of ~~the Prepetition Collateral and/or~~ the Collateral, including any Cash Collateral; and (c) take any other actions or exercise any other rights or remedies permitted under this Final Order, the Prepetition Debt Documents or applicable law to effect the repayment and satisfaction of the Adequate Protection Obligations and Prepetition Obligations owed to the Prepetition Secured Parties. The rights and remedies of the Prepetition Secured Parties specified herein are cumulative and not exclusive of any rights or remedies that they may otherwise have. The only permissible basis for the Debtors, the Creditors' Committee, the Bankruptcy

Administrator or any other party to contest, challenge or object to an Enforcement Notice shall be solely with respect to the validity of the Termination Event(s) giving rise to such Enforcement Notice (*i.e.* whether such Termination Events validly occurred and have not been cured or waived in accordance with this Final Order). ~~The, and, notwithstanding anything to the contrary herein, the Debtors may continue to use Cash Collateral following receipt of an Enforcement Notice in connection with such a contest, challenge or objection. Unless otherwise ordered by the Court, the~~ automatic stay pursuant to Bankruptcy Code section 362 shall be automatically terminated at the end of the Notice Period, without further notice or order of the Court, unless the Prepetition Secured Parties elect otherwise in a written notice to the Debtors, and the Prepetition Secured Parties shall be permitted to exercise all rights and remedies, including with respect to the Collateral (including, without limitation, any Cash Collateral), set forth in this Final Order, the Prepetition Debt Documents and the Intercreditor Agreement, and as otherwise available at law without further order or application or motion to the Court, and without restriction or restraint by any stay under Bankruptcy Code sections 362 or 105 or otherwise. For the avoidance of doubt, nothing contained in this Final Order shall prejudice the Debtors' or the Creditors' Committee's right to seek any appropriate relief upon the termination of the Debtors' use of Cash Collateral as a result of the occurrence of a Termination Event, including the Debtors' and the Creditors' Committee's respective rights to seek further use of Cash Collateral on a non-consensual basis, or this Court's ability to grant such relief.

14. *Perfection of Adequate Protection Liens.*

(a) The Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, and the ~~1L Notes Collateral Agent, the Second Lien Trustee and the 2L Notes~~ Collateral Agent are each hereby authorized, but not required, to file or record financing

statements, intellectual property filings, mortgages, notices of lien or similar instruments in any jurisdiction in order to validate and perfect the liens and security interests granted to it hereunder. Whether or not the Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, and the ~~1L Notes Collateral Agent, the Second Lien Trustee or the 2L~~ Notes Collateral Agent, each in its respective sole discretion, chooses to file such financing statements, intellectual property filings, mortgages, notices of lien or similar instruments, such liens and security interests shall be deemed valid, perfected, allowed, enforceable, non-avoidable and not subject to challenge, dispute, subordination, contest, attack, objection, recoupment, defense, setoff, counterclaim, avoidance, recharacterization, reclassification, reduction, disallowance, recovery, disgorgement, attachment, “claim” (as defined in the Bankruptcy Code), impairment, subordination (whether equitable, contractual or otherwise) or other challenge of any kind pursuant to the Bankruptcy Code or applicable nonbankruptcy law as of the Petition Date. If the Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, or the ~~1L Notes Collateral Agent, the Second Lien Trustee or the 2L~~ Notes Collateral Agent determines to file any financing statements, notices of liens or similar instruments, the Debtors will cooperate and assist in any such filings as reasonably requested by the Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, the 1L Notes Collateral Agent, ~~the Second Lien Trustee or the 2L Notes Collateral Agent~~, as applicable, and the automatic stay shall be modified to allow such filings.

(b) The Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, or the 1L Notes Collateral Agent, ~~the Second Lien Trustee or the 2L Notes Collateral Agent~~, may, each in its respective discretion, cause a certified copy of this Final Order to be filed with or recorded in filing or recording offices in addition to or in lieu of such

financing statements, mortgages, notices of lien or similar instruments, and all filing offices are hereby authorized to accept such certified copy of this Final Order for filing and recording.

(c) The Debtors shall execute and deliver to the Administrative Agent, the Credit Agreement Collateral Agent, the First Lien Trustee, or the ~~1L Notes Collateral Agent, the Second Lien Trustee or the 2L Notes Collateral Agent~~ all such agreements, financing statements, instruments and other documents as each such party may reasonably request to evidence, confirm, validate or perfect the Adequate Protection Liens.

(d) Notwithstanding anything to the contrary in the Motion or this Final Order, for purposes of this Final Order, in no event shall the Collateral include or the Adequate Protection Liens granted under this Final Order attach to, any lease, license, permit, contract, or agreement (including any operating and joint venture agreements) or other property right, to which any Debtor is a party, or any of such relevant Debtor's rights or interests thereunder, if and for so long as the grant of such security interest would constitute or result in: (i) the abandonment, invalidation, unenforceability, or other impairment of any right, title, or interest of any Debtor therein, or (ii) a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract, agreement, or other property right pursuant to any provision thereof, unless, in the case of each of clauses (i) and (ii), the applicable provision is rendered ineffective by applicable non-bankruptcy law or the Bankruptcy Code (such leases, licenses, contracts or agreements, or other property rights are collectively referred to as the "Specified Contracts"); provided that the foregoing shall not preclude any counterparty to a Specified Contract from an opportunity to be heard in this Court on notice with respect to whether applicable non-bankruptcy law or the Bankruptcy Code renders such provision ineffective. ~~Notwithstanding the foregoing,~~

~~the Adequate Protection Liens shall in all events attach to all proceeds, products, offspring, or profits from all sales, transfers, dispositions, or monetizations of any and all Specified Contracts.~~

15. *Preservation of Rights Granted Under this Final Order.*

(a) Notwithstanding any order dismissing any of these Chapter 11 Cases under Bankruptcy Code section 1112 or otherwise entered at any time, (i) the Superpriority Claims, the other administrative claims granted pursuant to the Interim Order or this Final Order, the Carve-Out and the Adequate Protection Liens shall continue in full force and effect and shall maintain their priorities as provided in this Final Order until all Adequate Protection Obligations and the Carve Out shall have been paid and satisfied in full (and such Superpriority Claims, the other administrative claims granted pursuant to the Interim Order or this Final Order, the Carve Out and the Adequate Protection Liens shall, notwithstanding such dismissal, remain binding on all parties in interest), and (ii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in clause (i) above.

(b) If any or all of the provisions of this Final Order are hereafter reversed, modified, vacated or stayed, such reversal, stay, modification or vacatur shall not affect: (i) the validity, priority or enforceability of any Adequate Protection Obligations incurred prior to the date of the entry of an order granting such reversal, stay, modification or vacatur (the “Reversal Order”); or (ii) the validity, priority or enforceability of the Adequate Protection Liens securing such Adequate Protection Obligations. Notwithstanding any such reversal, stay, modification or vacatur, any use of the Collateral (including the Cash Collateral) or any Adequate Protection Obligations incurred by the Debtors hereunder or under the Interim Order, as the case may be, prior to the date of the entry of the Reversal Order shall be governed in all respects by the

original provisions of this Final Order, and ~~(x)~~ the First Lien Secured Parties shall be entitled to all of the rights, remedies, privileges and benefits granted in Bankruptcy Code section 363(m) with respect to all uses of the Collateral (including the Cash Collateral) and such First Lien Adequate Protection Obligations for periods prior to the date of the entry of the Reversal Order ~~and (y) subject to the Intercreditor Agreement, the Second Lien Trustee and the Second Lien Noteholders shall be entitled to all of the rights, remedies, privileges and benefits granted in Bankruptcy Code section 363(m) with respect to all uses of the Collateral (including the Cash Collateral) (other than Collateral constituting setoff rights of the First Lien Secured Parties) and all Second Lien Adequate Protection Obligations for periods prior to the date of the entry of the Reversal Order.~~

(c) Except as expressly provided in this Final Order, the Adequate Protection Obligations, the Superpriority Claims and all other rights, claims, security interests and remedies of the Prepetition Secured Parties granted by the provisions of this Final Order or the Interim Order shall survive, and shall not be modified, impaired or discharged by the entry of an order (i) converting any of these Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, dismissing any of these Chapter 11 Cases or by any other act or omission or (ii) confirming a plan of reorganization in any of the Chapter 11 Cases, and, pursuant to section 1141(d)(4) of the Bankruptcy Code, the Debtors have waived any discharge as to any remaining Adequate Protection Obligations; provided that any plan of reorganization or liquidation approved in accordance with the RSA, or otherwise with the consent of the Steering Committee in its ~~sole~~reasonable discretion, shall supersede and replace the terms of the Final Order upon its effectiveness in accordance therewith. The terms and provisions of this Final Order shall continue in these Chapter 11 Cases, in any successor cases if these Chapter 11 Cases cease to be

jointly administered, or in any superseding chapter 7 cases under the Bankruptcy Code, and the Adequate Protection Liens, Superpriority Claims, other administrative claims granted pursuant to this Final Order or the Interim Order, and all other rights, claims, security interests and remedies of the Prepetition Secured Parties granted by the provisions of this Final Order or the Interim Order shall continue in full force and effect as provided herein.

16. *Effect of Stipulations on Third Parties.* The stipulations, releases and admissions contained in this Final Order, including in paragraph 5 hereof, shall be binding upon the Debtors and any successor thereto in all circumstances. The stipulations, releases and admissions contained in this Final Order, including in paragraph 5 hereof, shall be binding upon all other parties in interest, including the Creditors' Committee ~~or any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors (a "Trustee")~~, unless and to the extent (a) the Creditors' Committee or any other party in interest other than any Debtor ~~(including any Trustee), in each case, after obtaining requisite standing,~~ has duly filed an adversary proceeding challenging in whole or part the validity, enforceability, priority or extent of the Prepetition Obligations or the liens on the Prepetition Collateral securing the Prepetition Obligations held by or on behalf of the Prepetition Secured Parties or otherwise asserting or prosecuting any Avoidance Actions, recharacterization, subordination, "lender liability", or any other claims, counterclaims or causes of action, objections, contests or defenses (collectively, the "Claims and Defenses") against the Prepetition Secured Parties in connection with any matter related to the Prepetition Obligations, or the Prepetition Collateral or the Prepetition Liens by no later than the later of (i) in the case of any such adversary proceeding filed by a party in interest ~~with requisite standing~~ other than the Creditors' Committee, ~~seventy-five (75) days after the date of entry of the Interim Order,~~ October 30, 2015, (ii) in the case of any such adversary proceeding filed by the

Creditors' Committee, ~~sixty~~ninety (~~60~~90) days after the appointment of the Creditors' Committee, and (iii) any such later date (a) agreed to in writing by the Steering Committee and the Administrative Agent, First Lien Trustee or Second Lien Trustee, as applicable, each in its ~~sole~~reasonable discretion or (b) established pursuant to an order of the Court (the time period established by the later of the foregoing clauses (i), (ii) and (iii), the "Challenge Period"), and (b) an order is entered by a court of competent jurisdiction and becomes final and non-appealable in favor of the plaintiff sustaining any such ~~challenge~~Challenge or claim in any such duly filed adversary proceeding. If no such adversary proceeding is timely filed prior to the expiration of the Challenge Period by the Creditors' Committee or a party in interest, in any case which has been granted the appropriate standing, without further order of this Court: (x) the Prepetition Obligations shall constitute allowed claims, not subject to counterclaim, setoff, subordination, recharacterization, defense, avoidance, contest, attack, objection, recoupment, reclassification, reduction, disallowance, recovery, disgorgement, attachment, "claim" (as defined in the Bankruptcy Code), impairment, subordination (whether equitable, contractual or otherwise) or other challenge of any kind pursuant to the Bankruptcy Code or applicable nonbankruptcy law, for all purposes in these Chapter 11 Cases ~~and any subsequent chapter 7 cases~~subject to the terms of this paragraph 16; and (y) the Prepetition Obligations, the Administrative Agent's, the First Lien Trustee's and the Second Lien Trustee's respective Prepetition Liens on the Prepetition Collateral and the respective Prepetition Secured Parties in such capacity shall not be subject to any other or further challenge or claim and any party in interest shall be forever enjoined and barred from seeking to exercise the rights of the Debtors' estates or taking any such action, including any successor thereto ~~(including any estate representative or a Trustee, whether such Trustee is appointed or elected prior to or following the expiration of the Challenge Period)~~. If

any such adversary proceeding is timely filed by a party in interest with appropriate standing prior to the expiration of the Challenge Period, the stipulations and admissions contained in this Final Order, including in paragraph 5 hereof, shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) on the Creditors' Committee and any other Person (as defined in the Credit Agreement), ~~including any Trustee~~, except as to any such findings and admissions that were expressly and successfully ~~challenged~~Challenged in such adversary proceeding. Nothing in this Final Order or the Interim Order vests or confers on any Person, ~~including the Creditors' Committee or Trustee~~, standing or authority to pursue any cause of action belonging to the Debtors or their estates; provided, however, that the Creditors' Committee shall be automatically vested with standing to initiate a Challenge prior to the expiration of the Challenge Period without any need to first seek a Court order granting such standing. Notwithstanding anything herein to the contrary, this paragraph 16 and the stipulations, releases and admissions contained in this Final Order shall not be binding upon any chapter 7 or chapter 11 trustee appointed or elected in the Debtors' bankruptcy cases.

17. *Reservation of Rights of the Prepetition Secured Parties and the Steering Committee.*

(a) Notwithstanding any other provision in this Final Order or the Interim Order to the contrary, this Final Order is without prejudice to, and does not constitute a waiver, expressly or implicitly, or relinquishment, of the Prepetition Secured Parties' or the Steering Committee's respective rights with respect to any person or entity, or with respect to any other collateral owned or held by any person or entity. The rights of the Prepetition Secured Parties and the Steering Committee, respectively, are expressly reserved and entry of this Final Order

shall be without prejudice to, and does not constitute a waiver, expressly or implicitly, or relinquishment, of:

- (i) the Prepetition Secured Parties' or the Steering Committee's respective rights to bring or be heard on any matter brought before this Court;
- (ii) the Prepetition Secured Parties' or the Steering Committee's respective rights under the Prepetition Debt Documents, the Bankruptcy Code or applicable nonbankruptcy law, including, without limitation the rights, if any, to (v) request modification of the automatic stay, (w) sell or foreclose on any Collateral under applicable law, (x) request dismissal of any of the Chapter 11 Cases, conversion of any of the Chapter 11 Cases to a case under chapter 7, or appointment of a chapter 11 trustee, examiner or receiver, (y) propose, subject to the provisions of Bankruptcy Code section 1121, a chapter 11 plan; or (z) take any action specified in paragraph 11(k) above;
- (iii) the Prepetition Secured Parties' or the Steering Committee's respective rights to seek any other or supplemental relief in respect of the Debtors;
- (iv) the Administrative Agent's and the First Lien Trustee's rights, and subject to the Intercreditor Agreement, the Second Lien Trustee's right, to seek modification of the grant of adequate protection provided under this Final Order or the Interim Order so as to provide different or additional adequate protection; or
- (v) any other respective rights, claims, or privileges (whether legal, equitable, or otherwise) of the Prepetition Secured Parties or the Steering Committee;

(b) Nothing contained herein shall be deemed a finding by the Court or an acknowledgement by the Prepetition Secured Parties or the Steering Committee, respectively, that the adequate protection granted herein does in fact adequately protect the Prepetition Secured Parties against the Diminution in Value of their interests in the Prepetition Collateral. nor shall anything contained in this Final Order be deemed a finding by the Court or an acknowledgement by the Debtors or the Creditors' Committee, respectively, that the Prepetition Secured Parties' interests in the Prepetition Collateral shall have incurred a Diminution in Value.

18. *Compliance with the Prepetition Debt Document Covenants.* Unless otherwise agreed to by the Steering Committee in its ~~sole~~reasonable discretion, notwithstanding the Debtors' additional reporting requirements and obligations set forth in paragraph 11 hereof, the Debtors shall comply in all respects with all of the reporting requirements set forth in Section 9.01 (except for clauses (d) and (e)) of the Credit Agreement.

19. *Prepetition Intercreditor Agreements.* Nothing in this Final Order or the Interim Order shall amend or otherwise modify the terms and enforceability of the Intercreditor Agreement, which shall remain in full force and effect. The rights of the Prepetition Secured Parties shall at all times remain subject to the Intercreditor Agreement and any other applicable intercreditor agreements.

20. *506(c) Waiver.* Except to the extent of the Carve-Out, no costs or expenses of administration of the Chapter 11 Cases, which have been or may be incurred in any of the Chapter 11 Cases at any time shall be charged against or recovered from any Prepetition Secured Party, any of the Prepetition Obligations, any of their respective claims, or the Collateral pursuant to Bankruptcy Code sections 105(a) or 506(c), or otherwise, without the prior written consent of the affected Administrative Agent, First Lien Trustee or Second Lien Trustee and the Steering Committee, each in its ~~sole~~reasonable discretion, and no such consent shall be implied from any other action, inaction, or acquiescence by any of the Prepetition Secured Parties or their respective representatives; provided that the Prepetition Secured Parties, the Prepetition Obligations, any claims held by the Prepetition Secured Parties, and the Collateral shall remain subject to any right of recovery permitted under Bankruptcy Code sections 105(a) or 506(c) until the expiration of the Challenge Period unless the Creditors' Committee or any other party in interest (including but not limited to the UMWA) has initiated a Challenge, in which case the

Prepetition Secured Parties, the Prepetition Obligations, any claims held by the Prepetition Secured Parties, and the Collateral shall remain subject to any right of recovery permitted under Bankruptcy Code sections 105(a) or 506(c) unless and until such Challenge is resolved in favor of the Prepetition Secured Parties or withdrawn by the party that commenced the Challenge.

21. *No Marshaling/Application of Proceeds.* The Administrative Agent, and the First Lien Trustee ~~and the Second Lien Trustee~~, as applicable, shall be entitled to apply the payments or proceeds of the Collateral in accordance with this Final Order and the provisions of the Prepetition Debt Documents and the Intercreditor Agreement, and in no event shall any of the Prepetition Secured Parties be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the Collateral or otherwise. ~~22. *Limitation on Use of Collateral.* For the avoidance of doubt, the Debtors shall not be allowed to use the Cash Collateral to pay fees and expenses of any Professional Person retained by the Creditors’ Committee, the Retiree Committee or any other statutory committee in excess of the Committee Monthly Cap; provided that any unused amounts may be carried forward to a subsequent month.~~ ; provided that Administrative Agent, the First Lien Trustee and the Second Lien Trustee shall remain subject to the equitable doctrine of “marshaling” and any other similar doctrine with respect to any of the Collateral until the expiration of the Challenge Period unless the Creditors’ Committee or any other party in interest (including but not limited to the UMWA) has initiated a Challenge, in which case the Administrative Agent, the First Lien Trustee and the Second Lien Trustee shall remain subject to the equitable doctrine of “marshaling” and any other similar doctrine with respect to any of the Collateral unless and until such Challenge is resolved in favor of the Prepetition Secured Parties or withdrawn by the party that commenced the Challenge.

22. ~~23.~~ *Binding Effect; Successors and Assigns.* The provisions of this Final Order, including all findings herein, shall be binding upon all parties in interest in these Chapter 11 Cases, including the Prepetition Secured Parties, the Creditors' Committee, the Debtors and their respective successors and assigns (including any Trustee hereinafter appointed or elected for the estates of any of the Debtors, an examiner appointed pursuant to Bankruptcy Code section 1104, or any other fiduciary appointed as a legal representative of any of the Debtors or with respect to the property of the estate of any of the Debtors) except as otherwise expressly provided herein in this Final Order. The protections afforded to the Prepetition Secured Parties under this Final Order and any actions taken pursuant thereto, shall survive the entry of an order dismissing any or all of the Chapter 11 Cases or converting any or all of the Chapter 11 Cases into a case(s) under chapter 7 of the Bankruptcy Code except to the extent otherwise provided in this Final Order, and the Adequate Protection Liens and the Superpriority Claims shall continue in the Chapter 11 Cases, in any such successor case(s) or after any such dismissal. Except as otherwise provided herein, the Adequate Protection Liens and the Superpriority Claims shall maintain their priorities as provided in the Interim Order and this Final Order, and not be modified, altered or impaired in any way by any other financing, extension of credit, incurrence of indebtedness, or any conversion of any of the Chapter 11 Cases into a case(s) pursuant to chapter 7 of the Bankruptcy Code or dismissal of any of the Chapter 11 Cases, or by any other act or omission until the Prepetition Obligations are indefeasibly paid in full in cash (and any letters of credit cash collateralized in accordance with the terms of the First Lien Credit Documents).

23. ~~24.~~ *Limitation of Liability.* In permitting the use of the Cash Collateral or in exercising any rights or remedies as and when permitted pursuant to this Final Order the Prepetition Secured Parties shall not be deemed to be in control of the operations of the Debtors

or to be acting as a “responsible person” or “owner or operator” with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601 et seq. as amended, or any similar federal or state statute), nor shall they owe any fiduciary duty to any of the Debtors, their creditors or estates, or shall constitute or be deemed to constitute a joint venture or partnership with any of the Debtors; provided, however, that nothing in this order shall be deemed to release the Prepetition Secured Parties from any liability to any federal, state or local authorities. Furthermore, nothing in this Final Order shall in any way be construed or interpreted to impose or allow the imposition upon the Prepetition Secured Parties of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors and their respective affiliates (as defined in Bankruptcy Code section 101(2)).

24. ~~25.~~ *No Modification of Final Order.* Each Debtor irrevocably waives any right to seek any amendment, modification or extension of this Final Order without the prior written consent of the Steering Committee and the Administrative Agent, each in its ~~sole~~reasonable discretion, and no such consent shall be implied by any action, inaction or acquiescence of the Steering Committee or the Administrative Agent; provided, however, that all parties recognize the inherent authority of the Bankruptcy Court to modify or qualify its own orders as it deems necessary.

25. ~~26.~~ *Priorities Among Prepetition Secured Parties.* Notwithstanding anything to the contrary herein or in any other order of this Court, in determining the relative priorities and rights of the Prepetition Secured Parties (including, without limitation, the relative priorities and rights of the Prepetition Secured Parties with respect to the adequate protection granted

hereunder), such relative priorities and rights shall continue to be governed by the Prepetition Debt Documents and the Intercreditor Agreement.

26. ~~27.~~ *Rights of Administrative Agent and First Lien Trustee.* Nothing in this Final Order shall be construed to limit or affect the (i) Administrative Agent's right to request instructions from the Required Lenders (as defined in the Credit Agreement) in accordance with Section 12.04 of the Credit Agreement and (ii) First Lien Trustee's right to request directions from holders of a majority in aggregate principal amount of the then outstanding First Lien Notes (the "Majority First Lien Noteholders") in accordance with Sections 6.05, 7.01, and 10.02 of the First Lien Indenture. It being understood that since the Steering Committee constitutes the Required Lenders and the Majority First Lien Noteholders and can therefore direct the Administrative Agent in taking actions in connection with the Credit Agreement and the First Lien Trustee in taking actions in connection with the First Lien Indenture, in any instance in this Final Order where the Administrative Agent or the First Lien Trustee is indicated as having given its consent, as the Steering Committee has also given its consent in such case, the Administrative Agent and the First Lien Trustee shall be deemed to have given its consent at the direction of the Required Lenders and Majority First Lien Noteholders, as applicable.

27. ~~28.~~ *No Waiver.* This Final Order shall not be construed in any way as a waiver or relinquishment of any rights that the Prepetition Secured Parties may have to bring or be heard on any matter brought before this Court. Notwithstanding anything herein to the contrary, the entry of this Final Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, the rights, claims and defenses of the issuers of surety bonds on which the Debtors are principals or indemnitors under applicable bankruptcy and non-bankruptcy law, including any

such issuer's rights, claims and defenses under any existing indemnity agreements, surety bonds or related agreements or any letters of credit related thereto, all of which are expressly reserved.

28. ~~29.~~ *Automatic Stay Modified.* The automatic stay shall be modified or lifted to the extent necessary to allow the relevant Prepetition Secured Parties or the Majority Holders, as applicable, to provide any notices to the Debtors or take any other action as contemplated by and in accordance with this Final Order ~~or the RSA, as applicable.~~

29. ~~30.~~ *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 the Prepetition Secured Parties' or the Steering Committee's right to seek any other or supplemental relief in respect of the Debtors, including the right to seek additional adequate protection. Nothing in this Final Order shall relieve the Debtors of any obligations under federal, state or local police or regulatory laws or under 28 U.S.C. § 959(b).

30. Notwithstanding the findings and conclusions contained herein, which are made solely for the purposes of entering this Final Order approving the Debtors' use of cash collateral, all parties' rights with respect to all aspects of these Chapter 11 Cases other than the Debtors' use of cash collateral on the terms set forth in this Final Order, including, but not limited to, the right to make arguments regarding lack of good faith, or breach of fiduciary or other duties on the part of the Debtors or the Prepetition Secured Parties, or any other claims whatsoever are otherwise fully preserved.

31. *Effectiveness.* This Final Order shall constitute findings of fact and conclusions of law and shall take effect immediately upon entry hereof, and there shall be no stay of execution of effectiveness of this Final Order. To the extent that any finding of fact shall be determined to be a conclusion of law it shall be so deemed and vice versa.

32. *Controlling Effects of Final Order.* To the extent of any conflict between or among (a) the Motion, any other order of this Court, or any other agreements, on the one hand, and (b) the terms and provisions of this Final Order, on the other hand, unless such term or provision herein is phrased in terms of “as defined in” or “as more fully described in” or “as provided in” or words to that effect with respect to the Prepetition Debt Documents, the terms and provisions of this Final Order shall govern. This Final Order shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof, notwithstanding the possible application Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, and the Clerk of this Court is hereby directed to enter this Final Order on this Court’s dockets in the Chapter 11 Cases.

33. *Jurisdiction.* This Court shall retain jurisdiction to enforce the terms of this Final Order and to adjudicate any and all matters arising from or related to the interpretation or implementation of this Final Order.

Dated: September ____, 2015

THE HONORABLE TAMARA O. MITCHELL
UNITED STATES BANKRUPTCY JUDGE

Exhibit A
Initial Budget

| [ny-1202568](#)

Document comparison by Workshare Compare on Wednesday, September 09, 2015 12:21:41 PM

Input:	
Document 1 ID	file:///C:/Users/JAN5/Desktop/3859108-v2-WEI - Final Cash Collateral Order 8.28.DOC
Description	3859108-v2-WEI - Final Cash Collateral Order 8.28
Document 2 ID	PowerDocs:///NEW YORK/1202568/11
Description	NEW YORK-#1202568-v11-Walter_ - _Cash_ Collateral_ Order
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
<u>Moved from</u>	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	164
Deletions	160
Moved from	9
Moved to	9
Style change	0
Format changed	0
Total changes	342