

Court File No. CV-11-9514-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)



THE HONOURABLE MR.

)

WEDNESDAY, THE 21ST

)

JUSTICE MORAWETZ

)

DAY OF DECEMBER, 2011

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

· APPLICATION OF HARTFORD COMPUTER HARDWARE, INC.
UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C 36, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN
THE UNITED STATES BANKRUPTCY COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION WITH
RESPECT TO HARTFORD COMPUTER HARDWARE, INC.,
NEXICORE SERVICES, LLC, HARTFORD COMPUTER GROUP,
INC. AND HARTFORD COMPUTER GOVERNMENT, INC.
(COLLECTIVELY, THE "CHAPTER 11 CHAPTER 11 DEBTORS")

SUPPLEMENTAL ORDER
(FOREIGN MAIN PROCEEDING)

THIS APPLICATION, made by Hartford Computer Hardware, Inc. (the "**Applicant**"), in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors in the proceedings commenced on December 12, 2011, in the United States Bankruptcy Court for the Northern District of Illinois Eastern Division (the "**U.S. Court**") under Chapter 11 of Title 11 of the United States Code (the "**Chapter 11 Proceeding**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for



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an Order substantially in the form enclosed in the Application Record of the Applicant was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application dated December 13, 2011, the affidavit of Brian Mittman sworn December 12, 2011, the affidavits of Alana Shepherd sworn December 13, 16 and 19, 2011 (collectively, the “**Shepherd Affidavits**”), the preliminary report of FTI Consulting Canada Inc. (“**FTI**”), in its capacity as proposed Information Officer (the “**Proposed Information Officer**”) dated December 12, 2011, and the Consent of FTI to act as the Information Officer, each filed;

AND ON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice;

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for the Proposed Information Officer, and counsel for Avnet International (Canada) Ltd. and Avnet, Inc., no one appearing for Delaware Street Capital Master Fund, L.P. (the “**DIP Lender**”) or for any other person on the Service List although duly served as appears from the affidavits of service of Bobbie-Jo Brinkman sworn December 13 and 19, 2011,

SERVICE

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

INITIAL RECOGNITION ORDER

2. **THIS COURT ORDERS** that any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Initial Recognition Order dated December 21, 2011 (the “**Recognition Order**”).

3. **THIS COURT ORDERS** that the provisions of this Supplemental Order shall be interpreted in a manner complementary to the provisions of the Recognition Order, and that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Recognition Order, the provisions of the Recognition Order shall govern.

RECOGNITION OF FOREIGN ORDERS

4. **THIS COURT ORDERS** that the following orders (collectively, the “**Foreign Orders**”) of the U.S. Court made in the Foreign Proceeding attached to this Order as Schedules “A” through “K” are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) the Foreign Representative Order;
- (b) the Joint Administration Order;
- (c) the Prepetition Wages Order;
- (d) the Customer Obligations Order;
- (e) the Prepetition Shipping Order;
- (f) the Insurance Order;
- (g) the Prepetition Taxes Order;
- (h) the Utilities Order;

- (i) the Cash Management Order;
 - (j) the Claims Agent Order; and
 - (k) the Interim DIP Facility Order,
- (each as defined in the Shepherd Affidavits),

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Property in Canada.

APPOINTMENT OF INFORMATION OFFICER

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

ADDITIONAL PROTECTIONS FOR CHAPTER 11 DEBTORS ETC.

6. **THIS COURT ORDERS** that, in addition to the stay of proceedings and the other protections afforded the Chapter 11 Debtors, the Property and the Business in the Recognition Order, the following protections and stay of proceedings shall continue until further Order of this Court:

- (a) during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services in Canada, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby

restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Chapter 11 Debtors, and that the Chapter 11 Debtors shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Chapter 11 Debtors in accordance with normal payment practices of the Chapter 11 Debtors or such other practices as may be (i) agreed upon by the supplier or service provider and the relevant Chapter 11 Debtor(s), on notice to the Information Officer and the Foreign Representative, or (ii) ordered by this Court; and

- (b) except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Chapter 11 Debtors with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Chapter 11 Debtors whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

7. **THIS COURT ORDERS** that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the CCAA, and shall incur no liability or obligation as a result of its appointment

or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

OTHER PROVISIONS RELATING TO THE INFORMATION OFFICER

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

- (a) is hereby authorized to provide such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
- (b) shall report to this Court at least once every three months with respect to the status of these proceedings and the status of the Foreign Proceedings, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
- (c) in addition to the periodic reports referred to in paragraph 8(b) above, the Information Officer may report to this Court at such other times and intervals as the Information Officer may deem appropriate with respect to any of the matters referred to in paragraph 8(b) above;
- (d) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Chapter 11 Debtors, to the extent that is necessary to perform its duties arising under this Order; and
- (e) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.

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

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

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

12. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer shall be paid by the Chapter 11 Debtors their reasonable fees and disbursements incurred in respect of these proceedings both before and after the making of this Order subject to the

Budget (as defined in the Interim DIP Facility Order), in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Chapter 11 Debtors are hereby authorized and directed to pay the accounts of the Information Officer and counsel for the Information Officer on a weekly basis and, in addition, the Chapter 11 Debtors are hereby authorized to pay to the Information Officer and counsel to the Information Officer, collectively, a retainer in the amount of U.S.\$40,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

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

14. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer, if any, shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property in Canada, which charge shall not exceed an aggregate amount of \$50,000.00, as security for their professional fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 16 and 18 hereof.

INTERIM FINANCING

15. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property in Canada, which DIP Lender’s Charge shall be consistent with the liens and charges created by the Interim DIP

Facility Order, provided however that the DIP Lender's Charge (i) shall not secure an obligation that exists before this Order is made, and (ii) with respect to the Property in Canada, shall have the priority set out in paragraphs 16 and 18 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

16. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$50,000); and

Second – DIP Lender's Charge.

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

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

19. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Chapter 11 Debtors shall not grant any Encumbrances over any Property in Canada that rank in priority to, or *pari passu* with, the Administration Charge or

the DIP Lender's Charge, unless the Chapter 11 Debtors also obtains the prior written consent of the Information Officer and the DIP Lender, or further Order of this Court.

20. **THIS COURT ORDERS** that the Administration Charge and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985 c. B-3, as amended (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any Chapter 11 Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by any Chapter 11 Debtor of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Chapter 11 Debtors to the Chargees pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences,

fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

SERVICE AND NOTICE

22. **THIS COURT ORDERS** that the Chapter 11 Debtors, the Foreign Representative and the Information Officer each be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Chapter 11 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

23. **THIS COURT ORDERS** that the Chapter 11 Debtors, the Foreign Representative and the Information Officer, and any party who has filed a Notice of Appearance, may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time.

24. **THIS COURT ORDERS** that within seven (7) days from the date of this Order, or as soon as practicable thereafter, the Information Officer shall cause to be published a notice substantially in the form attached to this Order as Schedule "L", once a week for two consecutive weeks, in the Globe and Mail.

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

GENERAL

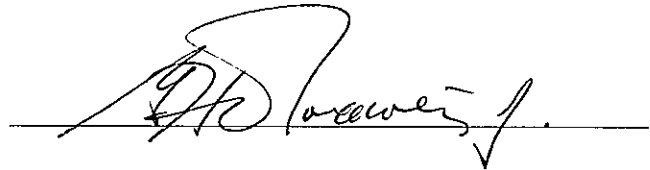
26. **THIS COURT ORDERS** that the Information Officer may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Foreign Representative, and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Foreign Representative, and the Information Officer and their respective agents in carrying out the terms of this Order.

28. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

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

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



CLERK OF THE COURT
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
157 DANIEL J. P. [unclear] NO.

DEC 21 2011

RECEIVED

MB

SCHEDULE “A”

Foreign Representative Order

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

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

ORDER AUTHORIZING HARTFORD COMPUTER HARDWARE, INC. TO ACT AS
THE FOREIGN REPRESENTATIVE OF THE DEBTORS

This matter coming before the Court on the Motion of the Debtors for an pursuant to section 1505 of title 11 of the United States Code (the "Bankruptcy Code"), for authorization for Hartford Computer Hardware, Inc. to act as the foreign representative of the Debtors in Canada in order to seek recognition of the Chapter 11 Cases on behalf of the Debtors, and to request that the Ontario Superior Court of Justice (Commercial List) (the "Ontario Court") lend assistance to this Court in protecting the Debtors' property, and to seek any other appropriate relief from the Ontario Court that the Ontario Court deems just and proper (the "Motion")²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

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

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

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. Debtor Hartford Computer Hardware, Inc. is hereby authorized (a) to act as the foreign representative of the Debtors in Canada, as such term is defined in the CCAA, (b) to seek recognition by the Ontario Court of the Chapter 11 Cases and of certain orders made by the Court in the Chapter 11 Cases from time to time, (c) to request that the Ontario Court lend assistance to this Court, and (d) to seek any other appropriate relief from the Ontario Court that the Debtors deem just and proper.
5. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
4. This Court shall retain jurisdiction to interpret and enforce this Order.

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE “B”

Joint Administration Order

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

In re:)
HARTFORD COMPUTER HARDWARE,) Chapter 11
INC.,) Case No. 11-49744
Debtor,) Hon. Pamela S. Hollis

In re:)
NEXICORE SERVICES, LLC,) Chapter 11
Debtor,) Case No. 11-49754
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER GROUP, INC.,) Chapter 11
Debtor,) Case No. 11-49750
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER) Chapter 11
GOVERNMENT, INC.,) Case No. 11-49752
Debtor,) Hon. Pamela S. Hollis

ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 11 CASES

This matter coming before the Court on the Motion of the Debtors for an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing the Joint Administration of Their Chapter 11 Cases (the "Motion")¹; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this

¹ Capitalized terms not defined herein shall have the meaning given to them in the Motion.

district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. In accordance with Bankruptcy Rule 1015(b), the above-captioned chapter 11 cases are hereby consolidated, for procedural purposes only, and shall be jointly administered by this Court.
5. The caption of the jointly administered chapter 11 cases shall be as follows (footnote included):

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

In re:)	Chapter 11
)	
HARTFORD COMPUTER HARDWARE,)	Case No. 11-49744 (PSH)
INC., <i>et al.</i> , ²)	(Jointly Administered)
)	
Debtors.)	Hon. Pamela S. Hollis

² The Debtors are Hartford Computer Hardware, Inc., Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc.

6. No party shall be required to list any further information beyond that set forth above in pleadings filed in these chapter 11 cases.

7. All original docket entries shall be made in the case Hartford Computer Hardware, Inc., *et al.*, Case No. 11-49744 (PSH), and the Clerk of this Court is directed to

~~forthwith make a separate docket entry in each of the cases of Nexicore Services, LLC, Hartford~~

Computer Group, Inc., and Hartford Computer Government, Inc., substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases commenced by Hartford Computer Hardware, Inc. and its affiliates. The docket in Case No. 11-49744 (PSH) should be consulted for all matters affecting the chapter 11 case of this debtor.

8. Nothing contained in the Motion or in this order shall be construed to cause substantive consolidation of these chapter 11 cases.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order.

10. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

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

In re:)
HARTFORD COMPUTER HARDWARE,) Chapter 11
INC.,) Case No. 11-49744
Debtor.) Hon. Pamela S. Hollis

In re:)
NEXICORE SERVICES, LLC,) Chapter 11
Debtor.) Case No. 11-49754
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER GROUP, INC.,) Chapter 11
Debtor.) Case No. 11-49750
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER) Chapter 11
GOVERNMENT, INC.,) Case No. 11-49752
Debtor.) Hon. Pamela S. Hollis

ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 11 CASES

This matter coming before the Court on the Motion of the Debtors for an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing the Joint Administration of Their Chapter 11 Cases (the "Motion")¹; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this

¹ Capitalized terms not defined herein shall have the meaning given to them in the Motion.

district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. In accordance with Bankruptcy Rule 1015(b), the above-captioned chapter 11 cases are hereby consolidated, for procedural purposes only, and shall be jointly administered by this Court.
5. The caption of the jointly administered chapter 11 cases shall be as follows (footnote included):

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

In re:)	Chapter 11
)	
HARTFORD COMPUTER HARDWARE,)	Case No. 11-49744 (PSH)
INC., <i>et al.</i> , ²)	(Jointly Administered)
)	
Debtors.)	Hon. Pamela S. Hollis

² The Debtors are Hartford Computer Hardware, Inc., Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc.

6. No party shall be required to list any further information beyond that set forth above in pleadings filed in these chapter 11 cases.

7. All original docket entries shall be made in the case Hartford Computer Hardware, Inc., *et al.*, Case No. 11-49744 (PSH), and the Clerk of this Court is directed to forthwith make a separate docket entry in each of the cases of Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc., substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases commenced by Hartford Computer Hardware, Inc. and its affiliates. The docket in Case No. 11-49744 (PSH) should be consulted for all matters affecting the chapter 11 case of this debtor.

8. Nothing contained in the Motion or in this order shall be construed to cause substantive consolidation of these chapter 11 cases.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order.

10. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

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

In re:)
HARTFORD COMPUTER HARDWARE,) Chapter 11,
INC.,) Case No. 11-49744
Debtor.) Hon. Pamela S. Hollis

In re:)
NEXICORE SERVICES, LLC,) Chapter 11
Debtor.) Case No. 11-49754
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER GROUP, INC.,) Chapter 11
Debtor.) Case No. 11-49750
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER) Chapter 11
GOVERNMENT, INC.,) Case No. 11-49752
Debtor.) Hon. Pamela S. Hollis

ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 11 CASES

This matter coming before the Court on the Motion of the Debtors for an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing the Joint Administration of Their Chapter 11 Cases (the "Motion")¹; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this

¹ Capitalized terms not defined herein shall have the meaning given to them in the Motion.

district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. In accordance with Bankruptcy Rule 1015(b), the above-captioned chapter 11 cases are hereby consolidated, for procedural purposes only, and shall be jointly administered by this Court.
5. The caption of the jointly administered chapter 11 cases shall be as follows (footnote included):

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

In re:)	Chapter 11
)	
HARTFORD COMPUTER HARDWARE,)	Case No. 11-49744 (PSH)
INC., <i>et al.</i> , ²)	(Jointly Administered)
)	
Debtors.)	Hon. Pamela S. Hollis

² The Debtors are Hartford Computer Hardware, Inc., Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc.

6. No party shall be required to list any further information beyond that set forth above in pleadings filed in these chapter 11 cases.

7. All original docket entries shall be made in the case Hartford Computer Hardware, Inc., *et al.*, Case No. 11-49744 (PSH), and the Clerk of this Court is directed to forthwith make a separate docket entry in each of the cases of Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc., substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases commenced by Hartford Computer Hardware, Inc. and its affiliates. The docket in Case No. 11-49744 (PSH) should be consulted for all matters affecting the chapter 11 case of this debtor.

8. Nothing contained in the Motion or in this order shall be construed to cause substantive consolidation of these chapter 11 cases.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order.

10. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

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

In re:)
HARTFORD COMPUTER HARDWARE,) Chapter 11
INC.,) Case No. 11-49744
Debtor.) Hon. Pamela S. Hollis

In re:)
NEXICORE SERVICES, LLC,) Chapter 11
Debtor.) Case No. 11-49754
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER GROUP, INC.,) Chapter 11
Debtor.) Case No. 11-49750
Hon. Pamela S. Hollis

In re:)
HARTFORD COMPUTER) Chapter 11
GOVERNMENT, INC.,) Case No. 11-49752
Debtor.) Hon. Pamela S. Hollis

ORDER DIRECTING JOINT ADMINISTRATION
OF THE DEBTORS' CHAPTER 11 CASES

This matter coming before the Court on the Motion of the Debtors for an Order Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure Directing the Joint Administration of Their Chapter 11 Cases (the "Motion")¹; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this

¹ Capitalized terms not defined herein shall have the meaning given to them in the Motion.

district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. In accordance with Bankruptcy Rule 1015(b), the above-captioned chapter 11 cases are hereby consolidated, for procedural purposes only, and shall be jointly administered by this Court.
5. The caption of the jointly administered chapter 11 cases shall be as follows (footnote included):

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

In re:)	Chapter 11
)	
HARTFORD COMPUTER HARDWARE,)	Case No. 11-49744 (PSH)
INC., <i>et al.</i> , ²)	(Jointly Administered)
)	
Debtors.)	Hon. Pamela S. Hollis

² The Debtors are Hartford Computer Hardware, Inc., Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc.

6. No party shall be required to list any further information beyond that set forth above in pleadings filed in these chapter 11 cases.

7. All original docket entries shall be made in the case Hartford Computer Hardware, Inc., *et al.*, Case No. 11-49744 (PSH), and the Clerk of this Court is directed to forthwith make a separate docket entry in each of the cases of Nexicore Services, LLC, Hartford Computer Group, Inc., and Hartford Computer Government, Inc., substantially as follows:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases commenced by Hartford Computer Hardware, Inc. and its affiliates. The docket in Case No. 11-49744 (PSH) should be consulted for all matters affecting the chapter 11 case of this debtor.

8. Nothing contained in the Motion or in this order shall be construed to cause substantive consolidation of these chapter 11 cases.

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this order.

10. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE “C”

Prepetition Wages Order

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

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

**ORDER (I) AUTHORIZING PAYMENT OF PREPETITION EMPLOYEE
OBLIGATIONS AND RELATED WITHHOLDING TAXES; (II) AUTHORIZING THE
PREPETITION EMPLOYEE BENEFITS AND CONTINUATION OF EMPLOYEE
BENEFIT PLANS; AND (III) DIRECTING ALL BANKS TO HONOR PREPETITION
CHECKS FOR PAYMENT OF PREPETITION EMPLOYEE OBLIGATIONS**

This matter having come before the Court on the motion, dated [date] (the "Motion"),² of the above-captioned debtors and debtors-in-possession (the "Debtors"), for entry of an order under 11 U.S.C. §§ 105(a), 363(b), 507(a)(4) and 541, (I) authorizing the Debtors to pay to (a) their employees unpaid wages, salaries, bonuses and commissions (including commissions earned by independent sales representatives) and related obligations that accrued prior to the commencement of these cases (the "Employee Obligations"), and (b) the appropriate federal, state and local taxing authorities and other governmental agencies (the "Taxing Authorities") the state, local, and federal employment and withholding taxes, wage garnishments and other court ordered deductions with respect to the Employee Obligations (the "Employment and Withholding Taxes"); (II) authorizing the continuation of employee benefit plans on a postpetition basis and the payment of certain prepetition obligations with respect to such programs (the "Employee Benefits"); and (III) directing all banks to honor prepetition checks or

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

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

wire transfers with respect to payments authorized by the Motion; and the Court having reviewed the Motion and the Declaration in Support of First Day Relief; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties-in-interest; and it appearing that notice of the Motion was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized, but not directed, to pay or otherwise honor (including to any third parties that provide or aid in the monitoring, processing or administration of the Employee Obligations) the Employee Obligations and Employee Benefits in the ordinary course of business.
3. The Debtors are authorized, but not directed, to continue to provide the Employee Benefits, including all benefits relating to, without limitation, the Medical and Dental Benefits, workers' compensation, life and disability insurance, the Debtors' 401(k) plan, in effect immediately prior to the filing of these cases.
4. The Debtors are authorized to continue to honor their obligations, including any prepetition obligations, to Employees and applicable third-parties for Reimbursable Expenses, including those owed through corporate credit cards.
5. As applicable, all of the Debtors' banks are hereby authorized and directed, when requested by the Debtors, to receive, process, honor, and pay any and all checks drawn on the Debtors' accounts to pay the prepetition obligations authorized by this Order, whether those

checks were presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments. The Debtors' banks are hereby prohibited from placing any holds on, or attempting to reverse, any automatic transfers to any account of an Employee or other party for prepetition Employee Obligations. The Debtors are authorized to issue new postpetition checks or effect new postpetition fund transfers on account of the prepetition Employee Obligations to replace any prepetition checks or fund transfer requests that may be dishonored or rejected.

6. The Debtors may pay any and all Employee Deductions, including social security, FICA, federal and state income taxes, garnishments, health care payments, 401(k) Deductions and other types of withholding, whether these relate to the period prior to the date of the Debtors' chapter 11 filings or subsequent thereto.

7. Notwithstanding any other term herein, no prepetition wages shall be paid to Brian Mittman, *without further order of court,*) *per*

8. Nothing in the Motion or this Order or the relief granted (including any actions taken or payments made by the Debtors pursuant to the relief) shall (a) be construed as a request for authority to assume any executory contract under 11 U.S.C. § 365; (b) waive, affect or impair any of the Debtors' rights, claims or defenses, including, but not limited to, those arising from Bankruptcy Code section 365, other applicable law and any agreement; (c) grant third-party beneficiary status or bestow any additional rights on any third party; or (d) be otherwise enforceable by any third party.

9. Authorizations given to the Debtors in this Order empower but do not direct the Debtors to effectuate the payments specified herein.

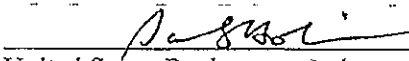
10. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

11. This Court shall retain jurisdiction over any and all issues arising from or related to the implementation and interpretation of this Order.

Dated:

Chicago, Illinois

DEC 15 2011


United States Bankruptcy Judge

SCHEDULE “D”

Customer Obligations Order

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

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

ORDER AUTHORIZING THE DEBTORS TO (A) HONOR CERTAIN PREPETITION
OBLIGATIONS TO CUSTOMERS AND (B) CONTINUE THEIR CUSTOMER
PROGRAMS AND PRACTICES IN THE ORDINARY COURSE OF BUSINESS

This matter coming before the Court on the Motion of the Debtors for entry of an order authorizing the Debtors to (a) honor certain prepetition obligations to customers and sales agents and (b) continue their customer programs and practices in the ordinary course of business (the "Motion")²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.

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

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

2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.

3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.

4. The Debtors are authorized, but not directed, to continue to perform under the Customer Programs.

5. Nothing herein shall be deemed to convert any prepetition claim into an administrative expense claim against the Debtors or their estates.

6. The Debtors are authorized, but not directed, to continue, renew, replace, implement new, and/or terminate their Customer Programs, in the ordinary course of business, without further application to the Court.

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

8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion or otherwise deemed waived.

9. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE “E”

Prepetition Shipping Order

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

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

**ORDER (I) AUTHORIZING THE PAYMENT OF CERTAIN PREPETITION
SHIPPING CHARGES AND (II) GRANTING CERTAIN RELATED RELIEF**

This matter coming before the Court on the Motion of the Debtors for entry of an order (I) Authorizing the Payment of Certain Pre-Petition Shipping Charges and (II) Granting Certain Related Relief (the "Motion")²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.

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

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

3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.

4. The Debtors are authorized in their sole discretion, to pay the prepetition claims of the Shippers.

5. The Debtors' banks are authorized and directed to receive, process, honor and pay all checks presented for payment of, and to honor all fund transfer requests made by the Debtors pursuant to this order, regardless of whether such checks were presented or fund transfer requests were submitted prior to or after the Petition Date; provided, however, that (a) funds are available in the Debtors' accounts to cover such checks and fund transfer requests and (b) the Debtors' banks are authorized to rely on the Debtors' designation of any particular check or fund transfer as approved by this Order.

6. Nothing in this order, nor the Debtors' payment of claims pursuant to this order, shall be construed as (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim by the Shippers on any ground; (c) a promise to pay any claim; or (d) a request or authorization to assume any agreement or contract pursuant to section 365 of the Bankruptcy Code or otherwise.

7. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion or otherwise deemed waived.

8. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

[Continued on Following Page]

Dated: DEC 15 2011


UNITED STATES BANKRUPTCY JUDGE

60927081

SCHEDULE “F”

Insurance Order

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

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

ORDER PURSUANT TO SECTIONS 105(A) AND 363 OF THE BANKRUPTCY CODE
(I) AUTHORIZING DEBTORS TO HONOR PREPETITION INSURANCE POLICIES
AND RENEW SUCH POLICIES IN THE ORDINARY COURSE OF BUSINESS
AND (II) GRANTING RELATED RELIEF

This matter coming before the Court on the Motion of the Debtors for an order authorizing the Debtors to (i) honor prepetition insurance policies in the ordinary course of business or enter into new insurance arrangements, as may be required as the terms of existing arrangements expire without need for further authority or approval from the Court; and (ii) the Debtors' banks or financial institutions to honor and process checks and transfers related to such insurance policies and the obligations thereunder (the "Motion")²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

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

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

1. The Motion is GRANTED.
2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
4. The Debtors are authorized, but not required, to honor the terms of the Insurance Policies and to renew the Insurance Policies in the ordinary course of business as set forth in the Motion; provided, however, that such payments are made in accordance with the court approved debtor-in-possession financing/cash collateral order and corresponding budget.
5. Nothing in this order nor any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an approval of the assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.
6. Nothing in this order shall impair the ability of the Debtors or appropriate party-in-interest to contest any claim of any creditor pursuant to applicable law or otherwise dispute, contest, setoff, or recoup any claim, or assert any rights, claims or defenses related thereto.
7. All applicable banks or financial institutions are authorized, when requested by the Debtors, in the Debtors' sole discretion, to receive, process, honor and pay all checks drawn on or direct deposit and funds transfer instructions relating to the Debtors' accounts and any other transfers that are related to the premium obligations and the costs and expenses related thereto; provided, that sufficient funds are available in the accounts to make such payments; provided further, that any such bank or financial institution may rely on the representations of the Debtors regarding which checks that were drawn or instructions that were issued by the

Debtors before the Petition Date should be honored post-petition pursuant to an order of this Court and that any such bank or financial institution shall not have any liability to any party for relying on the representations of the Debtors as provided herein.

8. Bankruptcy Rule 6004(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

9. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE "G"

Prepetition Taxes Order

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

This matter coming before the Court on the Motion of the Debtors for entry of an order, pursuant to 11 U.S.C. §§ 105(a), 507(a)(8) and 541, to pay certain unpaid prepetition taxes and fees, including, but not limited to, sales and use taxes (the “Taxes”) to the respective federal, state, and local taxing authorities (the “Taxing Authorities”) in the ordinary course of the Debtors’ businesses (the “Motion”)²; the Court having reviewed the Motion and the Declaration in Support of First Day Relief; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.

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

2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.

3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.

4. The Debtors are authorized, but not directed to, in the reasonable exercise of their business judgment, pay only those Taxes that constitute trust fund or withholding taxes, including Taxes subsequently determined upon audit to be owed for periods prior to the Petition Date, to the Taxing Authorities.

5. As applicable, all of the Debtors' banks are hereby authorized, when requested by the Debtors in their sole discretion, to receive, process, honor, and pay any and all checks drawn on the Debtors' accounts to pay the Taxes, whether those checks were presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable accounts to make the payments.

6. Nothing contained in the Motion or this Order shall, or shall be deemed to, limit, abridge, or otherwise impair the Debtors' rights to contest, on any grounds, the validity or amount of any Taxes that the Taxing Authorities allege to be due.

7. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

60926609

SCHEDULE “H”

Utilities Order

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

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

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

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

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

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

IT IS HEREBY ORDERED as follows:

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

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

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

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

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

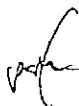
resolution, in their discretion, provide the requesting Utility Company with additional assurance of future payment in a form satisfactory to the Utility Company, including, but not limited to, cash deposits, prepayments and/or other forms of security, if the Debtors believe such additional assurance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

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

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

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

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

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

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

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

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

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

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

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE "I"

Cash Management Order

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

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

ORDER (I) APPROVING CONTINUED USE OF EXISTING BANK ACCOUNTS,
BUSINESS FORMS, AND CASH MANAGEMENT SYSTEM, AND (II) TO OBTAIN
LIMITED WAIVER THE REQUIREMENTS OF 11 U.S.C. § 345(b)

This matter coming before the Court on the Debtors' Motion for An Order (i) Approving Continued Use of Existing Bank Accounts, Business Forms, and Cash Management System, and (ii) to Obtain Limited Waiver the Requirements of 11 U.S.C. § 345(B) (the "Motion");² the Court having reviewed the Motion and the First Day Declaration; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized to: (a) maintain the Cash Management System

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

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

in the ordinary course of their business, in substantially the same form as the Cash Management System described in the Motion except as set forth herein; (b) implement ordinary course changes to its Cash Management System; and (c) open and close bank accounts and continue to use their Bank Accounts in the names and with the account numbers existing immediately prior to the commencement of the above captioned bankruptcy case.

3. On a daily basis, funds deposited in the Debtors' RBS account from account debtors located in Canada, shall be swept to the Debtors' BMO account.

4. The Debtors are authorized to continue to use their Business Forms substantially in the forms existing immediately before the Petition Date. The Debtor is authorized to utilize its current business forms without reference to its status as debtor in possession.

5. The Banks are authorized to continue to follow the instructions of all parties authorized to issue instruction with respect to the Bank Accounts and to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order(s) of this Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated prior to, on or subsequent to the Petition Date. The Banks shall not be liable to any party on account of (a) following the Debtors' instructions or representations as to any order of this Court, (b) the honoring of any prepetition check or item in a good faith belief that the Court has authorized such prepetition check or item to be honored or (c) an innocent mistake made despite implementation of reasonable item handling procedures.

6. The Banks are authorized to charge and the Debtors are authorized to pay or honor, in their sole discretion, the Bank Fees. The Banks also are authorized to charge back

returned items, whether such items are dated prior to, on or subsequent to the Petition Date, to the Bank Accounts in the normal course of business.

7. Sufficient cause existing under section 345(b) of the Bankruptcy Code and there being more than 200 creditors of the Debtor, the Debtors are authorized to invest and deposit the estates' money in accordance with the Debtors' existing investment practices or commercially comparable practices, notwithstanding that such practices may not strictly comply in all instances with the requirements of section 345 of the Bankruptcy Code or the U.S. Trustee's Guidelines.

8. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

9. The Debtor is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.

Dated: DEC 15 2011, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE “J”

Claims Agent Order

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

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

ORDER APPOINTING KURTZMAN CARSON CONSULTANTS LLC AS THE
OFFICIAL CLAIMS AND NOTICING AGENT AND TO PROVIDE OTHER
ESSENTIAL SERVICES TO THE ESTATES

This matter coming before the Court on the Motion of the Debtors for an Order appointing Kurtzman Carson Consultants LLC ("KCC") as the official claims and noticing agent and to provide other essential services, all as more fully set forth in the Motion (the "Motion")²; the Court having reviewed the Motion, the Declaration in Support of First Day Relief and the Kass Declaration filed in support of the Motion; the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) venue is proper in this district pursuant to 28 U.S.C. § 1408 and 1409, (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (d) notice of the Motion having been sufficient under the circumstances; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein;

IT IS HEREBY ORDERED as follows:

1. The Motion is GRANTED.

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

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

2. All objections to the Motion or the relief requested therein that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.

3. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.

4. The Debtors are authorized to retain KCC under the terms of the Service Agreement, effective as of the petition date, to perform the noticing and other services set forth in the Application and to receive, maintain, record, and otherwise administer the proofs of claim filed in this chapter 11 case.

5. KCC is appointed as Claims Agent and, as such, is the custodian of court records and designated as the authorized repository for all proofs of claim filed in this chapter 11 case and is authorized and directed to maintain the official claims register for the Debtors and to provide the Clerk with a certified duplicate thereof upon the request of the Clerk.

6. At the request of the Debtors or the office of the Clerk of the Court (the "Clerk's Office"), KCC is authorized to provide the following services (the "Services") as the Claims Agent:

- A. Prepare and serve notices in these chapter 11 cases at the request of the Debtors or the Court, including:
 - 1. notice of commencement of these chapter 11 cases;
 - 2. notice of claims bar dates (and to the extent supplemental notice is necessary or appropriate);
 - 3. notice of objections to claims, and any applicable response deadlines;
 - 4. notice of any hearings on a motion for the sale of the Debtors' assets;

5. notice of any hearings on a disclosure statement and confirmation of a chapter 11 plan; and
 6. other miscellaneous notices to any entities, as the Debtors or the Court deem necessary or appropriate for an orderly administration of these chapter 11 cases.
- B. ⁴ Within seven days after the mailing of particular notice, file with the Clerk's Office a certificate or affidavit of service that includes a copy of notice involved, an alphabetical list of persons to whom the notice was mailed, and the date of mailing;
- C. Efficiently and effectively notice, docket and maintain proofs of claim and proofs of interest, including:
1. At any time, upon request, satisfying the Court that it has the capability to efficiently and effectively notice, docket and maintain proofs of claim and proofs of interest;
 2. Maintaining copies of all proofs of claim and proofs of interest filed;
 3. Maintaining official claims registers by docketing all proofs of claim and proofs of interest on claims registers, including the following information: (a) the name and address of the claimant and any agent thereof, if an agent filed the proof of claim or proof of interest; (b) the date received; (c) the claim number assigned; and (d) the asserted amount and classification of the claim;
 4. Implementing necessary security measures to ensure the completeness and integrity of the claims register;
 5. Maintaining all original proofs of claim in correct claim number order, in an environmentally secure area and protect the integrity of such original documents from theft and/or alteration;
 6. Transmitting to the Clerk's office a copy of the claims register on a regular basis;
 7. Maintaining an up-to-date mailing list for all entities that have filed a proof of claim or proof of interest, which list shall be available upon request of a party in interest or the Clerk's office;
 8. Providing access to the public for examination of copies of the proofs of claim or interest during regular business hours;

9. Recording all transfers of claims pursuant to Bankruptcy Rule 3002(e) and providing notice of such transfers as required by Bankruptcy Rule 3001(e); and

10. Promptly complying with such further conditions and requirements as the Clerk's Office or the Court may at any time prescribe;

D. Providing such other claims processing, noticing, and administrative services as may be requested from time to time by the Debtors;

7. In addition to the foregoing, KCC may assist with, among other things: (A) maintaining and updating the master mailing lists of creditors; (B) tracking and administration of claims; and (C) performing other administrative tasks pertaining to the administration of the chapter 11 cases, as may be requested by the Debtors or the Clerk's Office. KCC will follow the notice and claim procedures that conform to the guidelines promulgated by the Clerk of the Court and the Judicial Conference of the United States and as may be entered by the Court's order.

8. KCC is authorized to take such other action to comply with all duties set forth in the Motion.

9. The Debtors are authorized to pay KCC's fees and expenses as set forth in the Services Agreement in the ordinary course of business without the necessity of KCC filing fee applications with this Court.

10. Without further order of this Court, the fees and expenses of KCC incurred in performance of the above services are to be treated as an administrative expense priority claim against the Debtors' estates and shall be paid by the Debtors in accordance with the terms of the Services Agreement within 10 days after receiving the invoice, unless KCC is advised within that ten-day period that the Debtors have objected to the invoice, in which case the Debtors will schedule a hearing before the Court to consider the disputed invoice. In such case, the Debtors

shall remit to KCC only the undisputed portion of the invoice and, if applicable, shall pay the remainder to KCC upon the resolution of the disputed portion, as mandated by this Court.

11. Notwithstanding the foregoing, the Debtors may be required to prepay for certain services in accordance with the terms of the Services Agreement.

12. KCC will comply with all requests of the Clerk's Office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

13. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

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

DEC 15 2011
Dated: _____, 2011


UNITED STATES BANKRUPTCY JUDGE

SCHEDULE “K”

Interim DIP Facility Order

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

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

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO OBTAIN POST-PETITION FINANCING PURSUANT TO 11 U.S.C. § 364, (II) AUTHORIZING THE USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363, (III) GRANTING ADEQUATE PROTECTION TO THE PREPETITION SECURED LENDER PURSUANT TO 11 U.S.C. §§ 361 AND 363, AND (IV) SCHEDULING A FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001

Upon the motion of Hartford Computer Group, Inc., Nexicore Services, LLC, Hartford Computer Hardware, Inc., and Hartford Computer Government, Inc., the debtors and debtors in possession (the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), dated December 12, 2011 (the “Motion”) [Docket No. 13], (a) seeking the entry of an interim order (the “Order”) and a final order (the “Final Order”): (i) authorizing the Debtors to enter into a senior secured post-petition loan agreement (the “DIP Facility”), pursuant to section 364 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”), with Delaware Street Capital Master Fund, L.P. (“Delaware Street” or the “DIP Lender”), in substantially the form attached hereto as Exhibit A (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “DIP Credit Agreement”), pursuant to the terms of this Order, the DIP Credit Agreement, and any related documents required to be delivered by or in connection with the DIP Credit Agreement, including, without limitation, any security agreements, pledge agreements, UCC financing statements, and other collateral documents (collectively with the DIP Credit Agreement, the “DIP Credit

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

Documents”) and to perform such other and further acts as may be required in connection with the DIP Credit Documents; (ii) granting security interests, liens, and superpriority claims (including a superpriority administrative claim pursuant to section 364(c)(1) of the Bankruptcy Code, liens pursuant to sections 364(c)(2) and 364(c)(3) of the Bankruptcy Code, and priming liens pursuant to section 364(d) of the Bankruptcy Code) to the DIP Lender to secure all obligations of the Debtors under and with respect to the DIP Facility; (iii) authorizing Debtors’ use of the Cash Collateral (as hereinafter defined) solely on the terms and conditions set forth in this Order and in the DIP Credit Agreement; and (iv) granting adequate protection to Delaware Street in its capacity as the Prepetition Secured Lender (as hereinafter defined); (b) requesting, pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), that an emergency interim hearing (the “Interim Hearing”) on the Motion be held for the Court to consider entry of this Order; and (c) requesting, pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2), that the Court (i) schedule a final hearing (the “Final Hearing”) on the Motion within thirty (30) days of the Petition Date (as hereinafter defined) to consider entry of the Final Order attached hereto as Exhibit B, and (ii) approve certain notice procedures with respect thereto; and the Interim Hearing having been held by this Court on December 15, 2011; and the Court having considered the Motion and all pleadings related thereto, including the record made by the Debtors at the Interim Hearing; and after due deliberation and consideration, and good and sufficient cause appearing therefor:

THE COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:

A. On December 12, 2011 (the “Petition Date”), the Debtors filed with this Court voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing to operate their businesses and are managing their respective properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner and no official committee of unsecured creditors has been appointed in these Chapter 11 Cases.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b) and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

C. The Debtors have provided notice of the Motion and the Interim Hearing by facsimile, electronic mail, or overnight mail to: (i) the Office of the United States Trustee (the "U.S. Trustee"); (ii) the thirty (30) largest unsecured creditors of the Debtors; (iii) counsel to the DIP Lender; (iv) counsel to the Prepetition Secured Lender; (v) all known parties with liens of record on assets of the Debtors as of the Petition Date; (vi) all financial institutions at which the Debtors maintain deposit accounts; (vii) the landlords for all non-residential real properties occupied by the Debtors as of the Petition Date; (viii) the Internal Revenue Service; and (ix) all other parties requesting notice pursuant to Bankruptcy Rule 2002. The Court concludes that the foregoing notice was sufficient and adequate under the circumstances and complies with Bankruptcy Rule 4001 in all respects.

D. Without prejudice to the rights of any other party, but subject to the limitations thereon set forth in paragraph 29 below, the Debtors admit, stipulate and agree that:

(1) Pursuant to that certain Loan and Security Agreement dated as of December 17, 2004 (as amended, supplemented or otherwise modified prior to the date hereof, the "Prepetition Credit Agreement"), by and among, on the one hand, Hartford Computer Group, Inc., and Nexicore Services, LLC, as the borrowers, and by Hartford Computer Hardware, Inc., and Hartford Computer Government, Inc., as the guarantors, and, on the other hand, Delaware Street as the lender (the "Prepetition Secured Lender"), the Prepetition Secured Lender made certain loans and other financial accommodations to or for the benefit of the Debtors. In connection with the Prepetition Credit Agreement, the Debtors entered into certain collateral and ancillary documentation with the Prepetition Secured Lender (such collateral and ancillary documentation collectively with the Prepetition Credit Agreement, the "Prepetition Credit Documents"). All

obligations of the Debtors arising under the Prepetition Credit Documents, including all loans, advances, debts, liabilities, principal, interest, fees, swap exposure, charges, expenses, indemnities, and obligations for the performance of covenants, tasks or duties, or for the payment of monetary amounts owing to the Prepetition Secured Lender by the Debtors, of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall hereinafter be referred to as the “Prepetition Obligations.”

(2) As of December 1, 2011, the Debtors were truly and justly indebted to the Prepetition Secured Lender pursuant to the Prepetition Credit Documents, without defense, counterclaim or offset of any kind, in the following aggregate amounts in respect of loans and other financial accommodations made by the Prepetition Secured Lender pursuant to and in accordance with the terms of the Prepetition Credit Documents, not including (i) interest accruing after December 1, 2011 and (ii) fees: (a) Revolver Loan: \$9,076,302 (the “Prepetition Revolving Debt”); (b) Term Loan A: \$27,482,409; Term Loan B: \$12,660,490; Term Loan C: \$5,748,432; Term Loan D: \$6,965,575; Term Loan E: \$8,640,407 (Term Loan A, B, C, D, and E, collectively, the “Prepetition Term Debt”).

(3) In addition as of the Petition Date, the Debtors were further truly and justly indebted to the Prepetition Secured Lender pursuant to the Prepetition Credit Documents, without defense or setoff of any kind, in the aggregate amounts of (i) all other accrued or hereafter accruing and unpaid interest on the Prepetition Revolving Debt and the Prepetition Term Debt, (ii) all unpaid fees and expenses (including the fees and expenses of attorneys and financial advisors for the Prepetition Secured Lender) now or hereafter due under the Prepetition Credit Documents, and (iii) any other obligations of the Debtors under the Prepetition Credit Documents.

(4) Pursuant to the Prepetition Credit Documents, the Prepetition Obligations are secured by valid, duly perfected first priority security interests in and continuing liens on substantially all of the assets and property of the Debtors, including, but not limited to, all personal

and fixture property of every kind and nature, including without limitation, all goods (including inventory, equipment, and any accessions thereto), instruments, documents, accounts receivable, chattel paper (including electronic chattel paper), the Debtors' lockbox and cash concentration account, letter of credit rights, commercial tort claims, securities and all other investment property, insurance claims and proceeds, intellectual property, and all general intangibles, and all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing, in each case wherever located, whether then owned or existing or thereafter acquired or arising. All collateral granted or pledged by the Debtors to the Prepetition Secured Lender pursuant to the Prepetition Credit Documents shall collectively be referred to herein as the "Prepetition Collateral."

(4) Substantially all of the Debtors' cash, including, without limitation, all cash and other amounts on deposit or maintained in the Debtors' lockbox and cash concentration account by the Debtors and any amounts generated by collection of the Debtors' accounts receivable, the sale of the Debtors' inventory, or any other disposition of the Prepetition Collateral constitutes proceeds of the Prepetition Collateral and therefore constitutes cash collateral of the Prepetition Secured Lender within the meaning of section 363(a) of the Bankruptcy Code (the "Cash Collateral").

(5) All Prepetition Credit Documents executed and delivered by the Debtors to the Prepetition Secured Lender are valid and enforceable by the Prepetition Secured Lender against the Debtors. The Prepetition Secured Lender duly perfected its liens upon and security interests in the Prepetition Collateral in accordance with applicable law. The liens and security interests of the Prepetition Secured Lender in the Prepetition Collateral, as security for the Prepetition Obligations, constitute valid, binding, enforceable and perfected first priority liens and security interests and are not subject to avoidance, disallowance, subordination or re-characterization pursuant to the Bankruptcy Code or applicable non-bankruptcy law (except insofar as such liens are subordinated to the DIP Liens, and the Carve-Out (as each term is

hereinafter defined) in accordance with this Order).

(6) The Prepetition Obligations constitute legal, valid and binding obligations of the Debtors, no offsets, defenses or counterclaims to the Prepetition Obligations exist, and no portion of the Prepetition Obligations is subject to avoidance, disallowance, reduction, subordination or re-characterization pursuant to the Bankruptcy Code or applicable non-bankruptcy law. The Debtors have no valid claims (as such term is defined in section 101(5) of the Bankruptcy Code) or causes of action against the Prepetition Secured Lender with respect to the Prepetition Credit Documents or otherwise, whether arising at law or at equity, including, without limitation, any re-characterization, subordination, avoidance or other claims arising under or pursuant to sections 105, 510 or 542 through 553, inclusive, of the Bankruptcy Code. The Debtors irrevocably waive any right to (i) challenge or contest the liens or security interests of the Prepetition Secured Lender in the Prepetition Collateral, (ii) challenge or contest the validity of the Prepetition Obligations, or (iii) assert any claims or causes of action against the Prepetition Secured Lender or any of its affiliates, agents, attorneys, financial advisors, officers, managers, directors or employees under the Bankruptcy Code or applicable non-bankruptcy law.

E. The Debtors have an immediate and critical need to obtain post-petition financing under the DIP Facility in order to operate their businesses as Debtors in Possession and comply with their obligations as Debtors in Possession.

F. The Debtors also have an immediate and critical need to use Cash Collateral pursuant to the terms of this Order to, among other things, finance the ordinary costs of their operations, maintain business relationships with vendors, suppliers and customers, make payroll, and satisfy other working capital and operational needs. The Debtors' access to sufficient working capital and liquidity through the use of Cash Collateral pursuant this Order is vital to the preservation and maintenance of the going concern value of the Debtors' estates. Consequently, without the continued use of Cash Collateral by the

Debtors, to the extent authorized pursuant to this Order, the Debtors and their estates would suffer immediate and irreparable harm.

G. The Debtors are unable to obtain (i) adequate unsecured credit allowable either under (a) sections 364(b) and 503(b)(1) of the Bankruptcy Code or (b) section 364(c)(1) of the Bankruptcy Code, (ii) adequate credit secured either by (x) a senior lien on unencumbered assets of their estates under section 364(c)(2) of the Bankruptcy Code or (y) a junior lien on encumbered assets of their estates under section 364(c)(3) of the Bankruptcy Code, or (iii) secured credit under section 364(d)(1) of the Bankruptcy Code from sources other than the DIP Lender on terms more favorable than the terms of the DIP Facility. The only funding available to the Debtors is the DIP Facility.

H. The DIP Lender has represented to the Court that it is willing to provide the Debtors with certain financing commitments but solely on the terms and conditions set forth in this Order and the DIP Credit Documents. After considering all of their alternatives, the Debtors have concluded, in an exercise of their sound business judgment, that the financing to be provided by the DIP Lender pursuant to the terms of this Order and the DIP Credit Documents represents the best post-petition financing presently available to the Debtors.

I. The Prepetition Secured Lender has represented to the Court that it is prepared to consent to: (i) the imposition of certain liens under section 364(d)(1) of the Bankruptcy Code in favor of the DIP Lender, but solely on the terms and conditions set forth in this Order and in the DIP Credit Documents, which liens will prime the Primed Liens (as hereinafter defined), and (ii) the Debtors' use of the Prepetition Collateral (including the Cash Collateral), provided that the Court authorizes the Debtors, pursuant to sections 361, 363 and 364 of the Bankruptcy Code, to grant to the Prepetition Secured Lender, as adequate protection for the Adequate Protection Obligations (as hereinafter defined), but subject to the Carve-Out (a) replacement security interests in and liens and mortgages upon (collectively, the "Adequate Protection Liens") all of the DIP

Collateral (as hereinafter defined), and (b) a superpriority administrative expense claim under section 507(b) of the Bankruptcy Code (the "Adequate Protection Priority Claim"), which Adequate Protection Priority Claim shall be subordinate in priority only to the Carve-Out, and the superpriority claim under section 364(c)(1) of the Bankruptcy Code in favor of the DIP Lender. The Adequate Protection Liens and the Adequate Protection Priority Claim shall secure the payment of the Prepetition Obligations in an amount equal to any diminution in the value of the Prepetition Secured Lender's interests in the Prepetition Collateral, including the Cash Collateral from and after the Petition Date (the aggregate amount of such diminution, the "Adequate Protection Obligations") including, without limitation, any diminution resulting from: (i) the Debtors' use of the Prepetition Collateral, (ii) the imposition of the DIP Liens, which will prime the Primed Liens, and (iii) the imposition of the automatic stay pursuant to section 362(a) of the Bankruptcy Code or any comparable provision under Canadian Law. The Adequate Protection Liens shall be junior to the Carve-Out, the DIP Liens, and the Permitted Liens (as hereinafter defined) with respect to the collateral encumbered by any Permitted Liens to the extent such Permitted Liens are senior to the liens securing the Prepetition Obligations.

J. The consent of the Prepetition Secured Lender to the priming of its liens by the DIP Liens is limited to the DIP Facility presently before the Court, with Delaware Street as the DIP Lender, and shall not extend to any other post-petition financing or to any modified version of such DIP Facility. Furthermore, the consent of the Prepetition Secured Lender to the priming of its liens by the DIP Liens does not constitute, and shall not be construed as constituting, an acknowledgment or stipulation by the Prepetition Secured Lender that its interests in the Prepetition Collateral are adequately protected pursuant to this Order or otherwise. The Prepetition Secured Lender does not consent to the Debtors' use of the Prepetition Collateral, including the Debtors' use of the Cash Collateral, except on the terms of this Order.

K. The security interests and liens granted pursuant to this Order to the DIP Lender are appropriate under section 364(d) of the Bankruptcy Code because, among other things: (i) such security interests and liens do not impair the interests of any holder of a valid, perfected, and non-avoidable prepetition security interest in or lien upon the property of the Debtors' estates, or (ii) the holders of such valid, perfected, prepetition security interests and liens have consented to the security interests and priming liens granted pursuant to this Order to the DIP Lender.

L. Good cause has been shown for immediate entry of this Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2). In particular, the authorization granted herein for Debtors to continue using Cash Collateral and for the Debtors to execute the DIP Credit Documents and obtain interim financing in an amount not to exceed \$2,750,000, including on a priming lien basis, is necessary to avoid immediate and irreparable harm to the Debtors and their estates. Entry of this Order is in the best interest of the Debtors, their estates and creditors. The terms of the DIP Credit Documents and the terms of the Debtors' continued use of Cash Collateral pursuant to this Order are fair and reasonable under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

M. The Debtors, the DIP Lender, and the Prepetition Secured Lender have negotiated the terms and conditions of the DIP Credit Documents and this Order (including the Debtors' use of Cash Collateral pursuant hereto) in good faith and at arm's-length, and any credit extended and loans made to the Debtors pursuant to this Order and the DIP Credit Documents shall be, and hereby are, deemed to have been extended, issued or made, as the case may be, in "good faith" within the meaning of section 364(e) of the Bankruptcy Code.

N. Based on the foregoing, and upon the record made before this Court at the Interim Hearing, and good and sufficient cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is approved on the terms and conditions set forth in this Order. Any objections to the Motion that have not previously been withdrawn or resolved are hereby overruled on the merits. This Order shall become effective and binding upon all parties in interest immediately upon its entry. To the extent the terms of the DIP Credit Documents differ in any material respect from the terms of this Order, this Order shall control and all references terms or provisions of the DIP Credit Agreement and the DIP Credit Documents in this Order are qualified to the extent that they are ineffective to the extent inconsistent with any express term of this Order. Without limiting the generality of the foregoing, the Debtors shall have no obligation to pay any fees or expenses of the DIP Lender, and shall have no indemnification obligations to the DIP Lender, prior to entry of the Final Order.

2. The Debtors are hereby authorized to execute the DIP Credit Documents, including the DIP Credit Agreement and such additional documents, instruments, and agreements as may be reasonably required by the DIP Lender to implement the terms or effectuate the purposes of this Order.

3. The Debtors are hereby authorized to use the Cash Collateral and to incur DIP Obligations (as hereinafter defined) solely in accordance with the Budget (as hereinafter defined) and the other terms and conditions set forth in the DIP Credit Agreement and in this Order; *provided, however*, that the Debtors authority to incur DIP Obligations under the DIP Credit Documents and this Order shall be limited to \$2,750,000 (the "Interim Borrowing Limit") pending the entry of a Final Order; *and provided further*, that \$750,000 of the Interim Borrowing Limit may be used to post cash collateral backing a letter of credit for Sony Corporation (the "Sony LC") so long as: (a) the terms of the Sony LC provide that it may only be drawn to pay post-petition obligations of the Debtors to Sony Corporation; (b) the terms of the Sony LC are substantially similar to the terms of the letter of credit posted by the Debtors for Sony Corporation prior to the Petition Date, and (c) the terms of the Sony LC are acceptable to the

DIP Lender in its reasonable discretion.

4. [Intentionally Omitted.]

5. Upon execution and delivery of the DIP Credit Documents, the DIP Credit Documents shall constitute valid and binding obligations of the Debtors and shall be enforceable against the Debtors in accordance with the terms thereof. No obligation, payment, transfer or grant of security under the DIP Credit Documents or this Order shall be stayed, restrained, voided, voidable, or recoverable under the Bankruptcy Code or under any applicable non-bankruptcy law, or subject to any defense, reduction, setoff, recoupment or counterclaim.

6. [Intentionally Omitted.]

7. All draws made on the DIP Facility and all interest thereon owing by the Debtors to the DIP Lender or any other parties under the DIP Credit Documents and this Order shall hereinafter be referred to as the “DIP Obligations.” The DIP Obligations shall: (a) be evidenced by the books and records of the DIP Lender; (b) bear interest and be subject to fees payable at the rates and in the amounts set forth in the DIP Credit Agreement; (c) be secured in the manner set forth in paragraphs 13 and 14 below; (d) be payable in accordance with the terms of the DIP Credit Documents; and (e) comply with and otherwise be governed by the terms of this Order and the terms of the DIP Credit Documents.

8. Subject to the terms and conditions set forth in this Order and in the DIP Credit Documents (including the Budget), the Debtors may use the Cash Collateral to: (a) pay interest, fees and expenses associated with the DIP Facility, as provided in the DIP Credit Documents, and (b) fund its general corporate and working capital requirements (including, without limitation, certain administrative expenses in the Chapter 11 Cases), in each case in accordance with the Budget and the terms of this Order.

9. Attached hereto as Exhibit C is a budget (the “Budget”) for the period

commencing on the Petition Date and ending on May 2012. The Budget reflects on a line-item basis the Debtors' anticipated cumulative cash receipts and expenditures on a monthly basis and all necessary and required cumulative expenses which the Debtors expect to incur during each month of the Budget. Subject to the variances permitted under § 14.1 of the DIP Credit Agreement, the Debtors shall not make any payments or other disbursements other than as set forth in the Budget, without the prior written consent of the DIP Lender and the Prepetition Secured Lender. Failure by the Debtors to comply with the Budget variance provisions set forth in this paragraph 9 and in § 14.1 of the DIP Credit Agreement shall constitute an Event of Default under the DIP Credit Agreement and this Order. The Budget shall not be modified without the prior written consent of the DIP Lender and the Prepetition Secured Lender. The Debtors shall comply with all reporting requirements set forth in the DIP Credit Documents and shall provide the Prepetition Secured Lender with such additional financial reports as the Prepetition Secured Lender may reasonably request from time to time.

10. On the earliest to occur of: (a) January 26, 2012 (unless a Final Order, in form and substance acceptable to the DIP Lender, shall have been entered on or before such date); (b) the occurrence of the effective date under any plan of reorganization or liquidation for the Debtors; (c) the closing of the sale or any other disposition by the Debtors of all or any material portion of the Debtors' assets; and (d) the occurrence and continuation of an Event of Default under this Order or the DIP Credit Agreement, the Debtors shall be required to repay the DIP Lender in full and in cash all outstanding DIP Obligations.

11. The Debtors' authority to use Cash Collateral in accordance with this Order and the Budget shall terminate on the earliest to occur (the "Cash Collateral Termination Event") of: (a) January 26, 2012 (unless a Final Order, in form and substance acceptable to the DIP Lender, shall have been entered on or before such date); (b) the occurrence of the effective date under any plan of reorganization or liquidation for the Debtors; (c) the closing of the sale or any other

disposition by the Debtors of all or any material portion of the Debtors' assets; and (d) the occurrence and continuation of an Event of Default under this Order or the DIP Credit Agreement and a determination by the Prepetition Secured Lender, by written notice delivered by hand-delivery, overnight mail, facsimile, or email to counsel for the Debtors, to terminate the Debtors' use of Cash Collateral pursuant to the terms of this Order.

12. The occurrence of any of the events set forth in clauses (a) through (n) below shall constitute an immediate Event of Default under this Order and the DIP Credit Agreement: (a) failure by the Debtors to make any payment to the DIP Lender; (b) failure by the Debtors to comply with any provision of this Order or the DIP Credit Agreement including, without limitation, the Budget variance provisions set forth in § 14.1 of the DIP Credit Agreement and paragraph 9 hereof, and any other affirmative or negative covenants set forth in this Order or the DIP Credit Documents, or any other "Event of Default" shall have occurred and be continuing under and as defined in the DIP Credit Documents; (c) the Debtors shall take any material action in the Chapter 11 Cases that is adverse to the Prepetition Secured Lender or its interests in the Prepetition Collateral; (d) failure by the Debtors to obtain an order of this Court, in form and substance satisfactory to the DIP Lender and the Prepetition Secured Lender, approving the motion for approval of bidding and sale procedures for the sale of all or substantially all of the Debtors' assets by January 15, 2012; (e) any of the Chapter 11 Cases are dismissed or converted to a chapter 7 case, or a chapter 11 trustee, a responsible officer, or an examiner with enlarged powers relating to the operation of the Debtors' business is appointed in any of the Chapter 11 Cases; (f) this Court enters an order granting relief from the automatic stay to the holder or holders of any security interest to permit an exercise of remedies with respect to any of the Debtors' assets; (g) an order is entered reversing, amending, supplementing, staying, vacating or otherwise modifying this Order without the consent of the Prepetition Secured Lender and the DIP Lender; (h) the Debtors create, incur or

suffer to exist any post-petition liens or security interests other than: (A) those granted pursuant to this Order, and (B) any other junior liens or security interests that the Debtors are permitted to incur under the Prepetition Credit Agreement or under the DIP Credit Documents; (i) the filing by the Debtors of any motion, application or adversary proceeding challenging the validity, enforceability, perfection or priority of the liens securing the Prepetition Obligations or asserting any claim or cause of action against and/or with respect to the Prepetition Obligations, the liens securing the Prepetition Obligations, or the Prepetition Secured Lender or any of its affiliates, agents, attorneys, financial advisors, officers, managers, directors or employees (or if the Debtors support any such motion, application or adversary proceeding commenced by any third party); (j) this Court enters an order terminating the Debtors' exclusive period to file a plan of reorganization; (k) the Debtors file, or support the filing of, any plan of reorganization or liquidation that is not acceptable to the DIP Lender and the Prepetition Secured Lender; (l) Brian Mittman ceases to be the Chief Executive Officer of the Debtors; (m) any misrepresentation of a material fact made after the Petition Date by the Debtors or any of their agents to the Prepetition Secured Lender about (A) the financial condition of the Debtors, (B) the nature, extent, location or quality of any Prepetition Collateral, or (iii) the disposition or use of any Prepetition Collateral, including the Cash Collateral; or (n) without the consent of the Prepetition Secured Lender and the DIP Lender, the Debtors file, or support the filing of, a motion seeking the authority for the Debtors to abandon any of the Prepetition Collateral pursuant to section 554 of the Bankruptcy Code or otherwise.

13. As security for the full and timely payment of the DIP Obligations, the DIP Lender is hereby granted, pursuant to sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code, valid, enforceable, unavoidable, and fully perfected security interests in and liens and mortgages (collectively, the "DIP Liens") upon all prepetition and post-petition real and personal property of the Debtors (including, without limitation, all right, title and interest in all now owned and hereafter acquired accounts, chattel paper, deposit accounts, cash collateral, cash, money, cash

equivalents, rights with respect to letters of credit, documents, equipment, motor vehicles, fixtures, general intangibles, instruments, inventory, investment property, commercial tort claims, intellectual property, intercompany advances, leasehold interests and fee simple interests in real property and licenses and easements with respect to real property, and all products, accessions and proceeds with respect to any of the foregoing), whether now existing or hereafter acquired or arising and of any nature whatsoever, including, without limitation, (a) all Prepetition Collateral, and (b) all assets of the Debtors that do not constitute Prepetition Collateral and the proceeds thereof ((a) and (b) collectively, the "DIP Collateral").

14. The DIP Liens shall be subject and subordinate to the Carve-Out and shall: (a) pursuant to section 364(c)(2) of the Bankruptcy Code, constitute first priority security interests in and liens upon all DIP Collateral that is not otherwise subject to any valid, perfected, enforceable and non-avoidable lien in existence as of the Petition Date; (b) pursuant to section 364(d)(1) of the Bankruptcy Code, be senior to and prime (i) those liens on the Prepetition Collateral in favor of the Prepetition Secured Lender with respect to the Prepetition Obligations, (ii) any and all valid, perfected, enforceable and non-avoidable liens on the Prepetition Collateral that are junior in priority to the liens of the Prepetition Secured Lender, and (iii) the Adequate Protection Liens ((i), (ii) and (iii) above, collectively, the "Primed Liens"); and (c) pursuant to section 364(c)(3) of the Bankruptcy Code, be immediately junior in priority to any and all valid, properly perfected, enforceable and non-avoidable liens other than the Primed Liens on assets of the Debtors in existence as of the Petition Date, but only to the extent such liens are senior in priority to the Primed Liens (collectively, the "Permitted Liens").

15. The DIP Liens and the Adequate Protection Liens shall not be subject to challenge and shall attach and become valid, perfected, enforceable, non-avoidable and effective by operation of law as of the Petition Date without any further action by the Debtors, the DIP Lender or the Prepetition Secured Lender, and without the necessity of execution by the Debtors, or the

filing or recordation, of any financing statements, security agreements, vehicle lien applications, mortgages, fixture filings, filings with the U.S. Patent and Trademark Office, or other documents. All DIP Collateral shall be free and clear of other liens, claims and encumbrances, except the Primed Liens, the Permitted Liens, the Carve-Out, and other permitted liens and encumbrances as provided in the DIP Credit Documents. If the DIP Lender hereafter requests that the Debtors execute and deliver to the DIP Lender any financing statements, security agreements, collateral assignments, mortgages, fixture filings, or other instruments and documents considered by the DIP Lender to be reasonably necessary or desirable to further evidence the perfection of the DIP Liens, the Debtors are hereby authorized and directed to execute and deliver such financing statements, security agreements, mortgages, fixture filings, collateral assignments, instruments, and documents, and the DIP Lender is hereby authorized to file or record such documents in its discretion, in which event all such documents shall be deemed to have been filed or recorded at the time and on the date of entry of this Order.

16. In addition to the priming liens and security interests granted to the DIP Lender pursuant to this Order, pursuant to section 364(c)(1) of the Bankruptcy Code, all DIP Obligations shall constitute allowed superpriority administrative expense claims (the "Superpriority Claims") with the priority accorded under 364(c)(1), which Superpriority Claims shall, subject to the Carve-Out, be payable from and have recourse to all pre- and post-petition property of the Debtors and all proceeds thereof (except, pending entry of the Final Order, all avoidance actions of the Debtors' estates arising under chapter 5 of the Bankruptcy Code (the "Avoidance Actions") and the proceeds thereof).

17. Upon the occurrence and during the continuation of a Cash Collateral Termination Event, to the extent unencumbered funds are not available to pay administrative expenses in full, the DIP Liens, the Superpriority Claims, and the Primed Liens shall be subject to the payment of the Carve-Out. For purposes of this Order, the "Carve-Out" shall mean,

collectively: (a) all statutory fees payable by the Debtors pursuant to 28 U.S.C. 1930(a)(6) and (b) the sum of (i) any unpaid professional fees and expenses specified in the Budget that were incurred but not paid as of the date of such Cash Collateral Termination Event (provided that such unpaid professional fees and expenses together with all previously paid professional fees and expenses shall not exceed the aggregate amount of professional fees and expenses set forth in the Budget for the period prior to such Cash Collateral Termination Event) of the professionals retained by the Debtors, and any official committee of unsecured creditors (if one is appointed in the Chapter 11 Cases) that are subsequently allowed by order of this Court, in each case only to the extent not subsequently paid, and (ii) any fees and expenses incurred after such Cash Collateral Termination Event by the professionals retained by the Debtors in an aggregate amount not to exceed \$150,000. Notwithstanding any other provision of this Order or the DIP Credit Documents, all liens, claims and interests of the DIP Lender and the Prepetition Secured Lender shall be subject and subordinate to the Carve-Out.

18. No portion of the DIP Facility, the DIP Collateral, the Prepetition Collateral, the Cash Collateral, or the Carve-Out, and no disbursements set forth in the Budget, shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with asserting any claims or causes of action against the Prepetition Secured Lender or the DIP Lender, or any of their respective affiliates, agents, attorneys, financial advisors, officers, managers, directors or employees, including, without limitation, any action challenging or raising any defenses to the Prepetition Obligations or the DIP Obligations, the liens of the Prepetition Secured Lender or the DIP Lender, or the validity or enforceability of the DIP Credit Documents or the Prepetition Credit Documents; provided, however, that no more than \$20,000 of the proceeds of the DIP Collateral may be used by the official committee of unsecured creditors (if one is appointed in the Chapter 11 Cases) to investigate the prepetition liens and claims of the Prepetition Secured Lender.

19. As adequate protection for the payment of the Adequate Protection Obligations and subject to the Carve-Out, the Prepetition Secured Lender shall be granted the Adequate Protection Liens (as defined in paragraph I above) and the Adequate Protection Priority Claim (as defined in paragraph I above). The Adequate Protection Liens shall be junior in priority to the Carve-Out, the DIP Liens, and the Permitted Liens with respect to the collateral encumbered by any such Permitted Liens to the extent such Permitted Liens were senior to the liens of the Prepetition Secured Lender securing the Prepetition Obligations as of the Petition Date, and senior to any other liens. The Adequate Protection Priority Claim shall be junior in priority to the Carve-Out, and the Superpriority Claims and senior to all other administrative claims. As additional adequate protection, (a) except for the DIP Facility and the DIP Liens granted to the DIP Lender pursuant to this Order, the Debtors shall be prohibited from incurring additional indebtedness having priority claims or liens equal to or senior in priority to the Prepetition Obligations or the liens securing such obligations, and (b) the Prepetition Secured Lender shall be entitled to receive all reporting due to the DIP Lender under the DIP Credit Agreement. Without the prior written consent of the DIP Lender and the Prepetition Secured Lender, no portion of the DIP Collateral or the Prepetition Collateral (including any Cash Collateral) shall except as expressly permitted under the terms of the Budget, be used by the Debtors to satisfy chapter 11 administrative expenses.

20. Nothing herein shall preclude the Prepetition Secured Lender from (i) seeking additional adequate protection from the Debtors at any time, (ii) seeking to terminate the Debtors' use of Cash Collateral, or (iii) seeking the payment of all interest accruing under the Prepetition Credit Agreement from and after the Petition Date. Furthermore, nothing herein shall be construed as an acknowledgment or stipulation by the Prepetition Secured Lender that its interests in the Prepetition Collateral are adequately protected.

21. [Intentionally omitted.]

22. [Intentionally omitted.]

23. None of the DIP Liens, the Superpriority Claims, the Adequate Protection Liens, the Adequate Protection Priority Claims or the Carve-Out shall be (a) subject or subordinated to, or made *pari passu* with, any lien that is avoided and preserved for the benefit of the Debtors' estates under section 551 of the Bankruptcy Code, or (b) subject or subordinated to, or made, *pari passu* with, any other lien or security interest, whether under sections 363 or 364 of the Bankruptcy Code or otherwise. The Adequate Protection Liens granted pursuant to this Order shall constitute valid, enforceable and duly perfected security interests and liens upon entry of this Order and the Prepetition Secured Lender shall not be required to file or serve financing statements, notices of lien or similar instruments which otherwise may be required under federal or state law in any jurisdiction, or take any action, including taking possession, to validate and perfect such security interests and liens. Failure by the Debtors to execute any documentation relating to the Adequate Protection Liens shall in no way affect the validity, enforceability, perfection or priority of such Adequate Protection Liens.

24. [Intentionally omitted.]

25. The provisions of this Order shall be binding upon and inure to the benefit of the DIP Lender, the Prepetition Secured Lender, the Debtors, and their respective successors and assigns. The provisions of this Order and any actions taken pursuant thereto (a) shall survive the entry of any order: (i) confirming any plan of reorganization in these Chapter 11 Cases; (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code; or (iii) dismissing the Chapter 11 Cases; and (b) shall continue in full force and effect notwithstanding the entry of any such order, and the claims, liens, and security interests granted pursuant to this Order shall maintain their priority as provided by this Order until all of the DIP Obligations and Adequate Protection Obligations are indefeasibly paid in full and discharged in accordance with the terms of the DIP Credit Agreement and this Order.

26. If any or all of the provisions of this Order are hereafter reversed, modified, vacated or stayed, such reversal, modification, vacatur or stay shall not affect (a) the validity of any DIP Obligations or Adequate Protection Obligations incurred prior to the actual receipt by the DIP Lender or the Prepetition Secured Lender, as applicable, of written notice of the effective date of such reversal, modification, vacatur or stay, or (b) the validity or enforceability of any claim, lien, security interest or priority authorized or created hereby or pursuant to the DIP Credit Documents with respect to any DIP Obligations or Adequate Protection Obligations. Notwithstanding any such reversal, modification, vacatur or stay, any use of Cash Collateral or the incurrence of DIP Obligations or Adequate Protection Obligations by the Debtors prior to the actual receipt by the DIP Lender of written notice of the effective date of such reversal, modification, vacatur or stay, shall be governed in all respects by the provisions of this Order, and the DIP Lender and the Prepetition Secured Lender shall be entitled to all of the rights, remedies, protections and benefits granted under section 364(e) of the Bankruptcy Code, this Order, and the DIP Credit Documents with respect to all uses of Cash Collateral and the incurrence of the DIP Obligations and Adequate Protection Obligations by the Debtors.

27. Notwithstanding anything else herein to the contrary, the DIP Lender and the Prepetition Secured Lender may, upon the occurrence and during the continuation of any Event of Default (under the DIP Credit Documents or this Order), (a) immediately terminate the Debtors' use of Cash Collateral; (b) immediately declare all DIP Obligations to be due and payable; and (c) immediately terminate the lending commitments under the DIP Credit Agreement and, (d) subject to automatic stay, exercise all rights and remedies provided in the DIP Credit Documents and applicable law. The rights and remedies of the DIP Lender and the Prepetition Secured Lender specified herein are cumulative and not exclusive of any rights or remedies that the DIP Lender and the Prepetition Secured Lender may have under the DIP Credit Documents, the Prepetition Credit Documents, or otherwise.

28. The Debtors are hereby authorized, without further order of this Court, to enter into agreements with the DIP Lender providing for any non-material modifications to any DIP Credit Document or the Budget, or for any other modifications to any DIP Credit Document necessary to conform such DIP Credit Document to this Order.

29. The stipulations and admissions contained in this Order, including, without limitation, in recital paragraphs D(1) through D(6) of this Order, shall (a) be binding on the Debtors under all circumstances and (b) subject to and upon entry of the Final Order, be binding upon all other parties in interest unless, and solely to the extent that, (i) no later than the earlier of (A) seventy-five (75) days from the Petition Date and (B) sixty (60) days after the date of appointment of an official committee of unsecured creditors (if one is appointed in the Chapter 11 Cases), a party in interest with requisite standing has timely filed an adversary proceeding or contested matter in this Court (subject to the limitations set forth in paragraph 18 hereof) challenging the amount, validity, or enforceability of the Prepetition Obligations, or the perfection or priority of the Prepetition Secured Lender's liens on and security interests in the Prepetition Collateral, or otherwise asserting any Avoidance Actions or any other claims or causes of action on behalf of the Debtors' estates against the Prepetition Secured Lender or any of its affiliates, agents, attorneys, financial advisors, officers, managers, directors or employees under the Bankruptcy Code or non-bankruptcy law, and (ii) the Court enters a final order in favor of the plaintiff in any such timely filed adversary proceeding or contested matter. If no such adversary proceeding or contested matter is timely filed in respect of the Prepetition Obligations, (x) the Prepetition Obligations shall constitute allowed claims, not subject to counterclaim, setoff, subordination, re-characterization, defense or avoidance, for all purposes in the Chapter 11 Cases and any subsequent chapter 7 case, (y) the liens on the Prepetition Collateral securing the Prepetition Obligations shall be deemed to have been, as of the Petition Date, and to be, legal, valid, binding, and perfected first priority liens not subject to defense, counterclaim, re-characterization, subordination or avoidance, and (z) the

Prepetition Obligations and the liens on the Prepetition Collateral granted to secure the Prepetition Obligations shall not be subject to any other or further challenge by any party-in-interest, and all such parties-in-interest shall be enjoined from seeking to exercise the rights of the Debtors' estates, including without limitation, any successor thereto (including, without limitation, any estate representative or trustee appointed or elected for any of the Debtors' estates). If any such adversary proceeding or contested matter is timely filed, the stipulations and admissions contained herein shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) on all parties-in-interest, except as to any such findings and admissions that were successfully challenged in such adversary proceeding or contested matter.

30. Nothing in this Order shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Lender or the Prepetition Secured Lender any liability for any claims arising from the prepetition or post-petition activities of the Debtors or any of their affiliates.

31. The Final Hearing is scheduled for 10:30 a.m. (prevailing Central Time) on January 26, 2012 before this Court. The Debtors shall promptly serve a notice of entry of this Order and the Final Hearing, together with a copy of this Order, by first class mail, postage prepaid, upon: (i) counsel to the U.S. Trustee; (ii) the twenty (30) largest unsecured creditors of each Debtor; (iii) counsel to the DIP Lender; (iv) counsel to the Prepetition Secured Lender; (v) all known parties with liens of record on assets of the Debtors as of the Petition Date; (vi) all financial institutions at which the Debtors maintain deposit accounts; (vii) the landlords for all non-residential real properties occupied by the Debtors as of the Petition Date; (viii) the Internal Revenue Service; and (ix) all other parties requesting notice pursuant to Bankruptcy Rule 2002. The notice of the entry of this Order and the Final Hearing shall state that objections to the entry of the Final Order shall be filed with the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, by no later than 4:00 p.m. (prevailing

Central Time) on January 20, 2012 (the "Objection Deadline"), which objections shall be served so that the same are actually received before the Objection Deadline by (a) counsel to the Debtors, (b) counsel to the DIP Lender and the Prepetition Secured Lender, and (c) counsel to the U.S. Trustee. Any objections by creditors or other parties-in-interest to any provisions of this Order shall be deemed waived unless timely filed and served in accordance with the foregoing terms.

DEC 15 2011
Dated: December 16, 2011


UNITED STATES BANKRUPTCY JUDGE