Court File No. CV-09-8122-00CL

Indalex Limited
Indalex Holdings (B.C.) Ltd.
6326765 Canada Inc. and
Novar Inc.

SECOND REPORT OF THE MONITOR
April 20, 2009

Court File No. CV-09-8122-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
INDALEX LIMITED
INDALEX HOLDINGS (B.C.) LTD.
6326765 CANADA INC. and
NOVAR INC.

SECOND REPORT TO THE COURT SUBMITTED BY FTI CONSULTING CANADA ULC IN ITS CAPACITY AS MONITOR

INTRODUCTION

1. On April 3, 2009, Indalex Limited ("**Indalex**"), Indalex Holdings (B.C.) Ltd. ("**Indalex BC**"), 6326765 Canada Inc. ("**632**") and Novar Inc. ("**Novar**") (collectively, the "**Applicants**") made an application under the *Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36*, as amended (the "**CCAA**") and an Initial Order (the "**Initial Order**") was made by the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granting, *inter alia*, a stay of proceedings against the Applicants until May 1, 2009 (the "**Stay Period**"), and appointing FTI Consulting Canada ULC as monitor ("**FTI Canada**" or the "**Monitor**"). The proceedings commenced by the Applicants under the CCAA will be referred to herein as the "**CCAA Proceedings**".

2. On April 8, 2009, the Honourable Mr. Justice Morawetz granted the Amended & Restated Initial Order which, *inter alia*, approved the DIP Credit Agreement (as defined in paragraph 33 of the Amended & Restated Initial Order).

3. Indalex's parent is Indalex Holding Corp. ("**Indalex Holding**"), which is a wholly-owned subsidiary of Indalex Holdings Finance, Inc. ("**Indalex Finance**"). Indalex BC, 632 and Novar are wholly owned subsidiaries of Indalex. Collectively, Indalex Finance and its affiliates (the "**Indalex Group**") is the second largest aluminium extruder in North America.

4. On March 20, 2009, Indalex Holding, Indalex Finance, Indalex Inc., Caradon Lebanon, Inc. and Dolton Aluminum Company, Inc. (collectively, the "**US Debtors**") commenced proceedings (the "**Ch.11 Proceedings**") under chapter 11 of the *United States Bankruptcy Code* (the "**USBC**") in the United States Bankruptcy Court, District of Delaware (the "**US Court**"). The case has been assigned to Judge Walsh.

5. The purpose of this report is to inform the Court on the following:

   (a) The approval of the DIP Credit Agreement by the US Court and the finalization of the DIP Credit Agreement;

   (b) The occurrence of an event of default pursuant to Article VII clause (d) of the DIP Credit Agreement (the "**Event of Default**") and a potential future event of default pursuant to Article VII clause (d) of the DIP Credit Agreement (the "**Future Event of Default**") and the waiver of the Event of Default and the Future Event of Default by the DIP Lenders;

   (c) The Applicants' request for approval of a process for the marketing of the business and assets of the Applicants (the "**Marketing Process**") and the Monitor's recommendation thereon;

   (d) The Applicants' request for approval of the engagement of Jefferies & Company, Inc. ("**Jefferies**") to assist with the Marketing Process and the Monitor's recommendation thereon; and

(e) The Applicants' request for an extension of the Stay Period to June 26, 2009 and the Monitor's recommendation thereon.

6. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with the Applicants' management. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report or relied on in its preparation. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

7. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the Amended & Restated Initial Order.

THE DIP AGREEMENT

8. The Amended & Restated Order *inter alia* approved the DIP Credit Agreement, substantially in the form attached as Exhibit "D" to the affidavit of Patrick Lawlor sworn April 8, 2009.

9. On April 9, 2009, the US Court entered an interim order approving the DIP Credit Agreement (the "**DIP Interim US Order**"). April 27, 2009, has been set as the hearing date for the final order. A copy of the DIP Interim US Order is attached hereto as Appendix A.

10. In accordance with the provisions of paragraph 33 of the Amended & Restated Initial Order, the Monitor consented to certain non-material amendments to the DIP Credit Agreement proposed by the Applicants, the US Debtors and the Lenders, and the DIP Credit Agreement was finalized on April 9, 2009. A copy of the final DIP Credit Agreement, showing the amendments made to the form approved by the Court, is attached hereto as Appendix B. The Effective Date of the DIP Credit Agreement is April 9, 2009.

WAIVER OF EVENT OF DEFAULT AND FUTURE EVENT OF DEFAULT

11. On April 15, 2009, the Indalex Group notified the DIP Lenders of the Event of Default, being a failure to achieve the required level of Consolidated Net Sales for the period March 27 to April 10, 2009, and the Future Event of Default, being an expectation that they would fail to achieve the required level of Consolidated Net Sales for the period March 27 to April 17, 2009. Both the Event of Default and the Future Event of Default arose as constraints in metals and materials purchases impeded the ability of the Indalex Group to complete the necessary production to fulfil customer orders and meet the targeted sales levels.

12. On April 16, 2009, the DIP Lenders provided a waiver of the Event of Default and of the Future Event of Default.

THE PROPOSED MARKETING PROCESS

13. The DIP Credit Agreement sets out a number of milestones that must be achieved by the US Debtors and the Applicants. Section 5.14 of the DIP Credit Agreement states:

> "(a) On or before the date that is 10 Business Days after the Effective Date, the Canadian Subsidiary Borrower shall have obtained the approval of the Canadian Court for a sale process for the sale of all or substantially all of its assets,

together with the assets of the other Loan Parties and their Subsidiaries substantially on the same terms as the process required under Section 363 of the Bankruptcy Code and otherwise acceptable to the Administrative Agent (the "Canadian Sale Process Order").

(b) On or before the date that is 30 calendar days after the Effective Date, the Parent Borrower or Holdings shall receive at least one letter of intent from a Person that is not an Affiliate of any Loan Party (a "Bidder") containing a written proposal to acquire, directly or indirectly, all or substantially all of the assets of the Loan Parties and their subsidiaries under Section 363 of the Bankruptcy Code and in compliance with the Canadian Sale Process Order for cash consideration (a "Company Sale"), which proposal, in the reasonable opinion of the Administrative Agent, is capable from a financial, legal and regulatory standpoint of being consummated.

(c) On or before the date that is 70 calendar days after the Effective Date, the Parent Borrower or Holdings shall (i) execute a definitive agreement with a Bidder for a Company Sale that in the reasonable discretion of the Administrative Agent would reasonably be expected to result in a Sale Closing and Net Proceeds in cash in an aggregate dollar amount greater than $[redacted], of which at least $[redacted] would be attributable to the sale of assets of the Parent Borrower and its Domestic Subsidiaries and (ii) file a motion in the Bankruptcy Court and the Canadian Court seeking approval of such Company Sale.

(d) Holdings or the Parent Borrower shall effect a Sale Closing on or before the date that is 100 days after the Effective Date for a Company Sale resulting in Net Proceeds in cash in an aggregate dollar amount greater than $[redacted], of which at least $[redacted] is attributable to the sale of assets of the Parent Borrower and its Domestic Subsidiaries.

(e) The Parent Borrower shall deliver to the Administrative Agent, (i) on or before the date that is 15 days after the Effective Date a plan setting forth substantial proposed reductions in the operating costs of the Loan Parties' businesses and (ii) on or before the date that is 30 days after the Effective Date a plan setting forth the specific cost reductions and actions to be taken, including timing and cost to implement, which plan, in each case, shall be reasonably satisfactory to the Required Lenders.

(f) The Parent Borrower shall deliver a proposal for restructuring its Senior Secured Notes, acceptable in the reasonable discretion of the Required Lenders, on or before the date that is 30 days after the Effective Date.

(g) The Parent Borrower shall file a disclosure statement in form and substance satisfactory to the Administrative Agent and the Required Lenders describing the Chapter 11 Plan on or before the date that is 70 days after the Effective Date.

(h) The Parent Borrower shall ensure that on or before the date that is 100 days after the Effective Date, (i) the Bankruptcy Court shall approve a Chapter 11 Plan and

(ii) the Canadian Court shall have sanctioned a plan of arrangement in connection with the Canadian Proceeding."
(redacted)

14. The Indalex Group, with the assistance of Jefferies, commenced its marketing efforts on or about March 18, 2009. Given the integrated nature of the US Debtors and the Applicants, it is the opinion of Jefferies and the Applicants that the process for marketing the Canadian assets must be integrated with the process for marketing the US assets. The Monitor concurs with this view, provided that the process does not foreclose the possibility that interested parties may submit offers for individual assets or groups of assets.

15. The proposed Marketing Process is as follows:

(a) Jefferies, in consultation with the Indalex Group, prepared a list of logical potential investors, both strategic and financial. This list was augmented by a number of additional parties that contacted the Indalex Group or Jefferies following the start of the Ch. 11 Proceedings. Jefferies contacted these parties to determine whether they would have an interest in exploring the opportunity;

(b) The parties identified by Jefferies, plus any other parties that contact Jefferies regarding the opportunity, have been or will be invited to execute a confidentiality agreement;

(c) Any party executing a confidentiality agreement (an "**Interested Party**") has been or will be provided a copy of the confidential information memorandum that has been prepared by Jefferies in consultation with the Indalex Group. Additional information will also be made available to such parties if requested;

(d) The Interested Parties have been invited to submit non-binding letters of intent (each an "**LOI**") on or before April 29, 2009, or such later date as may be agreed to by the Indalex Group with the consent of the Monitor (to the extent such LOI relates to the assets of the Applicants) or further order of the Court (the "**LOI Deadline**"), for the acquisition of some or all of the business or assets of the Indalex Group or for the sponsoring of a restructuring plan;

(e) A number of Interested Parties, which number shall be determined by consultation between the Indalex Group, Jefferies and the Monitor following receipt of the LOIs, will be invited to undertake further detailed due diligence;

(f) Interested Parties shall be required to submit binding offers by a date to be set by the Indalex Group with the consent of the Monitor (the "**Bid Deadline**"), which will be prior to June 18, 2009;

(g) The Indalex Group shall negotiate a binding agreement or series of agreements, subject to the approval of the Court in respect of the assets of the Applicants and the approval of the US Court in respect of the assets of the US Debtors, for a transaction or series of transactions that would become a "stalking horse" bid (the "**Stalking Horse**"); and

(h) At the appropriate time the Applicants and the US Debtors will seek the approval of the Court and the US Court respectively of the Stalking Horse and of procedures for the solicitation of "qualifying topping bids" and for an auction involving the Stalking Horse and those parties that submit qualifying topping bids. It is currently expected that this will be before the end of June 2009.

16. The Indalex Group has informed the Monitor that it is believed that all logical potentially interested parties would either have been identified by Jefferies or would be aware of the Ch.11 Proceedings and the CCAA Proceedings and would therefore have the opportunity to contact the Indalex Group, Jefferies or the Monitor and participate in the Marketing Process. In addition, a press release will be issued announcing the approval of the Marketing Process if the Applicants' request for such approval is granted by this Honourable Court.

17. While the LOI Deadline is only one week from the return of the Applicants' motion for approval of the Marketing Process, because the marketing efforts started in late March, the preliminary stages are well under way and a significant number of parties have already signed confidentiality agreements and been provided with a copy of the confidential information memorandum. Accordingly, the Monitor is of the view that the LOI Deadline is reasonable in the circumstances.

18. The Monitor has considered the Marketing Process in light of both the principles of the decision in *Royal Bank of Canada v. Soundair Corp. (C.A.) 4 O.R. (3d) 1 [1991] O.J. No. 1137* and the requirements of the DIP Credit Agreement and believes that the Marketing Process is fair, transparent and reasonable in the circumstances and that the Marketing Process should result in a maximization of realizations for the benefit of all stakeholders. The Monitor therefore respectfully recommends that the Applicants' request for approval of the Marketing Process be granted.

THE ENGAGEMENT OF JEFFERIES

19. Jefferies was originally engaged as financial advisor by the Indalex Group pursuant to an engagement letter dated January 27, 2009 (the "**Jefferies January Engagement Letter**"). On March 23, 2009, following the commencement of the Ch.11 Proceedings, a revised engagement letter was executed (the "**Jefferies March Engagement Letter**"). The Jefferies March Engagement Letter reflected both the possibility of a Ch. 11 restructuring and the possibility of a sale of the business.

20. On March 27, 2009, the US Debtors filed an application for approval of the US Court of Jefferies March Engagement Letter. On April 9, 2009, the Official Committee of Unsecured Creditors (the "**UCC**") and JPM filed limited objections to the application. These objections were resolved with the agreement of the US Debtors and Jefferies to amend the Jefferies March Engagement Letter. Accordingly, a further revised engagement letter was executed on April 14, 2007 (the "**Jefferies Engagement Letter**"), a copy of which is attached hereto as Appendix C.

21. On April 15, 2009, the engagement of Jefferies pursuant to the Jefferies Engagement Letter was approved pursuant to an Order granted by Judge Walsh of the US Court (the "**Jefferies US Order**"). A copy of the Jefferies US Order is attached hereto as Appendix D.

22. The Jefferies Engagement Letter provides for the following compensation structure, which is consistent with the compensation structure in the Jefferies January Engagement Letter:

    (a) Monthly fees of $150,000 for the first month, $125,000 for the next three months and $112,500 per month thereafter. The monthly fees, other than 50% of the first monthly fee, are creditable against any success fee payable; and

(b) In the event of a restructuring of the 11.5% Second-Priority Senior Secured Notes due 2014 (the "**Notes**"), a success fee in an amount equal to 1% of the principal amount of the Notes (excluding any portion of the Notes held by Sun Capital Partners) plus 0.6% of the aggregate amount committed under the DIP Credit Agreement as at April 14, 2009; or

(c) A success fee of $1.25 million if the Transaction Value (as defined in the Jefferies March Engagement Letter) is less than $83 million, or $1.5 million if the Transaction Value is between $83 million and $100 million, or 1.5% of the Transaction Value if it is greater than or equal to $100 million, provided that if the Transaction is effected through a "credit bid" under Section 363(k) of the USBC with one or more parties who are parties to the DIP Credit Agreement and the Transaction Value is less than $50 million, the fee shall equal 1.5% of the Transaction Value.

23. While Jefferies has provided an estimate of the fee described in 22(b), they are concerned that disclosure of the amount could potentially provide disclosure of non-public information pertaining to Note holdings. The estimated fee has therefore not been disclosed in this report but will, of course, be provided to the Court under appropriate confidentiality if the Court so requests.

24. The Jefferies Engagement Letter states that "the Company agrees to pay or cause to be paid" the fees payable to Jefferies. The Jefferies Engagement Letter defines the "Company" as Indalex Holdings Finance, Inc. and its subsidiaries collectively.

25. In order to ensure that there is a fair and reasonable allocation of Jefferies' fees amongst the US Debtors and the Applicants and to ensure that Jefferies is indifferent to the allocation of purchase price between the US Debtors and the Applicants, Jefferies and the Indalex Group have agreed that the monthly fees will be payable by the US Debtors (as is reflected in their respective cash flow forecasts) and that any success fee will be paid by the US Debtors and the Applicants as follows:

    (a) With respect to any fees payable in accordance with section 5(b) of the Jefferies Engagement Letter, the Applicants shall only be responsible for payment of 0.6% of the aggregate amount committed by it under the DIP Facility as of April 14, 2009, with the balance payable by the US Debtors; and

    (b) With respect to any fees payable in accordance with section 5(c) of the Jefferies Engagement Letter, the Applicants and the US Debtors shall be responsible for their pro rata share of such fees based on the relative value realized from the business and assets of the Applicants and the US Debtors respectively.

26. The Monitor is of the view that the compensation structure contemplated by the Jefferies Engagement Letter is consistent with market practice for such engagements and that the engagement of Jefferies as lead financial advisor for the Marketing Process is appropriate in the circumstances. Accordingly, the Monitor respectfully recommends that the Applicants' request for the approval of the Jefferies Engagement Letter be granted.

EXTENSION OF THE STAY PERIOD

27. The Stay Period currently expires on May 1, 2009. Additional time is required for the Applicants to undertake the Marketing Process and complete the sale of the assets or a restructuring in accordance with the milestones contained in the DIP Credit Agreement. Accordingly, the Applicants now seek an extension of the Stay Period to June 26, 2009. The Monitor notes that the Applicants' cash flow forecast for the period ended June 26, 2009, was filed with the Court as Appendix A to the Monitor's First Report.

28. Based on the information currently available, the Monitor believes that creditors would not be materially prejudiced by an extension of the Stay Period to June 26, 2009.

29. The Monitor also believes that the Applicants have acted and is acting in good faith and with due diligence and that circumstances exist that make an extension of the Stay Period appropriate.

30. The Monitor therefore respectfully recommends that this Honourable Court grant the Applicants' request for an extension of the Stay period to June 26, 2009.

The Monitor respectfully submits to the Court this, its Second Report.

Dated this 20th day of April, 2009.

FTI Consulting Canada ULC
In its capacity as Monitor of
Indalex Limited, Indalex Holdings (B.C.) Ltd.,
6326765 Canada Inc. and Novar Inc.

Nigel D. Meakin
Senior Managing Director

Appendix A

The DIP Interim US Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
	Case No. 09-10982 (PJW)
INDALEX HOLDINGS FINANCE, INC., a Delaware Corporation, *et al.*	(Jointly Administered)
Debtors	**Ref. Docket No.: 75**

INTERIM ORDER (I) AUTHORIZING THE DEBTORS (A) TO OBTAIN POST-PETITION FINANCING UNDER 11 U.S.C. §§ 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) AND 364(e) AND (B) TO UTILIZE CASH COLLATERAL UNDER 11 U.S.C. § 363, (II) GRANTING ADEQUATE PROTECTION UNDER 11 U.S.C. §§ 361, 362, 363 AND 364 AND (III) SCHEDULING A FINAL HEARING UNDER BANKRUPTCY RULE 4001(b) AND (c)

Upon the motion (the "**Motion**"), dated April 7, 2009, of Indalex Holdings Finance, Inc. ("**Holdings**"), Indalex Holding Corp. (the "**Parent Borrower**") and their affiliated debtors, each as a debtor and debtor-in-possession (collectively, the "**Debtors**"), in the above-captioned chapter 11 cases (the "**Cases**") commenced in this Court on March 20, 2009 (the "**Petition Date**"), under sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e) and 507(b) of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (as amended, the "**Bankruptcy Code**"), and Rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Local Rules for the Bankruptcy Court for the District of Delaware 4001-2 and 2002-1(b) (the "**Local Rules**"), seeking, among other things:

(1) authorization for Holdings, the Parent Borrower and each of the other Debtors to enter into the Credit Agreement, dated as of April 8, 2009, substantially in the form attached as Exhibit A to the Motion (the "**DIP Credit Agreement**"; together with the Domestic Security Agreement dated on or about

April 8, 2009 (the "**DIP Domestic Security Agreement**"), the Canadian Security Agreement dated on or about April 8, 2009, and any other related agreement, instrument or other document delivered or executed in connection with the DIP Credit Agreement, the "**DIP Documents**"), among Holdings, the Parent Borrower, each of the other Debtors, certain non-debtor affiliates of Holdings party thereto, JPMorgan Chase Bank, N.A. ("**JPMorgan**"), as administrative agent (in such capacity, the "**DIP Agent**"), and the lenders from time to time party thereto (collectively, the "**DIP Lenders**"), in connection with postpetition financing (the "**Financing**") consisting of a senior secured superpriority revolving credit facility made available to the Parent Borrower and Indalex Limited (the "**Canadian Subsidiary Borrower**," and together with the Parent Borrower, the "**Borrowers**"), a non-debtor affiliate of Holdings organized under the laws of Canada, in the aggregate principal amount of $85,877,371 (it being understood that the actual available principal amount at any time shall be subject to those conditions set forth in the DIP Documents and it being further understood that the aggregate principal amount available under such facility on an interim basis shall not exceed $42,500,000, which is inclusive of the Prepetition Obligations and Cash Collateral Loans (each as defined below));

(2) authorization for the Parent Borrower to guarantee the obligations of the Canadian Subsidiary Borrower under the DIP Credit Agreement and for each of the other Debtors (together with the Parent Borrower, solely in its capacity as guarantor of the obligations of the Canadian Subsidiary Borrower under the DIP

Credit Agreement, the "**Guarantors**") to guarantee each of the Borrowers' obligations under the DIP Credit Agreement;

(3) authorization for the Debtors to execute and enter into the DIP Documents and to perform such other and further acts as may be required in connection with the DIP Documents;

(4) authorization for the Debtors to convert the Prepetition Obligations (as defined below) into DIP Obligations (as defined below) on the terms and conditions set forth in the DIP Credit Agreement, the other DIP Documents, this Order and the Final Order (each as defined herein);

(5) authorization for the Debtors to use the Cash Collateral (as defined below) and any other Prepetition Collateral (as defined below) in which the Prepetition Secured Parties (as defined below) have an interest;

(6) the granting of adequate protection to the Prepetition Secured Parties with respect to any diminution in the value of the Prepetition Secured Parties' interests in the Prepetition Collateral, whether from the use of the Cash Collateral, the use, sale, lease, depreciation or other diminution in value of the Prepetition Collateral, the priming of their liens or as a result of the imposition of the automatic stay under section 362(a) of the Bankruptcy Code;

(8) approval of certain stipulations by the Debtors with respect to the Prepetition Credit Agreement (as defined below) and the claims, liens and security interests arising therefrom;

(9) subject only to and effective upon entry of the Final Order (as defined below), the limitation of the Debtors' right to surcharge against collateral under section 506(c) of the Bankruptcy Code;

(10) under Bankruptcy Rule 4001 and Local Rule 4001-2, an interim hearing (the "**Interim Hearing**") on the Motion for the proposed interim order annexed to the Motion (this "**Order**") (i) authorizing the Borrowers, on an interim basis, to forthwith borrow from the DIP Lenders under the DIP Documents up to an aggregate principal or face amount not to exceed $42,500,000 (subject to any limitations on borrowings under the DIP Documents), (ii) authorizing the Debtors' use of Cash Collateral and (iii) granting the adequate protection described herein; and

(11) a final hearing (the "**Final Hearing**") to be held within 30 days after entry of this Order to consider entry of a final order (the "**Final Order**") authorizing the balance of the borrowings under the DIP Documents on a final basis, as set forth in the Motion and the DIP Documents filed with this Court.

The Debtors having served notice pursuant to sections 102(1), 363 and 364 of the Bankruptcy Code and Bankruptcy Rule 4001(b) and Local Rule 2002-1(b), of the Motion, the relief requested therein and the Interim Hearing on, among others, the thirty largest unsecured creditors of the Debtors, on a consolidated basis, the DIP Agent, the DIP Lenders, the Prepetition Agent, the Prepetition Indenture Trustee, the other Prepetition Secured Parties, the Official Committee of Unsecured Creditors and the Office of the United States Trustee for the District of Delaware;

the Interim Hearing having been held by this Court on April 8, 2009; and

upon the record made by the Debtors at the Interim Hearing, the record in these Cases and the Declaration of Timothy R. J. Stubbs in support of Chapter 11 Petitions and First Day Relief and after due deliberation and consideration and sufficient cause appearing therefor:

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

1. *Disposition.* The Motion is granted on an interim basis on the terms set forth herein. Any objections to the interim relief sought in the Motion that have not been previously resolved or withdrawn are overruled on the merits. This Order shall be valid, binding and enforceable on all parties in interest and fully effective immediately upon entry.

2. *Jurisdiction and Venue.* This Court has jurisdiction over the Cases and the Motion as a core proceeding and over the parties and property affected hereby under 28 U.S.C. §§ 157(b) and 1334. Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409. No request has been made for the appointment of a trustee or examiner. On April 1, 2009, the United States Trustee appointed the Official Committee of Unsecured Creditors in these Cases (the "**Creditors' Committee**").

3. *Notice.* Notice has been given by the Debtors of the Motion and the Interim Hearing pursuant to Bankruptcy Rule 4001(b) and Local Rule 4001-2.

4. *Prepetition Secured Facilities.* As of the Petition Date, the Debtors were party to the following agreements:

(a) the Amended and Restated Credit Agreement, dated as of May 21, 2008 (as amended, supplemented or otherwise modified prior to the Petition Date, the "**Prepetition Credit Agreement**"), among Holdings, the Borrowers, the other subsidiaries of the Parent

Borrower party thereto, the lenders party thereto (such lenders that made revolving extensions of credit under the Prepetition Credit Agreement, collectively, the **"Prepetition Revolving Lenders"**; and Sun Capital Partners, Inc. or any affiliate thereof (the **"Prepetition Term Lender,"** together with the Prepetition Revolving Lenders, the **"Prepetition Lenders"**) that made term loans under the Prepetition Credit Agreement (the **"Prepetition Term Loans"**)) and JPMorgan, as administrative agent (in such capacity, the **"Prepetition Agent"**);

(b) Amendment No. 2, Waiver and Agreement, dated as of March 6, 2009 (**"Amendment No. 2"**), among Holdings, the Borrowers, each of the other Debtors party thereto, certain non-debtor affiliates of Holdings party thereto, the Prepetition Lenders and the Prepetition Agent;

(c) the Amended and Restated Domestic Security Agreement, dated as of May 21, 2008 (as amended, supplemented or otherwise modified prior to the Petition Date, the **"Domestic Security Agreement"**) among Holdings, the Parent Borrower, the subsidiaries of Holdings party thereto and the Prepetition Agent;

(d) the Canadian Security Agreement, dated as of February 2, 2006 (as amended, supplemented or otherwise modified prior to the Petition Date, the **"Canadian Security Agreement"**; together with the Domestic Security Agreement, any and all other security agreements, pledge agreements, fixture filings, mortgages, hypothecs, deeds of trust, control agreements, financing statements and any and all other collateral and ancillary documentation executed or delivered in connection therewith, the **"Prepetition Security Documents"**) among Holdings, the Canadian Subsidiary Borrower, the subsidiaries of Holdings party thereto and the Prepetition Agent;

(e) the Indenture, dated as of February 2, 2006 (as amended, supplemented or otherwise modified prior to the Petition Date, the "**Prepetition Indenture**"), among the Parent Borrower, each note guarantor from time to time party thereto and U.S. Bank National Association, a national banking association, as indenture trustee (the "**Prepetition Indenture Trustee**") in respect of the $270 million of 11½% Notes due 2014 (the holders of such notes, the "**Prepetition Secured Noteholders**"; together with the Prepetition Agent, the Prepetition Revolving Lenders, the Prepetition Term Lender and the Prepetition Indenture Trustee, the "**Prepetition Secured Parties**"); and

(f) the Intercreditor Agreement, dated as of February 2, 2006 (as amended, supplemented or otherwise modified prior to the Petition Date, the "**Intercreditor Agreement**"), among the Prepetition Agent, the Prepetition Indenture Trustee, Holdings and each subsidiary of Holdings party thereto.

5. *Interim Cash Collateral Order*. On March 23, 2009, the Bankruptcy Court entered the Interim Order (I) Authorizing the Use of Prepetition Lenders' Cash Collateral Under 11 U.S.C. § 363, (II) Granting Adequate Protection Under 11 U.S.C. §§ 361, 363 and 364 and (III) Scheduling a Final Hearing Under Bankruptcy Rule 4001(b) and (c) (the "**Interim Cash Collateral Order**"). As of the date hereof, the Borrowers were indebted and liable to the Prepetition Agent and the Prepetition Revolving Lenders in respect of "**Cash Collateral Loans**" (as defined in the Interim Cash Collateral Order) in the aggregate principal amount of not less than $13,060,271.98 (plus accrued and unpaid interest thereon), and each other Debtor was contingently liable to the Prepetition Agent and the Prepetition Revolving Lenders in an aggregate amount not less than the outstanding amount of Cash Collateral Loans (plus accrued

and unpaid interest thereon). The validity, priority and enforceability of (i) any Cash Collateral Loan or "Adequate Protection Obligation" (as defined, solely for the purposes of this sentence, in the Interim Cash Collateral Order) incurred under the Interim Cash Collateral Order and (ii) any "Postpetition Lien" or "Adequate Protection Lien" (as each such term is defined, solely for the purposes of this sentence, in the Interim Cash Collateral Order) authorized or created by or pursuant to the Interim Cash Collateral Order, in each case shall remain in full force and effect and be unimpaired and otherwise unaffected by this Order.

6. *Debtors' Stipulations.* Without prejudice to the rights of any other party (but subject to the limitations thereon contained in paragraphs 20 and 21), the Debtors admit, stipulate and agree that:

(a) as of the Petition Date, (i) each of the Borrowers was indebted and liable to the Prepetition Agent and the Prepetition Revolving Lenders, without defense, counterclaim or offset of any kind, in respect of revolving loans and bankers' acceptances made by the Prepetition Revolving Lenders to the Borrowers under the Prepetition Credit Agreement in the aggregate principal amount of not less than $64,168,106.94 (it being understood that such amount is subject to fluctuation based on currency exchange rates) (plus accrued and unpaid interest thereon), (ii) each of the Borrowers was contingently liable to the issuing banks under the Prepetition Credit Agreement and the Prepetition Revolving Lenders in the aggregate face amount of not less than $8,242,984.00 on account of the Borrowers' reimbursement obligations with respect to letters of credit issued under the Prepetition Credit Agreement, which remained outstanding as of the Petition Date, (iii) each of the Borrowers was indebted and liable to the Prepetition Agent and the Prepetition Revolving Lenders for fees, expenses (including any

attorneys', accountants', appraisers' and financial advisors' fees that are chargeable or reimbursable under the Prepetition Credit Agreement, the Prepetition Security Documents, Amendment No. 2 or any related agreement, instrument or other document executed or delivered in connection therewith (collectively, the "**Prepetition Loan Documents**")), charges and other obligations incurred in connection with such loans, bankers' acceptances and letters of credit as provided in the Prepetition Loan Documents, (iv) the Debtors were liable to certain of the Prepetition Revolving Lenders or their affiliates in respect of Swap Obligations (as defined in the Prepetition Credit Agreement), (v) the Debtors were indebted to the Prepetition Revolving Lenders or their affiliates for Banking Services Obligations (as defined in the Prepetition Credit Agreement) (items (i) through (v), collectively, the "**Prepetition Obligations**") and (vi) each Debtor party to a guaranty executed and delivered in respect of the Prepetition Obligations was contingently liable to the Prepetition Agent and the Prepetition Revolving Lenders under each such guaranty in the aggregate amount of not less than the aggregate amount of the Prepetition Obligations;

(b) the Prepetition Loan Documents and the Prepetition Obligations constitute the legal, valid and binding obligations of the Debtors, enforceable in accordance with their terms (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code), and no portion of the Prepetition Obligations is subject to avoidance, recharacterization, reduction, disallowance, impairment, recovery or subordination under the Bankruptcy Code or applicable nonbankruptcy law;

(c) the Debtors do not have any claims, counterclaims, causes of action, defenses or setoff rights, whether arising under the Bankruptcy Code or otherwise, against the

Prepetition Agent, the Prepetition Revolving Lenders or their respective affiliates, subsidiaries, members, agents, officers, directors, employees and attorneys;

(d) as of the Petition Date, (i) each of the Borrowers was indebted and liable to the Prepetition Term Lender, without defense, counterclaim or offset of any kind, in respect of term loans made by the Prepetition Term Lender to the Borrowers under the Prepetition Credit Agreement in the aggregate principal amount of not less than $30,275,416.66 (plus accrued and unpaid interest thereon), (ii) each of the Borrowers was indebted and liable to the Prepetition Term Lender for fees, expenses (including any attorneys', accountants', appraisers' and financial advisors' fees that are chargeable or reimbursable under the Prepetition Loan Documents, charges and other obligations incurred in connection with such term loans (items (i) through (iii), collectively, the "**Prepetition Term Obligations**") and (iv) each Debtor party to a guaranty executed and delivered in respect of the Prepetition Term Obligations was contingently liable to the Prepetition Term Lenders under each such guaranty in the aggregate amount of not less than the aggregate amount of the Prepetition Term Obligations;

(e) the Prepetition Loan Documents and the Prepetition Term Obligations constitute the legal, valid and binding obligations of the Debtors, enforceable in accordance with their terms (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code), no portion of the Prepetition Term Obligations is subject to avoidance, recharacterization, reduction, disallowance, impairment, recovery or subordination under the Bankruptcy Code or applicable nonbankruptcy law;

(f) the Debtors do not have any claims, counterclaims, causes of action, defenses or setoff rights, whether arising under the Bankruptcy Code or otherwise, against the

Prepetition Term Lenders or their respective affiliates, subsidiaries, members, agents, officers, directors, employees and attorneys;

(g) the liens and security interests granted to the Prepetition Agent (for the ratable benefit of the holders of the Prepetition Obligations and Prepetition Term Obligations) under and in connection with the Prepetition Security Documents are valid, binding, perfected, enforceable, first-priority liens on the personal and real property described in each such Prepetition Security Document (together with the setoff rights described in the Existing Documents (as defined below) and arising by operation of law, the "**Prepetition Collateral**"), not subject to avoidance, recharacterization or subordination under the Bankruptcy Code or applicable nonbankruptcy law and subject and subordinate only to (A) the DIP Liens (as defined below), (B) the Adequate Protection Liens (as defined below), (C) the Carve Out (as defined below) and (D) valid, perfected and unavoidable liens permitted under the Prepetition Loan Documents to the extent such liens are permitted to be senior to or *pari passu* with the liens of the Prepetition Agent on the Prepetition Collateral; and

(h) the aggregate value of the Prepetition Collateral exceeds the aggregate amount of the Prepetition Obligations and the Prepetition Term Obligations.

7. *Findings Regarding the Financing.*

(a) Good cause has been shown for issuance of this Order.

(b) The Debtors do not have available sources of working capital and financing to carry on the operation of their businesses without obtaining the Financing and the use of the Cash Collateral. The Debtors have an immediate need to obtain the Financing and use the Cash Collateral to permit, among other things, the orderly continuation of the operation of

their businesses, to maintain business relationships with vendors, suppliers and customers, to make payroll, to make capital expenditures and to satisfy other working capital and operational needs. The access of the Debtors to sufficient working capital and liquidity through the use of Cash Collateral, incurrence of new indebtedness for borrowed money and other financial accommodations is vital to the preservation and maintenance of the going concern values of the Debtors and to a successful reorganization of the Debtors.

(c) The Debtors are unable to obtain financing on more favorable terms from sources other than the DIP Lenders under the DIP Documents and are unable to obtain adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors are also unable to obtain secured credit allowable under sections 364(c)(1), 364(c)(2) and 364(c)(3) of the Bankruptcy Code for the purposes set forth in the DIP Credit Agreement without the grant of priming liens and superpriority claims as set forth herein and the application of collateral proceeds to the Prepetition Obligations as set forth herein.

(d) Based on the record presented to the Court at the Interim Hearing, the terms of the Financing and the use of Cash Collateral are fair and reasonable, reflect the Debtors' prudent exercise of business judgment consistent with their fiduciary duties and constitute reasonably equivalent value and fair consideration.

(e) The Financing and the use of the Cash Collateral have been negotiated in good faith and at arm's length among the Debtors, the DIP Agent, the DIP Lenders and the Prepetition Agent, and all of the Debtors' obligations and indebtedness arising under, in respect of or in connection with the Financing and the DIP Documents, including without limitation, (i) all loans made to, and all letters of credit deemed issued for the account of, the Borrowers under

the DIP Credit Agreement and (ii) any "Secured Obligations" (as defined in the DIP Credit Agreement), including credit extended in respect of overdrafts and related liabilities and other depository, treasury, and cash management services and other clearing services provided by the DIP Agent, any DIP Secured Party (as defined below) or their respective affiliates (all of the foregoing in clauses (i) and (ii) collectively, the "**DIP Obligations**"), shall be deemed to have been extended by the DIP Agent, such DIP Secured Party and their affiliates in good faith, as that term is used in section 364(e) of the Bankruptcy Code and in express reliance upon the protections offered by section 364(e) of the Bankruptcy Code, and the DIP Obligations, the DIP Liens (as defined below) and the Superpriority Claims (as defined below) shall be entitled to the full protection of section 364(e) of the Bankruptcy Code in the event that this Order or any provision hereof is vacated, reversed or modified, on appeal or otherwise. For purposes of this Order, the "DIP Obligations" shall include the Cash Collateral Loans (plus accrued and unpaid interest thereon) made under the Interim Cash Collateral Order outstanding as of the date hereof.

(f) The Debtors have requested immediate entry of this Order under Bankruptcy Rule 4001(b)(2) and 4001(c)(2) and Local Rule 4001-2. Absent granting the relief sought by this Order, the Debtors' estates will be immediately and irreparably harmed. Consummation of the Financing and authorization of the use of Cash Collateral in accordance with this Order and the DIP Documents is therefore in the best interest of the Debtors' estates consistent with their fiduciary duties.

8. *Authorization of the Financing and the DIP Documents.*

(a) The Debtors are hereby authorized to enter into the DIP Documents. The Parent Borrower is hereby authorized to borrow money and, subject to and effective upon entry

of the Final Order, amend, extend or renew letters of credit pursuant to the DIP Credit Agreement in such amounts as may be made available to the Parent Borrower by the DIP Agent and the DIP Lenders in accordance with all of the lending formulae, sublimits and other terms and conditions set forth in the DIP Documents and this Order; *provided*, that pending entry of the Final Order, the aggregate principal amount of the extensions of credit made under the DIP Credit Agreement outstanding at any time shall not exceed $42,500,000 (plus interest, fees and other expenses and amounts provided for in the DIP Documents) (excluding amounts in respect of the Prior Swap (as defined in the DIP Credit Agreement)), which amount is inclusive of the Prepetition Obligations and Cash Collateral Loans outstanding under the Interim Cash Collateral Order as of the date of this Order. The Guarantors are hereby authorized to guarantee such borrowings and the Borrowers' obligations under the DIP Credit Agreement and the other DIP Documents, in accordance with the terms of this Order and the DIP Documents. The proceeds of any revolving loans made under the DIP Credit Agreement shall be used for the purposes, and subject to the terms and conditions, set forth in the DIP Credit Agreement and the other DIP Documents. In addition to such loans and obligations, the Debtors are authorized to incur overdrafts and related liabilities arising from treasury, depository and cash management services including any automated clearing house fund transfers provided to or for the benefit of any of the Debtors by the DIP Agent, the DIP Lenders or any of their respective affiliates; *provided* that nothing herein shall require the DIP Agent, any DIP Lender or any of their respective affiliates to incur overdrafts or to provide such services or functions to the Debtors.

(b) In furtherance of the foregoing and without further approval of this Court, each Debtor is authorized and directed to perform all acts, to make, execute and deliver all

instruments and documents (including, without limitation, the execution or recordation of security agreements, pledge agreements, fixture filings, mortgages, hypothecs, deeds of trust, control agreements and financing statements), and to pay all fees that may be reasonably required or necessary for the Debtors' performance of their obligations under the DIP Documents, including, without limitation:

(i) the execution, delivery and performance of the DIP Credit Agreement and the other DIP Documents, any security agreements, pledge agreements, fixture filings, mortgages, hypothecs, deeds of trust, control agreements, financing statements contemplated thereby and any exhibits attached thereto,

(ii) the non-refundable payment to the DIP Agent or the DIP Lenders, as the case may be, of the fees referred to in the DIP Credit Agreement (and in the separate letter agreements between the DIP Agent and the Debtors party thereto in connection with the Financing) and reasonable costs and expenses as may be due from time to time, including, without limitation, fees and expenses of the professionals retained as provided for in the DIP Documents; *provided* that the Debtors shall provide to the Creditors' Committee and the Office of the United States Trustee immediately upon receipt thereof a copy of any invoice for the payment of professional fees and expenses incurred after the Effective Date and such invoice shall be subject to the procedures for review and objection set forth in paragraph 15(c),

(iii) the execution, delivery and performance of one or more amendments, waivers, consents or other modifications to the DIP Credit Agreement or the other DIP Documents (it being understood that no further approval of the Court shall be required for amendments, waivers, consents or other modifications to and under the DIP Credit Agreement or the other DIP Documents (or any fees paid in connection therewith) (x) to make any non-material amendments or modifications to the DIP Credit Agreement or any other DIP Documents or (y) to make any material amendment or material modification to the DIP Credit Agreement or any other DIP Document; *provided* that notice of any material modification or material amendment to any of the DIP Documents shall be filed with the Bankruptcy Court and served by the Debtors on the Creditors' Committee and the U.S. Trustee, and the Creditors' Committee and the U.S. Trustee shall have five business days from the date of such filing within which to object in writing to such proposed modification or amendment; *provided further* that if the Creditors' Committee or the U.S. Trustee timely objects to any such modification or amendment to the DIP documents, then such modification or amendment shall only be permitted pursuant to an order of this Court after notice and a hearing. For purposes hereof, a "material" modification shall mean any modification that operates to (1) shorten the maturity of the extensions of credit under the DIP Documents, (2) increase the aggregate amount of any of the commitments thereunder, (3) increase the rate of interest or any other fees or charges payable thereunder (other than to the extent contemplated in the DIP

Documents as in effect on the date hereof) or (4) otherwise modify the DIP Documents in a manner materially less favorable to the Debtors and their estates), and

(iv) the performance of all other acts required under or in connection with the DIP Documents.

(c) Upon execution and delivery of the DIP Documents, the DIP Documents shall constitute valid and binding obligations of each of the Debtors, enforceable against each Debtor party thereto in accordance with their respective terms and the terms of this Order for all purposes during the Cases, any subsequently converted case of any Debtor under chapter 7 of the Bankruptcy Code or after the dismissal of any Case. No obligation, payment, transfer or grant of security under any DIP Document or this Order shall be stayed, restrained, voidable, avoidable or recoverable under the Bankruptcy Code or under any applicable law (including without limitation, under sections 502(d), 548 or 549 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law), or subject to any defense, reduction, setoff, recoupment or counterclaim.

9. *Conversion of Cash Collateral Loans and Prepetition Obligations; Application of Collateral Proceeds.*

(a) As of the "**Effective Date**" (as defined in the DIP Credit Agreement), any and all outstanding Cash Collateral Loans made under the Interim Cash Collateral Order shall be deemed to have been converted into U.S. Revolving Loans or Canadian Revolving Loans, as the case may be, initially bearing interest at a rate determined by reference to the Alternate Base Rate (as such terms are defined in the DIP Credit Agreement) made to the Parent Borrower or the Canadian Subsidiary Borrower, as the case may be, and thereafter, such Cash Collateral

Loans, the interest payable thereon and the other terms and conditions thereof shall be governed by the DIP Credit Agreement.

(b) Subject to and effective upon entry of the Final Order, (i) any Prepetition Obligations that have not been converted as of the date of entry of the Final Order to DIP Obligations shall be deemed to be converted to a DIP Obligation outstanding under the DIP Credit Agreement and (ii) any such conversion is hereby authorized as compensation for, in consideration for, and solely on account of, the agreement of the DIP Lenders to make new extensions of credit under the DIP Credit Agreement.

(c) The Debtors are authorized and directed to remit to the DIP Agent immediately upon the Debtors' receipt thereof or otherwise in accordance with the Debtors' current practices all Cash Collateral in its possession or control arising from, or constituting proceeds of, the Collateral (including Prepetition Collateral) and all Cash Collateral so remitted shall be applied, first, to the Prepetition Obligations, until such Prepetition Obligations are indefeasibly paid in full and completely satisfied, and then to the DIP Obligations. The DIP Agent is hereby authorized, as of the Effective Date, to (i) send a notice to each Receivables Account Bank (as defined in the DIP Domestic Security Agreement) to commence a period during which the applicable Receivables Account Bank shall cease complying with any instructions originated by any applicable Debtor and shall comply with instructions originated by the DIP Agent directing dispositions of funds, without further consent of the applicable Debtor, and (ii) apply (and allocate) the funds in each Receivables Account (as defined in the DIP Domestic Security Agreement) pursuant to sections 2.09(b) and (c) of the DIP Credit Agreement without further order or approval of this Court. Each Receivables Account Bank is hereby

authorized to comply with any instructions originated by the DIP Agent on or after the Effective Date directing disposition of funds, without further consent of the applicable Debtor or further order or approval of this Court, and is further authorized to comply with any instructions delivered by the DIP Agent or the Prepetition Agent to such Receivables Account Bank prior to the Effective Date directing disposition of funds, without further consent of the applicable Debtor or further order or approval of this Court. As of the Effective Date, each "Deposit Account Control Agreement" and "Receivables Account Control Agreement" (as each such term is defined in the Domestic Security Agreement) will continue and remain in full force and effect, in each case substituting the DIP Agent as the secured party thereunder in place of the Prepetition Agent. The automatic stay is hereby modified and vacated to permit such actions as contemplated by this paragraph 9. Except as otherwise provided herein or in the "first day" order relating thereto, the Debtors shall maintain their pre-Petition Date cash management and accounts receivable collection system, including the Collateral Accounts (as defined below) associated therewith.

10. *Superpriority Claims.*

(a) Pursuant to section 364(c)(1) of the Bankruptcy Code, all of the DIP Obligations shall constitute allowed senior administrative expense claims against the Debtors with priority over any and all administrative expenses, diminution claims (including all Adequate Protection Obligations (as defined below)) and all other claims against the Debtors, now existing or hereafter arising, of any kind whatsoever, including, without limitation, all administrative expenses of the kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and over any and all administrative expenses or other claims arising under sections 105, 326, 328, 330,

331, 503(b), 506(c) (subject to entry of a Final Order), 507(a), 507(b), 546, 726, 1113 or 1114 of the Bankruptcy Code, and shall at all times be senior to the rights of the Debtors, any successor trustee or any creditor, in these Cases or any subsequent proceedings under the Bankruptcy Code (the "**Superpriority Claims**"), whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy or attachment, which allowed claims shall be payable from and have recourse to all pre- and postpetition property of the Debtors and all proceeds thereof, subject only to the payment of the Carve Out to the extent specifically provided for herein.

(b) For purposes of this Order, the "**Carve Out**" means (i) the unpaid fees and interest due and payable to the Clerk of the Bankruptcy Court and the Office of the United States Trustee pursuant to 28 U.S.C. § 1930; (ii) all reasonable fees and expenses incurred by a trustee under section 726(b) of the Bankruptcy Code in an amount not exceeding $25,000 in the aggregate; and (iii) after the occurrence of an "**Event of Default**" (as defined in the DIP Credit Agreement), the payment of allowed and unpaid professional fees and disbursements incurred after the occurrence of such Event of Default by (a) the Debtors in an amount not to exceed $750,000 (but excluding any fees incurred on behalf of Jefferies & Company, Inc., which fees shall be payable upon consummation of a sale or transaction as governed by the terms of the engagement approved by the Court) and (b) the Creditors' Committee in an aggregate amount not to exceed $250,000 (in each case, other than any such fees and disbursements incurred in connection with the initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation against the Prepetition Agent or the Prepetition Revolving Lenders); *provided* (a) that the dollar limitation in this clause (iii) on fees and expenses shall

neither be reduced nor increased by the amount of any compensation or reimbursement of expenses incurred, awarded or paid before the occurrence of an Event of Default in respect of which the Carve Out is invoked or by any fees, expenses, indemnities or other amounts paid to the Prepetition Agent, Prepetition Lenders or their respective attorneys and agents, and (b) that nothing herein shall be construed to prejudice any objection to any of the fees, expenses, reimbursement or compensation described in clauses (x) and (y) above.

11. *DIP Liens.*

As security for the DIP Obligations, effective and perfected upon the Effective Date and without the necessity of the execution or recordation of filings by the Debtors, of security agreements, pledge agreements, fixture filings, mortgages, hypothecs, deeds of trust, control agreements, financing statements or other similar documents, or the possession or control by the DIP Agent, any DIP Lender or any other "Secured Parties" (as such term is defined in the DIP Domestic Security Agreement, hereinafter referred to as the "**DIP Secured Parties**") of, or over, any DIP Collateral (as defined below), the following security interests and liens are hereby granted to the DIP Agent for its own benefit and the benefit of the DIP Secured Parties (all property identified in clauses (a), (b) and (c) below being collectively referred to as the "**DIP Collateral**"), subject only to the payment of the Carve Out as set forth in this Order (all such liens and security interests granted to the DIP Agent, for its benefit and for the benefit of the DIP Secured Parties, pursuant to this Order and the DIP Documents, the "**DIP Liens**"):

(a) First Lien on Cash Balances and Unencumbered Property. Pursuant to section 364(c)(2) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected first priority senior security interest in and lien upon all pre- and postpetition property

of the Debtors, wherever located, whether existing on the Petition Date or thereafter acquired, that, on or as of the Petition Date is not subject to valid, perfected and non-avoidable liens (collectively, "**Unencumbered Property**"), including without limitation, any and all cash and cash collateral of the Debtors (whether maintained with the DIP Agent or otherwise) and any investment of such cash and cash collateral and any and all inventory, accounts receivable, any other right to payment whether arising before or after the Petition Date, contracts, properties, plants, equipment, general intangibles, documents, instruments, interests in leaseholds, real properties, patents, copyrights, trademarks, trade names, other intellectual property, capital stock of subsidiaries and the proceeds of all the foregoing. Unencumbered Property shall not include the Debtors' claims and causes of action under sections 502(d), 544, 545, 547, 548, 549, 550 and 553 of the Bankruptcy Code and any other avoidance actions under the Bankruptcy Code (collectively, "**Avoidance Actions**"); *provided* that, subject to and effective upon entry of the Final Order, Unencumbered Property shall include the proceeds of Avoidance Actions and property received thereby whether by judgment, settlement or otherwise.

(b) Liens Priming Prepetition Secured Parties' Liens. Pursuant to section 364(d)(1) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected first priority senior priming security interest in and lien upon all pre- and postpetition property of the Debtors (including, without limitation, Cash Collateral), inventory, accounts receivable, any other right to payment whether arising before or after the Petition Date, contracts, properties, plants, equipment, general intangibles, documents, instruments, interests in leaseholds, real properties, patents, copyrights, trademarks, trade names, other intellectual property, capital stock of subsidiaries, and the proceeds of all the foregoing), wherever located

and whether now existing or hereafter acquired, that is presently subject to any lien or security interest granted to (a) the Prepetition Agent (for the ratable benefit of the "Secured Parties" (as such term is defined in the Domestic Security Agreement but excluding the Prepetition Term Lender, hereinafter referred to as the "**Prepetition Revolving Secured Parties**")) under and in connection with any Prepetition Security Document (the "**Prepetition Revolving Lender Liens**"), (b) the Prepetition Agent (for the benefit of the Prepetition Term Lender) under and in connection with any Prepetition Security Document (the "**Prepetition Term Lender Liens**") and (c) the Prepetition Indenture Trustee (for the ratable benefit of the Prepetition Secured Noteholders) under and in connection with the Prepetition Indenture (and any security documents related thereto) (the "**Prepetition Secured Noteholder Liens**") (the Prepetition Revolving Lender Liens, the Prepetition Term Lender Liens and the Prepetition Secured Noteholder Liens collectively, the "**Prepetition Liens**"). Such security interests and liens shall be senior in all respects to the interests in such property of the Prepetition Secured Parties arising from current and future liens of the Prepetition Secured Parties (including, without limitation, Adequate Protection Liens (as defined below) granted hereunder as adequate protection), but shall not be senior to any valid, perfected and unavoidable interests of other parties arising out of liens, if any, on such property existing immediately prior to the Petition Date, or to any valid, perfected and unavoidable interests in such property arising out of liens to which the liens of the Prepetition Secured Parties become or became subject to subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code.

(c) Liens Junior to Certain Other Liens. Pursuant to section 364(c)(3) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected security interest in

and lien upon all pre- and postpetition property of the Debtors (other than the property described in clauses (a) or (b) of this paragraph 11, as to which the liens and security interests in favor of the DIP Agent will be as described in such clauses), whether now existing or hereafter acquired, that is subject to valid, perfected and unavoidable liens in existence immediately prior to the Petition Date (other than the Prepetition Liens, which shall be governed by paragraph 11(b)) or to valid and unavoidable liens in existence immediately prior to the Petition Date that are perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code, which liens in favor of the DIP Agent are junior to such valid, perfected and unavoidable liens.

(d) Liens Senior to Certain Other Liens. The DIP Liens shall not be (a) subject or subordinate to any lien or security interest that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or any liens arising after the Petition Date including, without limitation, subject to and effective upon entry of a Final Order, any liens or security interests granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of the Debtors to the extent permitted by applicable law or (b) subordinated to or made *pari passu* with any other lien or security interest under sections 363 or 364 of the Bankruptcy Code or otherwise.

(e) Notwithstanding anything to the contrary contained herein, the Court reserves the right to unwind, after notice and a hearing, the DIP Liens, or a portion thereof (which might include the disgorgement or re-allocation of interest, fees or other consideration paid in respect thereof) granted to secure any Prepetition Obligations that are converted to DIP Obligations in accordance with the DIP Documents and this Order or the Final Order, as applicable, solely in the event that there is a timely successful challenge, pursuant and subject to

the limitations contained in paragraphs 20 and 21, to the validity, enforceability, extent or perfection of the liens securing the Prepetition Obligations and only to the extent that the Court finds that, in light of such timely successful challenge, the DIP Liens unduly advantaged the Prepetition Revolving Lenders and the Prepetition Agent at the expense of other creditors of the Debtors or their estates. For the avoidance of doubt, the DIP Liens granted to secure any revolving loans or other extensions of credit made under the DIP Credit Agreement that are not Prepetition Obligations converted to DIP Obligations shall not be subject to challenge at any time during the Cases (or any subsequent case) and shall have the protections set forth in this Order and the DIP Documents regardless of whether there is a timely successful challenges to the validity, enforceability, extent or perfection of the liens securing the Prepetition Obligations.

12. *Protection of DIP Secured Parties' Rights.*

(a) So long as there are any borrowings or letters of credit or other amounts (other than (A) contingent indemnity obligations as to which no claim has been asserted when all other amounts have been paid and (B) letters of credit outstanding under the DIP Credit Agreement which have been cash collateralized or supported with backstop letters of credit in accordance with the terms of the DIP Credit Agreement) outstanding under the DIP Credit Agreement, or the DIP Lenders have any "**Commitment**" (as defined in the DIP Credit Agreement), the Prepetition Term Lender, the Prepetition Indenture Trustee and the Prepetition Secured Noteholders shall (i) take no action to foreclose upon or recover in connection with the liens granted thereto pursuant to the Prepetition Security Documents, the Prepetition Indenture (and any security documents related thereto) or this Order, or otherwise exercise remedies against any DIP Collateral, (ii) be deemed to have consented to any release of Collateral

authorized under the DIP Documents and (iii) not file any further financing statements, trademark filings, copyright filings, mortgages, hypothecs, fixture filings, deeds of trust, notices of lien or similar instruments, or otherwise take any action to perfect their security interests in the Collateral unless, solely as to this clause (iii), the DIP Agent files any financing statement or other document to perfect the liens granted pursuant to this Order, or as may be required by applicable state law to continue the perfection of valid and unavoidable liens or security interests as of the Petition Date.

(b) The automatic stay provisions of section 362 of the Bankruptcy Code are vacated and modified to the extent necessary to permit the DIP Agent, any DIP Lender and any other DIP Secured Party to exercise and enforce, upon the occurrence and continuance of an Event of Default and the giving of five business days' notice to the Debtors, the Prepetition Term Lenders and the Prepetition Indenture Trustee (with a copy to lead counsel for the Creditors' Committee and to the United States Trustee), all rights and remedies against the DIP Collateral under the DIP Documents (including, without limitation, the right to setoff monies of the Debtors in accounts maintained with the DIP Agent, any DIP Secured Party or any affiliate thereof). In any hearing regarding any exercise of rights or remedies, the only issue that may be raised by any party in opposition thereto shall be whether, in fact, an Event of Default has occurred and is continuing, and, subject to and effective upon entry of the Final Order, each of the Prepetition Term Lender, the Prepetition Indenture Trustee and the Prepetition Secured Noteholders hereby waives its right to seek relief, including, without limitation, under section 105 of the Bankruptcy Code, to the extent such relief would in any way impair or restrict the rights and remedies of the DIP Agent, any DIP Secured Party or any affiliate thereof set forth in this Order or the DIP

Documents. In no event shall the DIP Agent, the DIP Secured Parties, the Prepetition Agent or the Prepetition Revolving Secured Parties be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to the DIP Collateral or the Prepetition Collateral. The delay or failure of the DIP Agent or any DIP Secured Party to seek relief or otherwise exercise or enforce its rights and remedies under the DIP Documents or this Order shall not constitute a waiver of the DIP Agent's or any DIP Secured Party's rights or remedies hereunder, thereunder or otherwise.

13. *The Cash Collateral.* To the extent any funds were on deposit with any Prepetition Secured Party as of the Petition Date, including all funds deposited in, or credited to, an account of any Debtor with any Prepetition Secured Party immediately before the Debtors commenced these Cases (regardless of whether, as of such time, such funds had been collected or made available for withdrawal by any such Debtor), such funds (the "**Deposited Funds**") are subject to rights of setoff in favor of the Prepetition Secured Parties. By virtue of such setoff rights, the Deposited Funds are subject to a lien in favor of such Prepetition Secured Party, giving rise to a secured claim pursuant to sections 506(a) and 553 of the Bankruptcy Code. The Prepetition Secured Parties are obligated, to the extent provided in the Prepetition Loan Documents, the Prepetition Indenture (and any security documents related thereto) and the Intercreditor Agreement (together, the "**Existing Documents**") to share the benefit of such setoff rights with the other Prepetition Secured Parties that are party to or are otherwise beneficiaries of such documents. The Debtors' cash, including all cash and other amounts on deposit or maintained in any account subject to a control agreement with the Prepetition Agent (or any successor or replacement agent thereto) or the Prepetition Indenture Trustee or in the

concentration accounts maintained with the Prepetition Agent (or any successor or replacement agent thereto or any of its affiliates) (collectively, the "**Collateral Accounts**") and any proceeds of the Prepetition Collateral (including the Deposited Funds or any other funds on deposit at the Prepetition Secured Parties or at any other institution as of the Petition Date) are "cash collateral" of the Prepetition Secured Parties within the meaning of section 363(a) of the Bankruptcy Code. The Debtors' cash, if any, the Deposited Funds, if any, the funds in the Collateral Accounts, if any, and all such proceeds of Prepetition Collateral, if any, are referred to herein as "**Cash Collateral**."

14. *Use of Cash Collateral.* The Debtors are authorized to use all Cash Collateral of the Prepetition Secured Parties during the period from the date of this Order through and including the "**Termination Date**" (as defined in the DIP Credit Agreement), *provided* that the Prepetition Secured Parties are granted adequate protection as hereinafter set forth. The Debtors' right to use the Cash Collateral shall terminate automatically on the Termination Date. In addition, if any Borrower voluntarily terminates the Commitments prior to the "**Maturity Date**" (as each such term is defined in the DIP Credit Agreement) and all DIP Obligations are indefeasibly paid in full in cash (and, with respect to letters of credit outstanding under the DIP Credit Agreement, cash collateralized or supported with backstop letters of credit in accordance with the terms of the DIP Credit Agreement), the Debtors shall, for the benefit of the Prepetition Secured Parties, continue to comply with the requirements of Articles V and VI of the DIP Credit Agreement and, upon any failure by the Debtors to observe any such requirement or upon the occurrence of any event that would have constituted an Event of Default under the DIP Credit Agreement prior to the termination of the Commitments, the Prepetition Agent on behalf

of the Prepetition Secured Parties shall have the immediate right unilaterally to terminate the Debtors' right to use Cash Collateral. Notwithstanding anything to the contrary contained in the Interim Cash Collateral Order, the Debtors' right to use Cash Collateral shall be governed by the terms of this Order from and after the date hereof.

15. *Adequate Protection.* The Prepetition Secured Parties are entitled, under sections 361, 363(e) and 364(d)(1) of the Bankruptcy Code, to adequate protection of their interest in the Prepetition Collateral, including the Cash Collateral, for and equal in amount to the aggregate diminution in the value of the Prepetition Secured Parties' interest in the Prepetition Collateral, including any such diminution resulting from (w) the use of the Cash Collateral under section 363(c) of the Bankruptcy Code, (x) the sale, lease or use by the Debtors (or other decline in value) of the Prepetition Collateral, (y) the priming of the Prepetition Secured Parties' security interests and liens in the Prepetition Collateral by the DIP Agent and the DIP Secured Parties pursuant to the DIP Documents and this Order and (z) the imposition of the automatic stay under section 362 of the Bankruptcy Code (the amount of any such diminution being referred to hereinafter as the "**Adequate Protection Obligations**"). As adequate protection, the Debtors hereby grant the following:

(a) Adequate Protection Liens. The Prepetition Agent (for itself and the ratable benefit of the Prepetition Revolving Secured Parties and the Prepetition Term Lender) and the Prepetition Indenture Trustee (for the ratable benefit of the Prepetition Secured Noteholders) are hereby granted (effective and perfected as of the Petition Date and without the necessity of the execution by the Debtors of security agreements, pledge agreements, fixture filings, mortgages, hypothecs, deeds of trust, control agreements, financing statements or other

agreements) a valid, binding, enforceable and perfected replacement security interest in, and lien on, all of the DIP Collateral, subject and subordinate only to (i) the DIP Liens and liens on the DIP Collateral that are senior to, or *pari passu* with, the DIP Liens and (ii) the Carve Out (the "**Adequate Protection Liens**"). The Adequate Protection Liens granted hereunder shall be junior to the DIP Liens. The Adequate Protection Liens granted hereunder to the Prepetition Indenture Trustee, for the ratable benefit of the Prepetition Secured Noteholders, shall be immediately junior in priority and subject to the Adequate Protection Liens granted to the Prepetition Agent, for the ratable benefit of the Prepetition Revolving Secured Parties and the Prepetition Term Lenders, and the Adequate Protection Liens granted hereunder to the Prepetition Secured Parties shall otherwise rank in the same relative priority and right (including with respect to payment of distributions) both as among the Prepetition Lenders and vis-à-vis the Prepetition Secured Noteholders as such parties' respective prepetition liens and security interests do with respect to the Prepetition Collateral as of the Petition Date under the Prepetition Loan Documents, the Prepetition Indenture (and any security documents related thereto) and the Intercreditor Agreement, including, for the avoidance of doubt, with respect to those terms of the Prepetition Loan Documents that provide that the Prepetition Term Lender, the Prepetition Indenture Trustee and the Prepetition Secured Noteholders shall have no right to seek or exercise any rights or remedies in respect of the Adequate Protection Liens granted herein (whether in these Cases or any subsequently converted cases) until all DIP Obligations owing to the DIP Agent, the DIP Secured Parties and their respective affiliates and all Adequate Protection Obligations owing to the Prepetition Agent, the Prepetition Revolving Secured Parties and their

affiliates have been indefeasibly paid in full in accordance with the DIP Documents, the Prepetition Loan Documents and this Order;

(b) Section 507(b) Claim. The Prepetition Agent and the Prepetition Revolving Secured Parties (and their affiliates) are hereby granted, subject to the payment of the Carve Out on the terms specified herein and the Superpriority Claims granted herein, a superpriority claim as provided for in section 507(b) of the Bankruptcy Code (the "**507(b) Claims**") with priority in payment over any and all administrative expenses of the kinds specified or ordered under any provision of the Bankruptcy Code, including sections 105, 326, 328, 330, 331, 503, 507(a), 726, 1113 or 1114 of the Bankruptcy Code, and shall at all times be senior to the rights of the Debtors, any successor trustee or any creditor, in these Cases or, to the extent permitted by applicable law, any subsequent proceedings under the Bankruptcy Code. Except for the Carveout and, subject to entry of a Final Order with respect to section 506(c), the Superpriority Claims granted to the DIP Agent and the DIP Secured Parties under paragraph 10(a), subject to entry of a Final Order, no cost or expense of administration under sections 105, 503(b), 507(b) or otherwise, including any such cost or expense resulting from the conversion of these Cases under section 1112 of the Bankruptcy Code, shall be senior to, or *pari passu* with, the 507(b) Claims of the Prepetition Agent and the Prepetition Revolving Secured Parties (and their affiliates); and

(c) Interest, Fees and Expenses. The Prepetition Agent (for the benefit of the Prepetition Revolving Secured Parties) shall receive from the Debtors (i) on the Effective Date, payment of all accrued and unpaid interest on the Prepetition Obligations at the applicable rates specified under the Interim Cash Collateral Order, all accrued and unpaid letter of credit fees at

the applicable rates specified under the Interim Cash Collateral Order, all accrued and unpaid interest on the Cash Collateral Loans outstanding under the Interim Cash Collateral Order at the rates specified therein and all other accrued and unpaid fees and disbursements incurred before the Effective Date (including, but not limited to, fees owed to the Prepetition Agent for its counsel and financial advisors) owing under the Prepetition Loan Documents or any unterminated Swap Agreement (as defined in the Prepetition Credit Agreement), (ii) from time to time after the Effective Date, current cash payment of all fees and expenses payable to the Prepetition Agent, the Prepetition Revolving Secured Parties, the issuing bank or any of their respective affiliates under the Prepetition Loan Documents or any unterminated Swap Agreement, including the reasonable fees and disbursements of counsel, financial advisors and other consultants for the Prepetition Agent or the Prepetition Revolving Lenders, promptly upon receipt of invoices therefor and (iii) on the first business day of each month, current cash payment of (x) all accrued and unpaid postpetition interest on the Prepetition Obligations at the rate equal to the Alternate Base Rate (as defined in the DIP Credit Agreement) plus 9.00% per annum and (y) letter of credit and other fees at the contract rates applicable under the DIP Credit Agreement, subject in each case to the Prepetition Agent's and Prepetition Revolving Secured Parties' reservation of their rights to assert claims for the payment of any other amounts provided for in the Prepetition Loan Documents and without prejudice to the rights of any other party to contest such assertion. The Prepetition Term Lender shall receive from the Debtors on the first business day of each month, current cash payment of (i) the reasonable legal fees, disbursements and expenses of legal counsel for the Prepetition Term Lender incurred in connection with monitoring the Cases or the protection of the rights and interests of the Prepetition Term Lender

under the Prepetition Loan Documents and (ii) other reimburseable expenses of the Prepetition Term Lender under the Prepetition Credit Agreement; *provided, however*, that the aggregate amount of fees, disbursements and expenses payable to the Prepetition Term Lender pursuant to this sentence shall not exceed $25,000 per calendar month; *provided further*, that the rights of any party to assert that any such amounts paid pursuant to this sentence should be recharacterized as payments on account of the principal amount of the Prepetition Term Obligations outstanding as of the Petition Date are hereby fully preserved. None of the fees, costs and expenses payable under this paragraph shall be subject to separate or prior approval by this Court (but the Court shall resolve any dispute as to the reasonableness of any such fees, costs and expenses), and no recipient of any such payment shall be required to file any motion or interim or final fee application with respect thereto. Nothing contained herein shall be deemed to be a waiver by any party in interest of the right to object to the reasonableness of any fees, costs and charges incurred by the Prepetition Revolving Secured Parties, the Prepetition Term Lender or the Prepetition Agent. The Debtors shall provide to the Creditors' Committee and the Office of the United States Trustee, immediately upon receipt thereof, a copy of the monthly invoices for the Prepetition Agent's professionals and for the fees and expenses requested by the Prepetition Term Lender, and the Debtors are authorized and directed to make payment to the professional retained by the Prepetition Agent or the Prepetition Term Lender (or its counsel) unless, within ten days after receipt of the invoice by the Debtors, a written objection has been received by the Debtors and the applicable professional retained by the Prepetition Agent or the Prepetition Term Lender (or its counsel), as the case may be, in which case the Debtors are hereby authorized and directed to make payment on account of any amounts which are not

clearly identified as being contested in such written objection and, upon resolution of such objection, the remaining unpaid amounts that have been agreed or ordered to be paid.

16. *Limitation on Charging Expenses Against Collateral.* Subject only to and effective upon entry of the Final Order, except to the extent of the Carve Out, no expenses of administration of the Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the Prepetition Collateral or DIP Collateral under section 506(c) of the Bankruptcy Code or any similar principle of law, without the prior written consent of the DIP Agent and the Prepetition Agent, and no such consent shall be implied from any other action, inaction, or acquiescence by the DIP Agent, the DIP Secured Parties, the Prepetition Agent or the Prepetition Revolving Secured Parties.

17. *Reservation of Rights of the Prepetition Secured Parties.* The Court finds that the adequate protection provided herein is reasonable and sufficient under the circumstances to protect the interests of the Prepetition Secured Parties. Notwithstanding any other provision, the grant of adequate protection to the Prepetition Secured Parties is without prejudice to the Prepetition Agent's right to request any modification of, or further or different, adequate protection, and the Debtors' or any other party's objection to any such request; *provided* that any such further or different adequate protection shall at all times be subordinate and junior to the claims and liens of the DIP Agent and the DIP Secured Parties granted under this Order and the DIP Documents.

18. *Perfection of DIP Liens and Adequate Protection Liens.*

(a) The DIP Agent and the Prepetition Agent are hereby authorized, but not required, to file or record financing statements, trademark filings, copyright filings, mortgages, hypothecs, fixture filings, deeds of trust, notices of lien or similar instruments in any jurisdiction, or take possession of or control over, or take any other action in order to validate and perfect the liens and security interests granted to them hereunder. The DIP Liens and Adequate Protection Liens granted under this Order shall constitute valid and duly perfected security interests and liens, and the DIP Secured Parties and the Prepetition Secured Parties are hereby not required to file or record financing statements, trademark filings, copyright filings, mortgages, hypothecs, fixture filings, deeds of trust, 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, and such liens and security interests shall be deemed valid, perfected, allowed, enforceable, non-avoidable and not subject to challenge dispute or subordination, as of the Effective Date. The failure of the Debtors to execute any documentation relating to the enforceability, priority or perfection of the DIP Liens or Adequate Protection Liens shall in no way affect the validity, perfection or priority of the DIP Liens or Adequate Protection Liens, as applicable.

(b) If the Prepetition Agent (on behalf of the Prepetition Revolving Secured Parties) or the DIP Agent (on behalf of the DIP Secured Parties), in their individual and sole discretion, elects to file any financing statements, trademark filings, copyright filings, mortgages, hypothecs, fixture filings, deeds of trust, notices of lien or similar instruments, or otherwise to confirm perfection of such DIP Liens or Adequate Protection Liens, the Debtors shall cooperate

with and assist in such process, the stay imposed under section 362 of the Bankruptcy Code is hereby lifted to permit the filing and recording of a certified copy of this Order or any such financing statements, trademark filings, copyright filings, mortgages, hypothecs, fixture filings, deeds of trust, notices of lien or similar instruments, and all such documents shall be deemed to have been filed and recorded at the time of and on the Effective Date. Any error, omission or other defect in any such filing shall not affect the validity, enforceability, priority or perfection of any DIP Lien or Adequate Protection Lien granted under this Order.

(c) A certified copy of this Order may, in the discretion of the Prepetition Agent (on behalf of the Prepetition Revolving Secured Parties) or the DIP Agent (on behalf of the DIP Secured Parties), be filed with or recorded in filing or recording offices in addition to or in lieu of such financing statements, mortgages, hypothecs, fixture filings, deeds of trust, notices of lien or similar instruments, and all filing offices are hereby authorized to accept such certified copy of this Order for filing and recording.

19. *Preservation of Rights Granted Under the Order.*

(a) No claim or lien having a priority superior to or *pari passu* with those granted by this Order to the DIP Agent, the DIP Secured Parties, the Prepetition Agent or the Prepetition Revolving Secured Parties shall be granted or allowed while any portion of the Financing (or any refinancing thereof) or the Commitments thereunder or the DIP Obligations or the Adequate Protection Obligations remain outstanding (or, with respect to any letters of credit outstanding under the DIP Credit Agreement, such letters of credit are neither cash collateralized nor supported with a backstop letters of credit in accordance with the terms of the DIP Credit Agreement). Except as otherwise provided in this Order, the Adequate Protection Liens shall not

be (i) subject or junior to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estates under section 551 of the Bankruptcy Code or (y) 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.

(b) Unless all DIP Obligations shall have been indefeasibly paid in full and all Commitments terminated (and, with respect to letters of credit outstanding under the DIP Credit Agreement, cash collateralized or supported with backstop letters of credit in accordance with the terms of the DIP Credit Agreement), all Prepetition Obligations shall have been indefeasibly paid in full, and the Adequate Protection Obligations shall have been indefeasibly paid in full, the Debtors shall not seek (i) any order modifying or extending this Order without the prior written consent of the DIP Agent (or, to the extent the DIP Obligations shall have been indefeasibly paid in cash in full (and, with respect to letters of credit outstanding under the DIP Credit Agreement, cash collateralized or supported with backstop letters of credit in accordance with the terms of the DIP Credit Agreement) and the Commitments shall have been terminated, the Prepetition Agent) and no such consent shall be implied by any other action, inaction or acquiescence, (ii) any order modifying or extending this Order adversely affecting the adequate protection provided to the Prepetition Secured Parties without the prior written consent of the Prepetition Secured Parties or (iii) an order converting or dismissing any of the Cases. If an order dismissing any of the Cases under section 1112 of the Bankruptcy Code or otherwise is at any time entered, such order shall provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that (i) the Superpriority Claims, the 507(b) Claims, DIP Liens and Adequate Protection Liens granted to the DIP Agent and the DIP Secured Parties and, as applicable, the

Prepetition Secured Parties pursuant to this Order shall continue in full force and effect and shall maintain their priorities as provided in this Order until all DIP Obligations, Prepetition Obligations and Adequate Protection Obligations shall have been indefeasibly paid in cash and satisfied in full (and, with respect to letters of credit outstanding under the DIP Credit Agreement, cash collateralized or supported with backstop letters of credit in accordance with the terms of the DIP Credit Agreement) and the Commitments shall have been terminated (and that such Superpriority Claims, 507(b) Claims, DIP Liens and Adequate Protection Liens remain binding on all parties in interest) and (ii) this Court shall retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in (i) above, to the fullest extent authorized by statute.

(c) 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 (i) the validity, priority or enforceability of any DIP Obligations or any Adequate Protection Obligations incurred prior to the actual receipt of written notice by the DIP Agent, the Prepetition Agent or the Prepetition Indenture Trustee, as applicable, of the effective date of such reversal, modification, vacatur or stay or (ii) the validity or enforceability of any lien or priority authorized or created hereby or pursuant to the DIP Credit Agreement with respect to any DIP Obligations or Adequate Protection Obligations. Notwithstanding any such reversal, modification, vacatur or stay, any use of Cash Collateral, or DIP Obligations or Adequate Protection Obligations incurred by the Debtors to the DIP Agent, the DIP Secured Parties or the Prepetition Secured Parties prior to the actual receipt of written notice by the DIP Agent, the Prepetition Agent or the Prepetition Indenture Trustee, as applicable, of the effective date of such

reversal, modification, vacatur or stay shall be governed in all respects by the original provisions of this Order, and the DIP Agent, the DIP Secured Parties and the Prepetition Secured Parties shall be entitled to all the rights, remedies, privileges and benefits granted in sections 363(m) and 364(e) of the Bankruptcy Code and this Order with respect to all uses of Cash Collateral, DIP Obligations and Adequate Protection Obligations.

(d) Except as expressly provided in this Order or the DIP Documents, the DIP Liens, the Adequate Protection Liens, the Superpriority Claims, the 507(b) Claims, the DIP Obligations, the Adequate Protection Obligations and all other rights and remedies of the DIP Agent, the DIP Secured Parties and the Prepetition Secured Parties granted by the provisions of this Order shall survive, and shall not be modified, impaired or discharged by (i) the entry of an order converting any of the Cases to a case under chapter 7, dismissing any of the Cases, terminating the joint administration of the Cases or by any other act or omission or (ii) the entry of an order confirming a plan of reorganization in any of the Cases and, pursuant to section 1141(d)(4) of the Bankruptcy Code, the Debtors have waived any discharge as to any remaining DIP Obligations pursuant to the Financing. The terms and provisions of this Order shall continue in these Cases, in any successor cases if these Cases cease to be jointly administered, or in any superseding chapter 7 cases under the Bankruptcy Code, and the DIP Liens, the Adequate Protection Liens, the Superpriority Claims, the 507(b) Claims, the DIP Obligations, the Adequate Protection Obligations and all other rights and remedies of the DIP Agent, the DIP Secured Parties and the Prepetition Secured Parties granted by the provisions of this Order shall continue in full force and effect until the DIP Obligations are indefeasibly paid in full (and, with respect to letters of credit outstanding under the DIP Credit Agreement, cash collateralized or supported

with backstop letters of credit in accordance with the terms of the DIP Credit Agreement), the Commitments are terminated and the Adequate Protections Obligations are indefeasibly paid in full.

20. *Effect of Stipulations on Third Parties.* The stipulations and admissions contained in this Order, including in paragraph 6 of this Order, shall be binding upon the Debtors and any successor thereto (including any chapter 7 or chapter 11 trustee appointed or elected in any of the Cases) in all circumstances, unless a chapter 7 or chapter 11 trustee is appointed or elected during the Investigatory Period (as defined below). The stipulations and admissions contained in this Order, including in paragraph 6 of this Order, shall be binding upon all other parties in interest, including the Creditors' Committee, unless (a) a party in interest, including any subsequently appointed chapter 7 or chapter 11 trustee and the Creditors' Committee, has timely filed an adversary proceeding or contested matter (subject to the limitations contained herein, including, *inter alia*, in paragraph 21) by no later than the date that is 60 days after the entry of this Order (or such later date (x) as has been agreed to, in writing, (A) with respect to such adversary proceedings or contested matters relating to the Prepetition Obligations or the Prepetition Agent's or the Prepetition Revolving Secured Parties' liens on the Prepetition Collateral, by the Prepetition Agent in its sole discretion or (B) with respect to such adversary proceedings or contested matters relating solely to the Prepetition Term Obligations or the Prepetition Term Lender's liens on the Prepetition Collateral, by the Prepetition Term Lender in its sole discretion, or (y) as has been ordered by the Court for good cause shown) (such period, the "**Investigatory Period**") (i) challenging the validity, enforceability, priority or extent of the Prepetition Obligations, the Prepetition Term Obligations or the Prepetition Agent's, the

Prepetition Revolving Secured Parties' or the Prepetition Term Lender's liens on the Prepetition Collateral or (ii) otherwise asserting or prosecuting any Avoidance Action or any other any claims, counterclaims or causes of action, objections, contests or defenses (collectively, "**Claims and Defenses**") against the Prepetition Agent, the Prepetition Term Lender or any of the Prepetition Revolving Secured Parties or their affiliates, subsidiaries, members, representatives, attorneys or advisors in connection with matters related to the Prepetition Loan Documents, the Prepetition Obligations, the Prepetition Term Obligations or the Prepetition Collateral, as applicable, and (b) there is a final order in favor of the plaintiff sustaining any such challenge or claim in any such timely filed adversary proceeding or contested matter. If no such adversary proceeding or contested matter is timely filed, (x) the Prepetition Obligations and Prepetition Term Obligations shall constitute allowed secured claims in the amounts set forth in paragraph 6 of this Order, not subject to counterclaim, setoff, subordination, recharacterization, defense or avoidance, for all purposes in the Cases and any subsequent chapter 7 cases, (y) the Prepetition Agent's, the Prepetition Revolving Secured Parties' and the Prepetition Term Lender's liens on the Prepetition Collateral shall be deemed to have been, as of the Petition Date, enforceable, legal, valid, binding and perfected, and having the priority set forth in paragraph 6, not subject to recharacterization, subordination or avoidance and (z) the Prepetition Obligations and the Prepetition Term Obligations, the Prepetition Agent's, the Prepetition Revolving Secured Parties' and the Prepetition Term Lender's liens on the Prepetition Collateral and the Prepetition Agent, the Prepetition Revolving Secured Parties and the Prepetition Term Lender shall not be subject to any other or further challenge by any party in interest seeking to exercise the rights of the Debtors' estates, including any estate representative or any other successor to the Debtors

(including any chapter 7 or 11 trustee appointed or elected for any of the Debtors). If any such adversary proceeding or contested matter is timely filed, the stipulations and admissions contained in paragraph 6 of this Order shall nevertheless remain binding and preclusive (as provided in the second sentence of this paragraph) on any official committee (including the Creditors' Committee) and on any other person or entity, except to the extent that such findings and admissions were expressly challenged in such adversary proceeding or contested matter. Except for the statutory rights of any chapter 11 or chapter 7 trustee, nothing in this Order vests or confers on any Person (as defined in the Bankruptcy Code), including the Creditors' Committee, standing or authority to pursue any cause of action belonging to the Debtors or their estates, including Claims and Defenses with respect to the Prepetition Loan Documents or the Prepetition Obligations or Prepetition Term Obligations.

21. *Limitation on Use of Collateral.* The Debtors have waived any and all claims and causes of action against the DIP Agent and the DIP Secured Parties and their respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors, directly related to the Financing, this Order or the negotiation of the terms thereof. Notwithstanding anything herein or in any other order by this Court to the contrary, no borrowings, proceeds of letters of credit under the DIP Credit Agreement, Cash Collateral, DIP Collateral or the Carve Out may be used for any of the following without the prior written consent of each affected party: (a) to object, contest or raise any defense to, the validity, perfection, priority, extent or enforceability of any amount due under this Order, the DIP Documents, the Prepetition Loan Documents, or the liens or claims granted under this Order, the DIP Documents or the Prepetition Loan Documents, (b) to assert any Claims or Defenses or causes of action against the

DIP Agent, the Prepetition Agent, the Prepetition Term Lender or the Prepetition Revolving Secured Parties or their respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors, (c) to prevent, hinder or otherwise delay the DIP Agent's or the Prepetition Agent's assertion, enforcement or realization on the Cash Collateral or the DIP Collateral in accordance with the DIP Documents, the Prepetition Loan Documents or this Order, (d) to seek to modify any of the rights granted to the DIP Agent, the DIP Secured Parties, the Prepetition Agent, the Prepetition Term Lender or the Prepetition Revolving Secured Parties hereunder or under the DIP Documents or the Prepetition Loan Documents or (e) pay any amount on account of any claims arising before the Petition Date unless such payments are approved by an Order of this Court; *provided* that up to $50,000 of Cash Collateral and proceeds of the Financing in the aggregate may be used to pay the allowed fees and expenses of professionals retained by the Creditors' Committee incurred directly in connection with investigating, but not initiating or prosecuting, any Claims and Defenses against the Prepetition Agent, the Prepetition Term Lender or the Prepetition Revolving Secured Parties.

22. *JPMorgan as DIP Agent.* To the extent that any Prepetition Agent (or any predecessor, bailee, agent or designee thereof) is the secured party under any account control agreement, listed as loss payee under the Debtors' insurance policies as required under the Prepetition Credit Agreement or is the secured party under any other Prepetition Loan Document, JPMorgan, in its role as DIP Agent, is also deemed to be the secured party under such account control agreement, loss payee under the Debtors' insurance policies and the secured party under any other Prepetition Loan Document, shall have all rights and powers associated with that position (including, without limitation, rights of enforcement) and shall act in that

capacity and distribute any proceeds recovered or received in accordance with the DIP Documents and this Order. The Prepetition Agent (and any predecessor, bailee, agent or designee thereof) shall serve as agent and bailee for the DIP Agent for purposes of perfecting the DIP Liens and the Adequate Protection Liens on all DIP Collateral that is of a type such that perfection of a security interest therein may be accomplished only by possession or control by a secured party.

23. *Priority Among Prepetition Secured Parties.* Notwithstanding anything to the contrary herein or in any other order of this Court, in determining the relative priorities and rights of the Prepetition Secured Parties (including, without limitation, the relative priorities and rights of the Prepetition Secured Parties with respect to the adequate protection granted hereunder), such relative priorities and rights shall continue to be governed by the Prepetition Loan Documents, the Prepetition Indenture (and any security documents related thereto) and the Intercreditor Agreement, and the adequate protection rights granted hereunder to each Prepetition Secured Party shall have the same relative seniority and priority vis-à-vis the adequate protection rights granted to each other Prepetition Secured Party as the pre-petition claims of such Prepetition Secured Party have relative to the prepetition claims of such other Prepetition Secured Party (taking into consideration whether such claims are secured and the entity against which such claims are held or not held). Notwithstanding anything to the contrary herein or in any other order of this Court, (i) each of the Prepetition Agent and the Prepetition Term Lender acknowledge and agree that the intercreditor provisions of the Prepetition Credit Agreement, including, without limitation, sections 9.24 and 9.25 of the Prepetition Credit Agreement and (ii) each of the Prepetition Agent and the Prepetition Indenture Trustee (on behalf of the Prepetition

Secured Noteholders) acknowledge and agree that the terms and conditions of the Intercreditor Agreement, in each case remain in full force and effect and constitute the enforceable, valid and binding obligations of the Prepetition Agent, the Prepetition Term Lender, the Prepetition Revolving Lenders and the Prepetition Indenture Trustee (on behalf of the Prepetition Secured Noteholders), as applicable, under section 510(a) of the Bankruptcy Code; provided that the Prepetition Indenture Trustee (on behalf of the Prepetition Secured Noteholders) reserves its rights under the Intercreditor Agreement arising from a breach, if any, of the Intercreditor Agreement. Nothing contained herein shall modify or alter the voting or consent provisions contained in the DIP Credit Agreement.

24. *Order Governs*. In the event of any inconsistency between the provisions of this Order and the DIP Documents, the provisions of this Order shall govern.

25. *Binding Effect; Successors and Assigns*. The provisions of this Order, including all findings herein, shall be binding upon all parties in interest in these Cases, including the Prepetition Agent, the Prepetition Revolving Secured Parties, the other Prepetition Secured Parties, the Creditors' Committee, and the Debtors and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Debtors) and shall inure to the benefit of the Prepetition Agent, the Prepetition Revolving Secured Parties and the Debtors and their respective successors and assigns; *provided* that the Prepetition Agent and the Prepetition Revolving Secured Parties shall have no obligation to extend any financing to any chapter 7 trustee or similar responsible person appointed for the estates of the Debtors.

26. *Final Hearing*. The Final Hearing shall be held on **April 27, 2009 at 2:00 p.m. (prevailing Eastern time)** before this Court.

The Debtors shall promptly mail copies of this Order (which shall constitute adequate notice of the Final Hearing, including without limitation, notice that the Debtors will seek approval at the Final Hearing of (i) a waiver of rights under section 506(c) of the Bankruptcy Code, (ii) to grant a lien on proceeds of Avoidance Actions and (iii) authority to convert the Prepetition Obligations to DIP Obligations) to the parties having been given notice of the Interim Hearing, to any other party that has filed a request for notices with this Court and to the Creditors' Committee, or its lead counsel, if the same shall have been employed. Any party in interest objecting to the relief sought at the Final Hearing shall serve a written objection upon Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attention: Michael Nestor, attorneys for the Debtors; Cravath, Swaine & Moore LLP, Worldwide Plaza, 825 Eighth Avenue, New York, New York 10019, Attention: Robert Trust, and Landis, Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19899, Attention: Adam Landis and Matthew McGuire, attorneys for JPMorgan Chase Bank, N.A., as Prepetition Agent; and the Office of the United States Trustee for the District of Delaware, and shall file the objection with the Clerk of the United States Bankruptcy Court, District of Delaware, in each case to allow actual receipt by the foregoing no later than **April 20, 2009 at 4:00 p.m. (prevailing Eastern time)**.

Dated: April 9, 2009
Wilmington, Delaware

United States Bankruptcy Judge

Appendix B

The DIP Credit Agreement

CREDIT AGREEMENT

dated as of

April 8, 2009,

among

INDALEX HOLDINGS FINANCE, INC., a Debtor and Debtor in Possession,

INDALEX HOLDING CORP., a Debtor and Debtor in Possession,
as Parent Borrower,

INDALEX LIMITED, as an applicant under the Companies' Creditors Arrangement Act,
as Canadian Subsidiary Borrower,

The Domestic Subsidiary Loan Parties Party Hereto, each, a Debtor and Debtor in Possession,

The Foreign Subsidiary Loan Parties Party Hereto,

The Lenders Party Hereto

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

JPMORGAN CHASE BANK, N.A.,
as Sole Bookrunner and Sole Lead Arranger

[CS&M Ref. 6701-804]

TABLE OF CONTENTS

ARTICLE IV

Conditions

ARTICLE V

Affirmative Covenants

ARTICLE VI

Negative Covenants

ARTICLE X

Loan Guaranty

SCHEDULES:

EXHIBITS:

CREDIT AGREEMENT dated as of April 8, 2009 (as it may be amended or modified from time to time, this "Agreement"), among INDALEX HOLDINGS FINANCE, INC., a Delaware corporation ("Holdings"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code (as defined below), INDALEX HOLDING CORP., a Delaware corporation and a wholly-owned subsidiary of Holdings (the "Parent Borrower"), as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, INDALEX LIMITED, a Canadian corporation and a wholly-owned subsidiary of the Parent Borrower (the "Canadian Subsidiary Borrower"), as an applicant under the CCAA (as defined below), the Domestic Subsidiaries of the Parent Borrower party hereto, each as a debtor and debtor in possession under Chapter 11 of the Bankruptcy Code, the Foreign Subsidiaries of the Parent Borrower party hereto (other than the Canadian Subsidiary Borrower), each as an applicant under the CCAA, the Lenders party hereto and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

WHEREAS, on March 20, 2009 (the "Petition Date"), Holdings, the Parent Borrower and the Parent Borrower's Domestic Subsidiaries each filed a voluntary petition for relief (collectively, the "Bankruptcy Cases") under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court");

WHEREAS, on April 3, 2009, the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties made an application for relief (the "Canadian Proceeding") under the Companies' Creditors Arrangement Act (the "CCAA") and were granted an initial order under the CCAA (as amended or restated with the consent of the Required Lenders, the "Canadian Order") by the Ontario Superior Court of Justice (the "Canadian Court");

WHEREAS Holdings, the Parent Borrower and the Domestic Subsidiaries are continuing to operate their respective businesses and manage their respective properties as debtors and debtors in possession under Sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS the Canadian Subsidiary Borrower and certain of the Parent Borrower's other Foreign Subsidiaries are continuing to operate their respective businesses and manage their respective properties pursuant to the provisions of the CCAA and the terms of the Canadian Order;

WHEREAS Holdings and the Parent Borrower have requested that the Lenders provide a secured super-priority credit facility of up to $~~[•]~~**85,877,371** in order to, among other purposes, fund the continued operation of the businesses of Holdings, the Parent Borrower, the Canadian Subsidiary Borrower and such Subsidiaries; and

WHEREAS the Lenders are willing to make available to Holdings, the Parent Borrower, the Canadian Subsidiary Borrower and such Subsidiaries such credit facility upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree, subject to the satisfaction of the conditions set forth herein, as follows:

ARTICLE I

Definitions

SECTION 1.01.Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"Account" has the meaning assigned to such term in each Security Agreement.

"Account Debtor" means any Person obligated on an Account.

"Account Debtor Insolvency Proceeding" means, with respect to any Account Debtor, any proceeding in respect of bankruptcy, insolvency, winding up, receivership, dissolution or assignment for the benefit of creditors under Bankruptcy Law.

"Adequate Protection" means the adequate protection as set forth in the Orders, in form and substance satisfactory to the Administrative Agent, for the Prepetition Agent and the Prepetition Revolving Lenders, including, among other things, (a) replacement Liens on the Collateral that are immediately junior to the Liens securing the Secured Obligations and senior to the Liens securing the obligations under the Prepetition Credit Agreement, (b) superpriority administrative claims under Section 507(b) of the Bankruptcy Code that are immediately junior to the Superpriority Claims of the Administrative Agent and the Lenders and senior to the obligations under the Prepetition Credit Agreement, (c) the payment of the reasonable fees and out-of-pocket expenses incurred by the Prepetition Agent (except that fees and expenses for the Prepetition Agent's professionals shall be limited to reasonable fees of one lead counsel in each relevant jurisdiction (including New York, Delaware and Canada) and one financial consultant) and the continuation of the payment on a current basis of the administration fees that are provided for under the Prepetition Credit Agreement (or any related fee letter) and (d) the payment in cash on a monthly basis of current interest at the Alternate Base Rate plus 9.00% on the outstanding principal amount of Prepetition Indebtedness under the Prepetition Credit Agreement.

"Adjusted Eligible Accounts" means, at any time, the Eligible Accounts of (a) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, in the case of the Domestic Borrowing Base or (b) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, in the case of the Canadian Borrowing Base, in each case minus the applicable Dilution Reserve at such time.

"Adjusted LIBO Rate" means (a) with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to (i) the LIBO Rate for such Interest Period multiplied by (ii) the Statutory Reserve Rate or (b) with respect to any ABR Borrowing or U.S. Base Rate Borrowing, for any day, the rate appearing on Reuters BBA Libor Rates Page 3750 (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to U.S. Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, on the date of determination for deposits in dollars with a term commencing on such date equivalent to one month; provided that in the event that such rate is not available at any time for any reason, then the "Adjusted LIBO Rate" with respect to such Borrowing shall be the rate per annum determined by the

Administrative Agent to be the rate at which dollar deposits for delivery on the date of determination in immediately available funds in the amount of $1,000,000 and with a term commencing on such date equivalent to one month would be offered by the Administrative Agent's London branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m., London time, on the date of determination. If at any time the Adjusted LIBO Rate would otherwise be less than 3.50% based on the foregoing methodology, the Adjusted LIBO Rate shall be deemed to be 3.50% at such time notwithstanding the foregoing.

"Administrative Agent" means (a) JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders hereunder (or, as applicable, such Affiliates thereof as it shall from time to time designate for the purpose of performing its obligations hereunder in such capacity) and (b) with respect to Loans or Borrowings made to the Canadian Subsidiary Borrower, or Letters of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Canadian Subsidiary Borrower or any Foreign Subsidiary, JPMorgan Chase Bank, N.A., Toronto Branch (or, as applicable, such Affiliates thereof as it shall from time to time designate for the purpose of performing its obligations hereunder in such capacity), and, in each case, its successors in such capacity as provided in Article VIII.

"Administration Charge" means the court ordered priority charge granted in the Canadian Order in an amount not to exceed $500,000 and otherwise on terms acceptable to the Administrative Agent to secure (a) all reasonable fees and expenses of Blake, Cassels & Graydon LLP, Canadian legal counsel to the Canadian Loan Parties, (b) all reasonable fees and expenses of the Monitor and the Monitor's legal counsel and (c) all reasonable fees and expenses of other professional advisors of the Canadian Loan Parties incurred with the prior written consent of the Administrative Agent.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified; provided, however, that for purposes of Section 6.09, the term "Affiliate" shall also include any person that directly, or indirectly through one or more intermediaries, owns 10% or more of any class of Equity Interests of the Person specified or that is an officer or director of the Person specified.

"Agreement" has the meaning assigned to such term in the preamble to this Agreement.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 0.50% and (c) the Adjusted LIBO Rate in effect on such day plus 1.00%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, as applicable.

"Applicable Percentage" means, at any time with respect to any Revolving Lender, the percentage of the aggregate Revolving Commitments at such time represented by such Lender's Revolving Commitment at such time. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments of Revolving Exposure that occur after such termination or expiration.

"Applicable Rate" means, for any day, with respect to any (a) Eurodollar Loan, 10.00% per annum, (b) ABR Loan, 9.00% per annum, (c) U.S. Base Rate Revolving Loan, 9.00% per annum, (d) Canadian Base Rate Revolving Loan, 9.00% per annum and (e) Commitment Fee, 1.00% per annum.

"Approved Fund" has the meaning assigned to such term in Section 9.04(b).

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, substantially in the form of Exhibit A or any other form approved by the Administrative Agent.

"Availability" means, at any time, an amount equal to (a) the Total Borrowing Base at such time, minus (b) the aggregate Revolving Exposure at such time.

"Availability Block" means, at any time, an amount equal to the Stub Availability Block at such time, plus the dollar amounts set forth below for such time:

Time	Amount
From the Effective Date through April 17, 2009:	$2,000,000
From April 18, 2009 through May 1, 2009:	$2,500,000
From May 2, 2009 through May 15, 2009:	$3,000,000
From May 16, 2009 through May 29, 2009:	$3,500,000
After May 29, 2009:	$4,000,000

"Availability Period" means the period from and including the Effective Date to but excluding the earlier of the Termination Date and the date of termination of the Revolving Commitments.

"Banking Services" means each and any of the following bank services provided to any Loan Party by any Revolving Lender or any of its Affiliates after the Effective Date: (a) commercial credit cards, (b) stored value cards and (c) treasury management services (including controlled disbursement, currency, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

"Banking Services Obligations" of the Loan Parties means any and all obligations of the Loan Parties, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

"Bankruptcy Cases" shall have the meaning assigned to such term in the recitals to this Agreement.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy Code", as now and hereinafter in effect, or any successor statute.

"Bankruptcy Court" shall have the meaning assigned to such term in the recitals to this Agreement; provided, however, that "Bankruptcy Court" shall also mean any other court having competent jurisdiction over the Bankruptcy Cases.

"Bankruptcy Law" means the Bankruptcy Code and any other Federal, state or foreign bankruptcy, insolvency, reorganization, receivership or similar law.

"Bidder" has the meaning assigned to it in Section 5.14(b).

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrowers" means, collectively, the Parent Borrower and the Canadian Subsidiary Borrower.

"Borrowing" means Loans of the same Class and Type, made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

"Borrowing Base Certificate" means the Daily Borrowing Base Certificate and/or the Weekly Borrowing Base Certificate, as the context may require.

"Borrowing Request" means a request by the applicable Borrower for a Borrowing in accordance with Section 2.03.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed, provided that (a) when used in connection with a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in U.S. Dollar deposits in the London interbank market, and (b) when used in connection with a Loan made to, or a Letter of Credit deemed issued, pursuant to Section 2.04(a), for the account of, the Canadian Subsidiary Borrower, the term "Business Day" shall also (i) exclude any day on which banks are not open for dealings in deposits in Toronto but (ii) include any day on which banks are open for dealings in deposits in Toronto.

"Canadian Base Rate" means, for any day, the rate of interest per annum equal to the greater of (a) the interest rate per annum publicly announced from time to time by the Administrative Agent as its prime rate in effect on such day at its principal office in Toronto for determining interest rates applicable to commercial loans denominated in Canadian Dollars in Canada and (b) the CDOR Rate plus 0.50%. Any change in such prime rate or the CDOR Rate shall be effective as of the opening of business on the effective date of such change in the prime rate or the CDOR Rate, as applicable. If at any time the Canadian Base Rate would otherwise be less than 4.50% based on the foregoing methodology, the Canadian Base Rate shall be deemed to be 4.50% at such time notwithstanding the foregoing.

"Canadian Benefit Plans" means all employee benefit plans maintained or contributed to by the Borrowers or any Subsidiary that are not Canadian Pension Plans or Canadian Multi-Employer Plans, including all profit sharing, savings, post-retirement, supplemental retirement, retiring allowance, severance, pension, deferred compensation, welfare, bonus, incentive compensation, phantom stock, legal services, supplementary unemployment benefit plans or arrangements and all life, hospitalization

insurance, medical, health, dental and disability plans and arrangements in which Canadian employees or former Canadian employees of the Borrowers or any Subsidiary participate or are eligible to participate.

"Canadian Borrowing Base" means, at any time, the sum of (a) 85% of the U.S. Dollar Equivalent of the aggregate Adjusted Eligible Accounts of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, plus (b) the lesser of (i) 85% of the product of (x) the Net Recovery Liquidation Rate in effect (based on the then most recent independent Inventory appraisal in form, scope and substance reasonably satisfactory to the Administrative Agent) at such time multiplied by (y) the U.S. Dollar Equivalent of the aggregate amount of Inventory of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time (as reported in accordance with the applicable Loan Party's Inventory records) minus any applicable Reserves, and (ii) the sum of (A) 75% of the U.S. Dollar Equivalent of the aggregate cost of Eligible Aluminum Billets and (B) 65% of the U.S. Dollar Equivalent of the aggregate cost of Other Eligible Inventory, in each case of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time minus any applicable Reserves (in the case of each of subclauses (i) and (ii) of this clause (b), with any Inventory, Eligible Inventory, Eligible Aluminum Billets and Other Eligible Inventory to be valued on a first-in, first-out basis), provided that the aggregate amount determined pursuant to this clause (b) shall not constitute more than 50% of the Canadian Borrowing Base at such time and shall not be greater than $4,000,000, plus (c) the PP&E Component at such time minus (d) without duplication, Reserves with respect to the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time. The Administrative Agent may, in its Permitted Discretion, from time to time, reduce the advance rates set forth above or establish and revise ineligibles and Reserves reducing the amount of Eligible Accounts, Inventory, Eligible Inventory, Eligible Aluminum Billets, Other Eligible Inventory, Eligible Machinery and Equipment and Eligible Real Property used in computing the Canadian Borrowing Base, with any such changes to be effective one Business Day after delivery of notice thereof to the Canadian Subsidiary Borrower and the Lenders (which notice shall describe in reasonable detail the reasons for such changes), provided that any Reserve established by the Administrative Agent shall not apply in respect of items excluded from Eligible Accounts, Eligible Inventory, Eligible Aluminum Billets, Other Eligible Inventory, Eligible Machinery and Equipment and Eligible Real Property pursuant to the definitions thereof or covered by any other Reserve in effect at the time such Reserve is established. The Canadian Borrowing Base at any time shall be determined by reference to the most recent Daily Borrowing Base Certificate delivered to the Administrative Agent (i) in the case of the initial Canadian Borrowing Base, at or prior to the Effective Date or (ii) thereafter, pursuant to Section 5.01(f).

"Canadian Court" has the meaning assigned to such term in the recitals to this Agreement.

"Canadian Dollars" or "C$" means the lawful money of Canada.

"Canadian GAAP" means the generally accepted accounting principles in Canada.

"Canadian Hypothec" means a trust deed of hypothec granted or to be granted by any Loan Party in favor of the Administrative Agent on moveable or immoveable property pursuant to the laws of the Province of Quebec, together with all bonds, debentures and pledges or hypothecs thereof, as amended, supplemented or otherwise modified from time to time.

"Canadian L/C Disbursement" means a payment made by the Issuing Bank pursuant to a Letter of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Canadian Subsidiary Borrower or for the account of any Foreign Subsidiary.

"Canadian L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Canadian Subsidiary Borrower and the Foreign Subsidiaries at such time plus (b) the aggregate amount of all Canadian L/C Disbursements that have not yet been reimbursed (including by the making of Revolving Loans hereunder) by or on behalf of the Canadian Subsidiary Borrower and the Foreign Subsidiaries at such time. The Canadian L/C Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the Canadian L/C Exposure at such time.

"Canadian Lending Office" means, as to any Lender, the applicable branch, office or Affiliate of such Lender designated by such Lender to make Canadian Revolving Loans to the Canadian Subsidiary Borrower.

"Canadian Mortgage" means a mortgage, deed of trust, assignment of leases and rents, leasehold mortgage or other security document (including any amendment, modification or supplement thereto) granting a Lien on any Mortgaged Property located in Canada or any province thereof to secure the Secured Obligations. Each Canadian Mortgage shall be reasonably satisfactory in form and substance to the Administrative Agent.

"Canadian Multi-Employer Plan" means a multi-employer plan within the meaning of the Regulations under the Canadian Tax Act.

"Canadian Obligations" means (a) all unpaid principal of and accrued and unpaid interest on Loans made to the Canadian Subsidiary Borrower, (b) all L/C Exposure in respect of Letters of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Canadian Subsidiary Borrower and the Foreign Subsidiaries and (c) all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Canadian Subsidiary Borrower and the Foreign Subsidiary Loan Parties owed to the Lenders or to any Lender, the Administrative Agent, the Issuing Bank or any indemnified party arising under the Loan Documents (including the Guarantees provided by the Loan Guarantors pursuant to Article X).

"Canadian Order" has the meaning assigned to such term in the recitals to this Agreement.

"Canadian Pension Plan" means any "registered pension plan" as defined in the Canadian Tax Act established, maintained or contributed to by either Borrower or any Subsidiary for their Canadian employees or former Canadian employees but does not include a Canadian Multi-Employer Plan.

"Canadian Perfection Certificate" means, at any time, the certificate most-recently delivered to the Administrative Agent (a) in the case of the Effective Date, pursuant to Section 4.01(e) or (b) thereafter, pursuant to Section 3.03(c) of the Canadian Security Agreement, in each case in the form of Exhibit F or any other form approved by the Administrative Agent.

"Canadian Proceeding" has the meaning assigned to such term in the recitals to this Agreement.

"Canadian Receivables Account" has the meaning assigned to the term "Receivables Account" in Section 3.06 of the Canadian Security Agreement.

"Canadian Resident" means a Person that is (a) resident in Canada for purposes of the Canadian Tax Act or (b) deemed to be resident in Canada for purposes of the Canadian Tax Act in respect

of all amounts paid or credited hereunder by the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties.

"Canadian Revolving Exposure" means, at any time, the sum of (a) the U.S. Dollar Equivalent of the aggregate principal amount of Canadian Revolving Loans denominated in Canadian Dollars outstanding at such time, (b) the aggregate principal amount of the Canadian Revolving Loans denominated in U.S. Dollars outstanding at such time and (c) the U.S. Dollar Equivalent of the Canadian L/C Exposure at such time. The Canadian Revolving Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the Canadian Revolving Exposure at such time.

"Canadian Revolving Loan" means a Loan made by a Revolving Lender pursuant to Section 2.01(b). Each Canadian Revolving Loan (a) denominated in Canadian Dollars shall be a Canadian Base Rate Revolving Loan and (b) denominated in U.S. Dollars shall be a U.S. Base Rate Revolving Loan or a Eurodollar Revolving Loan.

"Canadian Revolving Sub-Commitment" means, with respect to each Revolving Lender, the commitment of such Lender to make Canadian Revolving Loans or acquire participations in Letters of Credit, expressed as an amount expressed in U.S. Dollars representing the maximum potential aggregate amount of such Lender's Canadian Revolving Exposure, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 or Section 2.18(b) or (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.02(d), Section 9.02(e) or Section 9.04. The initial amount of each Revolving Lender's Canadian Revolving Sub-Commitment is set forth opposite such Lender's name in the Commitment Schedule directly below the column entitled "Canadian Revolving Sub-Commitments" or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Canadian Revolving Sub-Commitment, and, in any such case, shall be equal to such Lender's Applicable Percentage of the aggregate Canadian Revolving Sub-Commitments. The initial aggregate amount of the Revolving Lenders' Canadian Revolving Sub-Commitments is $24,360,000.

"Canadian Sale Process Order" has the meaning assigned to it in Section 5.14(a).

"Canadian Security Agreement" means the Canadian Security Agreement dated on or about the date hereof, substantially in the form attached hereto as Exhibit G-2, among the Parent Borrower, the Canadian Subsidiary Borrower, each Subsidiary Loan Party party thereto and the Administrative Agent.

"Canadian Subsidiary Borrower" has the meaning assigned to such term in the preamble to this Agreement.

"Canadian Subsidiary Loan Party" means any Subsidiary that is organized under the laws of Canada or any territory or province thereof (other than the Canadian Subsidiary Borrower) and that is a Foreign Subsidiary Loan Party.

"Canadian Tax Act" means the Income Tax Act (Canada) or any successor law purported to cover the same subject matter, as amended from time to time.

"Canadian Trademark Security Agreement" means the Canadian Trademark Security Agreement dated on or about the date hereof, in form and substance satisfactory to the Administrative Agent, among the Canadian Subsidiary Borrower, each Subsidiary Loan Party party thereto and the Administrative Agent.

"Capital Expenditures" means, for any period, (a) the additions to property, plant and equipment and other capital expenditures of the Parent Borrower and the Subsidiaries that are (or should be) set forth in a consolidated statement of cash flows of the Parent Borrower for such period prepared in accordance with GAAP and (b) Capital Lease Obligations incurred by the Parent Borrower and the Subsidiaries during such period, but excluding in each case (i) expenditures made by the Parent Borrower or the applicable Subsidiary to effect leasehold improvements to any property leased by the Parent Borrower or such Subsidiary to the extent such expenditures are reimbursed by the landlord in respect of such property within 30 days of such expenditures (as such number of days may be extended with the written consent of the Administrative Agent) and (ii) expenditures actually paid for by a third party (excluding Holdings or any subsidiary thereof) and for which no Loan Party has provided or is required to provide any consideration to such third party.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Carve-Out" means (a) the unpaid fees due and payable to the Clerk of the Bankruptcy Court and the Office of the United States Trustee pursuant to 28 U.S.C. § 1930, (b) all reasonable fees and expenses incurred by a trustee under Section 726(b) of the Bankruptcy Code in an amount not exceeding $25,000 in the aggregate and (c) after the occurrence and during the continuance of an Event of Default, the payment of allowed and unpaid professional fees and disbursements incurred after the occurrence of such Event of Default by Holdings, the Parent Borrower and the Domestic Subsidiaries and any statutory committee appointed in the Bankruptcy Cases (in each case, other than any such fees and disbursements incurred in connection with the initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation against the Prepetition Agent or the Prepetition Revolving Lenders) in an aggregate amount not in excess of the Carve-Out Cap, provided that notwithstanding the foregoing, prior to the occurrence of an Event of Default, the payment by Holdings, the Parent Borrower and the Domestic Subsidiaries of the compensation and reimbursement of expenses allowed and payable under Sections 330 and 331 of the Bankruptcy Code shall not reduce the Carve-Out.

"Carve-Out Cap" means $1,000,000.

"Cash Collateral Loans" has the meaning assigned to such term in the Interim Cash Collateral Order.

"Cash Flow Forecast" collectively means the 13-week cash flow forecast prepared each week by the Parent Borrower in form and with detail substantially similar to the 13-week cash flow forecast delivered to the Administrative Agent on March 25, 2009, which shall reflect the Parent Borrower's good faith projection of all cash receipts and disbursements in connection with the operation of its and the Subsidiaries' businesses for the next 13-week period.

"Cash Management Order" means that certain order issued by the Bankruptcy Court in substantially the form of Exhibit I (Form of Cash Management Order) and otherwise in form and substance reasonably satisfactory to the Administrative Agent.

"CCAA" has the meaning assigned to such term in the recitals to this Agreement.

"CCAA Charges" means the Administration Charge and the Directors Charge.

"CCAA Plan" means any plan of compromise or arrangement in the Canadian Proceeding, made pursuant to the CCAA.

"CDOR Rate" means, on any date, an interest rate per annum equal to the average discount rate applicable to bankers' acceptances denominated in Canadian Dollars with a term of 30 days appearing on the Reuters Screen CDOR Page (or on any successor or substitute page of such Screen, or any successor to or substitute for such Screen, providing rate quotations comparable to those currently provided on such page of such Screen, as determined by the Administrative Agent from time to time) at approximately 10:00 a.m., Toronto time, on such date (or, if such date is not a Business Day, on the next preceding Business Day) or, if such rate is not so reported, the average of the rate quotes for bankers' acceptances denominated in Canadian Dollars (expressed as a decimal and rounded upward, if necessary, to the nearest 1/100 of 1%) with a term of 30 days received by the Administrative Agent at approximately 10:00 a.m., Toronto time, on such date (or, if such date is not a Business Day, on the next preceding Business Day) from the Schedule I Reference Lenders.

"Change in Law" means (a) the adoption of any law, rule or regulation after the Effective Date, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Effective Date or (c) compliance by any Lender or the Issuing Bank (or, for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender's or the Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Effective Date.

"Chapter 11 Plan" means a Chapter 11 plan in any of the Bankruptcy Cases.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are U.S. Revolving Loans, Canadian Revolving Loans or Term Loans and, when used in reference to any Commitment, refers to whether or not such Commitment is a Canadian Revolving Sub-Commitment.

"Class", when used in reference to any Lender, refers to whether such Lender has a Loan or Commitment with respect to a particular Class.

"CLO" has the meaning assigned to such term in Section 9.04(b).

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all the "Collateral" or "Property" as defined in any Collateral Document, the Orders and the Canadian Order and shall also include the Mortgaged Properties.

"Collateral Access Agreement" has the meaning assigned to such term in the Security Agreements.

"Collateral Documents" means, collectively, the Security Agreements, the Canadian Hypothecs, the Mortgages and any other documents granting a Lien upon the Collateral as security for payment of the Secured Obligations specified therein.

"Commitment" means, with respect to any Lender, such Lender's Revolving Commitment and/or Canadian Revolving Sub-Commitment (as the context requires).

"Commitment Fee" has the meaning assigned to such term in Section 2.11(a).

"Commitment Schedule" means Schedule 2.01 hereto.

"Company Sale" has the meaning assigned to such term in Section 5.14(b).

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period plus (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) consolidated interest expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness for such period, (ii) consolidated income tax expense (and expenses for franchise tax in the nature of income tax) and foreign withholding tax expense for such period and any expense for state single business, unitary, gross receipts or similar taxes for such period, (iii) all amounts attributable to depreciation and amortization (including amortization of intangibles (including goodwill and organizational costs)) for such period (excluding any amortization expense attributable to a prepaid cash item that was paid in a prior period), (iv) any extraordinary, unusual or non-recurring non-cash charges for such period (but excluding any such non-cash charge in respect of an item to the extent that it was included in Consolidated Net Income in a prior period and any such charge that results from the write-down or write-off of inventory), (v) fees and expenses incurred during such period in connection with any proposed or actual issuance of any Indebtedness or Equity Interests, or any proposed or actual investments, asset sales or divestitures, in each case permitted hereunder, in an aggregate amount not to exceed (for each such transaction) 2.0% of the aggregate value of such transaction, (vi) non-cash expenses resulting from the grant of stock options or other equity-related incentives to any director, officer or employee of Holdings, the Parent Borrower or any Subsidiary pursuant to a written plan or agreement approved by the Board of Directors of Holdings, (vii) non-cash exchange, translation or performance losses relating to any foreign currency or commodities hedging transactions or currency fluctuations, (viii) any non-cash losses during such period resulting from the application of Financial Accounting Standards No. 142 (relating to changes in accounting for the amortization of goodwill and certain other intangibles) and Financial Accounting Standards No. 144 (relating to writedowns of long-lived assets), (ix) payments by Holdings, the Parent Borrower or any Subsidiary in respect of earn-outs to which the seller in any acquisition or disposition becomes entitled during such period, (x) any loss during such period in respect of post-retirement benefits as a result of the application of Financial Accounting Standards No. 106, (xi) any loss resulting from the disposition of any asset of Holdings, the Parent Borrower or any Subsidiary not in the ordinary course of business, (xii) charges during such period in respect of legal, pension, warranty, workers compensation, occupancy and severance costs relating to discontinued businesses that are unrelated to the continuing business of the Parent Borrower and the Subsidiaries and (xiii) amounts received from customers relating to margin calls, as calculated in accordance with the methodology employed in the Forecast for determining the item entitled "Hedge Pickup", minus (b) without duplication and (except in the case of clause (i)) to the extent included in determining such Consolidated Net Income, the sum of (i) any cash disbursements during such period that relate to non-cash charges or losses added to Consolidated Net Income pursuant to clause (a)(iv) or (a)(vi) of this paragraph in any prior period, (ii) any extraordinary, unusual or non-recurring non-cash gains for such period, (iii) any non-cash gains for such period that represent the reversal of any accrual in a prior period for, or the reversal of any cash reserves established in a prior period for, anticipated cash charges, (iv) non-cash exchange, translation or performance gains relating to any foreign currency or commodities hedging transactions or currency fluctuations, (v) any non-cash gains during such period resulting from the application of Financial Accounting Standards No. 142 (relating to changes in accounting for the amortization of goodwill and certain other intangibles) and Financial Accounting Standards No. 144 (relating to writedowns of long-lived assets), (vi) any gain during such period in respect of post-retirement benefits as a result of the application of Financial Accounting Standards No. 106, (vii) any gain during such period from discontinued operations of the Parent Borrower and (viii) any gain resulting from the disposition of any asset of Holdings, the Parent

Borrower or any Subsidiary not in the ordinary course of business, all as determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, for any period, the net income (excluding interest income) or loss of Holdings, the Parent Borrower and the Subsidiaries for such period determined on a consolidated basis in accordance with GAAP, provided that there shall be excluded (a) the income of any Subsidiary to the extent that the declaration or payment of dividends or other distributions by such Subsidiary of that income is not at the time permitted by a Requirement of Law or any agreement or instrument applicable to such Subsidiary (other than the Loan Documents, the Prepetition Loan Documents and the Senior Secured Notes Documents), except to the extent of the amount of cash dividends or other cash distributions actually paid to the Parent Borrower or any Subsidiary (unless the income of such Subsidiary would be excluded from Consolidated Net Income pursuant to clause (b) of this proviso) during such period, (b) the income of any Person (other than the Parent Borrower or any Subsidiary that is not accounted for using the equity method of accounting) in which the Parent Borrower or any Subsidiary owns an Equity Interest, except to the extent of the amount of cash dividends or other cash distributions actually paid to the Parent Borrower or any Subsidiary (unless the income of such Subsidiary would be excluded from Consolidated Net Income pursuant to clause (a) of this proviso) during such period and (c) unrealized gains and losses with respect to Swap Agreements during such period.

"Consolidated Net Sales" means, for any period, the net sales of Holdings, the Parent Borrower and the Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, or the dismissal or appointment of management, of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto.

"Daily Borrowing Base Certificate" means a certificate, signed and certified as accurate and complete by a Financial Officer or any other officer of the Parent Borrower reasonably acceptable to the Administrative Agent, in substantially the form of Exhibit C-1 or another form that is reasonably acceptable to the Administrative Agent in its sole discretion, which shall include appropriate exhibits, schedules, supporting documentation and additional reports (a) as outlined in Schedule 1 to Exhibit C-1 and (b) as reasonably requested by the Administrative Agent.

"Default" means any event or condition that constitutes an Event of Default or that upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Defaulting Lender" means any Revolving Lender, as determined by the Administrative Agent, that has (a) failed to fund any portion of its Revolving Loans or participations in Letters of Credit within three Business Days of the date required to be funded by it hereunder, (b) notified the Parent Borrower, the Administrative Agent, the Issuing Bank or any Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit, (c) failed, within three Business Days after request by the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Loans and participations in then outstanding Letters of Credit, (d) otherwise failed to pay over to the Administrative Agent or any other Revolving Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute or (e) (i) become or is insolvent or has a parent company that has become

or is insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment.

"Dilution Factors" means, without duplication, with respect to any period, the aggregate amount of all deductions, credit memos, returns, adjustments, allowances, bad debt write-offs and other non-cash credits that are recorded during such period to reduce (x) with respect to the Domestic Borrowing Base, the Accounts of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties in a manner consistent with current and historical accounting practices of the Parent Borrower and such Domestic Subsidiary Loan Parties, as the case may be, or (y) with respect to the Canadian Borrowing Base, the Accounts of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties in a manner consistent with current and historical accounting practices of the Canadian Subsidiary Borrower and such Canadian Subsidiary Loan Parties, as the case may be.

"Dilution Ratio" means, on any date, the quotient (expressed as a percentage) equal to (x) with respect to the Domestic Borrowing Base, (i) the aggregate amount of the Dilution Factors in respect of the Accounts of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties for the twelve fiscal month period most recently ended on or prior to such date divided by (ii) the aggregate gross sales of the Parent Borrower and such Domestic Subsidiary Loan Parties for such twelve fiscal month period, or (y) with respect to the Canadian Borrowing Base, (i) the aggregate amount of the Dilution Factors in respect of the Accounts of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties for the twelve fiscal month period most recently ended on or prior to such date divided by (ii) the aggregate gross sales of the Canadian Subsidiary Borrower and such Canadian Subsidiary Loan Parties for such twelve fiscal month period.

"Dilution Reserve" means, on any date, (x) with respect to the Domestic Borrowing Base, the product of (i) the excess, if any, of the applicable Dilution Ratio over 5% multiplied by (ii) the aggregate amount of Eligible Accounts of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties, in each case as of such date, or (y) with respect to the Canadian Borrowing Base, the product of (i) the excess, if any, of the applicable Dilution Ratio over 5% multiplied by (ii) the aggregate amount of Eligible Accounts of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties, in each case as of such date.

"DIP Lenders' Charge" has the meaning assigned to such term in Section 2.21(b).

"Directors Charge" means a superpriority charge provided for in the Canadian Order securing the indemnity owing by the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties to their directors and officers in an amount not to exceed $1,000,000 in priority to the DIP Lenders' Charge.

"Disclosed Matters" means the actions, suits and proceedings and the environmental matters disclosed in Schedule 3.06.

"Document" has the meaning assigned to such term in the Domestic Security Agreement.

"Domestic Borrowing Base" means, at any time, the sum of (a) 85% of the U.S. Dollar Equivalent of the aggregate Adjusted Eligible Accounts of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, plus (b) the lesser of (i) 85% of the product of (x) the Net

Recovery Liquidation Rate in effect (based on the then most recent independent Inventory appraisal in form, scope and substance reasonably satisfactory to the Administrative Agent) at such time multiplied by (y) the aggregate amount of Inventory of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time (as reported in accordance with the applicable Loan Party's Inventory records) minus any applicable Reserves, and (ii) the sum of (A) 75% of the aggregate cost of Eligible Aluminum Billets and (B) 65% of the aggregate cost of Other Eligible Inventory, in each case of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time minus any applicable Reserves (in the case of each of subclauses (i) and (ii) of this clause (b), with any Inventory, Eligible Inventory, Eligible Aluminum Billets and Other Eligible Inventory to be valued on a first-in, first-out basis), provided that the aggregate amount determined pursuant to this clause (b) shall not constitute more than 50% of the Domestic Borrowing Base at such time and shall not be greater than $8,000,000, plus (c) the PP&E Component at such time minus (d) without duplication, Reserves with respect to the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time. The Administrative Agent may, in its Permitted Discretion, from time to time, reduce the advance rates set forth above or establish and revise ineligibles and Reserves reducing the amount of Eligible Accounts, Inventory, Eligible Inventory, Eligible Aluminum Billets, Other Eligible Inventory, Eligible Machinery and Equipment and Eligible Real Property used in computing the Domestic Borrowing Base, with any such changes to be effective one Business Day after delivery of notice thereof to the Parent Borrower and the Lenders (which notice shall describe in reasonable detail the reasons for such changes), provided that any Reserve established by the Administrative Agent shall not apply in respect of items excluded from Eligible Accounts, Eligible Inventory, Eligible Aluminum Billets, Other Eligible Inventory, Eligible Machinery and Equipment and Eligible Real Property pursuant to the definitions thereof or covered by any other Reserve in effect at the time such Reserve is established. The Domestic Borrowing Base at any time shall be determined by reference to the most recent Daily Borrowing Base Certificate delivered to the Administrative Agent (i) in the case of the initial Domestic Borrowing Base, at or prior to the Effective Date or (ii) thereafter, pursuant to Section 5.01(f).

"Domestic Security Agreement" means the Domestic Security Agreement dated on or about the date hereof, among Holdings, the Parent Borrower, each Domestic Subsidiary Loan Party and the Administrative Agent, substantially in the form attached hereto as Exhibit G-1.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Domestic Subsidiary Loan Party" means any Domestic Subsidiary.

"Effective Date" means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02), which date may not occur more than five Business Days after the date on which both the Interim Order and the Canadian Order have been entered.

"Eligible Accounts" means, at any time, the Accounts of (x) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, in the case of the Canadian Borrowing Base, but excluding any Account:

(a) that is not, after giving effect to the Orders and the Canadian Order, subject to a first priority perfected security interest in favor of the Administrative Agent (other than the CCAA Charges with respect to the Accounts of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties) or to which the applicable Loan Party does not have sole lawful and absolute title;

(b) that is subject to any Lien other than (i) a Lien in favor of the Administrative Agent, (ii) a Lien in favor of the Prepetition Agent under the Prepetition Loan Documents, (iii) Liens granted under the Orders or the Canadian Order and (iv) a Permitted Encumbrance that does not have priority over the Lien in favor of the Administrative Agent;

(c) with respect to which the scheduled due date is more than 90 days after the original invoice date, that is unpaid more than 120 days after the date of the original invoice therefor or more than 60 days after the original due date, or that has been written off the books of the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, or otherwise designated as uncollectible;

(d) that is owing by an Account Debtor for which more than 50% of the aggregate amount of Accounts owing from such Account Debtor and its Affiliates are ineligible hereunder;

(e) that is owing by an Account Debtor to the extent the aggregate amount of Accounts owing from such Account Debtor and its Affiliates to (i) the Parent Borrower or any wholly-owned Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, exceeds 10% (or, in the case of Utility Trailer Manufacturing Co. or Eastern Metal Supply, 15%) of the aggregate Eligible Accounts attributable to the Domestic Borrowing Base, and (ii) the Canadian Subsidiary Borrower or any wholly-owned Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, exceeds 10% (or, in the case of Utility Trailer Manufacturing Co. or Eastern Metal Supply, 15%) of the aggregate Eligible Accounts attributable to the Canadian Borrowing Base;

(f) with respect to which any covenant, representation or warranty contained in any Loan Document has been breached or is not true;

(g) that (i) does not arise from the sale of goods or performance of services in the ordinary course of business, (ii) is not evidenced by an invoice or other documentation reasonably satisfactory to the Administrative Agent that has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon (A) the Parent Borrower or any Domestic Subsidiary Loan Party's, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party's, in the case of the Canadian Borrowing Base, completion of any further performance, (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment, cash-on-delivery or any other repurchase or return basis (other than customary customer return rights) or (vi) relates to payments of interest;

(h) (i) for which the goods giving rise to such Account have not been shipped to the Account Debtor or its designee, (ii) for which the services giving rise to such Account have not been performed by (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, (iii) for which the associated income has not been earned or (iv) if such Account was invoiced more than once;

(i) that is owed by an Account Debtor that has (i) applied for, suffered or consented to the appointment of any receiver, interim receiver, receiver manager, custodian, trustee, or liquidator of its assets, (ii) has had possession of all or a material part of its property taken by any receiver, interim receiver, receiver manager, custodian, trustee or liquidator, (iii) filed, or had filed against

it, any request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as bankrupt, winding-up or voluntary or involuntary case under any federal, state, provincial or foreign bankruptcy or insolvency laws, (iv) has admitted in writing its inability, or is generally unable to, pay its debts as they become due, (v) become insolvent or (vi) ceased operation of its business;

(j) that is owed by an Account Debtor that (i) does not maintain its chief executive office in the United States of America, any State thereof or the District of Columbia or Canada or any province thereof, or (ii) is not organized under applicable law of the United States of America or any state thereof or Canada or any province thereof, in each case, unless such Account (or portion thereof that is reasonably acceptable to the Administrative Agent) is backed by a letter of credit, guarantee or eligible bankers' acceptance acceptable to the Administrative Agent and in which the Administrative Agent has a perfected security interest;

(k) that is owed in any currency other than U.S. Dollars or Canadian Dollars;

(l) that is owed by (i) the government (or any department, agency, public corporation or instrumentality thereof) of any country other than (A) the United States of America, in the case of the Domestic Borrowing Base, or (B) the United States of America or Canada, in the case of the Canadian Borrowing Base, in each case, unless such Account (or portion thereof that is reasonably acceptable to the Administrative Agent) is backed by a letter of credit, guarantee or eligible bankers' acceptance acceptable to the Administrative Agent and in which the Administrative Agent has a perfected security interest, (ii) the government of the United States of America, or any department, agency, public corporation or instrumentality thereof, unless the Federal Assignment of Claims Act of 1940, as amended (31 U.S.C. §§ 3727 et seq. and 41 U.S.C. §§ 15 et seq.), and any other steps necessary to perfect the Lien of the Administrative Agent in such Account have been complied with to the Administrative Agent's reasonable satisfaction, or (iii) in the case of the Canadian Borrowing Base, the government of Canada, or any department, agency, public corporation or instrumentality thereof, unless the Financial Administration Act (Canada), as amended, and any other steps necessary to perfect the Lien of the Administrative Agent in such Account have been complied with to the Administrative Agent's reasonable satisfaction;

(m) that is owed by any Affiliate (other than any portfolio company directly or indirectly owned by the Sponsor so long as such Account has terms comparable to those provided to third parties on an arms length basis), employee, officer, director, agent or stockholder of any Loan Party;

(n) that, for any Account Debtor, exceeds a credit limit determined by the Administrative Agent in its Permitted Discretion, to the extent of such excess;

(o) that is owed by an Account Debtor or any Affiliate of such Account Debtor to which (i) the Parent Borrower or any Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, is indebted, but only to the extent of such indebtedness, or is subject to any security, deposit, progress payment, retainage or other similar advance made by or for the benefit of an Account Debtor, in each case to the extent thereof;

(p) that is subject to any counterclaim, deduction, defense, setoff or dispute (but only to the extent of any such counterclaim, deduction, defense, setoff or dispute) or is subject to offset related to actual or anticipated sales volume rebates (but only to the extent of any such rebate);

(q) that is owed by an Account Debtor located in any jurisdiction that requires filing of a "Notice of Business Activities Report" or other similar report in order to permit (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, to seek judicial enforcement in such jurisdiction of payment of such Account, unless the Parent Borrower, such Domestic Subsidiary Loan Party, the Canadian Subsidiary Borrower or such Canadian Subsidiary Loan Party, as applicable, has filed such report or qualified to do business in such jurisdiction, unless such failure to file may be cured by the payment of a de minimis amount;

(r) with respect to which (i) the Parent Borrower or any Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, has made any agreement with the Account Debtor for any reduction thereof, other than discounts and adjustments given in the ordinary course of business, or any Account that was partially paid and the Parent Borrower, such Domestic Subsidiary Loan Party, the Canadian Subsidiary Borrower or such Canadian Subsidiary Loan Party, as applicable, created a new receivable for the unpaid portion of such Account;

(s) that does not comply in all material respects with the requirements of all applicable laws and regulations, whether federal, state, provincial or local, including, where applicable, the Federal Consumer Credit Protection Act, the Federal Truth in Lending Act and Regulation Z of the Board;

(t) that is for goods that have been sold under a purchase order or pursuant to the terms of a contract or other agreement or understanding (written or oral) that indicates or purports that any Person other than (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, has or has had an ownership interest in such goods, or that indicates any party other than (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, as payee or remittance party (it being understood and agreed that the transfer of a purchase order from the Parent Borrower or any Domestic Subsidiary Loan Party to the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, or from the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party to the Parent Borrower or any Domestic Subsidiary Loan Party, as the case may be, for capacity or other ordinary course business reasons shall not, in itself, result in the Account created in respect of such purchase order being deemed ineligible pursuant to this clause (t) for purposes of (1) the Domestic Borrowing Base, if the transferee is the Parent Borrower or any Domestic Subsidiary Loan Party, or (2) the Canadian Borrowing Base, if the transferee is the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party);

(u) that was created on cash on delivery terms;

(v) that arises from sales to third party processors to the extent that the underlying inventory will be returned to the applicable Loan Party;

(w) that the Administrative Agent determines in its Permitted Discretion may not be paid by reason of the Account Debtor's inability to pay; or

(x) that is deemed ineligible by the Administrative Agent in its Permitted Discretion.

In addition to the foregoing, Eligible Accounts shall not include any portion of Accounts related to unreconciled variances between the accounts receivable aging and the general ledger to the extent that the general ledger is less than the accounts receivable aging. In determining the amount of an Eligible Account, the face amount of an Account shall be reduced by, without duplication, to the extent not reflected in such face amount, (i) the amount of all accrued and actual discounts, claims, credits or credits pending, promotional program allowances, price adjustments, finance charges or other allowances (including any amount that (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, may be obligated to rebate to an Account Debtor pursuant to the terms of any agreement or understanding (written or oral)) and (ii) the aggregate amount of all cash received in respect of such Account but not yet applied by (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, to reduce the amount of such Account. In determining the aggregate amount from the same Account Debtor that is unpaid more than 120 days from the original invoice date or more than 60 days from the original due date pursuant to clause (c) above, there shall be excluded the amount of any net credit balances relating to Accounts due from such Account Debtor with invoice dates more than 120 days from the original invoice date or more than 60 days from the original due date, as the case may be.

"Eligible Aluminum Billets" means, at any time, the portion of Eligible Inventory of (x) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, in the case of the Canadian Borrowing Base, in each case that is comprised of aluminum billets and logs as shown on the applicable Loan Party's Inventory records in accordance with such Loan Party's current and historical accounting practices.

"Eligible Inventory" means, at any time, the Inventory of (x) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, in the case of the Canadian Borrowing Base, but excluding any Inventory:

(a) that is not subject to a first priority perfected Lien in favor of the Administrative Agent (other than the CCAA Charges with respect to Inventory of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties), except to the extent that this clause (a) would exclude any Inventory that is otherwise expressly included pursuant to this definition;

(b) that is subject to any Lien other than (i) a Lien in favor of the Administrative Agent, (ii) a Lien in favor of the Prepetition Agent under the Prepetition Credit Agreement, (iii) Liens granted under the Orders or the Canadian Order and (iv) a Permitted Encumbrance that does not have priority over the Lien in favor of the Administrative Agent, except in each case to the extent

that this clause (b) would exclude any Inventory that is otherwise expressly included pursuant to this definition;

(c) that is, in the Administrative Agent's reasonable opinion, seconds or thirds, stale, slow-moving, obsolete, unmerchantable, defective, used, unfit for sale, not salable in the ordinary course of business at prices approximating at least the cost of such Inventory, or unacceptable due to age, type, category and/or quantity, or that is identified by the applicable Loan Party as overstock or excess;

(d) with respect to which any covenant, representation or warranty contained in any Loan Document has been breached or is not true and that does not conform to all standards imposed by any Governmental Authority;

(e) in which any Person other than (i) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties, in the case of the Domestic Borrowing Base, and (ii) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties, in the case of the Canadian Borrowing Base, shall (A) have any direct or indirect ownership, interest or title to such Inventory, except for any interest (and any rights associated therewith, other than title) of such Person that arises in respect of Inventory (1) (x) as identified goods pursuant to Section 2-501 of the Uniform Commercial Code or (y) pursuant to Section 2-716 of the Uniform Commercial Code or (2) pursuant to any similar Canadian law or laws or (B) be indicated on any purchase order or invoice with respect to such Inventory as having or purporting to have an interest therein;

(f) that constitutes spare or replacement parts, subassemblies, packaging and shipping material, manufacturing supplies, samples, prototypes, displays or display items, bill-and-hold goods, goods that are returned or marked for return, repossessed goods, defective, damaged or rejected goods, goods held by any Loan Party on consignment, or goods that are not of a type held for sale in the ordinary course of business;

(g) that (i) is not located in the United States of America (in the case of the Domestic Borrowing Base) or Canada (in the case of the Canadian Borrowing Base) or (ii) is in transit with a common carrier from vendors and suppliers (as opposed to in transit with a common carrier between locations of Loan Parties, in which case such Inventory shall not be excluded by virtue thereof) or (iii) is being held by a Governmental Authority for purposes of customs clearance, except that any Inventory excluded pursuant to subclause (ii) or (iii) of this clause (g) having an aggregate Inventory Value not to exceed $5,000,000 at any time may qualify as Eligible Inventory if (A) the applicable Loan Party has title to such Inventory at such time and (B) such Inventory is insured in a manner that is reasonably satisfactory to the Administrative Agent;

(h) that is located in any location leased by (i) the Parent Borrower or any wholly-owned Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any wholly-owned Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, in each case, unless (A) the lessor has delivered to the Administrative Agent a Collateral Access Agreement or (B) a Reserve for up to three months' rent, charges and other amounts due or to become due with respect to such facility has been established by the Administrative Agent in its Permitted Discretion;

(i) that is located in any third party warehouse or is in the possession of a bailee (other than a third party processor) and is not evidenced by a Document, unless (i) such warehouseman or bailee has delivered to the Administrative Agent a Collateral Access Agreement and such other

documentation as the Administrative Agent may require or (ii) a Reserve has been established by the Administrative Agent in its Permitted Discretion;

(j) that is being processed offsite at a third party location or outside processor (unless (i) the Administrative Agent has received a Collateral Access Agreement from such location or processor with respect to such Inventory or (ii) a Reserve has been established by the Administrative Agent in respect of such Inventory), or is in-transit to or from said third party location or outside processor;

(k) that is a discontinued product or component thereof;

(l) that is the subject of a consignment by (i) the Parent Borrower or any Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, as consignor;

(m) that contains or bears any intellectual property rights licensed to (i) the Parent Borrower or any Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, in each case, unless the Administrative Agent is satisfied that it may sell or otherwise dispose of such Inventory without (A) infringing the rights of such licensor, (B) materially violating any contract with such licensor or (C) incurring any liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement;

(n) that is not reflected in the current inventory records of (i) the Parent Borrower or any wholly-owned Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or any wholly-owned Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base;

(o) any portion of the Inventory Value that is attributable to intercompany profit among the applicable Loan Party or its Affiliates; or

(p) that is deemed ineligible by the Administrative Agent in its Permitted Discretion.

"Eligible Machinery and Equipment" means the equipment listed on Schedule 1.01(a) and any additional equipment acquired after the Effective Date, in each case that is owned by (x) the Parent Borrower or any wholly-owned Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower or any wholly-owned Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, in each case (i) that is acceptable in the Permitted Discretion of the Administrative Agent for inclusion in the applicable Borrowing Base, (ii) in respect of which an appraisal report has been delivered to the Administrative Agent in form, scope and substance reasonably satisfactory to the Administrative Agent (it being understood and agreed that, except as the Administrative Agent may otherwise notify the Parent Borrower otherwise (orally or in writing), appraisal reports delivered and satisfactory to the Prepetition Agent prior to the Petition Date shall be deemed delivered and satisfactory to the Administrative Agent) and (iii) in respect of which the Administrative Agent is satisfied that, after giving effect to the Orders and the Canadian Order, all actions

necessary in order to create valid first priority Liens on such equipment have been taken, and, in each case, meeting each of the following requirements:

(a) (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, in each case has good title to such equipment and solely to the extent that no other Person has any direct or indirect ownership, interest or title;

(b) (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, has the right to subject such equipment to a Lien in favor of the Administrative Agent; and such equipment is subject to a first priority perfected Lien in favor of the Administrative Agent (other than CCAA Charges in respect of the equipment of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties) and is free and clear of all other Liens of any nature whatsoever (except for Permitted Encumbrances that do not have priority over the Lien in favor of the Administrative Agent);

(c) the full purchase price for such equipment has been paid by (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base;

(d) such equipment is located on premises (i) owned by (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, and, in each case, subject to a first priority perfected Lien in favor of the Administrative Agent (other than CCAA Charges in respect of premises of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties), or (ii) leased by (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, in each case, where (x) the lessor has delivered to the Administrative Agent a Collateral Access Agreement or (y) a Reserve for up to three months' rent, charges and other amounts due or to become due with respect to such facility has been established by the Administrative Agent in its Permitted Discretion;

(e) such equipment is in good working order and condition (ordinary wear and tear excepted);

(f) such equipment is not subject to any agreement (other than the Loan Documents, the Prepetition Loan Documents and the Senior Secured Notes Documents) that restricts the ability of (i) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (ii) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, to use, sell, transport or dispose of such equipment or that restricts the Administrative Agent's ability to take possession of, sell or otherwise dispose of such equipment; and

(g) such equipment does not constitute "fixtures" under the applicable laws of the jurisdiction in which such equipment is located (unless the Administrative Agent is satisfied that all actions necessary to create a perfected first priority Lien (subject to the Liens described in

clauses (a) and (b) (to the extent that (i) the applicable warehouseman, bailee or other Person described in clause (b) of the definition of "Permitted Encumbrance" has delivered to the Administrative Agent a Collateral Access Agreement or (ii) a Reserve has been established by the Administrative Agent in respect of such equipment) of the definition of "Permitted Encumbrances") in favor of the Administrative Agent on such fixtures have been taken).

"Eligible Real Property" means the real property listed on Schedule 1.02 owned by (x) the Parent Borrower or any wholly-owned Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower or any wholly-owned Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, and meeting each of the following requirements:

(a) in respect of which an appraisal report has been delivered to the Administrative Agent in form, scope and substance reasonably satisfactory to the Administrative Agent (it being understood and agreed that, except as the Administrative Agent may otherwise notify the Parent Borrower (orally or in writing), appraisal reports delivered and satisfactory to the Prepetition Agent prior to the Petition Date shall be deemed delivered and satisfactory to the Administrative Agent);

(b) in respect of which the Administrative Agent is satisfied that all actions necessary in order to create a perfected first priority Lien (subject to the CCAA Charges in respect of real property of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties and Liens described in clauses (a), (b) and (f) of the definition of "Permitted Encumbrances") in favor of the Administrative Agent on such real property have been taken, including the filing, registration and recording of the applicable Mortgage (or the delivery of the applicable Mortgage to the title insurance company for filing, registration or recording) to the extent the Administrative Agent notifies the Parent Borrower (orally or in writing) that it believes such actions to be necessary;

(c) that is adequately protected by valid title insurance with endorsements and in amounts reasonably acceptable to the Administrative Agent, insuring that the Administrative Agent, for the benefit of the Lenders, shall have a perfected first priority Lien (subject to Liens described in clauses (a), (b) and (f) of the definition of "Permitted Encumbrances") on such real property, evidence of which shall have been provided in form and substance reasonably satisfactory to the Administrative Agent, to the extent the Administrative Agent notifies the Parent Borrower (orally or in writing) that it believes such insurance to be necessary; and

(d) to the extent the Administrative Agent notifies the Parent Borrower (orally or in writing) that it believes such surveys, opinions and certificates to be necessary, (i) a Canadian or other non-U.S. survey has been delivered for which all necessary fees have been paid and which is dated no more than 30 days prior to the date on which the applicable Mortgage is registered or recorded, certified to the Administrative Agent and the issuer of the title insurance policy in a manner reasonably satisfactory to the Administrative Agent by a land surveyor duly registered and licensed in the state or province in which such Eligible Real Property is located and reasonably acceptable to the Administrative Agent, and shows all buildings and other improvements, any material offsite improvements, the location of any easements, parking spaces, rights of way, building setback lines and other dimensional regulations and the absence of encroachments, either by such improvements or on to such property, and other defects, other than encroachments and other defects reasonably acceptable to the Administrative Agent and (ii) in respect of which (A) the Parent Borrower or the applicable Domestic Subsidiary Loan Party, in the case of the Domestic Borrowing Base, or (B) the Canadian Subsidiary Borrower or the applicable Canadian Subsidiary Loan Party, in the case of the Canadian Borrowing Base, shall

have used its commercially reasonable efforts to obtain estoppel certificates executed by all tenants of such Eligible Real Property and such other consents, agreements and confirmations of lessors and third parties have been delivered as the Administrative Agent may deem necessary or desirable, together with evidence that all other actions that the Administrative Agent may deem necessary or desirable in order to create, after giving effect to the Orders and the Canadian Orders, perfected first priority Liens on the property described in the applicable Mortgage have been taken (subject to the CCAA Charges in respect of real property of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties).

"Environmental Laws" means all treaties, laws, rules, regulations, codes, ordinances, orders, decrees, directives, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, the preservation or reclamation of natural resources, the generation, management, Release of, or exposure to, any Hazardous Material or to occupational health and safety matters.

"Environmental Liability" means any liability, obligation, claim, action, suit, judgment or order under or relating to any Environmental Law for any damages, injunctive relief, losses, fines, penalties, fees, expenses (including reasonable fees and expenses of attorneys and consultants) or costs, whether contingent or otherwise, including those arising from or relating to (a) any actual or alleged violation of any Environmental Law or permit, license or approval issued thereunder, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release of any Hazardous Materials or the presence of any Hazardous Materials in, on or under any real property or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with the Parent Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived), (b) any failure by any Plan to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan whether or not waived, (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, (d) the incurrence by the Parent Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, (e) the receipt by the Parent Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Multiemployer Plan, or the commencement of proceedings by the PBGC to terminate a Plan or Multiemployer Plan or the occurrence of any event or condition which could reasonably be expected to constitute grounds under ERISA for the termination of or the appointment of a trustee to administer any Plan, in each case where Plan assets are not sufficient to pay all Plan liabilities, (f) the imposition of any

liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Parent Borrower or any ERISA Affiliate, (g) the incurrence by the Parent Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan, (h) the receipt by the Parent Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Parent Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA, (i) a determination that any Plan is, or is expected to be, in "at-risk" status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code), (j) the occurrence of a nonexempt "prohibited transaction" with respect to which the Parent Borrower or any ERISA Affiliate is a "disqualified individual" (within the meaning of Section 4975 of the Code) or a "party in interest" (within the meaning of Section 406 of ERISA) or which could otherwise result in liability to the Parent Borrower or any ERISA Affiliate or (k) any other event or condition with respect to a Plan or Multiemployer Plan that could result in material liability of the Parent Borrower or any Subsidiary.

"Eurodollar", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate (other than pursuant to the definition of Alternate Base Rate or U.S. Base Rate).

"Event of Default" has the meaning assigned to such term in Article VII.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Rate" means, on any day, for purposes of determining the U.S. Dollar Equivalent of Canadian Dollars, the rate at which Canadian Dollars may be exchanged into U.S. Dollars at the time of determination on such day on the Reuters WRLD Page for Canadian Dollars. In the event that such rate does not appear on any Reuters WRLD Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Parent Borrower, or, in the absence of such an agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of Canadian Dollars are then being conducted, at or about such time as the Administrative Agent shall elect after determining that such rates shall be the basis for determining the Exchange Rate, on such date for the purchase of U.S. Dollars for delivery two Business Days later, provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Amount" means the amount of the Loan Guaranty by the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties of Secured Obligations of the Parent Borrower and the Domestic Subsidiaries in an amount up to, but not exceeding, the amount of any reduction of the U.S. Revolving Exposure (as defined in the Prepetition Credit Agreement) since the Petition Date.

"Excluded Taxes" means, with respect to the Administrative Agent, any Lender, the Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder,

(a) income or franchise taxes imposed on (or measured by) its net income by the United States of America or Canada, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of the Administrative Agent,

the Issuing Bank or any Lender, in which its applicable lending office is located, or any amount withheld on account of such tax pursuant to the laws of Canada or any province or territory therein;

(b) any branch profits taxes imposed by the United States of America or Canada or any similar tax imposed by any other jurisdiction described in clause (a) above;

(c) any withholding tax that is attributable to the Administrative Agent's, the Issuing Bank's or a Lender's failure to comply with Section 2.16(e);

(d) in the case of the Administrative Agent, the Issuing Bank or any Lender (other than an assignee pursuant to a request by a Borrower under Section 2.18(b)), any withholding tax imposed by the United States of America that is in effect and would apply to amounts payable to the Administrative Agent, the Issuing Bank or such Lender at the time the Administrative Agent, the Issuing Bank or such Lender became a party to this Agreement (or designates a new lending office), except to the extent that (i) the Administrative Agent, the Issuing Bank or such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from a Loan Party with respect to any withholding tax pursuant to Section 2.16(a) or (ii) such withholding tax shall have resulted from the making of any payment to a location other than the office designated by the Administrative Agent, the Issuing Bank or such Lender for the receipt of payments of the applicable type; and

(e) any withholding tax imposed under the laws of Canada or any province or territory therein that is in effect and would apply to amounts payable to the Administrative Agent, the Issuing Bank or any Lender, were such amounts paid at the time the Administrative Agent, the Issuing Bank or such Lender, as the case may be, became a party to this Agreement (or designates a new lending office), except any such withholding tax that would not have arisen but for (i) an assignment made pursuant to a request by a Borrower under Section 2.18(b) or (ii) the making of any payment to a location other than the office designated by the Administrative Agent, the Issuing Bank or Lender, as the case may be, for the receipt of payments of the applicable type.

"Facility Fee" means $1,120,000, payable by the Parent Borrower to the Administrative Agent for the accounts of the respective Revolving Lenders ratably in accordance with their Revolving Commitments.

"Fair Labor Standards Act" means the Fair Labor Standards Act, 29 U.S.C. §§ 201 et seq.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Final Order" has the meaning assigned to such term in Section 4.02(a)(iii).

"Final Order Date" means the day on which the Final Order is issued by the Bankruptcy Court.

"Financial Officer" means, with respect to any Person, the chief financial officer, principal accounting officer, vice president of finance, assistant treasurer, treasurer or controller of such Person. Unless otherwise expressly indicated, "Financial Officer" shall mean a Financial Officer of the Parent Borrower.

"Forecast" means the weekly Cash Flow Forecast and the budget prepared by the Parent Borrower (as may be periodically updated and supplemented by the Parent Borrower), which shall reflect the Parent Borrower's projection of all cash receipts and disbursements of the Parent Borrower and the Subsidiaries for the thirteen week period ended June 26, 2009. Unless the context specifically requires otherwise, the Forecast shall refer to the Forecast delivered to the Administrative Agent by the Parent Borrower on April 8, 2009.

"Foreign Lender" means any Lender that is organized under the laws of a jurisdiction other than that in which the Parent Borrower is located except that in respect of the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, "Foreign Lender" means a Lender that is not a Canadian Resident. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Subsidiary" means any Subsidiary that is organized under the laws of a jurisdiction other than the United States of America, any State thereof or the District of Columbia.

"Foreign Subsidiary Loan Party" means any Foreign Subsidiary (other than the Canadian Subsidiary Borrower), including any Canadian Subsidiary Loan Party but excluding (a) Indalex UK Limited and (b) any other Foreign Subsidiary (i) that is prohibited under mandatory provisions of its organizational documents, applicable law or contractual restrictions in existence on the date such Foreign Subsidiary became a Subsidiary (and not created in anticipation thereof) from guaranteeing, providing Collateral to secure, or otherwise becoming liable for, the Secured Obligations or (ii) in the event that any officer, director or employee thereof would more likely than not incur liability under applicable law (including, for the avoidance of doubt, any financial assistance laws of England and Wales or the United Kingdom) in connection with such Foreign Subsidiary being deemed a "Foreign Subsidiary Loan Party" under the Loan Documents or from guaranteeing, providing Collateral to secure, or otherwise becoming liable for, the Secured Obligations.

"Fronting Fee" has the meaning assigned to such term in Section 2.11(b).

"Funding Account" means Account No. 3751572376 maintained at Bank of America, N.A. or such other account identified in writing by the Parent Borrower to the Administrative Agent.

"GAAP" means generally accepted accounting principles in the United States of America.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Granting Lender" has the meaning assigned to such term in Section 9.04(e).

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation, provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business; and provided further that the amount of any Guarantee shall be deemed to be equal to the lesser of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (ii) (x) the maximum amount for which such guarantor may be liable pursuant to the terms of the instrument embodying such Guarantee or (y) if such Guarantee is not an unconditional guarantee of the entire amount of the primary obligation in respect of which such Guarantee is made and such maximum amount is not stated or determinable, the amount of such guarantor's maximum reasonably-anticipated liability in respect thereof as determined by such guarantor in good faith.

"Guaranteed Obligations" has the meaning assigned to such term in Section 10.01(a).

"Guaranteed Parties" has the meaning assigned to such term in Section 10.09.

"Hazardous Materials" means (i) any petroleum products or byproducts and all other hydrocarbons, coal ash, radon gas, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, chlorofluorocarbons and other ozone-depleting substances, and toxic mold; and (ii) any chemical, material, substance or waste that is prohibited, limited or regulated by or pursuant to any Environmental Law.

"Holdings" has the meaning assigned to such term in the preamble to this Agreement.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding (x) deferred compensation arrangements and (y) accounts payable that are not more than 60 days past due, in each case entered into or incurred, as the case may be, in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances and (j) any other Off-Balance Sheet Liability. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. The amount of Indebtedness of any Person for purposes of clause (e) above shall (unless such Indebtedness has been assumed by, or is otherwise recourse to, such Person) be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such

Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith, and the amount of any contingent Indebtedness of any Person shall be the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Indemnitee" has the meaning assigned to such term in Section 9.03(b).

"Interest Election Request" means a request by the applicable Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.07.

"Interest Payment Date" means (a) with respect to any ABR, U.S. Base Rate or Canadian Base Rate Loan, the last day of each calendar month and the Termination Date and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part.

"Interest Period" means, with respect to any Eurodollar Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one month thereafter, as the applicable Borrower may elect, provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Eurodollar Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interim Cash Collateral Order" means the interim order (I) authorizing the use of Prepetition Lenders' cash collateral under 11 U.S.C. § 363, (II) granting adequate protection under 11 U.S.C. §§ 361, 362 and 363 and (III) scheduling a final hearing under Bankruptcy Rule 4001(b) entered by the Bankruptcy Court on March 23, 2009.

"Interim Order" has the meaning assigned to such term in Section 4.01(m).

"Inventory" has the meaning assigned to such term in the Security Agreements.

"Inventory Value" means, at any time, with respect to the Inventory of any Loan Party, the U.S. Dollar Equivalent of the standard cost of such Inventory carried on the records of such Loan Party at such time (valued on a first-in, first-out basis) less any markup on any such Inventory received from an Affiliate, provided that in the event variances under the standard cost method (a) are capitalized, favorable variances shall be deducted from Inventory and unfavorable variances shall not be added to Inventory, or (b) are expensed, a reserve shall be determined in the Administrative Agent's Permitted Discretion as appropriate in order to adjust the standard cost of Inventory to approximate actual cost.

"Issuing Bank" means JPMorgan Chase Bank, N.A., in its capacity as the issuer of Letters of Credit.

"Joinder Agreement" has the meaning assigned to such term in Section 5.11(a).

"Judgment Currency" has the meaning assigned to such term in Section 9.19(a).

"Judgment Currency Conversion Date" has the meaning assigned to such term in Section 9.19(a).

"L/C Collateral Account" has the meaning assigned to such term in Section 2.04(h).

"L/C Disbursement" means a U.S. L/C Disbursement or Canadian L/C Disbursement, as the context may require.

"Lenders" means (a) the Persons listed on the Commitment Schedule, (b) the Term Lenders and (c) any other Person that shall have become a party hereto pursuant to Section 9.04, in each case other than any such Person that ceases to be a party hereto pursuant to Section 9.02(d), Section 9.02(e) or Section 9.04. References to any Lender in this Agreement or any other Loan Document shall be deemed to mean such Lender's affiliated Canadian Lending Office, where applicable.

"Letter of Credit" means any letter of credit deemed issued pursuant to Section 2.04(a).

"LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Reuters BBA Libor Rates Page 3750 (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to U.S. Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for U.S. Dollar deposits in an amount comparable to the amount of such Eurodollar Borrowing and with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which U.S. Dollar deposits of an amount comparable to the amount of such Eurodollar Borrowing and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge (including any court-ordered charge) or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities owned by the applicable Person, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Documents" means this Agreement, any promissory notes issued pursuant to this Agreement, the Collateral Documents, the Loan Guaranty and all other agreements, instruments, documents and certificates identified in Section 4.01 executed and delivered to, or in favor of, the Administrative Agent or any Lenders and including all other pledges, powers of attorney, consents, assignments, contracts and letter of credit agreements whether heretofore, now or hereafter executed by or on behalf of any Loan Party, or any employee of any Loan Party, and delivered to the Administrative Agent or any Lender in connection with the Agreement or the transactions contemplated thereby. Any reference in the Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other

modifications thereto, and shall refer to the Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

"Loan Guarantors" means, collectively, each of Holdings, the Parent Borrower (with respect to the Canadian Obligations and the other Loan Parties' Banking Services Obligations), the Canadian Subsidiary Borrower (with respect to the U.S. Obligations and the other Loan Parties' Banking Services Obligations) and the Subsidiary Loan Parties.

"Loan Guaranty" means Article X of this Agreement and, to the extent necessary, each separate Guarantee, in form and substance reasonably satisfactory to the Administrative Agent, delivered by each Loan Guarantor that is a Foreign Subsidiary (which Guarantee shall be governed by the laws of the applicable jurisdiction in which such Foreign Subsidiary is located), as it may be amended or modified and in effect from time to time.

"Loan Parties" means Holdings, the Parent Borrower, the Canadian Subsidiary Borrower and the Subsidiary Loan Parties.

"Loans" means the loans and advances made by the Lenders pursuant to this Agreement, including pursuant to Sections 2.01(c), 2.01(d) and 2.01(e).

"Local Time" means (a) with respect to a Loan or Borrowing made to the Parent Borrower or a Letter of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Parent Borrower or a Domestic Subsidiary, New York City time, and (b) with respect to a Loan or Borrowing made to the Canadian Subsidiary Borrower or a Letter of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Canadian Subsidiary Borrower or a Foreign Subsidiary, Toronto time.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, results of operations or financial condition of Holdings, the Parent Borrower and the Subsidiaries, taken as a whole, (b) the ability of any Loan Party to perform any of its material obligations under any Loan Document, (c) the Collateral, taken as a whole, or the Administrative Agent's Liens (on behalf of itself and the Lenders) on the Collateral, taken as a whole, or the priority of such Liens, or (d) the rights and remedies, taken as a whole, of the Administrative Agent, the Issuing Bank or the Lenders under the Loan Documents, provided that the filing of the Bankruptcy Cases and the Canadian Proceeding, the CCAA Charges and the DIP Lenders' Charge and the consequences that customarily result from proceedings under Chapter 11 of the Bankruptcy Code or the CCAA, as the case may be, shall not be considered in determining whether there has been a "Material Adverse Effect".

"Material Indebtedness" means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of Holdings, the Parent Borrower and the Subsidiaries in an aggregate principal amount exceeding $1,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of Holdings, the Parent Borrower or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that Holdings, the Parent Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

"Maturity Date" means the date that is 180 days after the Effective Date, or any earlier date on which the Commitments are reduced to zero or otherwise terminated pursuant to the terms hereof.

"Moody's" means Moody's Investors Service, Inc.

"Mortgage" means a Canadian Mortgage or a Canadian Hypothec in respect of Mortgaged Property, as the context may require.

"Mortgaged Property" means, initially, each parcel of real property and the improvements thereto owned by a Loan Party and identified on Schedule 1.03, and includes each other parcel of real property and the improvements thereto owned by a Loan Party with respect to which a Lien to secure any of the Secured Obligations is granted pursuant to Section 5.11 or by order of the Bankruptcy Court or Canadian Court.

"Monitor" means FTI Consulting Canada ULC in its capacity as court appointed monitor in the Canadian Proceeding.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA that is maintained, sponsored or contributed to by the Parent Borrower or any ERISA Affiliate.

"Net Orderly Liquidation Value" means, at any time, with respect to Inventory, Eligible Real Property or Eligible Machinery and Equipment of any Person, the orderly liquidation value thereof (or, in the case of calculations made in respect of the Canadian Borrowing Base, the U.S. Dollar Equivalent of the orderly liquidation value thereof) as determined in a manner reasonably acceptable to the Administrative Agent by an appraiser reasonably acceptable to the Administrative Agent, net of all costs of liquidation thereof.

"Net Proceeds" means, with respect to any event, (a) the cash proceeds received in respect of such event, including (i) any cash received in respect of any non-cash proceeds (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable, earn-out or otherwise, but excluding any reasonable interest payments), but only as and when received, (ii) in the case of a casualty, cash insurance proceeds, and (iii) in the case of a condemnation or similar event, cash condemnation awards and similar payments received in connection therewith, minus (b) the sum of (i) all reasonable fees and out-of-pocket expenses (including commissions and legal, accounting and other professional and transaction fees) paid by Holdings, the Parent Borrower and the Subsidiaries to third parties (other than Affiliates) in connection with such event, (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a casualty or a condemnation or similar proceeding), the amount of all payments that are permitted hereunder and are made by Holdings, the Parent Borrower and the Subsidiaries as a result of such event to repay Indebtedness (other than Loans) secured by such asset or otherwise subject to mandatory prepayment as a result of such event, and (iii) in the case of a disposition by any Loan Party of any asset, any stamp taxes or similar taxes paid or reasonably estimated to be payable as a result of such disposition.

"Net Recovery Liquidation Rate" means, at any time, with respect to Inventory of any Person, the quotient (expressed as a percentage) of (i) the Net Orderly Liquidation Value thereof divided by (ii) the Inventory Value thereof (or, in the case of calculations made in respect of the Canadian Borrowing Base, the U.S. Dollar Equivalent of the Inventory Value thereof), determined on the basis of the then most recent independent Inventory appraisal in form, scope and substance reasonably satisfactory to the Administrative Agent.

"Non-Paying Guarantor" has the meaning assigned to such term in Section 10.10(a).

"Obligated Party" has the meaning assigned to such term in Section 10.02.

"Obligation Currency" has the meaning assigned to such term in Section 9.19(a).

"Obligations" means, collectively, the U.S. Obligations and the Canadian Obligations.

"Off-Balance Sheet Liability" of a Person means (a) any repurchase obligation or liability of such Person with respect to accounts or notes receivable sold by such Person to the extent such amounts could reasonably be expected to become due, (b) any indebtedness, liability or monetary obligation under any so-called "synthetic lease" transaction entered into by such Person or (c) any indebtedness, liability or obligation arising with respect to any other transaction that is the functional equivalent of or takes the place of borrowing but that does not constitute a liability on the balance sheets of such Person (other than operating leases).

"Orders" means the Interim Order and the Final Order.

"Other Eligible Inventory" means, at any time, the portion of Eligible Inventory of (x) the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, in the case of the Domestic Borrowing Base, or (y) the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, in the case of the Canadian Borrowing Base, in each case that is comprised of Inventory other than aluminum billets and logs as shown on the applicable Loan Party's Inventory records in accordance with such Loan Party's current and historical accounting practices.

"Other Taxes" means any and all present or future recording, stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document, provided that, for the avoidance of doubt, Other Taxes shall not include any income taxes or withholding taxes.

"Parent Borrower" has the meaning assigned to such term in the preamble to this Agreement.

"Participant" has the meaning assigned to such term in Section 9.04(c)(i).

"Participation Fee" has the meaning assigned to such term in Section 2.11(b).

"Participant Register" has the meaning assigned to such term in Section 9.04(c).

"Paying Guarantor" has the meaning assigned to such term in Section 10.10(a).

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Permitted Discretion" means a determination made in good faith and in the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment.

"Permitted Encumbrances" means:

(a) Liens imposed by law for Taxes (including customs duties), assessments or other governmental charges or levies that are not yet due, are being contested in compliance with Section 5.04 or are permitted to be due hereunder;

(b) carriers', warehousemen's, mechanics', materialmen's, suppliers', repairmen's, construction, builders', landlords' and other like Liens imposed by statutory or common law,

arising in the ordinary course of business and securing obligations that are not overdue by more than 60 days or are being contested in compliance with Section 5.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations;

(d) deposits to secure the performance of bids, tenders, trade contracts, government contracts, leases, statutory obligations, self-insurance or reinsurance obligations, stay customs, surety and appeal or similar bonds, performance bonds, security deposits (including (x) security deposits for import or customs duties and other amounts that are being contested in compliance with Section 5.04 and (y) customary security deposits for the payment of rent) and other obligations of a like nature, in each case in the ordinary course of business;

(e) judgment liens in respect of judgments that do not constitute an Event of Default hereunder;

(f) immaterial survey exceptions, easements, zoning restrictions, rights-of-way, agreements with Governmental Authorities disclosed by registered titles to the Mortgaged Properties and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and that either (i) in the aggregate do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Parent Borrower or any Subsidiary or (ii) are described in a mortgage policy of the title insurance or surveys issued in favor of and accepted by the Administrative Agent or the Prepetition Agent with respect to any property;

(g) Liens arising from Permitted Investments described in clause (d) of the definition of the term "Permitted Investments";

(h) Canadian deemed statutory trusts or Liens for employee source deductions made under workers' compensation, unemployment insurance or other social security legislation and for goods and services under the Excise Tax Act (Canada); and

(i) deposits to secure utility bills approved by the Bankruptcy Court and, with respect to the Canadian Subsidiary Borrower or any Canadian Subsidiary Loan Party, the Canadian Court,

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness (other than Indebtedness in respect of Permitted Investments described in clause (g) above), and provided further that notwithstanding anything to the contrary contained in this Agreement or any Collateral Document (including any provision for, reference to, or acknowledgement of, any Lien or Permitted Encumbrance), nothing herein and no approval by the Administrative Agent or the Lenders of any Lien or Permitted Encumbrance (whether such approval is oral or in writing) shall be construed as or deemed to constitute a subordination by the Administrative Agent or the Lenders of any security interest or other right, interest or Lien in or to the Collateral or any part thereof in favor of any Lien or Permitted Encumbrance or any holder of any Lien or Permitted Encumbrance, except to the extent specifically set forth herein or in such approval.

"Permitted Fee Receiver" means any Person that, with respect to any fees paid under Section 2.11(a) or Section 2.11(b) of this Agreement, delivers to the Administrative Agent, on or prior to the date on which such Person becomes a party hereto (and from time to time thereafter upon the request of the Parent Borrower and the Administrative Agent, unless such Person becomes legally unable to do so solely as a result of a Change in Law after becoming a party hereto), accurate and duly completed copies

(in such number as requested) of one or more of Internal Revenue Service Forms W-9, W-8ECI, W-8EXP, W-8BEN or W-8IMY (together with, if applicable, one of the aforementioned forms duly completed from each direct or indirect beneficial owner of such Person), or any successor form thereto, that entitles such Person to a complete exemption from U.S. withholding tax on such payments (provided that, in the case of the Internal Revenue Service Form W-8BEN, a Person providing such form shall qualify as a Permitted Fee Receiver only if such form establishes such exemption on the basis of the "business profits" or "other income" articles of a tax treaty to which the United States is a party and provides a U.S. taxpayer identification number), in each case together with such supplementary documentation as may be prescribed by applicable law to permit the Parent Borrower or the Administrative Agent to determine whether such Person is entitled to such complete exemption.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody's;

(c) investments in certificates of deposit, banker's acceptances and time or demand deposits maturing within 365 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than $500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) investments in securities with maturities of 365 days or less from the date of acquisition thereof issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and with a rating of A or higher by S&P and A2 or higher by Moody's;

(f) Indebtedness issued by Persons (other than the Sponsor or any Sponsor Affiliate) with a rating of A or higher by S&P and A2 or higher by Moody's;

(g) investments in any money market fund that invests at least 95% of its assets in securities of the types described in clauses (a) through (f) above; and

(h) in the case of the Canadian Subsidiary Borrower or any Foreign Subsidiary, (i) investments of the type and maturity described in clauses (a) through (g) above of foreign obligors, which investments or obligors (or the parents of such obligors) have ratings described in clause (b) above or equivalent ratings from comparable foreign rating agencies or (ii) investments of the type and maturity described in clauses (a) through (g) above of foreign obligors (or the parents of such obligors), which investments or obligors (or the parents of such obligors) are not rated as provided in such clauses or in clause (i) above but which are, in the reasonable judgment

of the Parent Borrower, comparable in investment quality to such investments and obligors (or the parents of such obligors).

"Permitted Prepetition Payment" means a payment on account of any pre-petition claim set forth on Schedule 1.01(c) or approved by the Required Lenders, provided that no such payment shall be made after the occurrence and during the continuance of, or if such payment would result in, a Default.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Petition Date" shall have the meaning assigned to such term in the recitals to this Agreement.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA sponsored, maintained or contributed to by the Parent Borrower or any ERISA Affiliate. For the avoidance of doubt, "Plan" does not include any Canadian Pension Plan or any Canadian Multi-Employer Plan.

"PP&E Component" means, at the time of any determination, (a) with respect to the Domestic Borrowing Base, an amount equal to the sum of (i) 85% of the Net Orderly Liquidation Value of Eligible Machinery and Equipment of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, provided that the aggregate amount determined pursuant to this subclause (a)(i) shall not constitute more than 25% of the aggregate Domestic Borrowing Base at such time, and (ii) the lesser of (A) 50% of the fair market value (as set forth in the then most recent independent appraisal in form, scope and substance reasonably satisfactory to the Administrative Agent) of Eligible Real Property of the Parent Borrower and the wholly-owned Domestic Subsidiary Loan Parties at such time, and (B) $6,000,000, and (b) with respect to the Canadian Borrowing Base, an amount equal to the sum of (i) 85% of the U.S. Dollar Equivalent of the Net Orderly Liquidation Value of Eligible Machinery and Equipment of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, provided that the aggregate amount determined pursuant to this subclause (b)(i) shall not constitute more than 25% of the aggregate Canadian Borrowing Base at such time, and (ii) the lesser of (A) 50% of the U.S. Dollar Equivalent of the fair market value (as set forth in the then most recent independent appraisal in form, scope and substance reasonably satisfactory to the Administrative Agent) of Eligible Real Property of the Canadian Subsidiary Borrower and the wholly-owned Canadian Subsidiary Loan Parties at such time, and (B) $2,000,000. Notwithstanding the foregoing, (x) at the time of any determination, the aggregate amount of the PP&E Component with respect to the Domestic Borrowing Base and the Canadian Borrowing Base, on a combined basis, shall not exceed $30,000,000 and (y) the Parent Borrower shall have the option, at one time during the term of this Agreement, to reallocate the amounts between clauses (a)(ii)(B) and (b)(ii)(B) (so long as the aggregate amount under such clauses does not exceed $8,000,000).

"Prepetition Agent" means JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent under the Prepetition Credit Agreement, and its successors in such capacity.

"Prepetition Banking Services Obligations" means the collective reference to the Banking Services Obligations under the Prepetition Credit Agreement owed to certain of the Lenders as of the Petition Date as identified on Schedule 1.01(e).

"Prepetition Credit Agreement" means the Amended and Restated Credit Agreement dated as of May 21, 2008, among Holdings, the Parent Borrower, the Canadian Subsidiary Borrower, the

other Subsidiaries of the Parent Borrower party thereto, the Lenders named therein and the Prepetition Agent, as further amended as of November 25, 2008 and March 6, 2009.

"Prepetition Guarantors" means the "Loan Guarantors" under and as defined in the Prepetition Credit Agreement.

"Prepetition Indebtedness" means the Indebtedness and other obligations that are outstanding as of the Petition Date incurred by the Parent Borrower, the Canadian Subsidiary Borrower and the Prepetition Guarantors under the Prepetition Loan Documents and owed to the Prepetition Revolving Lenders. For the avoidance of doubt, Prepetition Indebtedness does not include any term loans made by the Sponsor or any Sponsor Affiliate under the Prepetition Credit Agreement or any accrued interest, fees or other amounts payable in respect thereof.

"Prepetition Letters of Credit" means the collective reference to the letters of credit issued and outstanding under the Prepetition Credit Agreement as of the Petition Date as identified on Schedule 1.01(b).

"Prepetition Loan Documents" means the "Loan Documents" under and as defined in the Prepetition Credit Agreement.

"Prepetition Revolving Lenders" means the lenders from time to time party to the Prepetition Credit Agreement, but excluding the Sponsor or any Sponsor Affiliate as a lender thereunder.

"Prepetition Revolving Loans" means the collective reference to the revolving loans outstanding under the Prepetition Credit Agreement as of the Petition Date as identified on Schedule 1.01(f).

"Prepetition Swap Obligations" means the collective reference to the Swap Obligations under the Prepetition Credit Agreement owed to certain of the Lenders or their affiliates as of the Petition Date as identified on Schedule 1.01(d), including Swap Obligations in connection with the Prior Swap**, provided that at such time that the Prior Swap is amended and restated in accordance with clause (d) of Schedule 5.15 or otherwise, it shall cease to be a Prepetition Swap Obligation and shall be deemed to be a Swap Obligation**.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A., as its prime rate in effect at its principal office in New York City (the Prime Rate not being intended to be the lowest rate of interest charged by JPMorgan Chase Bank, N.A., in connection with extensions of credit to debtors).

"Priority Rules" means, with respect to any prepayment or repayment of Loans, the allocation by the Administrative Agent of the proceeds of such payments in the following order:

(a)for payments that are made in connection with a permanent partial reduction of the aggregate Revolving Commitments pursuant to Section 2.08, allocation to pay U.S. Revolving Loans to the extent of prepayments required to be made in order to comply with Section 2.08(b) after giving effect to such reduction;

(b)for payment that are made in connection with (or after) a total reduction or termination of the aggregate Revolving Commitments pursuant to Section 2.08 or Article VII, or an acceleration of Loans pursuant to Article VII, ratable allocation between the U.S. Revolving

Loans and the Term Loans in proportion to the aggregate outstanding principal amount of each such Class of Loans; and

(c)for other prepayments or repayments, allocation (i) first, to the payment of the principal amount of outstanding U.S. Revolving Loans and (ii) second, after the principal amount of all outstanding U.S. Revolving Loans has been paid in full, to the payment of outstanding Term Loans.

"Prior Swap" means the ISDA Master Agreement, dated as of August 9, 2007, between the Parent Borrower and JPMorgan Chase Bank, N.A., acting in its individual capacity and not as Administrative Agent, as such agreement may be amended and restated in accordance with clause (d) of Schedule 5.15 or otherwise.

"Projections" has the meaning assigned to such term in Section 5.01(e).

"Proposed Change" has the meaning assigned to such term in Section 9.04(d).

"Register" has the meaning set forth in Section 9.04(b)(iv).

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Release" means any actual or threatened release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within or upon any building, structure, facility or fixture.

"Replacement Liens" has the meaning set forth in Section 4.01(m).

"Report" means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits pertaining to the Parent Borrower or any Subsidiary's assets from information furnished by or on behalf of the Parent Borrower or any such Subsidiary, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports may be distributed to the Lenders by the Administrative Agent.

"Required Lenders" means, at any time, Lenders having Revolving Exposure and unused Revolving Commitments representing more than 50% of the sum of the aggregate Revolving Exposure and the aggregate unused Revolving Commitments at such time.

"Requirement of Law" means, with respect to any Person, (a) the charter, articles or certificate of organization or incorporation and by-laws or other organizational or governing documents of such Person and (b) any statute, law, treaty, rule, regulation, order, decree, writ, injunction or determination of any arbitrator or court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, and including Environmental Laws.

"Reserves" means any and all reserves that the Administrative Agent deems necessary, in its Permitted Discretion, to maintain (including, without duplication, reserves for overdue or accrued and unpaid interest on the Secured Obligations, reserves for up to three months' rent at locations leased by any Loan Party and for consignee's, warehousemen's and bailee's charges (in each case to the extent the

Inventory located at such leased location or warehouse or subject to such consignment or bailment is not covered by a Collateral Access Agreement), reserves for lower of cost or market Inventory valuation, reserves for Inventory shrinkage, reserves for customs charges and shipping charges related to any Inventory in transit, reserves for the Term Loans, reserves for Swap Obligations, reserves for priority claims of employees of the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties under the Wage Earners Protection Program Act (Canada) ("WEPP Reserves"), reserves for contingent liabilities of any Loan Party that are reasonably likely to become actual liabilities, reserves for the amount of the Carve-Out in an amount not to exceed the Carve-Out Cap, reserves for the CCAA Charges, reserves for uninsured losses of any Loan Party, reserves for uninsured, underinsured, un-indemnified or under-indemnified liabilities or potential liabilities with respect to any litigation that are reasonably likely to become actual liabilities and reserves for taxes, fees, assessments and other governmental charges and employee source deductions, workers' compensation obligations, vacation pay or pension fund obligations) with respect to the Collateral or any Loan Party. Any Reserve (including the amount of such Reserve) shall bear a reasonable relationship to the events, conditions or circumstances that are the basis for such Reserve. The amount of any Reserve shall not be duplicative of the amount of any other Reserve taken by any Loan Party with respect to the same events, conditions or circumstances. In the event that the Administrative Agent determines in its Permitted Discretion that (a) the events, conditions or circumstances underlying the maintenance of any Reserve shall cease to exist or (b) the liability that is the basis for any Reserve has been reduced, then such Reserve shall be rescinded or reduced in an amount as determined in the Administrative Agent's Permitted Discretion, as applicable, at the request of the Parent Borrower. It is understood and agreed that WEPP Reserves and the reserve for the Directors Charge may, in the discretion of the Administrative Agent, be applied in whole or in part against the Domestic Borrowing Base instead of the Canadian Borrowing Base.

"Responsible Officer" means the chief executive officer or president of any Person or any Financial Officer of such Person, and any other officer of such Person with responsibility for the administration of the obligations of such Person under this Agreement. Unless otherwise expressly indicated, "Responsible Officer" shall mean a Responsible Officer of the Parent Borrower.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in Holdings, the Parent Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancelation or termination of any Equity Interests in Holdings, the Parent Borrower or any Subsidiary or any option, warrant or other right to acquire any such Equity Interests in Holdings, the Parent Borrower or any Subsidiary, or any other payment (including any payment under any Swap Agreement) that has a substantially similar effect to any of the foregoing, other than compensation in the ordinary course of business.

"Reuters Screen CDOR Page" means the display designated as page CDOR on the Reuters Monitor Money Rates Service or such other page as may, from time to time, replace that page on that service for the purpose of displaying bid quotations for bankers' acceptances accepted by leading Canadian banks.

"Revolving Commitment" means, with respect to each Revolving Lender, the commitment, if any, of such Lender to make Revolving Loans and to acquire participations in Letters of Credit hereunder during the Availability Period, expressed as an amount in U.S. Dollars representing the maximum potential aggregate amount of such Lender's Revolving Exposure, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 or Section 2.18(b) or (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.02(d), Section 9.02(e) or Section 9.04. The initial amount of each Revolving Lender's Revolving Commitment is set forth on the

Commitment Schedule directly below the column entitled "Revolving Commitments" or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as the case may be. The initial aggregate amount of the Revolving Lenders' Revolving Commitments is $85,387,371.

"Revolving Exposure" means, with respect to any Revolving Lender at any time, the sum of the outstanding principal amount of such Lender's U.S. Revolving Exposure and Canadian Revolving Exposure at such time. The aggregate Revolving Exposure at any time shall be the aggregate amount of the Revolving Exposure of all Revolving Lenders at such time.

"Revolving Lender" means a Lender with a Revolving Commitment or, if the Revolving Commitments have terminated or expired, a Lender with Revolving Exposure.

"Revolving Loans" means, collectively, the U.S. Revolving Loans and the Canadian Revolving Loans.

"S&P" means Standard & Poor's Ratings Group, Inc.

"Sale Closing" means the consummation of a Company Sale.

"Schedule I Lender" means any Lender named on Schedule I to the Bank Act (Canada).

"Schedule I Reference Lenders" means any one or more of the Schedule I Lenders as may be agreed by the Canadian Subsidiary Borrower and the Administrative Agent from time to time.

"SEC" means the Securities and Exchange Commission or any successor thereto.

"Secured Obligations" means all Obligations, Swap Obligations ~~in connection with the Prior Swap~~**permitted hereunder** and Banking Services Obligations.

"Secured Parties" has the meaning assigned to such term in the Security Agreements.

"Security Agreements" means, collectively, the Domestic Security Agreement, the Canadian Security Agreement and the Canadian Trademark Security Agreement.

"Senior Secured Notes" means the 11.5% Second-Priority Senior Secured Notes due 2014 issued by the Parent Borrower under the Senior Secured Notes Indenture on February 2, 2006.

"Senior Secured Notes Documents" means the Senior Secured Notes Indenture, all side letters, instruments, agreements and other documents evidencing or governing the Senior Secured Notes, providing for any Guarantee or other right in respect thereof, affecting the terms of the foregoing or entered into in connection therewith and all schedules, exhibits and annexes to each of the foregoing.

"Senior Secured Notes Indenture" means the Indenture dated as of February 2, 2006, among the Parent Borrower, the Subsidiaries listed therein and the Senior Secured Notes Indenture Trustee.

"Senior Secured Notes Indenture Trustee" means U.S. Bank, National Association, as trustee under the Senior Secured Notes Indenture.

"Solvent" means, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities,

including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Sponsor" means Sun Capital Partners, Inc.

"Sponsor Affiliate" means any Affiliate of the Sponsor other than (a) Holdings, the Parent Borrower and the Subsidiaries and (b) any other operating company or a Person controlled by such an operating company.

"SPV" has the meaning assigned to such term in Section 9.04(e).

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Stub Availability Block" means the sum of the Stub U.S. Availability Block and the Stub Canadian Availability Block.

"Stub U.S. Availability Block" means, on any day, the "U.S. Revolving Exposure" outstanding on such date under (and as defined in) the Prepetition Credit Agreement.

"Stub Canadian Availability Block" means, on any day, the "Canadian Revolving Exposure" outstanding on such date under (and as defined in) the Prepetition Credit Agreement.

"subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" means any subsidiary of the Parent Borrower.

"Subsidiary Loan Parties" means, collectively, the Domestic Subsidiary Loan Parties and the Foreign Subsidiary Loan Parties.

"Superpriority Claim" means a claim against the Parent Borrower and any Loan Guarantor in any of the Bankruptcy Cases under Section 364(c)(1) of the Bankruptcy Code that is an administrative expense claim having priority over any and all administrative expenses of the kind specified in Sections 503 and 507(b) of the Bankruptcy Code.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions, provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Holdings, the Parent Borrower or the Subsidiaries shall be a Swap Agreement.

"Swap Obligations" of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Agreements and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction.

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

"Termination Date" means the date that is earliest to occur of (i) the Maturity Date, (ii) the earlier of (x) the date a Chapter 11 Plan becomes effective in accordance with its terms and (y) the date a CCAA Plan becomes effective in accordance with its terms, (iii) the date that is 30 days after the entry of the Interim Order if the Final Order has not been entered prior to such date, (iv) the date of acceleration of the Loans and the termination of the Commitments in accordance with this Agreement and (v) a Sale Closing for a Company Sale.

"Term Lender" means a Lender with an outstanding Term Loan.

"Term Loans" mean Loans to the Parent Borrower from certain Lenders deemed made in accordance with Section 2.01(e).

"Total Borrowing Base" means, at any time, the aggregate of the Domestic Borrowing Base and the Canadian Borrowing Base at such time.

"Total L/C Exposure" means, at any time, the aggregate of the U.S. L/C Exposure and the U.S. Dollar Equivalent of the Canadian L/C Exposure at such time.

"Transactions" means, collectively, (a) the filing of the Bankruptcy Cases and the commencement of the Canadian Proceeding, (b) the execution and delivery of the Loan Documents, (c) the borrowing of Revolving Loans hereunder, (d) the payment of related fees and expenses and (e) the conversion and exchange of certain Prepetition Revolving Loans, Prepetition Swap Obligations,

Prepetition Banking Services Obligations, Prepetition Letters of Credit and Cash Collateral Loans pursuant to the Loan Documents, the Orders and the Canadian Order into Obligations hereunder.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Alternate Base Rate, the U.S. Base Rate or the Canadian Base Rate.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests.

"Unliquidated Obligations" means, at any time, any Secured Obligations (or portion thereof) that are contingent in nature or unliquidated at such time, including any Secured Obligation that is (a) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it, (b) any other obligation (including any guarantee or indemnity) that is contingent in nature at such time or (c) an obligation to provide collateral to secure any of the foregoing types of obligations.

"Up-front Fee" means $600,000, payable by the Parent Borrower to the Administrative Agent for the accounts of the respective Revolving Lenders ratably in accordance with their Revolving Commitments.

"U.S. Base Rate" means, for any day, the rate of interest per annum equal to the greatest of (a) the interest rate per annum publicly announced from time to time by the Administrative Agent as its reference rate in effect on such day at its principal office in Toronto for determining interest rates applicable to commercial loans denominated in U.S. Dollars in Canada, (b) the Federal Funds Effective Rate in effect on such day plus 0.50% and (c) the Adjusted LIBO Rate effect on such day plus 1.00%. Any change in the U.S. Base Rate due to a change in such reference rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective as of the opening of business on the effective day of such change in the reference rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, as applicable.

"U.S. Dollar Equivalent" means, on any date of determination, (a) with respect to any amount in U.S. Dollars, such amount, and (b) with respect to any amount in Canadian Dollars, the equivalent in U.S. Dollars of such amount, determined by the Administrative Agent pursuant to Section 1.05 using the Exchange Rate with respect to such currency at that time in effect under the provisions of such Section.

"U.S. Dollars" or "$" means lawful money of the United States of America.

"U.S. L/C Disbursement" means a payment made by the Issuing Bank pursuant to a Letter of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Parent Borrower or for the account of any Domestic Subsidiary.

"U.S. L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit deemed issued, pursuant to Section 2.04(a), for the account of the Parent Borrower and the Domestic Subsidiaries at such time, plus (b) the aggregate amount of all U.S. L/C Disbursements that have not yet been reimbursed (including by the making of Loans hereunder) by or on behalf of the Parent Borrower and the Domestic Subsidiaries at such time. The U.S. L/C Exposure of any Lender at any time shall be its Applicable Percentage of the U.S. L/C Exposure at such time.

"U.S. Lending Office" means, as to any Lender, the applicable branch, office or Affiliate of such Lender designated by such Lender to make Loans to the Parent Borrower.

"U.S. Obligations" means (a) all unpaid principal of and accrued and unpaid interest on the Loans made to the Parent Borrower, (b) all U.S. L/C Exposure in respect of Letters of Credit deemed issued pursuant to Section 2.04(a) for the account of the Parent Borrower and the Domestic Subsidiaries and (c) all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of Holdings, the Parent Borrower and the Domestic Subsidiary Loan Parties owed to the Revolving Lenders or to any Revolving Lender, the Administrative Agent, the Issuing Bank or any Related Party of any of the foregoing arising under the Loan Documents (including the Guarantees provided by the Loan Guarantors pursuant to Article X in respect of such obligations).

"U.S. Receivables Account" has the meaning assigned to it in Section 3.06 of the Domestic Security Agreement.

"U.S. Revolving Exposure" means, at any time, the sum of (a) the outstanding principal amount of U.S. Revolving Loans at such time and (b) the U.S. L/C Exposure at such time. The U.S. Revolving Exposure of any Revolving Lender at any time shall be such Lender's Applicable Percentage of the U.S. Revolving Exposure at such time.

"U.S. Revolving Loan" means a Loan made by a Revolving Lender pursuant to Section 2.01(a) (including pursuant to the application of Sections 2.01(c) and 2.01(d)). Each U.S. Revolving Loan shall be an ABR Revolving Loan or a Eurodollar Revolving Loan.

"wholly-owned subsidiary" means, with respect to any Person at any date, a subsidiary of such Person of which securities or other ownership interests representing 100% of the Equity Interests (other than directors' qualifying shares) are, as of such date, owned, controlled or held by such Person or one or more wholly-owned Subsidiaries of such Person or by such Person and one or more wholly-owned Subsidiaries of such Person. For purposes of this Agreement, "wholly-owned Subsidiary" means a direct or indirect wholly-owned subsidiary of the Parent Borrower.

"Weekly Borrowing Base Certificate" means a certificate, signed and certified as accurate and complete by a Financial Officer or any other officer of the Parent Borrower reasonably acceptable to the Administrative Agent, in substantially the form of Exhibit C-2 or another form that is reasonably acceptable to the Administrative Agent in its sole discretion, which shall include appropriate exhibits, schedules, supporting documentation and additional reports (a) as outlined in Schedule 1 to Exhibit C-2 and (b) as reasonably requested by the Administrative Agent.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Withholding Agent" has the meaning assigned to such term in Section 2.16(a).

SECTION 1.02.Classification of Loans and Borrowings. For purposes of this Agreement, (a) Loans may be classified and referred to by Class (e.g., a "U.S. Revolving Loan") or by Type (e.g., a "Eurodollar Loan") or by Class and Type (e.g., a "Eurodollar U.S. Revolving Loan"), and Borrowings also may be classified and referred to by Class (e.g., a "U.S. Revolving Borrowing") or by Type (e.g., a "Eurodollar Borrowing") or by Class and Type (e.g., a "Eurodollar U.S. Revolving

Borrowing") and (b) "Revolving Borrowings" means the U.S. Revolving Borrowings, the Canadian Revolving Borrowings or both, as the context may require.

SECTION 1.03.Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (f) any reference to any Requirement of Law shall, unless otherwise specified, refer to such Requirement of Law as amended, modified or supplemented from time to time.

SECTION 1.04.Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time, consistently applied, provided that if the Parent Borrower notifies the Administrative Agent that the Parent Borrower requests an amendment to any provision hereof (including any defined term) to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Parent Borrower that the Required Lenders request an amendment to any provision (including any definition) hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Upon any such request for an amendment, the Parent Borrower, the Required Lenders and the Administrative Agent agree to consider in good faith any such amendment in order to amend the provisions of this Agreement so as to reflect equitably such accounting changes so that the criteria for evaluating the Parent Borrower's financial condition shall be the same after such accounting changes as if such accounting changes had not occurred. In no event shall any capital stock be deemed to constitute Indebtedness or any payment of any dividend or distribution thereon be deemed to constitute interest solely as a result of the application of Financial Accounting Standards No. 150.

SECTION 1.05.Currency Translation. (a)Except as specifically provided in clause (b) of this Section 1.05, for purposes of determining compliance as of any date with the terms of any Loan Document (other than the limits and sublimits for Revolving Exposure set forth in Article II of this Agreement), amounts incurred or outstanding in Canadian Dollars shall be translated into U.S. Dollars at the exchange rates in effect on the first Business Day of the fiscal quarter in which such determination occurs or in respect of which such determination is being made, as such exchange rates shall be determined in good faith by the Parent Borrower. No Default shall arise as a result of any limitation or threshold set forth in U.S. Dollars in any Loan Document (other than the limits and sublimits for Revolving Exposure set forth in Article II of this Agreement) being exceeded solely as a result of changes

in currency exchange rates from those rates applicable on the first day of the fiscal quarter in which such determination occurs or in respect of which such determination is being made.

(b)(i) The Administrative Agent shall determine the U.S. Dollar Equivalent of any Letter of Credit denominated in Canadian Dollars, as well as of each component of the Domestic Borrowing Base and the Canadian Borrowing Base, as of each date (with such date to be reasonably determined by the Administrative Agent) that is on or about the date of each request for the amendment, renewal or extension of such Letter of Credit, using the Exchange Rate for the applicable currency in relation to U.S. Dollars in effect on the date of determination, and each such amount shall be the U.S. Dollar Equivalent of such Letter of Credit (or such Domestic Borrowing Base component or Canadian Borrowing Base component, as the case may be) until the next required calculation thereof pursuant to this paragraph (b)(i) (or, in the case of such Domestic Borrowing Base component or Canadian Borrowing Base component, pursuant to paragraph (b)(ii) or (b)(v)) of this Section 1.05.

(ii) The Administrative Agent shall determine the U.S. Dollar Equivalent of any Borrowing denominated in Canadian Dollars as well as of each component of the Domestic Borrowing Base and the Canadian Borrowing Base, as of each date (with such date to be reasonably determined by the Administrative Agent) that is on or about the date of a Borrowing Request or Interest Election Request with respect to any such Borrowing, or as of each date of any termination or reduction of Commitments hereunder or the prepayment of Loans hereunder, in each case using the Exchange Rate for the applicable currency in relation to U.S. Dollars in effect on the date of determination, and each such amount shall be the U.S. Dollar Equivalent of such Borrowing (or such Domestic Borrowing Base component or Canadian Borrowing Base component, as the case may be) until the next required calculation thereof pursuant to this paragraph (b)(ii) (or, in the case of such Domestic Borrowing Base component or Canadian Borrowing Base component, pursuant to paragraph (b)(i) or (b)(v)) of this Section 1.05.

(iii) The U.S. Dollar Equivalent of any Canadian L/C Disbursement made by the Issuing Bank in Canadian Dollars and not reimbursed by the Canadian Subsidiary Borrower shall be determined as set forth in paragraphs (e) or (k) of Section 2.04, as applicable. In addition, the U.S. Dollar Equivalent of the Canadian L/C Exposure shall be determined as set forth in paragraph (k) of Section 2.04, at the time and in the circumstances specified therein.

(iv) The Administrative Agent shall notify the Borrowers, the applicable Lenders and the Issuing Bank of each calculation of the U.S. Dollar Equivalent of each Letter of Credit, Borrowing and L/C Disbursement.

(v) In addition to the requirements set forth in paragraphs (b)(i) and (b)(ii) of this Section 1.05, the Administrative Agent shall determine the U.S. Dollar Equivalent of each applicable component of the Domestic Borrowing Base and the Canadian Borrowing Base as of each date (with such date to be reasonably determined by the Administrative Agent) that is on or about the date of delivery of each Borrowing Base Certificate hereunder, in each case using the Exchange Rate for the applicable currency in relation to U.S. Dollars in effect on the date of determination, and each such amount shall be the U.S. Dollar Equivalent of such Domestic Borrowing Base component or Canadian Borrowing Base component until the next required calculation thereof pursuant to paragraph (b)(i), (b)(ii) or (b)(v) of this Section 1.05.

ARTICLE II

The Credits

SECTION 2.01.Commitments. Subject to the terms and conditions set forth herein,

(a) each Revolving Lender agrees to make U.S. Revolving Loans to the Parent Borrower in U.S. Dollars, from time to time during the Availability Period, in an aggregate principal amount that will not result in (i) such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment, (ii) the U.S. Revolving Exposure exceeding the Domestic Borrowing Base then in effect minus the Stub U.S. Availability Block, (iii) the aggregate Revolving Exposure exceeding the lesser of (A) the aggregate Revolving Commitments minus the Stub Availability Block and (B) an amount equal to (x) the Total Borrowing Base then in effect minus (y) the Availability Block or (iv) the aggregate Revolving Exposure exceeding the amount permitted by the Interim Order, the Canadian Order or the Final Order, as applicable;

(b) each Revolving Lender agrees to make Canadian Revolving Loans to the Canadian Subsidiary Borrower in Canadian Dollars and/or U.S. Dollars from time to time during the Availability Period, in an aggregate principal amount that will not result in (i) such Lender's Canadian Revolving Exposure exceeding such Lender's Canadian Revolving Sub-Commitment, (ii) such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment, (iii) the Canadian Revolving Exposure exceeding the lesser of (A) the aggregate Canadian Revolving Sub-Commitments minus the Stub Canadian Availability Block, and (B) the Canadian Borrowing Base then in effect minus the Stub Canadian Availability Block, (iv) the aggregate Revolving Exposure exceeding the lesser of (A) the aggregate Revolving Commitments minus the Stub Availability Block and (B) an amount equal to (x) the Total Borrowing Base then in effect minus (y) the Availability Block or (v) the aggregate Revolving Exposure exceeding the amount permitted by the Interim Order, the Canadian Order or the Final Order, as applicable;

(c) Subject to, and in accordance with the terms of, the Final Order, as of the Final Order Date, each U.S. Revolving Loan under (and as defined in) the Prepetition Credit Agreement outstanding as of such date made by a Lender to the Parent Borrower shall be deemed to have been converted into a U.S. Revolving Loan made by such Lender to the Parent Borrower pursuant to Section 2.01(a) hereunder. Each Revolving Loan deemed made pursuant to this Section 2.01(c) shall initially be of the same Type as it was under the Prepetition Credit Agreement on the Final Order Date prior to the application of this Section 2.01(c);

(d) Subject to, and in accordance with the terms of, the Interim Order, as of the Effective Date, each Cash Collateral Loan (plus accrued and unpaid interest thereon) made by a Lender to the Parent Borrower under the Interim Cash Collateral Order shall be deemed converted into a U.S. Revolving Loan made by such Lender to the Parent Borrower. Each Revolving Loan deemed made pursuant to this Section 2.01(d) shall initially be an ABR Loan; and

(e) Subject to, and in accordance with the terms of, the Final Order, as of the Final Order Date, the amount of each "Swap Obligation" arising out of a "Swap Agreement" terminated in accordance with its terms (which shall not include the Prior Swap) and the amount of each "Banking Services Obligation", in each case under (and each such term as defined in) the Prepetition Credit Agreement owed to any Lender or Affiliate of any Lender hereunder and outstanding as of the Petition Date shall be deemed to have been converted into a Term Loan made by the relevant Lender to the Parent Borrower in a principal amount in U.S. dollars equal to the aggregate amount owing to such Lender or its Affiliate under such Swap Obligation or

Banking Services Obligation as of the Final Order Date. Each Term Loan deemed made pursuant to this Section 2.01(e) shall initially be an ABR Loan.

Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans. Amounts repaid or prepaid in respect of Term Loans may not be reborrowed.

SECTION 2.02.Loans and Borrowings. (a)Each Loan shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders, subject to Sections 2.01(c), 2.01(d) and 2.01(e), (i) in the case of U.S. Revolving Borrowings, ratably in accordance with their respective Revolving Commitments as of the date of borrowing and (ii) in the case of Canadian Revolving Borrowings, ratably in accordance with their respective Canadian Revolving Sub-Commitments as of the date of borrowing. Any failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder, provided that each of the Revolving Commitments and Canadian Revolving Sub-Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b)Subject to Sections 2.01(c), 2.01(d), 2.01(e) and 2.13, (i) each U.S. Revolving Borrowing shall be comprised entirely of ABR Revolving Loans or Eurodollar Revolving Loans as the Parent Borrower may request in accordance herewith, (ii) each Term Loan shall be comprised entirely of ABR Term Loans or Eurodollar Term Loans as the Parent Borrower may request in accordance herewith and (iii) each Canadian Revolving Borrowing (A) denominated in U.S. Dollars shall be comprised entirely of U.S. Base Rate Revolving Loans or Eurodollar Revolving Loans, as the Canadian Subsidiary Borrower may request in accordance herewith, and (B) denominated in Canadian Dollars shall be comprised entirely of Canadian Base Rate Revolving Loans. Subject to Section 2.18, each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan, provided that any exercise of such option shall not affect the obligation of the applicable Borrower to repay such Loan in accordance with the terms of this Agreement.

(c)Subject to Section 2.01(c), at the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $1,000,000 and not less than $5,000,000. Borrowings of more than one Class and Type may be outstanding at the same time, provided that there shall not at any time be more than a total of eight Eurodollar Borrowings outstanding.

(d)Notwithstanding any other provision of this Agreement, the applicable Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.03.Requests for Borrowings. To request a Borrowing, the applicable Borrower shall notify the Administrative Agent of such request either in writing (delivered by hand or facsimile) in a form approved by the Administrative Agent and signed by the applicable Borrower or by telephone (a) in the case of a Eurodollar Borrowing, not later than 12:00 noon, Local Time, three Business Days before the date of the proposed Borrowing, (b) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of the proposed Borrowing, (c) in the case of a Canadian Base Rate Revolving Borrowing, not later than 11:00 a.m., Toronto time, on the date of the proposed borrowing and (d) in the case of a U.S. Base Rate Revolving Borrowing, not later than 12:00 noon, Toronto time, one Business Day before the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable and, if telephonic, shall be confirmed promptly by hand delivery or facsimile to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative

Agent and signed by the applicable Borrower. Each such written and telephonic Borrowing Request shall specify the following information:

(i) the Borrower requesting such Borrowing;

(ii) whether such Borrowing is to be a U.S. Revolving Borrowing or a Canadian Revolving Borrowing;

(iii) the currency and aggregate amount of such Borrowing;

(iv) the date of such Borrowing, which shall be a Business Day;

(v) whether such Borrowing is to be an ABR Borrowing, U.S. Base Rate Revolving Borrowing, Canadian Base Rate Revolving Borrowing or Eurodollar Borrowing;

(vi) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period";

(vii) the location and number of the applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.06; and

(viii) that as of such date Section 4.02(a) is satisfied.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be (A) in the case of a U.S. Revolving Borrowing, an ABR Revolving Borrowing, and (B) in the case of a Canadian Revolving Borrowing, a Canadian Base Rate Revolving Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the applicable Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and the amount of such Lender's Loan to be made as part of the requested Borrowing. If no currency is specified with respect to any Canadian Revolving Borrowing, then the currency of such Canadian Revolving Borrowing shall be Canadian Dollars (unless the applicable Borrowing Request otherwise specified that such Borrowing shall be a U.S. Base Rate Canadian Revolving Borrowing or a Eurodollar Canadian Revolving Borrowing, in which case the currency of such Canadian Revolving Borrowing shall be U.S. Dollars). Solely with respect to the application of Sections 2.01(c) and 2.01(e) on the Final Order Date and Section 2.01(d) on the Effective Date, the provisions of this Section 2.04 shall not apply.

SECTION 2.04.Letters of Credit. (a)General. Subject to and in accordance with the terms and conditions of the Final Order, as of the Final Order Date, each Prepetition Letter of Credit will, automatically and without any action on the part of any Person, be deemed to be a Letter of Credit issued hereunder for all purposes of this Agreement and the other Loan Documents and the provisions of the Prepetition Credit Agreement shall no longer apply thereto. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the applicable Borrower or Subsidiary to, or entered into by the applicable Borrower or Subsidiary with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. No Letters of Credit may be issued hereunder other than as provided in this Section 2.04(a).

(b)Notice of Amendment, Renewal, Extension; Certain Conditions. To request the amendment, renewal or extension of an outstanding Letter of Credit, the applicable Borrower (and, as applicable, Subsidiary) shall hand deliver or facsimile (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Bank) to the Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of amendment, renewal or extension) a notice (i) identifying the Letter of Credit to be amended, renewed or extended, (ii) specifying the date of such amendment, renewal or extension (which shall be a Business Day), (iii) the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section 2.04), (iv) the amount of such Letter of Credit, (v) the name and address of the beneficiary thereof and (vi) such other information as shall be necessary to amend, renew or extend such Letter of Credit. A Letter of Credit shall be amended, renewed or extended only if (and, upon amendment, renewal or extension of each Letter of Credit, the applicable Borrower (and, as applicable, Subsidiary) shall be deemed to represent and warrant that), after giving effect to such amendment, renewal or extension (A) the Total L/C Exposure shall not be increased, (B) the aggregate Revolving Exposure shall not exceed the amount permitted under the Interim Order, the Final Order or the Canadian Order, as applicable and (C) such Letter of Credit, as amended, renewed or extended, would not expire after the close of business on the date that is five Business Days prior to the Maturity Date (unless any such amendment did not change the expiration date of such letter of credit).

(c)Participations. Each Revolving Lender hereby acquires from the Issuing Bank a participation in each Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, (i) each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage of each U.S. L/C Disbursement made by the Issuing Bank and not reimbursed by the Parent Borrower or applicable Domestic Subsidiary on the date due as provided in paragraph (e) of this Section 2.04 or of any reimbursement payment required to be refunded to the Parent Borrower or applicable Domestic Subsidiary for any reason and (ii) each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage of each Canadian L/C Disbursement made by the Issuing Bank and not reimbursed by the Canadian Subsidiary Borrower or applicable Foreign Subsidiary on the date due as provided in paragraph (e) of this Section 2.04 or of any reimbursement payment required to be refunded to the Canadian Subsidiary Borrower or applicable Foreign Subsidiary for any reason. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(d)Reimbursement. If the Issuing Bank shall make any L/C Disbursement in respect of a Letter of Credit, the applicable Borrower or Subsidiary shall reimburse such L/C Disbursement by paying to the Administrative Agent an amount equal to such L/C Disbursement not later than 3:00 p.m., Local Time, on the date that such L/C Disbursement is made, if the applicable Borrower or Subsidiary shall have received notice of such L/C Disbursement prior to 10:00 a.m., Local Time, on such date, or, if such notice has not been received by the applicable Borrower or Subsidiary prior to such time on such date, then not later than (i) 3:00 p.m., Local Time, on the Business Day that the applicable Borrower or Subsidiary receives such notice, if such notice is received prior to 10:00 a.m., Local Time, on the day of receipt, or (ii) 12:00 noon, Local Time, on the Business Day immediately following the day that the applicable Borrower or Subsidiary receives such notice, if such notice is not received prior to 10:00 a.m., Local Time, on the day of receipt, provided that the applicable Borrower or Subsidiary may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be

financed with (A) in the case of a Letter of Credit deemed issued pursuant to Section 2.04(a) for the account of the Parent Borrower or any Domestic Subsidiary, an ABR Revolving Borrowing made to the Parent Borrower, or (B) in the case of a Letter of Credit deemed issued pursuant to Section 2.04(a) for the account of the Canadian Subsidiary Borrower or any Foreign Subsidiary, a Canadian Base Rate Revolving Loan made to the Canadian Subsidiary Borrower and denominated in Canadian Dollars, in each case, in an equivalent amount and, to the extent so financed, the obligation of the applicable Borrower or Subsidiary to make such payment shall be discharged and replaced by the resulting ABR Revolving Borrowing or Canadian Base Rate Revolving Borrowing, as the case may be. If the applicable Borrower or Subsidiary fails to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable L/C Disbursement, the payment then due from the applicable Borrower or Subsidiary in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the applicable Borrower or Subsidiary, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply (other than with respect to any time limits set forth therein), mutatis mutandis, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the applicable Borrower or Subsidiary pursuant to this paragraph, the Administrative Agent shall distribute such payment to the Issuing Bank or, to the extent that Revolving Lenders have made payments pursuant to this paragraph to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear. Any payment made by a Revolving Lender pursuant to this paragraph to reimburse the Issuing Bank for any L/C Disbursement (other than the funding of ABR Revolving Loans or Canadian Base Rate Revolving Loans as contemplated above) shall not constitute a Loan and shall not relieve the applicable Borrower or Subsidiary of its obligation to reimburse such L/C Disbursement.

(e)Obligations Absolute. The applicable Borrower or Subsidiary's obligation to reimburse L/C Disbursements as provided in paragraph (e) of this Section 2.04 shall be absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.04, constitute a legal or equitable discharge of, or provide a right of setoff against, the obligations of the applicable Borrower or Subsidiary hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence) or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any reasonable error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank, provided that the foregoing shall not be construed to excuse the Issuing Bank from liability to the applicable Borrower or Subsidiary to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by such Borrower or Subsidiary to the extent permitted by applicable law) suffered by such Borrower or Subsidiary that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or wilful misconduct on the part of the Issuing Bank (as finally determined

by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented that appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit, and any such acceptance or refusal shall be deemed not to constitute gross negligence or wilful misconduct.

(f)Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Bank shall promptly notify the Administrative Agent and the applicable Borrower or Subsidiary by telephone (confirmed by facsimile) of such demand for payment and whether the Issuing Bank has made or will make an L/C Disbursement thereunder, provided that any failure to give or delay in giving such notice shall not relieve such Borrower or Subsidiary of its obligation to reimburse the Issuing Bank and the Revolving Lenders with respect to any such L/C Disbursement in accordance with Section 2.04(e).

(g)Interim Interest. If the Issuing Bank shall make any L/C Disbursement, then, unless the applicable Borrower or Subsidiary shall reimburse such L/C Disbursement in full on the date such L/C Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such L/C Disbursement is made to but excluding the date that such Borrower or Subsidiary reimburses such L/C Disbursement, at the rate per annum then applicable to (i) ABR Revolving Loans, in the case of Letters of Credit deemed issued pursuant to Section 2.04(a) for the account of the Parent Borrower or any Domestic Subsidiary, or (ii) Canadian Base Rate Revolving Loans, in the case of Letters of Credit deemed issued pursuant to Section 2.04(a) for the account of the Canadian Subsidiary Borrower or any Foreign Subsidiary, provided that, if the applicable Borrower or Subsidiary fails to reimburse such L/C Disbursement when due pursuant to paragraph (e) of this Section 2.04, then Section 2.12(c) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to paragraph (e) of this Section 2.04 to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

(h)Cash Collateralization. Upon the occurrence of the Termination Date, or, if any Event of Default shall occur and be continuing, on the Business Day that the Parent Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Revolving Loans has been accelerated, the Revolving Lenders with a Total L/C Exposure representing greater than 50% of the Total L/C Exposure) demanding the deposit of cash collateral pursuant to this paragraph, then in either such case the Parent Borrower and the Canadian Subsidiary Borrower shall deposit in an account with the applicable Administrative Agent, in the name of the Administrative Agent and for the benefit of the Revolving Lenders (each, an "L/C Collateral Account"), an amount in cash equal to 105% of the U.S. L/C Exposure and the Canadian L/C Exposure, respectively, as of such date plus accrued and unpaid interest thereon (or, at the request of the Issuing Bank, in lieu of such cash collateral, with respect to any such Letter of Credit, deliver to the Issuing Bank a backstop letter of credit in favor of the Issuing Bank, from a bank satisfactory to the Issuing Bank and in form and substance satisfactory to the Issuing Bank, in an amount equal to 105% of the face amount of such Letter of Credit). Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such accounts and the Borrowers hereby grant the Administrative Agent a security interest in the L/C Collateral Account as set forth in Section 2.20. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the

Administrative Agent and at the Borrowers' risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such accounts. Moneys in such accounts shall be applied by the Administrative Agent to reimburse the Issuing Bank for L/C Disbursements for which it has not been reimbursed and, to the extent not so applied, such moneys shall be held for the satisfaction of the reimbursement obligations of the Borrowers for the Total L/C Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of the Issuing Bank and Revolving Lenders with a Total L/C Exposure representing greater than 50% of the Total L/C Exposure), such moneys shall be applied to satisfy other Secured Obligations. If any Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the applicable Borrower within three Business Days after all such Events of Defaults have been cured or waived, if at such time the Termination Date has not occurred.

SECTION 2.05.[Reserved.]

SECTION 2.06.Funding of Borrowings. (a)Each Lender shall make each Loan to be made by it on the proposed date thereof by wire transfer of immediately available funds by 1:00 p.m., Local Time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the applicable Borrower by promptly crediting the amounts so received, in like funds, to such Borrower's Funding Account, provided that ABR Revolving Loans, U.S. Base Rate Revolving Loans and Canadian Base Rate Revolving Loans made to finance the reimbursement of an L/C Disbursement and reimbursements as provided in Section 2.04(e) shall be remitted by the Administrative Agent to the Issuing Bank or, to the extent that the Revolving Lenders have made payments to the Issuing Bank pursuant to Section 2.04(e) to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear.

(b)Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section 2.06 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of such Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of (A)(1) if such amount corresponds to a Borrowing made by the Parent Borrower, the Federal Funds Effective Rate, or (2) if such amount corresponds to a Borrowing made by the Canadian Subsidiary Borrower, the rate reasonably determined by the Administrative Agent to be the cost to it of funding such amount, and (B) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, (ii) in the case of the Parent Borrower, the interest rate applicable to ABR Revolving Loans or (iii) in the case of the Canadian Subsidiary Borrower, (A) if such amount corresponds to a Borrowing made in U.S. Dollars, the interest rate applicable to U.S. Base Rate Revolving Loans, and (B) if such amount corresponds to a Borrowing made in Canadian Dollars, the interest rate applicable to Canadian Base Rate Revolving Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.07.Interest Elections. (a)Subject to Sections 2.01(c), 2.01(d) and 2.01(e), each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue

such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.07. The applicable Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing and the Loans resulting from an election made with respect to any such portion shall be considered a separate Borrowing.

(b)To make an election pursuant to this Section 2.07, the applicable Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03 if such Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or facsimile to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the applicable Borrower. Notwithstanding any other provision of this Section 2.07, no Borrower shall be permitted to (i) change the currency of any Borrowing, (ii) elect an Interest Period for Eurodollar Loans that does not comply with Section 2.02(d) or (iii) convert any Borrowing to a Borrowing not available under the Class of Commitments pursuant to which such Borrowing was made. Each such written and telephonic Interest Election Request shall specify the following information:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting outstanding credit extension is to be an ABR Borrowing, U.S. Base Rate Revolving Borrowing, Canadian Base Rate Revolving Borrowing or Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the applicable Borrower shall be deemed to have selected an Interest Period of one month's or 30 days' duration. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(c)If a Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall (i) in the case of a Eurodollar U.S. Revolving or Term Borrowing, be converted to an ABR Borrowing and (ii) in the case of a Eurodollar Canadian Revolving Borrowing, be converted to a U.S. Base Rate Revolving Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Parent Borrower, then, so long as an Event of Default is continuing, (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing, and (ii) unless repaid, each Eurodollar Borrowing shall (A) in the case of a Eurodollar U.S. Revolving or Term Borrowing, be converted to an ABR Borrowing at the end of the Interest Period applicable thereto, and (B) in the case of a Eurodollar

Canadian Revolving Borrowing, be converted to a U.S. Base Rate Revolving Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.08.Termination and Reduction of Commitments. (a)The Commitments shall automatically terminate on the Termination Date.

(b)The Borrowers may at any time terminate, or from time to time reduce, the Commitments of any Class, provided that (i) each partial reduction of the Commitments of any Class shall be in an amount that is an integral multiple of $1,000,000, (ii) the Borrowers shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the aggregate Revolving Exposure would exceed the lesser of (A) the aggregate Revolving Commitments minus the Stub Availability Block and (B) an amount equal to (x) the Total Borrowing Base then in effect minus (y) the Availability Block, (iii) the Borrowers shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the U.S. Revolving Loans in accordance with Section 2.10, the U.S. Revolving Exposure would exceed an amount equal to the Domestic Borrowing Base then in effect minus the Stub U.S. Availability Block and (iv) the Borrowers shall not terminate or reduce the Canadian Revolving Sub-Commitments if, after giving effect to any concurrent prepayment of the Canadian Revolving Loans in accordance with Section 2.10, the Canadian Revolving Exposure would exceed the lesser of (A) the aggregate Canadian Revolving Sub-Commitments minus the Stub Canadian Availability Block and (B) an amount equal to the Canadian Borrowing Base then in effect minus the Stub Canadian Availability Block.

(c)The applicable Borrower shall notify the Administrative Agent of any election to terminate or reduce the Revolving Commitments or Canadian Revolving Sub-Commitments under paragraph (b) of this Section 2.08 at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by a Borrower pursuant to this Section 2.08 shall be irrevocable, provided that a notice of termination of the Revolving Commitments or the Canadian Revolving Sub-Commitments delivered by a Borrower may state that such notice is conditioned upon consummation of an acquisition or sale transaction, the effectiveness of other credit facilities, the receipt of proceeds from the issuance of other Indebtedness, the effectiveness of a Chapter 11 Plan or the effectiveness of any CCAA Plan, in which case such notice may be revoked by such Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments of any Class shall be permanent. Each reduction of the Commitments of any Class shall be made ratably among the Lenders in accordance with their respective Commitments of such Class.

(d)The Parent Borrower shall pay to the Administrative Agent for the account of the Lenders, on the date of each termination or reduction, the Commitment Fees on the amount of the Commitments so terminated or reduced accrued to but excluding the date of such termination or reduction.

SECTION 2.09.Repayment of Loans; Evidence of Debt. (a)Each Borrower hereby unconditionally promises to pay on the Termination Date to the Administrative Agent for the account of each Revolving Lender the then unpaid principal amount of each Revolving Loan of such Lender made to such Borrower. The Parent Borrower hereby unconditionally promises to pay on the Termination Date to the Administrative Agent for the account of each Term Lender, the then unpaid principal amount of each Term Loan of such Term Lender made to the Parent Borrower.

(b)On each Business Day prior to the Final Order Date, at or before 12:00 noon, Local Time, the Administrative Agent shall apply all immediately available funds held by it pursuant to Section

3.06 of the Domestic Security Agreement to (i) first, in accordance with the terms of the Interim Order, prepay Prepetition Revolving Loans made to the Parent Borrower, (ii) second, prepay the Loans made to the Parent Borrower hereunder, (iii) third, cash collateralize outstanding Total L/C Exposure hereunder in the manner provided in Section 2.04(h) and (iv) pay other obligations of the Parent Borrower hereunder, provided that (x) such prepayments shall be applied in a manner that minimizes payments due pursuant to Section 2.15, (y) the Administrative Agent shall apply prepayments of the Loans pursuant to Section 2.09(b)(ii) in accordance with the Priority Rules and (z) the order of prepayments under this Section 2.09(b) may be modified by the unanimous written agreement of the Revolving Lenders and no consent of any of the Loan Parties shall be required for any such modification (notwithstanding any other provision of this Agreement).

(c)On each Business Day on or following the Final Order Date, at or before 12:00 noon, Local Time, the Administrative Agent shall apply all immediately available funds held by it pursuant to Section 3.06 of the Domestic Security Agreement to (i) first, prepay the Loans made to the Parent Borrower hereunder, (ii) second, to cash collateralize outstanding Total L/C Exposure hereunder in the manner provided in Section 2.04(h) and (iii) to pay other obligations of the Parent Borrower hereunder, provided that (x) such prepayments shall be applied in a manner that minimizes payments due pursuant to Section 2.15, (y) the Administrative Agent shall apply prepayments of the Loans pursuant to Section 2.09(c)(i) in accordance with the Priority Rules and (z) the order of prepayments under this Section 2.09(c) may be modified by the unanimous written agreement of the Revolving Lenders and no consent of any of the Loan Parties shall be required for any such modification (notwithstanding any other provision of this Agreement), which modified order may include the prepayment of outstanding Prepetition Revolving Loans.

(d)On each Business Day, at or before 12:00 noon, Local Time, the Administrative Agent shall apply all immediately available funds held by it pursuant to Section 3.06 of the Canadian Security Agreement to (i) first, prepay Prepetition Canadian Revolving Loans in accordance with the terms of the Canadian Order, (ii) second, prepay the Loans made to the Canadian Subsidiary Borrower hereunder and (iii) third, pay other obligations of the Canadian Subsidiary Borrower hereunder, provided that (x) such prepayments shall be applied in a manner that minimizes payments due pursuant to Section 2.15 and (y) the order of prepayments under clauses (i), (ii) and (iii) of this Section 2.09(d) may be re-ordered by the unanimous written agreement of the Revolving Lenders and no consent of any of the Loan Parties shall be required for any such modification (notwithstanding any other provision of this Agreement).

(e)Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of each Borrower to such Lender resulting from each Loan made by such Lender.

(f)The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the currency thereof, the Class and Type thereof and the Interest Period (if any) applicable thereto, (ii) the amount of any principal, interest due or other amount due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(g)The entries made in the accounts maintained pursuant to paragraph (e) or (f) of this Section 2.09 shall be, absent manifest error, prima facie evidence of the existence and amounts of the obligations recorded therein, provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of any Borrower to repay the Loans in accordance with the terms of this Agreement.

(h)Any Lender may request that Loans of any Class made by it be evidenced by a promissory note. In such event, the applicable Borrower shall prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent unless the applicable Borrower shall have already delivered a note representing such Loans, in which case the applicable Borrower shall have the right to have such note returned to it prior to delivering a new note. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

SECTION 2.10.Prepayments. (a)Each Borrower shall have the right at any time and from time to time to prepay Borrowings, in whole or in part, without premium or penalty (but subject to Section 2.15), subject to the requirements of this Section 2.10.

(b)In the event and on such occasion that (i) the aggregate Revolving Exposure exceeds the lesser of (A) the aggregate Revolving Commitments minus the Stub Availability Block and (B) an amount equal to (x) the Total Borrowing Base then in effect minus (y) the Availability Block, (ii) the U.S. Revolving Exposure exceeds the Domestic Borrowing Base then in effect minus the Stub U.S. Availability Block, (iii) the Canadian Revolving Exposure exceeds the lesser of (A) the aggregate Canadian Revolving Sub-Commitments minus the Stub Canadian Availability Block or (B) the Canadian Borrowing Base then in effect minus the Stub Canadian Availability Block or (iv) the aggregate Revolving Exposure, U.S. Revolving Exposure or Canadian Revolving Exposure exceeds, in any case, the amount permitted by the Interim Order, the Canadian Order or Final Order, as applicable, the applicable Borrower shall prepay the applicable Revolving Borrowings (or, if no such Borrowings are outstanding, deposit cash collateral in the applicable L/C Collateral Account or provide for backstop letters of credit, in each case pursuant to Section 2.04(h)) in an aggregate amount equal to such excess within one Business Day after the day of such event or occasion.

(c) Subject to Section 2.09(b) and 2.09(c), any optional or mandatory prepayments by the Parent Borrower shall be allocated between Revolving Loans and Term Loans in accordance with the Priority Rules. Subject to the foregoing, prior to any optional or mandatory prepayment of Borrowings, the applicable Borrower shall select the Borrowing or Borrowings of the applicable Class or Classes of Loans to be prepaid and shall specify such selection in the notice of such prepayment pursuant to paragraph (d) of this Section 2.10.

(d)The applicable Borrower shall notify the Administrative Agent by telephone (confirmed by facsimile) of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 12:00 noon, Local Time, three Business Days before (or, in the case of a Eurodollar Borrowing prepaid pursuant to Section 2.10(b), 10:00 a.m., Local Time, on) the date of prepayment or (ii) in the case of prepayment of any ABR Borrowing, U.S. Base Rate Revolving Borrowing or Canadian Base Rate Revolving Borrowing, not later than 12:00 noon, Local Time, one Business Day before (or, in the case of any such Borrowing prepaid pursuant to Section 2.10(b), 10:00 a.m., Local Time, on) the date of prepayment. Each such telephonic notice shall be irrevocable and shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment, provided that if a notice of prepayment is given in connection with a conditional notice of termination of the Revolving Commitments or Canadian Revolving Sub-Commitments as contemplated by Section 2.08, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.08. In addition, a notice of optional prepayment may state that such notice is conditional upon the consummation of an acquisition or asset sale or upon the effectiveness of other

credit facilities or the receipt of proceeds from the issuance of other Indebtedness or the effectiveness of a Chapter 11 Plan or a CCAA Plan, in which case such notice may be revoked if the applicable contingency has not occurred. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the Loans included in such prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.12. No notice of prepayment shall be required under this Section 2.10(d) for prepayments made pursuant to Section 2.09(b), 2.09(c) or 2.09(d).

SECTION 2.11.Fees. (a)The Parent Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a commitment fee (a "Commitment Fee"), which shall accrue at the Applicable Rate on the average daily unused amount of the Revolving Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which such Lender's Revolving Commitment terminates. Commitment Fees accrued through and including the last day of each calendar month shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the date hereof, provided that all such accrued Commitment Fees shall be payable on the date on which the Revolving Commitments terminate (including in connection with terminations or reductions pursuant to Section 2.08). All Commitment Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). For purposes of computing Commitment Fees, a Revolving Commitment of a Revolving Lender shall be deemed to be used to the extent of the outstanding Revolving Loans and Total L/C Exposure of such Lender and to the extent of such Lender's Applicable Percentage of the Stub Availability Block.

(b)The Parent Borrower agrees to pay (i) to the Administrative Agent for the account of each Revolving Lender a participation fee (a "Participation Fee") with respect to its participations in Letters of Credit, which shall accrue at the Alternate Base Rate plus the same Applicable Rate used to determine the interest rate applicable to ABR Borrowings on the average daily amount of such Lender's Total L/C Exposure (excluding any portion thereof attributable to unreimbursed L/C Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Revolving Commitments terminate and the date on which such Lender ceases to have any Total L/C Exposure, and (ii) to the Issuing Bank a fronting fee (a "Fronting Fee"), which shall accrue at the rate of 0.25% per annum on the average daily amount of the Total L/C Exposure (excluding any portion thereof attributable to unreimbursed L/C Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any Total L/C Exposure, as well as the Issuing Bank's standard fees with respect to the amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation Fees and Fronting Fees accrued through and including the last day of each calendar month shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Effective Date, provided that all such accrued fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Revolving Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Bank pursuant to this paragraph shall be payable within 10 Business Days after written demand. All Participation Fees and Fronting Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c)Each Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Parent Borrower and the Administrative Agent.

(d)The Parent Borrower agrees to pay the Facility Fee, which fee shall be fully earned as of the Effective Date and payable to the Administrative Agent for the account of each Revolving Lender on the Termination Date.

(e)All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the Issuing Bank, in the case of fees payable to it) for distribution, in the case of Commitment Fees, Participation Fees and ~~Final Order~~**Facility** Fee, to the Lenders entitled thereto. Fees paid (other than any portion of such fees that represent overpayments) shall not be refundable under any circumstances.

SECTION 2.12.Interest. (a)(i) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate, (ii) the Loans comprising each U.S. Base Rate Revolving Borrowing shall bear interest at the U.S. Base Rate plus the Applicable Rate and (iii) the Loans comprising each Canadian Base Rate Revolving Borrowing shall bear interest at the Canadian Base Rate plus the Applicable Rate.

(b)The Loans comprising each Eurodollar Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c)Notwithstanding the foregoing, if an Event of Default occurs, then, until such Event of Default shall have been cured or waived and shall cease to exist, all amounts outstanding under this Agreement and the other Loan Documents shall bear interest (after as well as before judgment), at a rate per annum equal to (i) in the case of principal of any Loan, 2.00% plus the rate otherwise applicable to such Loan as provided in the other paragraphs of this Section 2.12 or (ii) in the case of any other amount, 2.00% plus the rate applicable to (A) in the case of an amount owed by the Parent Borrower, an ABR Loan, (B) in the case of an amount owed by the Canadian Subsidiary Borrower and denominated in U.S. Dollars, a U.S. Base Rate Loan or (C) in the case of an amount owed by the Canadian Subsidiary Borrower and denominated in Canadian Dollars, a Canadian Base Rate Loan.

(d)Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and, in the case of Loans in respect of any Class, upon termination of the Revolving Commitments in respect of such Class, provided that (i) interest accrued pursuant to paragraph (c) of this Section 2.12 shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than repayments or prepayments pursuant to Sections 2.09(b), 2.09(c) and 2.09(d)), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment, (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion and (iv) interest accrued on any Loan made pursuant to Section 2.01(c), 2.01(d) or 2.01(e) shall not be payable (but shall accrue in accordance with Section 2.12(g)) until the first Interest Payment Date occurring on or after the Effective Date, in the case of Loans made pursuant to Section 2.01(d), and the Final Order Date, in the case of Loans made pursuant to Sections 2.01(c) and 2.01(e).

(e)All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to (i) the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate and (ii) the U.S. Base Rate or the Canadian Base Rate shall be, other than when computed on the basis of the LIBO Rate, computed on the basis of a year of 365 days (or 366 days in a leap year) and, in each case shall be payable for the actual number of days elapsed (including the first day

but excluding the last day). The applicable Alternate Base Rate, U.S. Base Rate, Canadian Base Rate and Adjusted LIBO Rate shall be determined by the Administrative Agent and such determination shall be conclusive absent manifest error.

(f)Solely for purposes of the Interest Act (Canada), (i) whenever any interest or fee under this Agreement is calculated using a rate based on a year of 360 days or 365 days, as the case may be, the rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to the applicable rate based on a year of 360 days or 365 days, as the case may be, multiplied by a fraction, the numerator of which is the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends and the denominator of which is 360 or 365, as the case may be, (ii) the rates of interest under this Agreement are nominal rates and not effective rates or yields and (iii) the principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

SECTION 2.13.Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the LIBO Rate, as applicable, for such Interest Period; or

(b) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate or the LIBO Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the applicable Borrower and the Lenders by telephone or facsimile as promptly as practicable thereafter and, until the Administrative Agent notifies the applicable Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective, and (ii) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as (A) in the case of a Borrowing Request made by the Parent Borrower, an ABR Borrowing, and (B) in the case of a Borrowing Request made by the Canadian Subsidiary Borrower denominated in U.S. Dollars, a U.S. Base Rate Revolving Borrowing. During such time, the Adjusted LIBO Rate shall be deemed to be 3.50% for purposes of the definitions of "Alternate Base Rate", "Canadian Base Rate" and "U.S. Base Rate".

SECTION 2.14.Increased Costs. (a)If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Bank, or

(ii) impose on any Lender or the Issuing Bank or the London interbank market any other condition affecting this Agreement or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein,

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or the Issuing Bank of participating in or maintaining any Letter of Credit or to

reduce the amount of any sum received or receivable by such Lender or the Issuing Bank hereunder (whether of principal, interest or otherwise), then the applicable Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b)If any Lender or the Issuing Bank determines in good faith that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Bank's capital or on the capital of such Lender's or the Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit deemed issued pursuant to Section 2.04(a) by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company with respect to capital adequacy), then from time to time the applicable Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company for any such reduction suffered.

(c)A certificate of a Lender or the Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or the Issuing Bank or its holding company in reasonable detail, as the case may be, as specified in paragraph (a) or (b) of this Section 2.14, shall be delivered to the applicable Borrower and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender or the Issuing Bank, as the case may be, the amount shown as due on any such certificate within five Business Days after receipt thereof.

(d)Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section 2.14 shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation, provided that no Borrower shall be required to compensate a Lender or the Issuing Bank pursuant to this Section 2.14 for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or the Issuing Bank, as the case may be, notifies such Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor; provided further that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.15.Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.10(d) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the applicable Borrower pursuant to Section 2.18, then, in any such event, the applicable Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such

Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the Eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the applicable Borrower and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within five Business Days after receipt thereof.

SECTION 2.16.Taxes. (a)Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes, provided that if any applicable law (as determined in the good faith discretion of an applicable Withholding Agent (as defined below)) requires the deduction or withholding of any Tax from any such payment (including, for the avoidance of doubt, any such deduction or withholding required to be made by the applicable Loan Party or the Administrative Agent, or in the case of any Lender that is treated as a partnership for U.S. Federal income tax purposes, by such Lender for the account of any of its direct or indirect beneficial owners), the applicable Loan Party, the Administrative Agent, the Lender or the applicable direct or indirect beneficial owner of a Lender (any such person, a "Withholding Agent") may make such deductions and shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax or Other Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.16) the Administrative Agent, Issuing Bank or Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made.

(b)In addition, the Loan Parties shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c)Each Loan Party shall indemnify the Administrative Agent, the Issuing Bank and each Lender, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, the Issuing Bank or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of such Loan Party under any Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.16) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the applicable Loan Party by the Issuing Bank or a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender or the Issuing Bank, shall be conclusive absent manifest error.

(d)Each Lender shall indemnify the Administrative Agent within five Business Days after demand therefor, for the full amount of any Excluded Taxes imposed on such Lender that are paid or payable by the Administrative Agent, and reasonable expenses arising therefrom or with respect thereto, whether or not such Excluded Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error.

(e)As soon as practicable after any payment of Indemnified Taxes, Other Taxes or Excluded Taxes by the applicable Loan Party to a Governmental Authority, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f)The Administrative Agent, the Issuing Bank or any Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the applicable Borrower is resident, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to such Borrower (in the case of the Issuing Bank or such Lender, with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law, if any, or reasonably requested by such Borrower as will permit such payments to be made without withholding or at a reduced rate, provided that the Administrative Agent, the Issuing Bank or such Lender has received written notice from such Borrower advising it of the availability of such exemption and supplying all applicable documentation. The Administrative Agent, the Issuing Bank or such Lender, as the case may be, shall cooperate with the applicable Borrower in good faith to identify the potential availability of such exemption or reduction.

(g)Each Lender hereby represents that it is a Permitted Fee Receiver and agrees to update Internal Revenue Service Form W-9 (or its successor form) or the applicable Internal Revenue Service Form W-8 (or its successor form) upon any change in such Lender's circumstances or if such form expires or becomes inaccurate or obsolete, and to promptly notify the Borrower and the Administrative Agent if such Lender becomes legally ineligible to provide such form.

(h)If the Administrative Agent, the Issuing Bank or a Lender, as the case may be, determines, in its sole discretion, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 2.16, it shall pay over such refund to such Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 2.16 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent, the Issuing Bank or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that such Loan Party, upon the request of the Administrative Agent, the Issuing Bank or such Lender, as the case may be, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, the Issuing Bank or such Lender in the event the Administrative Agent, the Issuing Bank or such Lender, as the case may be, is required to repay such refund to such Governmental Authority. This Section 2.16 shall not be construed to require the Administrative Agent, the Issuing Bank or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to any Loan Party or any other Person.

SECTION 2.17.Payments Generally; Pro Rata Treatment; Sharing of Set-offs.
(a)Each Borrower shall make each payment required to be made by it under any Loan Document (whether of principal, interest, fees or reimbursement of L/C Disbursements, or of amounts payable under Section 2.14, 2.15 or 2.16, or otherwise) or under the Orders prior to the time expressly required under such Loan Document or such Order for such payment (or, if no such time is expressly required, prior to 12:00 noon, Local Time), on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 270 Park Avenue, New York, New York 10017 (or, in the case of payments made in respect of the Canadian Obligations, to the Administrative Agent at its offices at 200 Bay Street, 18th Floor, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J2), except payments to be made directly to the Issuing Bank as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 9.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made directly to the Persons specified therein. The Administrative Agent shall

distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments under each Loan Document of principal or interest in respect of any Loan (or of any breakage indemnity in respect of any Loan) shall be made in the currency of such Loan; all other payments under each Loan Document shall be made in U.S. Dollars, except as otherwise expressly provided therein. Solely for purposes of determining the amount of Loans available for borrowing purposes, checks and cash or other immediately available funds from collections of items of payment and proceeds of any Collateral shall be applied in whole or in part against the Obligations, on the day of receipt, subject to actual collection.

(b)If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed L/C Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties (based on the U.S. Dollar Equivalent of such amounts or the U.S. Dollar amount thereof, as applicable), and (ii) second, towards the payment of principal and unreimbursed L/C Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and amounts of unreimbursed L/C Disbursements then due to such parties (based on the U.S. Dollar Equivalent of such amounts or the U.S. Dollar amount thereof, as applicable).

(c)At the election of the Administrative Agent, all payments of principal, interest, amounts owing in respect of any L/C Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents (in each case, solely to the extent such amounts are payable to the Revolving Lenders), may be paid from the proceeds of Borrowings made hereunder, whether made following a request by the applicable Borrower pursuant to Section 2.03 or a deemed request as provided in this Section 2.17, or may be deducted from any deposit account of the applicable Borrower maintained with the Administrative Agent. Each Borrower hereby irrevocably authorizes (i) the Administrative Agent to make a Borrowing for the purpose of paying each payment of principal, interest, fees and any other amount as it becomes due under any Loan Document and agrees that all such amounts charged shall constitute Loans and that all such Borrowings shall be deemed to have been requested pursuant to Sections 2.03 or 2.04, as applicable, and (ii) the Administrative Agent to charge any deposit account of such Borrower maintained with the Administrative Agent for each payment of principal, interest, fees and any other amount due under any Loan Document.

(d)If any Lender shall, by exercising any right of set-off or counterclaim or otherwise (including pursuant to a secured claim under Section 553 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim, received by such Lender under any applicable Bankruptcy Law), obtain payment in respect of any principal of or interest on any of its Loans and amounts owing in respect of participations in L/C Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and amounts owing in respect of participations in L/C Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and amounts owing in respect of participations in L/C Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and amounts owing in respect of participations in L/C Disbursements, provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without

interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by any Borrower, or any application of the Priority Rules, pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in L/C Disbursements to any assignee or participant, other than to the Parent Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(e)Unless the Administrative Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Bank hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Bank, as the case may be, the amount due. In such event, if the applicable Borrower has not in fact made such payment, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of (i)(A) in the case of Loans made to the Parent Borrower or U.S. L/C Disbursements, the Federal Funds Effective Rate, or (B) in the case of Loans made to the Canadian Subsidiary Borrower or Canadian L/C Disbursements, the rate reasonably determined by the Administrative Agent to be the cost to it of funding such amount, and (ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(f)If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(d) or (e), Section 2.06(a) or (b), Section 2.16(d), Section 2.17(e) or Section 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

SECTION 2.18.Mitigation Obligations; Replacement of Lenders. (a)If any Lender requests compensation under Section 2.14, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b)If any Lender requests compensation under Section 2.14, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender is a Defaulting Lender, then the applicable Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts

such assignment), provided that (i) the applicable Borrower shall have received the prior written consent of the Administrative Agent and the Issuing Bank, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal amount of its Loans, amounts owing in respect of participations in L/C Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it under any Loan Document, from the assignee (to the extent of such outstanding principal, amounts owing in respect of participations in L/C Disbursements and accrued interest and fees) or the applicable Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the applicable Borrower to require such assignment and delegation cease to apply.

SECTION 2.19.Returned Payments. If after receipt of any payment which is applied to the payment of all or any part of the Obligations, the Administrative Agent or any Lender is for any reason compelled to surrender such payment or proceeds to any Person because such payment or application of proceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason, then the Obligations or part thereof intended to be satisfied shall be revived and continued and this Agreement shall continue in full force as if such payment or proceeds had not been received by the Administrative Agent or such Lender. The provisions of this Section 2.19 shall be and remain effective notwithstanding any contrary action which may have been taken by the Administrative Agent or any Lender in reliance upon such payment or application of proceeds. The provisions of this Section 2.19 shall survive the termination of this Agreement.

SECTION 2.20.Security Interest in L/C Collateral Account. Pursuant to Section 364(c)(2) of the Bankruptcy Code, the Parent Borrower hereby assigns and pledges to the Administrative Agent, for its benefit and for the benefit of the Issuing Bank and ratable benefit of the Lenders, as their interests may appear, a first priority security interest, senior to all other Liens, if any, in all of the Parent Borrower's right, title and interest in and to the L/C Collateral Account and any investment of the funds contained therein. Cash held in the L/C Collateral Account shall not be available for use by Holdings, the Borrowers or any of their Subsidiaries, whether pursuant to Section 363 of the Bankruptcy Code or otherwise, and shall be released to the Borrower only as described in Section 2.04(h).

SECTION 2.21.Priority and Liens. (a)Subject to the Orders, Holdings and the Borrowers hereby covenant, represent and warrant that, upon entry of the Interim Order (and the Final Order, as applicable), the Secured Obligations and subject to the Carve-Out:

(i) pursuant to Section 364(c)(1) of the Bankruptcy Code, shall at all times constitute allowed Superpriority Claims in the Bankruptcy Cases having priority over any and all administrative expenses, diminution claims and all other claims against Holdings, the Parent Borrower and the Domestic Subsidiaries, now existing or hereafter arising, of any kind whatsoever, including all administrative expenses of the kind specified in Sections 503(b) or 507(b) of the Bankruptcy Code;

(ii) pursuant to Section 364(c)(2) of the Bankruptcy Code, shall at all times be secured by a valid, binding, continuing, enforceable and fully-perfected first priority senior security interest in and Lien on all tangible and intangible property of Holdings', the Parent Borrower's and the Domestic Subsidiaries' respective estates in the Bankruptcy Cases that is not subject to valid, perfected, non-avoidable and enforceable Liens in existence as of the Petition Date or valid Liens in existence on the Petition Date

that are perfected subsequent to such date to the extent permitted by Section 546(b) of the Bankruptcy Code, including all present and future accounts receivable, inventory, general intangibles, chattel paper, real property, leaseholds, fixtures, machinery and equipment, deposit accounts, patents, copyrights, trademarks, tradenames, rights under license agreements and other intellectual property, capital stock of any Subsidiaries and Subsidiary Loan Guarantors and on all cash and investments maintained in the L/C Collateral Account (but excluding Holdings', the Parent Borrower's and the other Loan Guarantors' rights in respect of avoidance actions under the Bankruptcy Code, it being understood that, notwithstanding such exclusion of such actions, the proceeds of such actions shall be subject to such Liens under Section 364(c)(2) of the Bankruptcy Code and available to satisfy the Secured Obligations subject to and effective upon entry of the Final Order);

(iii) pursuant to Section 364(c)(3) of the Bankruptcy Code, shall be secured by valid, binding, continuing, enforceable and fully-perfected security interests in and Liens upon all tangible and intangible property of Holdings, the Parent Borrower and the Domestic Subsidiaries (provided that as set forth in clause (iv) of this sentence, the existing Liens that presently secure the obligations of Holdings, the Parent Borrower and the Domestic Subsidiaries and the Prepetition Guarantors under the Prepetition Credit Agreement will be primed by the Lien in favor of the Administrative Agent as described in clause (iv) of this sentence) that is subject to valid, perfected and non-avoidable Liens in existence on the Petition Date or that is subject to valid Liens in existence on the Petition Date that are perfected subsequent to the Petition Date as permitted by Section 546(b) of the Bankruptcy Code (other than the property referred to in clause (iv) below that is subject to the existing Liens described in clause (iv) below, as to which the Lien in favor of the Administrative Agent and the Lenders will be as described in clause (iv) below), junior to such valid, perfected, and non-avoidable Liens; and

(iv) pursuant to Section 364(d)(1) of the Bankruptcy Code, shall be secured by a valid, binding, continuing, enforceable and fully-perfected first priority senior priming security interest in and senior priming Lien on all of the tangible and intangible property of Holdings, the Parent Borrower and the Domestic Subsidiaries that is subject to existing Liens that presently secure (x) the Prepetition Indebtedness under the Prepetition Credit Agreement, (y) outstanding "Term Loans" under (and as defined in) the Prepetition Credit Agreement and (z) the Senior Secured Notes (but subject and subordinate to any Liens in existence on the Petition Date to which the Liens being primed hereby are subject or become subject subsequent to the Petition Date as permitted by Section 546(b) of the Bankruptcy Code), senior to all of such Liens;

provided, however, that (x) no portion of the Carve-Out may be utilized to fund the prosecution or assertion of any claims against the Administrative Agent, the Lenders or the Issuing Bank, (y) following the Termination Date, amounts in the L/C Collateral Account shall not be subject to the Carve-Out and (z) except as otherwise provided in the Orders, no portion of the Carve-Out shall be utilized for the payment of professional fees and disbursements incurred in connection with any challenge to the amount, extent, priority, validity, perfection or enforcement of the Prepetition Indebtedness owing to the Prepetition Revolving Lenders or to the collateral securing the Prepetition Indebtedness. The Lenders agree that so long as no Event of Default shall have occurred and be continuing, the Parent Borrower, the Canadian Subsidiary Borrower and the other Loan Guarantors shall be permitted to pay compensation and reimbursement of expenses allowed by the Bankruptcy Court and payable under Sections 330 and 331 of the Bankruptcy Code, as the same may be due and payable, and the same shall not reduce the Carve-Out.

(b)Subject to the Canadian Order, Holdings and the Borrowers hereby covenant, represent and warrant that, upon entry of the Canadian Order, the Secured Obligations shall at all times be secured by a valid, binding, continuing, enforceable and, subordinate only to the CCAA Charges, fully perfected first priority security interest in, and first ranking court-ordered charge on (or applicable equivalents outside of the Province of Ontario to such security and charge), all of the existing and after-acquired real and personal, tangible and intangible, assets of the Canadian Subsidiary Borrower and each of the Canadian Subsidiary Loan Parties, including, without limitation, all cash, cash equivalents, bank accounts, deposit accounts, securities accounts, accounts, other receivables, chattel paper, contract rights, inventory, instruments, documents, securities (whether or not marketable), equipment, fixtures, real property interests, franchise rights, patents, tradenames, trademarks, copyrights, industrial designs, intellectual property, general intangibles, intangibles, capital stock, investment property, supporting obligations, letter of credit rights, documents of title, commercial tort claims, causes of action and all substitutions, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds (the "DIP Lenders' Charge");

(c)Subject to the priorities set forth in subsections (a) and (b) above and to the Carve-Out and the CCAA Charges, as applicable, as to all real property now owned or hereafter acquired the title to which is held by the Parent Borrower, the Canadian Subsidiary Borrower or any of the other Loan Guarantors (whether or not such real property secures the Prepetition Indebtedness), or the possession of which is held by Parent Borrower, the Canadian Subsidiary Borrower or any of the other Loan Guarantors pursuant to leasehold interests, each of the Parent Borrower, the Canadian Subsidiary Borrower and the other Loan Guarantors hereby assigns and conveys as security, grants a security interest in, hypothecates, mortgages, pledges and sets over unto the Administrative Agent for the benefit of the Secured Parties to secure its Secured Obligations all of the right, title and interest in all of such owned real property and in all such leasehold interests, together in each case with all of the right, title and interest of the Parent Borrower, the Canadian Subsidiary Borrower and such Loan Guarantor in and to all buildings, improvements, and fixtures related thereto, any lease or sublease thereof, all general intangibles relating thereto and all proceeds thereof. The Parent Borrower, the Canadian Subsidiary Borrower and each other Loan Guarantor acknowledges that, pursuant to the Orders and the Canadian Order, as applicable, the Liens in favor of the Administrative Agent in all of such real property and leasehold instruments shall be perfected without the recordation of any instruments of mortgage or assignment or other documents.

SECTION 2.22.Payment of Obligations. Subject to the provisions of Article VII, upon the Termination Date or upon the maturity (whether by acceleration or otherwise) of any of the Obligations under this Agreement or any of the other Loan Documents of the Parent Borrower, the Canadian Subsidiary Borrower and the other Loan Guarantors, the Lenders shall be entitled to immediate payment of such Obligations without further application to or order of the Bankruptcy Court or the Canadian Court.

SECTION 2.23.No Discharge; Survival of Claims. Each of the Parent Borrower, the Canadian Subsidiary Borrower and the Loan Guarantors agrees that (i) its Obligations hereunder shall not be discharged by the entry of an order confirming a Chapter 11 Plan or an order sanctioning a CCAA Plan (and each of Holdings, the Parent Borrower and the Domestic Subsidiaries, pursuant to Section 1141(d)(4) of the Bankruptcy Code, hereby waives any such discharge) and (ii) the Superpriority Claim granted to the Administrative Agent and the Lenders pursuant to the Orders in the Bankruptcy Cases and the DIP Lenders' Charge granted to the Administrative Agent and the Lenders in the Canadian Proceeding pursuant to the Canadian Order and described in Section 2.21 and the other Liens granted to the Administrative Agent pursuant to the Orders and the Canadian Order, if any, and described in Sections 2.20 and 2.21 shall not be affected in any manner by the entry of an order confirming a Chapter 11 Plan or an order sanctioning a CCAA Plan, in each such case unless the Obligations are indefeasibly paid in full in cash on the Chapter 11 Plan effective date or the CCAA Plan effective date, as the case may

be, and the actions required to be taken pursuant to Section 2.04(h) in respect of the Letters of Credit have been taken.

SECTION 2.24.Use of Cash Collateral. Notwithstanding anything to the contrary contained herein, the Parent Borrower shall not be permitted to request a Borrowing under Section 2.03 unless the Bankruptcy Court shall have granted to the Parent Borrower use of all cash collateral, subject to the Orders, for the purposes described in Section 5.08.

SECTION 2.25.Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Revolving Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a)Commitment Fees shall cease to accrue on the unused portion of the Revolving Commitment of such Defaulting Lender pursuant to Section 2.11(a);

(b)the Revolving Commitment and Revolving Exposure of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 9.02), provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender;

(c)if any Total L/C Exposure exists at the time a Lender becomes a Defaulting Lender then:

(i) all or any part of such Total L/C Exposure shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent (x) the sum of all non-Defaulting Lenders' Revolving Exposures plus such Defaulting Lender's Total L/C Exposure does not exceed the excess of the total of all non-Defaulting Lenders' Commitments minus the Stub Availability Block and (y) the conditions set forth in Section 4.02 are satisfied at such time;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Parent Borrower shall within one Business Day following notice by the Administrative Agent, cash collateralize (or provide a backstop letter of credit for) such Defaulting Lender's Total L/C Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.04(h) for so long as such Total L/C Exposure is outstanding;

(iii) if the Parent Borrower cash collateralizes (or provides a backstop letter of credit for) any portion of such Defaulting Lender's Total L/C Exposure pursuant to Section 2.25(c), the Parent Borrower shall not be required to pay any Participation Fees to such Defaulting Lender pursuant to Section 2.11(b) with respect to such Defaulting Lender's Total L/C Exposure during the period to the extent of such cash collateralization (or backstop letter of credit);

(iv) if the Total L/C Exposure of the non-Defaulting Lenders is reallocated pursuant to Section 2.25(c), then the fees payable to the Lenders pursuant to Section 2.11(a) and Section 2.11(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) to the extent any Defaulting Lender's Total L/C Exposure is neither cash collateralized (or backstopped) nor reallocated pursuant to Section 2.25(c), then, without prejudice to any rights or remedies of the Issuing Bank or any Lender hereunder, all Participation Fees payable under Section 2.11(b) with respect to such Defaulting Lender's Total L/C Exposure shall be payable to the Issuing Bank until such Total L/C Exposure is cash collateralized and/or reallocated;

(d)so long as any Revolving Lender is a Defaulting Lender, the Issuing Bank shall not be required to extend, renew or amend any Letter of Credit, unless it is satisfied that the related exposure will be 100% covered by the Revolving Commitments of the non-Defaulting Lenders and/or cash collateral (or backstop letters of credit) will be provided by the Parent Borrower in accordance with Section 2.25(c), and participating interests in any such extended, renewed or amended Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.25(c)(i) (and Defaulting Lenders shall not participate therein); and

(e)any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 2.17 but excluding Section 2.18) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Administrative Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) second, to the payment of any amounts owing by such Defaulting Lender to the Issuing Bank hereunder, (iii) third, to the funding of any Revolving Loan or the funding or cash collateralization of any participating interest in any Letter of Credit in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent, (iv) fourth, if so determined by the Administrative Agent and the Parent Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (v) fifth, pro rata, to the payment of any amounts owing to the Parent Borrower or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by the Parent Borrower or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement and (vi) sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is (x) a prepayment of the principal amount of any Loans or reimbursement obligations in respect of L/C Disbursements which a Defaulting Lender has funded its participation obligations and (y) made at a time when the conditions set forth in Section 4.02 are satisfied, such payment shall be applied solely to prepay the Loans of, and reimbursement obligations owed to, all non-Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans, or reimbursement obligations owed to, any Defaulting Lender.

In the event that the Administrative Agent, the Parent Borrower and the Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Total L/C Exposure of the Revolving Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Revolving Lenders as the Administrative shall determine may be necessary in order for such Revolving Lender to hold such Revolving Loans in accordance with its Applicable Percentage.

ARTICLE III

Representations and Warranties

Each Loan Party represents and warrants to the Lenders that:

SECTION 3.01.Organization; Powers. Each of the Loan Parties and each of its subsidiaries (i) is duly organized, validly existing and, to the extent such concept is applicable in the corresponding jurisdiction, in good standing under the laws of the jurisdiction of its organization, (ii) subject to the entry of the Interim Order (or the Final Order, when applicable) and the Canadian Order and after giving effect thereto, has all requisite power and authority to carry on its business as now conducted and as proposed to be conducted, to execute, deliver and perform its obligations under each Loan Document to which it is a party and to effect the Transactions, and (iii) except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where the conduct of its business requires such qualification.

SECTION 3.02.Authorization; Enforceability. Upon the entry of the Interim Order (or the Final Order, when applicable) and the Canadian Order and after giving effect thereto, the Transactions are within each Loan Party's corporate (or, to the extent applicable, other organization) powers and have been duly authorized by all necessary corporate (or, to the extent applicable, other organization) action and, if required, stockholder action. Upon the entry of the Interim Order (or the Final Order, when applicable) and the Canadian Order and after giving effect thereto, the Loan Documents to which each Loan Party is a party have been duly executed and delivered by such Loan Party and constitute a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, the Orders and the Canadian Order.

SECTION 3.03.Governmental Approvals; No Conflicts. Subject to the entry of the Interim Order (or the Final Order, when applicable) and the Canadian Order, the Transactions (a) do not require any material consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect and (ii) for filings necessary to perfect Liens created pursuant to the Loan Documents, (b) will not violate any Requirement of Law applicable to any Loan Party or any of its subsidiaries, (c) will not violate or result in a default under any material indenture, agreement or other instrument entered into after the Petition Date binding upon any Loan Party or any of its subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by any Loan Party or any of its subsidiaries or give rise to a right of, or result in, termination, cancelation or acceleration of any obligation thereunder, and (d) will not result in the creation or imposition of any Lien on any asset of any Loan Party or any of its subsidiaries, except Liens created pursuant to the Loan Documents or under the Orders or the Canadian Order.

SECTION 3.04.Financial Condition; No Material Adverse Change. (a)The Parent Borrower has heretofore furnished to the Administrative Agent the consolidated balance sheet and statements of income, stockholders equity and cash flows of Holdings and its consolidated subsidiaries, in each case as of and for the fiscal year ended December 31, 2007, reported on by Crowe Chizek and Company LLC, independent public accountants. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of Holdings and its consolidated subsidiaries as of such dates and for such periods and, in the case of the financial statements referred to in clause (i) above, were prepared in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes.

(b)No event, change, effect or circumstance has occurred that, individually or in the aggregate, has had, or could reasonably be expected to have, a Material Adverse Effect, since December 31, 2007.

(c)The projections set forth in the Forecast have been prepared by the Parent Borrower or its financial advisor in light of the past operations of its business, and reflect projections on a week by week basis for each week beginning with March 30, 2009 and ending as of June 26, 2009. Such projections are based upon estimates and assumptions stated therein, all of which the Parent Borrower believes to be reasonable and fair in light of current conditions and current facts known to the Parent Borrower and, as of the Effective Date, reflect the Parent Borrower's estimates of the future financial performance of the Parent Borrower and its Subsidiaries and of the other information projected therein for the periods set forth therein.

SECTION 3.05.Properties. (a)As of the date of this Agreement, Schedule 3.05(a) sets forth the address of each parcel of real property that is owned or leased by each Loan Party. Other than as a result of the stay imposed in the Bankruptcy Cases and the Canadian Proceeding, each of such leases and subleases is valid and enforceable in accordance with its terms and is in full force and effect, and no default by any party to any such lease or sublease exists, except any such default that could not reasonably be expected to result in a Material Adverse Effect. Other than as a result of the Bankruptcy Cases and the Canadian Proceeding, each of the Loan Parties and its subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business (including the Mortgaged Properties), except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted.

(b)Each Loan Party and its subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property material to its business as currently conducted, a list (correct and complete in all material respects) of which, as of the date of this Agreement, is set forth on Schedule 3.05(b), and the use thereof by the Loan Parties and their respective subsidiaries does not infringe in any material respect upon the rights of any other Person, and, as of the date of this Agreement, the Loan Parties' rights thereto are not subject to any licensing agreement or similar arrangement, except as set forth on Schedule 3.05(b).

(c)As of the Effective Date, no Loan Party nor any of its subsidiaries has received notice of, or, to the knowledge of any Responsible Officer of any Loan Party or any of its subsidiaries, has knowledge of, any pending or contemplated condemnation or expropriation proceeding affecting any Mortgaged Property or any sale or disposition thereof in lieu of condemnation except any that may exist in connection with the Bankruptcy Cases or the Canadian Proceeding. Except in respect of any purchase agreement entered into for Mortgaged Property that does not conflict with the terms hereof, neither any Mortgaged Property nor any interest therein is subject to any right of first refusal, option or other contractual right to purchase such Mortgaged Property or interest therein.

SECTION 3.06.Litigation and Environmental Matters. (a)Other than the Bankruptcy Cases and the Canadian Proceeding, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Responsible Officer of any Loan Party or any of its subsidiaries, threatened against or affecting the Loan Parties or any of their respective subsidiaries (i) that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (ii) that involve any of the Loan Documents or the Transactions.

(b)Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect

(i) no Loan Party nor any of its subsidiaries (A) has received written notice of any claim with respect to any Environmental Liability or knows of any basis for any Environmental Liability, (B) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law or (C) has become subject to any Environmental Liability, and (ii) there are no facts, circumstances or conditions that could reasonably be expected to result in any claim for or relating to any Environmental Liability, including any claim in connection with the Bankruptcy Cases or the Canadian Proceeding, against any Loan Party or any of its subsidiaries.

SECTION 3.07.Compliance with Laws and Agreements. Each Loan Party and its subsidiaries is in compliance with (a) all Requirements of Law applicable to it or its property and (b) all indentures, agreements and other instruments entered into after the Petition Date binding upon it or its property, except, in the case of each of clauses (a) and (b), where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.08.Investment Company Status. No Loan Party nor any of its subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.09.Taxes. Except as set forth on Schedule 3.09, each Loan Party and its subsidiaries (a) has timely filed or caused to be filed all Tax returns and reports required to have been filed, except to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect and (b) has paid or caused to be paid all material Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings, provided that such Loan Party or such subsidiary, as applicable, has set aside on its books adequate reserves as required by GAAP and the failure to pay such Taxes could not be expected to result in a Material Adverse Effect.

SECTION 3.10.ERISA. (a)Each of the Parent Borrower and its Subsidiaries is in compliance in all material respects with the applicable provisions of ERISA and the Code and the regulations thereunder as applicable to any Plan. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under all Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Plans by more than $26,708,998, and the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than $26,708,998 the fair market value of the assets of all such underfunded Plans. The minimum funding standards of ERISA and the Code with respect to each Plan have been satisfied.

(b)Canadian Benefit and Pension Plans. The Canadian Pension Plans are duly registered and have been administered in accordance with any Requirement of Law that requires registration and no event has occurred or is reasonably expected to occur which could reasonably be expected to cause the loss of such registered status. All material obligations of the Borrowers and each Subsidiary (including fiduciary, funding, investment and administration obligations) required to be performed in connection with the Canadian Benefit Plans, the Canadian Pension Plans, the Canadian Multi-Employer Plans and the funding agreements therefor have been performed in a timely fashion. As of the Effective Date, there are no outstanding disputes concerning the assets held under the funding agreements for the Canadian Pension Plans or the Canadian Benefit Plans. The funded status, on a wind-up basis, of each of the Canadian Pension Plans as determined in the actuarial valuations last filed with the applicable Governmental Authorities prior to the Effective Date, which were prepared in accordance with applicable

law and based on methods and assumptions that are consistent with generally accepted actuarial principles, is set out in Schedule 3.10(b). To the knowledge of the Loan Parties, except as set out in Schedule 3.10(b), there has been no full or partial wind-ups of any Canadian Pension Plan. As of the Effective Date, except as set out in Schedule 3.10(b), the Loan Parties have received no inquiries from any Governmental Authority and no notice of any dispute with respect to the potential application of the decision of the Supreme Court of Canada in Monsanto Canada Inc. v. Superintendent of Financial Services (Ontario) [2004], 3 S.C.R. 152 to any Canadian Pension Plan. No promises of benefit improvements under the Canadian Pension Plans or the Canadian Benefit Plans have been made except where such improvement could not reasonably be expected to have a Material Adverse Effect. All contributions or premiums required to be made or paid by either Borrower or any Subsidiary to the Canadian Pension Plans, any Canadian Multi-Employer Plan or the Canadian Benefit Plans have been made or paid in a timely fashion in accordance with the terms of such plans and all Requirements of Law. All employee contributions to the Canadian Pension Plans, the Canadian Multi-Employer Plans or the Canadian Benefit Plans by way of authorized payroll deduction or otherwise have been properly withheld or collected by each of the Borrowers and the Subsidiaries, as the case may be, and fully paid into such plans in a timely manner. Schedule 3.10(b) lists, as of the Effective Date, all "participation agreements" and collective agreements entered into by either Borrower or any Subsidiary and a labor union with respect to such Borrower or Subsidiary's participation in a Canadian Multi-Employer Plan and the most current executed supplement thereto as of the Effective Date. Subject to Requirements of Law, the contribution obligations of the Canadian Subsidiary Borrower and any Canadian Subsidiary Loan Party to a Canadian Multi-Employer Plan, as set out under the applicable participation agreements and collective agreements, are limited to contributing a specified amount per employee hour worked. There have been no improper withdrawals or applications of the assets of the Canadian Pension Plans. Any assessments owed to the Pension Benefits Guarantee Fund established under the Pension Benefits Act (Ontario) have been paid when due. The pension fund under each Canadian Pension Plan is exempt from the payment of any income tax and, to the knowledge of the Loan Parties, there are no taxes, penalties or interest owing in respect of any such pension fund. All material reports and disclosures relating to the Canadian Pension Plans required by such plans and any Requirement of Law to be filed or distributed have been filed or distributed in a timely manner.

SECTION 3.11.Disclosure. None of the reports, financial statements, certificates or other information furnished by or on behalf of any Loan Party to (i) the Administrative Agent or any Lender in connection with the negotiation of this Agreement or any other Loan Document (as modified or supplemented by other information so furnished and excluding information of a general economic or industry-specific nature), or (ii) the Bankruptcy Court in connection with the Transactions or the Orders or the Canadian court in connection with the Canadian Proceeding or the Canadian Order, when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided that with respect to projected financial information, the Parent Borrower and Holdings represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time delivered and, if such projected financial information was delivered prior to the Effective Date, as of the Effective Date.

SECTION 3.12.Insurance. Schedule 3.12 sets forth a description of all insurance maintained by or on behalf of the Loan Parties and their respective subsidiaries as of the Effective Date. As of the Effective Date, all premiums then due in respect of such insurance have been paid or have been satisfied by a financing expressly permitted hereunder. Each Loan Party believes that the insurance maintained by or on behalf of Loan Parties and its subsidiaries is in such amounts (with no greater risk retention) and against such risks as is (i) customarily maintained by companies of established repute

engaged in the same or similar businesses operating in the same or similar locations and (ii) considered adequate by Holdings and the Parent Borrower.

SECTION 3.13.Capitalization and Subsidiaries. Holdings does not have any subsidiaries other than the Parent Borrower and the Subsidiaries. Schedule 3.13 sets forth (a) a correct and complete list of the name and relationship to the Parent Borrower of each Subsidiary, (b) a true and complete listing of each class of each of the Parent Borrower's and each Subsidiary's authorized Equity Interests, of which all of such issued shares are validly issued, outstanding, fully paid and non-assessable, and owned beneficially and of record by the Persons identified on Schedule 3.13, and (c) the type of entity of the Parent Borrower and each Subsidiary, in each case as of the Effective Date. All of the issued and outstanding Equity Interests issued by any Subsidiary that are owned by any Loan Party have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable.

SECTION 3.14.Labor Disputes. As of the Effective Date, there are no strikes, lockouts or slowdowns or any other material labor disputes against any Loan Party or any of its subsidiaries pending or, to the knowledge of any Responsible Officer of any Loan Party or any of its subsidiaries, threatened. The hours worked by and payments made to employees of the Loan Parties and their respective subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, provincial, local or foreign law dealing with such matters, except for any such violations that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. All payments due from any Loan Party or any of its subsidiaries, or for which any claim may be made against any Loan Party or any of its subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Loan Party or such subsidiary, except for any such failures to do so that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. There is no organizing activity involving any Loan Party or any of its subsidiaries pending or, to the knowledge of any Responsible Officer of any Loan Party or any of its subsidiaries, threatened by any labor union or group of employees, except those that, in the aggregate, could not reasonably be expected to have a Material Adverse Effect. There are no representation proceedings pending or, to the knowledge of any Loan Party or any of its subsidiaries, threatened with the National Mediation Board, and no labor organization or group of employees of any Loan Party or any of its subsidiaries has made a pending demand for recognition, except those that, in the aggregate, could not reasonably be expected to have a Material Adverse Effect. There are no material complaints or charges against any Loan Party or any of its subsidiaries pending or, to the knowledge of any Responsible Officer of any Loan Party or any of its subsidiaries, threatened to be filed with any Governmental Authority or arbitrator based on, arising out of, in connection with, or otherwise relating to the employment or termination of employment by any Loan Party or any of its subsidiaries of any individual, except those that, in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which any Loan Party or any of its subsidiaries is bound.

SECTION 3.15.Indalex UK Limited. As of the Effective Date, Indalex UK Limited does not own, lease, manage or operate any properties or assets (including cash), other than de minimis properties and assets.

SECTION 3.16.Collateral Documents. The Collateral Documents, upon execution and delivery thereof by the parties thereto and upon entry by the Bankruptcy Court of the Interim Order and entry by the Canadian Court of the Canadian Order, will be effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral (as defined in the Collateral Documents) and the proceeds thereof, and, after

giving effect to the Orders and the Canadian Order, the Lien created under the Collateral Documents will constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such Collateral, in each case prior and superior in right to any other Person, other than with respect to (A) Liens having priority by law and (B) the CCAA Charges.

SECTION 3.17.Reorganization Matters. (a)The Bankruptcy Cases were commenced on the Petition Date and the Canadian Proceeding was commenced on April 3, 2009, in each case in accordance with applicable law and proper notice thereof and proper notice of the hearings to consider entry of the Interim Order and entry of the Canadian Order has been given or dispensed with pursuant to the terms of the Canadian Order and proper notice of the hearing to consider entry of the Final Order will be given.

(b)Each of the Interim Order (with respect to the period prior to entry of the Final Order), the Final Order (with respect to the period following the entry of the Final Order) and the Canadian Order is in full force and effect and has not been reversed, stayed, modified, vacated or amended without the written consent of the Administrative Agent and the Required Lenders.

(c)Subject to and after the entry of the Interim Order (with respect to the period prior to entry of the Final Order), the Final Order (with respect to the period following the entry of the Final Order) and the Canadian Order, notwithstanding the provisions of Section 362 of the Bankruptcy Code or the stay of proceedings contained in the Canadian Order, upon the Termination Date (whether by acceleration or otherwise) of any of the Obligations hereunder, the Administrative Agent and Lenders shall be entitled to immediate payment in full in cash of such Obligations and to enforce the remedies provided for hereunder and under the other Loan Documents, without further application to or order by the Bankruptcy Court or the Canadian Court, as more fully set forth in and subject to the Interim Order, the Final Order and the Canadian Order.

ARTICLE IV

Conditions

SECTION 4.01.Effective Date. The obligations of the Lenders to make Loans (including as contemplated by Sections 2.01(c), (d) and (e)) shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a)Credit Agreement and Loan Documents. The Administrative Agent (or its counsel) shall have received (i) from each Loan Party and the Lenders either (A) a counterpart of this Agreement signed on behalf of such party or (B) written evidence reasonably satisfactory to the Administrative Agent (which may include facsimile transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and (ii) duly executed copies of the other Loan Documents and such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the transactions contemplated by this Agreement and the other Loan Documents, including any promissory notes requested by a Lender pursuant to Section 2.09(h) payable to the order of each such requesting Lender.

(b)Closing Certificates; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i) a certificate of each Loan Party, dated the Effective Date and executed by its Secretary or Assistant Secretary, which shall (A) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the Financial Officers and any other officers of such Loan Party authorized to sign the Loan Documents to

which it is a party, and (C) contain appropriate attachments, including the certificate or articles of incorporation or organization of each Loan Party certified by the relevant authority of the jurisdiction of organization of such Loan Party and a true and correct copy of its by-laws or operating, management or partnership agreement, and (ii) a long-form good standing certificate for each Loan Party from its jurisdiction of organization, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(c)No Default Certificate. The Administrative Agent shall have received a certificate, dated the Effective Date and signed by a Financial Officer, (i) stating that, as of the Effective Date and after giving effect to the Transactions, no Default has occurred and is continuing, (ii) stating that the representations and warranties contained in Article III that are qualified by materiality shall be true and correct, and the representations and warranties that are not so qualified shall be true and correct in all material respects, as of the Effective Date, and (iii) certifying any other factual matters as may be reasonably requested by the Administrative Agent.

(d)Fees. The Administrative Agent shall have received all fees (including the Up-front Fee, but excluding the ~~Final Order~~**Facility** Fee) required to be paid to it and to the Lenders, and all expenses for which invoices have been presented on or before the Effective Date (including the reasonable fees and expenses of legal counsel to the Administrative Agent and to any Lender, and the financial advisor to the Administrative Agent's legal counsel).

(e)Canadian Perfection Certificate; Lien Searches. The Administrative Agent shall have received (i) a completed Canadian Perfection Certificate, dated the Effective Date and signed by a Financial Officer or legal officer of the Canadian Subsidiary Borrower, together with all attachments contemplated thereby, and (ii) the results of a recent lien search in (A) each of the jurisdictions where assets of the Loan Parties are located and (B) the jurisdiction of formation of each Loan Party, and such search shall reveal no Liens on any of the assets of the Loan Parties or their respective subsidiaries except for Liens permitted by Section 6.02 or discharged on or prior to the Effective Date pursuant to documentation reasonably satisfactory to the Administrative Agent.

(f)Pledged Stock; Stock Powers; Pledged Notes. The Administrative Agent shall have received (i) the certificates representing the Equity Interests to be pledged pursuant to the Collateral Documents, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each promissory note (if any) pledged to the Administrative Agent pursuant to the Collateral Documents endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof.

(g)Filings, Registrations and Recordings. Each document (including any financing statement, fixture filing, mortgage, deed of trust or other document) required by the Collateral Documents or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create or maintain in favor of the Administrative Agent, for the benefit of the Lenders, a perfected Lien on the Collateral described therein, prior and superior in right to any other Person (other than the CCAA Charges and Liens having priority by law), shall be in proper form for filing, registration or recordation.

(h)Mortgages, etc. The Administrative Agent shall have received, with respect to each Mortgaged Property (other than with respect to the Mortgaged Properties located in British Columbia and

Alberta), each of the following, in form and substance reasonably satisfactory to the Administrative Agent, to the extent requested by the Administrative Agent (orally or in writing):

(i) a Mortgage on such property;

(ii) evidence that a counterpart of the Mortgage (or any necessary amendment to any Mortgage existing immediately prior to the Effective Date to reflect the consummation of the Transactions) has been recorded (or delivered to the title insurance company to be recorded after the consummation of the Transactions) in the place necessary, in the Administrative Agent's judgment, to create a valid and enforceable first priority Lien in favor of the Administrative Agent for the benefit of itself and the Lenders;

(iii) evidence of a commitment to title insure from an insurer acceptable to the Administrative Agent, acting reasonably with an assertion from such insurer that its gap coverage has been declared to be in effect; and

(iv) such other information, documentation, and certifications as may be reasonably required by the Administrative Agent.

(i)Consummation of Transactions. The commencement of the Bankruptcy Cases and the Canadian Proceeding and the consummation of the other Transactions contemplated hereunder and by the other Loan Documents shall have been duly authorized by the Borrowers and each other Loan Guarantor.

(j)Indebtedness. After giving effect to the Transactions, none of Holdings, the Parent Borrower nor any Subsidiary shall have outstanding any Indebtedness or any shares of preferred stock, other than (i) the Loans and other Indebtedness incurred under this Agreement and the other Loan Documents, (ii) Prepetition Indebtedness, (iii) the Senior Secured Notes, (iv) Indebtedness set forth on Schedule 6.01 and (v) the other Indebtedness permitted by Section 6.01.

(k)Consents and Approvals. All requisite material Governmental Authorities shall have approved or consented to the Transactions to the extent required and there shall be no governmental or judicial action, actual or threatened, that could reasonably be expected to restrain, prevent or impose materially burdensome conditions on the Transactions.

(l)Other Documents. The Administrative Agent shall have received such other documents as the Administrative Agent, the Issuing Bank, any Lender or their respective counsel may have reasonably requested.

(m)Interim Order. Entry of an order of the Bankruptcy Court in substantially the form of Exhibit H (the "Interim Order") approving the Loan Documents, granting the Superpriority Claim status in respect of the Obligations and the senior priming and other Liens described in Article II hereof and provided for in the Collateral Documents, which Interim Order (i) shall have been entered, upon an application or motion of the Parent Borrower reasonably satisfactory in form and substance to the Administrative Agent, on such prior notice to such parties as required under the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules for the District of Delaware, (ii) shall authorize extensions of credit in an amount not to exceed ~~$[•]~~**42,500,000** (excluding amounts in respect of the Prior Swap), (iii) shall approve the payment by the Parent Borrower of all of the fees and expenses provided for in the Loan Documents (including the reasonable attorneys' fees and expenses of the Administrative Agent, the Issuing Bank and the Lenders), (iv) shall be in full force and effect, (v) shall have authorized the use by the Borrowers and the Loan Guarantors of any cash collateral of the Loan

Parties, (vi) shall provide for no adequate protection in respect of the diminution in value of the interests of the Sponsor or any Sponsor Affiliate (in its capacity as a term lender under the Prepetition Credit Agreement) or any holder of Senior Secured Notes occurring as a result of the use of cash collateral, the priming of liens and the imposition of the automatic stay, other than **(A)** replacement Liens, which Liens shall have the priority set forth in the Orders (the "Replacement Liens") **and (B) payments not in excess of $25,000 in the aggregate in any calendar month for (x) the legal fees of Kirkland & Ellis LLP, as counsel for the term lender under the Prepetition Credit Agreement and (y) other reimburseable expenses of the term lender under the Prepetition Credit Agreement**, (vii) shall not have been vacated, stayed, reversed, modified or amended in any respect without the written consent of the Administrative Agent and the Required Lenders, (viii) shall have permitted the application of proceeds to the Prepetition Indebtedness and the advancing of Loans to the Borrowers **and the establishment of the Secured Obligations, in each case** having the priority set forth in Section 2.21, (ix) shall provide for Adequate Protection for the Prepetition Agent and the Prepetition Revolving Lenders as set forth in the form of Exhibit H, and (x) shall be in form and substance acceptable to the Administrative Agent and the Required Lenders; and, if the Interim Order is the subject of a pending appeal in any respect, neither the making of any Loans nor the deemed issuance pursuant to Section 2.04(a) of any Letter of Credit nor the performance by the Borrowers or any of the other Loan Guarantors of any of their respective obligations hereunder or under the Loan Documents or under any other instrument or agreement referred to herein shall be the subject of a presently effective stay pending appeal.

(n)Canadian Order. Issuance and entry by the Canadian Court of the Canadian Order in form and substance satisfactory to the Administrative Agent and the Required Lenders, which Canadian Order (i) shall have been made upon the application of the Canadian Subsidiary Borrower and Canadian Subsidiary Loan Parties, in form and substance satisfactory to the Administrative Agent and the Required Lenders and (ii) shall not have been vacated, stayed, reversed, modified or amended in any respect without the prior written consent of the Administrative Agent and the Required Lenders and shall not be subject to a pending appeal or motion for leave to appeal or other proceeding to set aside such order; and if the Canadian Order is the subject of a pending appeal in any respect, neither the making of any Loans nor the deemed issuance pursuant to Section 2.04(a) of any Letter of Credit nor the performance by the Borrowers or any of the other Loan Guarantors of any of their respective obligations hereunder or under the Loan Documents or under any other instrument or agreement referred to herein shall be the subject of a presently effective stay pending appeal.

(o)Forecast. The Lenders shall have received and be satisfied with the Forecast.

(p)The Administrative Agent shall have received a Daily Borrowing Base Certificate on or within one Business Day prior to the Effective Date.

(q)The Parent Borrower shall have retained an investment bank or other strategic advisor acceptable to the Required Lenders to assist it in consummating a Company Sale (it being understood and agreed that Jefferies & Company, Inc. is an acceptable investment bank).

The Administrative Agent shall notify the Parent Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans (including as contemplated by Sections 2.01(c), 2.01(d) and 2.01(e)) shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.02) at or prior to 11:00 a.m., New York City time, the date five Business Days after the date of this Agreement (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

SECTION 4.02.Each Credit Event. (a)The obligation of each Lender to make a Loan on the occasion of any Borrowing and of the Issuing Bank to amend, renew or extend any such Letter of Credit, is subject to the satisfaction of the following conditions:

(i) the representations and warranties of each of the Loan Parties set forth in the Loan Documents that are qualified by materiality shall be true and correct, and the representations and warranties that are not so qualified shall be true and correct in all material respects, in each case on and as of the date of such Borrowing or the date of the amendment, renewal or extension of such Letter of Credit, as applicable (other than with respect to any representation and warranty that expressly relates to an earlier date, in which case such representation and warranty shall be true and correct, or true and correct in all material respects, as the case may be, as of such earlier date); and

(ii) at the time of and immediately after giving effect to such Borrowing or the amendment, renewal or extension of such Letter of Credit, as applicable, no Default shall have occurred and be continuing.

(iii) The Interim Order and the Canadian Order shall be in full force and effect and shall not have been vacated, stayed, reversed, modified or amended in any respect in a manner determined by the Administrative Agent or the Required Lenders to be adverse to the interests of the Administrative Agent and the Lenders and an order of the Bankruptcy Court in substantially the form of the Interim Order (with only such modifications thereto as are satisfactory in form and substance to the Administrative Agent and the Required Lenders) (the "Final Order") shall have been entered by the Bankruptcy Court no later than 30 days after the entry of the Interim Order, and at such time the Final Order shall be in full force and effect, shall authorize extensions of credit up to $[~~•~~]**85,877,371** (excluding amounts in respect of the Prior Swap), shall have approved the conversion of certain Prepetition Revolving Loans, Prepetition Swap Obligations, Prepetition Banking Services Obligations and Prepetition Letters of Credit (and granted such converted Prepetition Revolving Loans, Prepetition Swap Obligations, Prepetition Banking Services Obligations and Prepetition Letters of Credit **and any other Secured Obligations established hereby** Superpriority Claim status, secured by Liens and having the priority, in each case as set forth in Section 2.21), shall have approved the Adequate Protection and shall not have been vacated, stayed, reversed, modified or amended in any respect in a manner determined by the Administrative Agent or the Required Lenders to be adverse to the interests of the Administrative Agent and the Lenders; and if the Interim Order, the Final Order or the Canadian Order is the subject of a pending appeal in any respect, neither the making of the Loans, the amendment, renewal or extension of any Letter of Credit, nor the performance by the Parent Borrower or any Loan Guarantor of any of their respective obligations under any of the Loan Documents shall be subject to a stay pending appeal. Each such Order as then in effect shall permit the use of cash collateral under the Prepetition Credit Agreement by the Borrower and the Loan Guarantors in a manner satisfactory to the Administrative Agent and the Required Lenders.

(iv) The Lenders shall have received and be satisfied with the most recent Cash Flow Forecast required to be delivered pursuant to Section 5.01(j).

Each Borrowing and each amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the applicable Borrower on the date thereof as to the matters

specified in this Section 4.02(a).

(b)Prior to (i) the making of each Loan (other than as contemplated by Sections 2.01(c), 2.01(d) and 2.01(e)), the Administrative Agent shall have received a Borrowing Request meeting the requirements of Section 2.03 and a Daily Borrowing Base Certificate in compliance with Section 5.01(g), and (ii) the amendment, renewal or extension of each Letter of Credit, the Administrative Agent and the Issuing Bank shall have received a notice meeting the requirements of Section 2.04(b).

ARTICLE V

Affirmative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees, expenses and other amounts payable under any Loan Document shall have been paid in full and all Letters of Credit shall have expired or terminated (or shall have been cash collateralized or supported by a letter of credit as provided in Section 2.04(h)) and all L/C Disbursements shall have been reimbursed, the Loan Parties covenant and agree, jointly and severally, with the Lenders that:

SECTION 5.01.Financial Statements; Borrowing Base and Other Information. Holdings and the Parent Borrower will furnish to the Administrative Agent and each Lender:

(a) within 120 days after the end of each fiscal year of the Parent Borrower, the unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows for each of the Parent Borrower and its consolidated subsidiaries, on the one hand, and the Canadian Subsidiary Borrower and its consolidated subsidiaries, on the other hand, in each case as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition and results of operations of the Parent Borrower and its consolidated subsidiaries or the Canadian Subsidiary Borrower and its consolidated subsidiaries, as the case may be, on a consolidated basis in accordance with GAAP (or, in the case of the financial statements of the Canadian Subsidiary Borrower and its consolidated subsidiaries, Canadian GAAP) consistently applied;

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Parent Borrower, the unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows for each of the Parent Borrower and its consolidated subsidiaries, on the one hand, and the Canadian Subsidiary Borrower and its consolidated subsidiaries, on the other hand, in each case as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition and results of operations of the Parent Borrower and its consolidated subsidiaries or the Canadian Subsidiary Borrower and its consolidated subsidiaries, as the case may be, on a consolidated basis in accordance with GAAP (or, in the case of the financial statements of the Canadian Subsidiary Borrower and its consolidated subsidiaries, Canadian GAAP) consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) within 30 days after the end of each of the first two fiscal months of each fiscal quarter of the Parent Borrower, the unaudited consolidated balance sheet and related statements

of income, stockholders' equity and cash flows for each of the Parent Borrower and its consolidated subsidiaries, on the one hand, and the Canadian Subsidiary Borrower and its consolidated subsidiaries, on the other hand, in each case as of the end of and for such fiscal month and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition and results of operations of the Parent Borrower and its consolidated subsidiaries or the Canadian Subsidiary Borrower and its consolidated subsidiaries;

(d) concurrently with any delivery of financial statements under clause (a), (b) or (c) above, a compliance certificate of a Financial Officer in substantially the form of Exhibit D (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and (iii) setting forth calculations demonstrating compliance with each of Sections 6.16, 6.17 and 6.18;

(e) as soon as available, but in any event not more than 30 days after the end of each fiscal year of the Parent Borrower, a copy of the plan and forecast (including a projected consolidated and consolidating balance sheet, income statement and funds flow statement) of the Parent Borrower and the Subsidiaries on a consolidated basis for each month of the upcoming fiscal year (the "Projections") in form reasonably satisfactory to the Administrative Agent and, promptly when available, any significant revisions of such Projections;

(f) on or before the first Wednesday following the end of each calendar week, as of the end of the week then ended, a Weekly Borrowing Base Certificate and supporting information in connection therewith, together with any additional reports with respect to each Borrowing Base as the Administrative Agent may reasonably request;

(g) on or before 11:00 a.m., New York City time, on each Business Day, as of the end of the previous Business Day, a Daily Borrowing Base Certificate and supporting information in connection therewith, together with any additional reports with respect to each Borrowing Base as the Administrative Agent may reasonably request;

(h) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by Holdings, the Parent Borrower or any Subsidiary with the SEC, or any Governmental Authority succeeding to any or all of the functions of the SEC, or with any national securities exchange, or distributed by Holdings to its shareholders generally, as the case may be;

(i) promptly following any written request therefor from the Administrative Agent (on its own behalf or on behalf of any Lender), such other information regarding the operations, business affairs and financial condition of Holdings, the Parent Borrower or any Subsidiary, or compliance with the terms of this Agreement, as the Administrative Agent (on its own behalf or on behalf of such Lender) may reasonably request (including any information required to be provided by the Parent Borrower and the Canadian Subsidiary Borrower pursuant to Section 9.14);

(j) promptly after the request by the Administrative Agent or any Lender, copies of (i) any documents described in Section 101(k)(1) of ERISA that the Parent Borrower or any of its ERISA Affiliates may request with respect to any Multiemployer Plan and (ii) any notices described in Section 101(l)(1) of ERISA that the Parent Borrower or any of its ERISA Affiliates may request with respect to any Multiemployer Plan, provided that if the Parent Borrower or any of its ERISA Affiliates has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, the Parent Borrower or the applicable ERISA Affiliate shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof;

(k) on the first Wednesday in New York City following the end of each calendar week, (i) a Cash Flow Forecast and a cash report reflecting aggregate cash balances in all accounts of the Parent Borrower and its Subsidiaries with financial and other institutions as of the immediately preceding Saturday and (ii) a comparison of actual performance for the preceding week to the Cash Flow Forecast previously provided and an explanation for any material variances, in form substantially similar to the forecast and report delivered under the Prepetition Credit Agreement prior to the Petition Date, together with a certificate of the Chief Financial Officer or the Chief Executive Officer to the effect that such forecasts have been prepared in good faith and based upon assumptions believed to be reasonable at the time when prepared; and

(l) on or prior to the fifteenth calendar day of each calendar month, an updated and supplemented Forecast reflecting any changes to the Forecast previously delivered, together with a certificate of the Chief Financial Officer or the Chief Executive Officer to the effect that such Forecast has been prepared in good faith and based upon assumptions believed to be reasonable at the time when prepared.

SECTION 5.02. Notices of Material Events. Holdings and the Parent Borrower will furnish to the Administrative Agent (for distribution to each Lender) prompt written notice of a Responsible Officer's obtaining knowledge of any of the following:

(a) the occurrence of any Default;

(b) receipt of any notice of any governmental investigation or any litigation or proceeding commenced or threatened against any Loan Party that (i) seeks material damages, (ii) seeks material injunctive relief, (iii) is asserted or instituted against any Plan, any Canadian Pension Plan, any Canadian Benefits Plan or, in each case, its fiduciaries or its assets, (iv) alleges criminal misconduct by any Loan Party, (v) alleges the material violation of, or seeks material remedies in connection with, any Environmental Laws or alleges a material Environmental Liability, (vi) contests any material tax, fee, assessment or other governmental charge, or (vii) involves any product recall;

(c) any Lien (other than Liens permitted hereunder) or claim made or asserted against any of the Collateral;

(d) any loss, damage or destruction to the Collateral in the amount of $1,000,000 or more, whether or not covered by insurance, or the commencement of any action or proceeding for the taking of any material portion of or material interest in the Collateral under power of eminent domain or by condemnation or similar proceeding;

(e) any and all default notices received under or with respect to any leased location or public warehouse where Collateral is located in excess of $500,000 (which shall be delivered within five Business Days after receipt thereof);

(f) the occurrence of any ERISA Event or any fact or circumstance that gives rise to a reasonable expectation that any ERISA Event will occur that, in either case, alone or together with any other ERISA Events that have occurred or are reasonably expected to occur, could reasonably be expected to result in material liability of Holdings, the Parent Borrower and the Subsidiaries;

(g) any failure of either Borrower or any Subsidiary to make any contribution required to pay the "normal cost", as defined in the Regulations to the Pension Benefits Act (Ontario), of the benefits under any Canadian Pension Plan or any required contribution to a Canadian Multi-Employer Plan or the receipt of any notice from the funding agent for any Canadian Pension Plan or Canadian Multi-Employer Plan or from any Governmental Authority to such effect that could reasonably be expected to result in a material liability to Holdings, the Parent Borrower and the Subsidiaries;

(h) any contribution by a Borrower or any Subsidiary to a Canadian Pension Plan which is a "special payment", as defined in the Regulations to the Pension Benefits Act (Ontario), to fund any unfunded liability thereunder which is made during the period covered by the Canadian Order; and

(i) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section 5.02 shall be accompanied by a statement of a Financial Officer or other executive officer of the Parent Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03.Existence. Each Loan Party will, and will cause each of its subsidiaries other than Indalex UK Limited to, do or cause to be done all things necessary (a) to preserve, renew and keep in full force and effect (i) its legal existence and (ii) except as otherwise excused by the Bankruptcy Code or the Canadian Order, the rights, qualifications, privileges, permits, franchises, governmental authorizations, intellectual property rights, licenses and permits material to the conduct of its business, except, in the case of this subclause (ii), to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect, and (b) maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except, in the case of this clause (b), to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect, provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

SECTION 5.04.Payment of Obligations. Except in accordance with the Bankruptcy Code, the Canadian Order, the CCAA or any applicable order issued by the Bankruptcy Court or the Canadian Court, each Loan Party will, and will cause each of its subsidiaries to, pay or discharge all Material Indebtedness, all lawful claims for labor, materials and supplies or otherwise that constitute administrative expense under Section 503(b) of the Bankruptcy Code, all material Taxes and all other material liabilities and obligations that have resulted, or may result, in a Lien being imposed on any Loan Party's assets (which, in the case of the Canadian Pension Plans, shall mean all contributions required to pay the "normal cost" of the benefits thereunder, as defined in the Regulations to the Pension Benefits Act (Ontario) and in the case of a Canadian Multi-Employer Plan, shall mean the contributions thereto

required under the applicable collective agreement or participation agreement) (other than Liens expressly permitted by Section 6.02), in each case arising after the Petition Date, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Loan Party or such subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP, (c) such contest effectively suspends collection of the contested obligation and the enforcement of any Lien securing such obligation and (d) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.05.Maintenance of Properties. Each Loan Party will, and will cause each of its subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty and condemnation excepted.

SECTION 5.06.Books and Records; Inspection Rights. (a)Each Loan Party will, and will cause each of its subsidiaries to, (i) keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities and (ii) permit any representatives designated by the Administrative Agent, any Lender or any other party in interest to the Bankruptcy Cases or the Canadian Proceeding (including employees of the Administrative Agent, any Lender or any consultants, accountants, lawyers and appraisers retained by the Administrative Agent), upon reasonable prior notice, to visit and inspect its properties during normal business hours, to examine and make extracts from its books and records (including environmental assessment reports and Phase I or Phase II studies), to discuss its affairs, finances and condition with its officers and independent accountants and to meet with its suppliers, all at such reasonable times and as often as reasonably requested, provided that a representative of the Loan Parties shall have the right to be present. The Loan Parties acknowledge that the Administrative Agent, after exercising its rights of inspection, may prepare and distribute to the Lenders certain Reports pertaining to the Loan Parties' assets for internal use by the Administrative Agent and the Lenders.

(b)Each Loan Party will, and will cause each of its subsidiaries to, permit any representatives designated by the Administrative Agent (including any consultants, accountants, lawyers and appraisers retained by the Administrative Agent) to conduct periodic collateral examinations and periodic collateral appraisals of the Parent Borrower's and the Canadian Subsidiary Borrower's computation of their respective Borrowing Base and the assets included in each such Borrowing Base, all at such reasonable times and as often as reasonably requested by the Administrative Agent in its sole discretion. The Parent Borrower shall pay the reasonable fees and expenses (including internally allocated fees and expenses of employees of the Administrative Agent) of any such representatives retained by the Administrative Agent as to which invoices have been furnished to conduct any such examination or appraisal, including the reasonable fees and expenses associated with collateral monitoring services performed by the IB ABL Portfolio Mgmt Group of the Administrative Agent. The Loan Parties acknowledge that the Administrative Agent, after exercising its rights with respect to collateral examinations and collateral appraisals, may prepare and distribute (and, upon the request of any Lender, will distribute) to the Lenders certain Reports pertaining to the Loan Parties' assets for internal use by the Administrative Agent and the Lenders. Each of the Parent Borrower and the Canadian Subsidiary Borrower also agrees to modify or adjust the computation of its Borrowing Base (which may include maintaining additional reserves or modifying the eligibility criteria for the components of the Borrowing Base) to the extent required by the Administrative Agent or the Required Lenders as a result of any such collateral examination or collateral appraisal or otherwise.

(c)In the event that historical accounting practices, systems or reserves relating to the components of either Borrowing Base are modified in a manner that is adverse to the Lenders in any material respect, the Parent Borrower and the Canadian Subsidiary Borrower, as applicable, shall agree to

maintain such additional reserves (for purposes of computing the applicable Borrowing Base) in respect of the components of the applicable Borrowing Base and make such other adjustments to its parameters for including the components of the applicable Borrowing Base as the Administrative Agent in its Permitted Discretion shall require based upon such modifications.

SECTION 5.07.Compliance with Laws. Each Loan Party will, and will cause each of its subsidiaries to, comply with all Requirements of Law applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.08.Use of Proceeds; Forecast. (a) The Borrowers will use the proceeds of the Loans solely (i) to pay fees and expenses associated with this Agreement (including attorneys' fees and expenses required to be paid pursuant to Section 9.03), (ii) to make payments in respect of Adequate Protection, (iii) to make payments or fund amounts otherwise permitted by this Agreement and (iv) subject to clause (b) below, for working capital and general corporate purposes. The Borrower shall use the entire amount of the proceeds of each Loan solely in accordance with this Section 5.08, provided that nothing herein shall in any way prejudice or prevent the Administrative Agent or the Lenders from objecting, for any reason, to any requests, motions or applications made in the Bankruptcy Court or the Canadian Court, including any applications for interim or final allowances of compensation for services rendered or reimbursement of expenses incurred under Section 330 or 331 of the Bankruptcy Code, by any party in interest. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

(b)For each cumulative period commencing with and including the week ended April 3, 2009, and ending on any Friday thereafter (the first such period being the week ended April 3, 2009): (i) the actual aggregate cash receipts during such period for all line items in the Forecast delivered April 8, 2009 shall exceed 80% of the projected aggregate cash receipts for such period and (ii) the actual aggregate cash disbursements during such period for all line items in the Forecast delivered April 8, 2009 shall not exceed 120% of the projected aggregate cash disbursements for such period.

SECTION 5.09.Insurance. Each Loan Party will, and will cause each of its subsidiaries to, maintain with financially sound and reputable carriers (a) insurance in such amounts (with no greater risk retention) with customary deductibles and against such risks (including loss or damage by fire and loss in transit; theft, burglary, pilferage, larceny, embezzlement, and other criminal activities; business interruption; and general liability) and such other hazards, as is (i) customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations and (ii) considered adequate by Holdings and the Parent Borrower and (b) all insurance as may be required by law. Each Loan Party shall, and shall cause each of its subsidiaries to, (A) cause all such property and property casualty insurance policies to be endorsed or otherwise amended to include a lender's loss payable endorsement, in form and substance reasonably satisfactory to the Administrative Agent; (B) deliver original or certified copies of all such policies or a certificate of an insurance broker to the Administrative Agent; (C) cause each such policy to provide that it shall not be canceled, modified or not renewed upon less than 30 days' prior written notice (or 10 days' prior written notice in the case of any failure to pay any premium due thereunder) thereof by the insurer to the Administrative Agent; and (D) deliver to the Administrative Agent, prior to the cancelation, modification or nonrenewal of any such policy of insurance, a copy of a renewal or replacement policy (or other evidence of renewal of a policy previously delivered to the Administrative Agent), or insurance certificate with respect thereto, together with evidence reasonably satisfactory to the Administrative Agent of payment of the premium therefor.

The Parent Borrower will furnish to the Lenders, upon request of the Administrative Agent, information in reasonable detail as to the insurance so maintained.

SECTION 5.10.Depository Banks. The Parent Borrower and each Subsidiary will maintain the Administrative Agent, Bank of America, N.A., Royal Bank of Canada or such other bank or banks that are reasonably satisfactory to the Administrative Agent, as its principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity, and other deposit accounts for the conduct of its business.

SECTION 5.11.Additional Collateral; Further Assurances. (a)To the extent permitted by applicable law, each Borrower and each Subsidiary Loan Party shall cause each of its subsidiaries formed or acquired after the date of this Agreement to become a Loan Party by executing the Joinder Agreement set forth as Exhibit E hereto (the "Joinder Agreement"). Upon execution and delivery thereof, each such Person (i) shall automatically become a Loan Guarantor hereunder and thereupon shall have all of the rights, benefits, duties, and obligations in such capacity under the Loan Documents, the Orders and the Canadian Order and (ii) will grant, if so requested by the Administrative Agent, and including by executing the applicable Collateral Documents (or supplements thereto), Liens to the Administrative Agent, for the benefit of the Administrative Agent and the Lenders, in any property of such Loan Party that constitutes Collateral, including any parcel of real property owned by such Loan Party.

(b)To the extent permitted by applicable law, the Loan Parties will cause 100% of the issued and outstanding Equity Interests of each Loan Party Subsidiary to be subject at all times to a first priority, perfected Lien (subject to Permitted Encumbrances and the CCAA Charges) in favor of the Administrative Agent to secure the Secured Obligations pursuant to the terms and conditions of the Orders, the Canadian Order, the applicable Collateral Document or other security documents as the Administrative Agent shall reasonably request.

(c)Without limiting the foregoing and to the extent permitted by applicable law, each Loan Party will, and will cause each of its subsidiaries to, execute and deliver, or cause to be executed and delivered, to the Administrative Agent such documents, agreements and instruments, and will take or cause to be taken such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents and such other actions or deliveries of the type required by Section 4.01, as applicable), which may be required by law or which the Administrative Agent may, from time to time, reasonably request (taking into account the Orders and the Canadian Order) to carry out the terms and conditions of this Agreement and the other Loan Documents and to ensure perfection and priority of the Liens created or intended to be created by the Collateral Documents, all at the expense of the Loan Parties.

(d)If any material assets (including any real property or improvements thereto or any interest therein) are acquired by any Loan Party after the Effective Date (other than assets constituting Collateral under the Collateral Documents, an Order or the Canadian Order that become subject to the Lien created by the applicable Collateral Document, Order or the Canadian Order upon acquisition thereof), such Loan Party will notify the Administrative Agent and the Lenders thereof, and, if requested by the Administrative Agent or the Required Lenders and to the extent permitted by applicable law, such Loan Party will cause such assets to be subjected to a Lien securing the Secured Obligations and will take such actions as shall be necessary or reasonably requested by the Administrative Agent to grant and perfect such Liens (subject to any exceptions set forth in the Collateral Documents, Orders and the Canadian Order), including actions described in paragraph (c) of this Section 5.11, all at the expense of the Loan Parties.

(e)Notwithstanding the foregoing, the Administrative Agent shall not take a security interest in those assets as to which the Administrative Agent shall determine, in its reasonable discretion, that the cost of obtaining such security interest (including any mortgage, stamp, intangibles or other tax) are excessive in relation to the benefit to the Lenders of the security afforded thereby.

SECTION 5.12.Bankruptcy Cases. The Borrower shall obtain entry of the Final Order and, in addition, shall use its best efforts to deliver or cause to be delivered to the Administrative Agent's counsel all pleadings, motions and other documents filed on behalf of the Loan Parties with the Bankruptcy Court or in the Canadian Proceeding or distributed by or on behalf of the Parent Borrower, the Canadian Subsidiary Borrower or the other Loan Guarantors to any statutory committee appointed in the Bankruptcy Cases or the Canadian Proceeding, the Monitor or other parties in interest.

SECTION 5.13.Strategic Advisor. The Parent Borrower shall (i) retain an investment bank or other strategic advisor acceptable to the Required Lenders to assist it in consummating a Company Sale (it being understood and agreed that Jefferies & Company, Inc. is an acceptable investment bank) and (ii) upon the resignation or termination of any such investment bank, retain a replacement investment bank or strategic advisor acceptable to the Required Lenders on terms and conditions satisfactory to the Required Lenders no later than five Business Days following such resignation or termination.

SECTION 5.14.Milestones.

(a) On or before the date that is 10 Business Days after the Effective Date, the Canadian Subsidiary Borrower shall have obtained the approval of the Canadian Court for a sale process for the sale of all or substantially all of its assets, together with the assets of the other Loan Parties and their Subsidiaries substantially on the same terms as the process required under Section 363 of the Bankruptcy Code and otherwise acceptable to the Administrative Agent (the "Canadian Sale Process Order").

(b) On or before the date that is 30 calendar days after the Effective Date, the Parent Borrower or Holdings shall receive at least one letter of intent from a Person that is not an Affiliate of any Loan Party (a "Bidder") containing a written proposal to acquire, directly or indirectly, all or substantially all of the assets of the Loan Parties and their subsidiaries under Section 363 of the Bankruptcy Code and in compliance with the Canadian Sale Process Order for cash consideration (a "Company Sale"), which proposal, in the reasonable opinion of the Administrative Agent, is capable from a financial, legal and regulatory standpoint of being consummated.

(c) On or before the date that is 70 calendar days after the Effective Date, the Parent Borrower or Holdings shall (i) execute a definitive agreement with a Bidder for a Company Sale that in the reasonable discretion of the Administrative Agent would reasonably be expected to result in a Sale Closing and Net Proceeds in cash in an aggregate dollar amount greater than [redacted], of which at least [redacted] would be attributable to the sale of assets of the Parent Borrower and its Domestic Subsidiaries and (ii) file a motion in the Bankruptcy Court and the Canadian Court seeking approval of such Company Sale.

(d) Holdings or the Parent Borrower shall effect a Sale Closing on or before the date that is 100 days after the Effective Date for a Company Sale resulting in Net Proceeds in cash in an aggregate dollar amount greater than [redacted], of which at least [redacted] is attributable to the sale of assets of the Parent Borrower and its Domestic Subsidiaries.

(e) The Parent Borrower shall deliver to the Administrative Agent, (i) on or before the date that is 15 days after the Effective Date a plan setting forth substantial proposed reductions in the operating costs of the Loan Parties' businesses and (ii) on or before the date that is 30 days after the Effective Date a plan setting forth the specific cost reductions and actions to be taken, including timing and cost to implement, which plan, in each case, shall be reasonably satisfactory to the Required Lenders.

(f) The Parent Borrower shall deliver a proposal for restructuring its Senior Secured Notes, acceptable in the reasonable discretion of the Required Lenders, on or before the date that is 30 days after the Effective Date.

(g) The Parent Borrower shall file a disclosure statement in form and substance satisfactory to the Administrative Agent and the Required Lenders describing the Chapter 11 Plan on or before the date that is 70 days after the Effective Date.

(h) The Parent Borrower shall ensure that on or before the date that is 100 days after the Effective Date, (i) the Bankruptcy Court shall approve a Chapter 11 Plan and (ii) the Canadian Court shall have sanctioned a plan of arrangement in connection with the Canadian Proceeding.

SECTION 5.15.Post Closing Items. Each of the Loan Parties shall take or cause to be taken each action set forth on Schedule 5.15 and such action shall be completed within the time period set forth on Schedule 5.15 for such action, it being understood that the Required Lenders may, in their sole discretion, grant extensions to the time periods set forth thereon.

ARTICLE VI

Negative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees, expenses and other amounts payable under any Loan Document have been paid in full and all Letters of Credit have expired or terminated (or shall have been cash collateralized or supported by a letter of credit as provided in Section 2.04(h)) and all L/C Disbursements shall have been reimbursed, the Loan Parties covenant and agree, jointly and severally, with the Lenders that:

SECTION 6.01.Indebtedness. No Loan Party will, nor will it permit any of its subsidiaries to, create, incur or suffer to exist any Indebtedness, except:

(a) Indebtedness created hereunder and under the Loan Documents;

(b) Indebtedness existing on the Effective Date and set forth in Schedule 6.01;

(c) Indebtedness of the Parent Borrower to any Subsidiary and of any Subsidiary to the Parent Borrower or any other Subsidiary, provided that (i) Indebtedness of any Subsidiary that is not a Loan Party to the Parent Borrower or any Subsidiary Loan Party shall be subject to Section 6.04 and (ii) Indebtedness of the Parent Borrower to any Subsidiary and Indebtedness of any Subsidiary that is a Loan Party to any Subsidiary that is not a Loan Party shall be subordinated to the Secured Obligations on terms reasonably satisfactory to the Administrative Agent;

(d) Guarantees by (i) the Parent Borrower of Indebtedness of any Subsidiary Loan Guarantor and by any Subsidiary Loan Guarantor of Indebtedness of the Parent Borrower or any other Subsidiary Loan Guarantor, provided that (A) the Indebtedness so Guaranteed is permitted

by this Section 6.01 and (B) Guarantees permitted under this clause (d) shall be subordinated to the Secured Obligations of the applicable Subsidiary Loan Guarantor on the same terms as the Indebtedness so Guaranteed is subordinated to the Secured Obligations, provided that no such Guarantee in any case shall be made after the Petition Date in respect of Indebtedness outstanding before the Petition Date;

(e) Indebtedness of the Parent Borrower or any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets (whether or not constituting purchase money Indebtedness), including Capital Lease Obligations and any Indebtedness assumed by the Parent Borrower or any Subsidiary in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, provided that (i) such Indebtedness is incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this clause (e) shall not exceed $1,000,000 at any time outstanding;

(f) Indebtedness owed to any Person (including obligations in respect of letters of credit for the benefit of such Person) providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such person, in each case incurred in the ordinary course of business;

(g) Indebtedness of the Parent Borrower or any Subsidiary in respect of performance bonds, bid bonds, customs bonds, appeal bonds, surety bonds, performance and completion guarantees and similar obligations (other than in respect of other Indebtedness), in each case provided in the ordinary course of business;

(h) Indebtedness in respect of insurance premium financings in the ordinary course of business;

(i) to the extent constituting Indebtedness, obligations of the Loan Parties and their subsidiaries under operating leases;

(j) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business and other Indebtedness arising in connection with banking services provided by any Person that is not a Lender or an Affiliate of a Lender to the extent such banking services are provided in the ordinary course of business; provided, however, that such Indebtedness is extinguished within five Business Days of its incurrence;

(k) Indebtedness arising from agreements of the Parent Borrower or any Subsidiary to provide indemnification or similar obligations in connection with the disposition of any business or assets of the Parent Borrower or such Subsidiary, as the case may be, to the extent such disposition or acquisition is permitted hereby, provided that (i) such Indebtedness is not reflected on the balance sheet of the Parent Borrower or any Subsidiary (it being understood and agreed that contingent obligations referred to in a footnote to the financial statements of the Parent Borrower or any Subsidiary shall not be deemed to be reflected on such balance sheet for purposes of this clause (i)) and (ii) the maximum assumable liability in respect of all such Indebtedness shall not exceed the gross proceeds actually received by the Parent Borrower or the applicable Subsidiary in connection with the applicable dispositions;

(l) Indebtedness under the Prepetition Credit Agreement and the Senior Secured Indenture outstanding as of the Petition Date, and, in each case, interest permitted to accrue thereon during the pendency of the Bankruptcy Cases under Section 506(b) of the Bankruptcy Code to the extent that the value of the property securing such Indebtedness is greater than the amount of such Indebtedness outstanding as of the Petition Date; and

(m) Indebtedness in respect of Swap Obligations ~~in connection with the Prior Swap~~**permitted hereunder**.

SECTION 6.02.Liens. No Loan Party will, nor will it permit any of its subsidiaries to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except (subject (except with respect to (b) below) at all times to the priority set forth in Section 2.21 of this Agreement):

(a) Liens created pursuant to any Loan Document, the Orders or the Canadian Order;

(b) Liens securing the Prepetition Indebtedness and Replacement Liens (including those granted as Adequate Protection pursuant to the Orders);

(c) Permitted Encumbrances;

(d) Liens on fixed or capital assets acquired, constructed or improved (including any such assets made the subject of a Capital Lease Obligation incurred) by the Parent Borrower or any Subsidiary, provided that (i) such Liens secure Indebtedness permitted by Section 6.01(e), (ii) such Liens and the Indebtedness secured thereby are incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed $1,000,000 at any time outstanding and (iv) such Liens shall not apply to any other property or assets of the Parent Borrower or Subsidiary;

(e) any Lien existing on any property or asset prior to the acquisition thereof by the Parent Borrower or any Subsidiary or existing on any property or asset of any Person that becomes a Loan Party after the date hereof prior to the time such Person becomes a Loan Party, provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Loan Party, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Loan Party and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Loan Party, as the case may be;

(f) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon;

(g) Liens (i) created by sales contracts documenting unconsummated asset dispositions permitted hereby and (ii) in favor of consignors, provided that such Liens attach only to those assets that are the subject of the applicable sales contract or that are consigned to the applicable Loan Party or Subsidiary;

(h) Liens arising by operation of law or contract on insurance policies and the proceeds thereof to secure premiums thereunder;

(i) Liens consisting of the interest of (i) the lessor or sublessor under any lease or sublease entered into by any Loan Party or any of its subsidiaries in its ordinary course of business and (ii) the lessee or sublessee under any lease or sublease granted to others by any Loan Party or any of its subsidiaries in its ordinary course of business;

(j) Liens that are rights of set-off or that arise solely by virtue of any statutory or common law provision relating to deposit accounts in favor of banks and other depositary institutions arising in the ordinary course of business;

(k) Liens (i) representing the interest of the licensor or sublicensor under any license or sublicense entered into by any Loan Party or any of its subsidiaries in its ordinary course of business and (ii) arising from the granting of a license to any Person in the ordinary course of business of a Loan Party or any of its subsidiaries, provided that (A) such Liens attach only to those assets that are the subject of the applicable license and (B) in the case of subclause (ii), the granting of such license is permitted hereunder;

(l) the filing of UCC financing statements solely as a precautionary measure in connection with operating leases entered into by the Parent Borrower or any Subsidiary in its ordinary course of business;

(m) Liens in favor of the issuers of surety bonds issued for the account of the Parent Borrower or any Subsidiary in its ordinary course of business;

(n) to the extent not otherwise permitted by the foregoing, Liens existing on the date hereof that are described on Schedule 6.02, provided that such Liens secure only the obligations that they secure as of the date hereof; and

(o) Liens existing as of the Petition Date securing obligations under the Prepetition Credit Agreement and the Senior Secured Notes Indenture permitted under Section 6.01(l).

SECTION 6.03. Fundamental Changes. (a)No Loan Party will, nor will it permit any of its subsidiaries to, merge into or amalgamate or consolidate with any other Person, or permit any other Person to merge into or amalgamate or consolidate with it, or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Event of Default shall have occurred and be continuing (i) any Subsidiary (other than Canadian Subsidiary Borrower) may merge into the Parent Borrower or the Canadian Subsidiary Borrower in a transaction in which the Parent Borrower or the Canadian Subsidiary Borrower, as applicable, is the surviving corporation, (ii) any Subsidiary may amalgamate with the Canadian Subsidiary Borrower in a transaction in which the resulting entity becomes, and assumes the rights and obligations hereunder of, the Canadian Subsidiary Borrower and (iii) any Subsidiary (other than the Canadian Subsidiary Borrower) may merge into or amalgamate or consolidate with any Subsidiary Loan Party in a transaction in which the surviving or resulting entity is a Loan Party.

(b)The Parent Borrower and the Loan Parties will not engage to any material extent in any business other than businesses of the type conducted by the Parent Borrower and the Loan Parties on the Effective Date and businesses reasonably related, complementary or ancillary thereto.

(c)Holdings will not engage in any business or activity other than the ownership of all the outstanding shares of capital stock of the Parent Borrower and activities incidental thereto and compliance with its obligations under the Loan Documents. Holdings will not own or acquire any assets (other than Equity Interests of the Parent Borrower, the cash proceeds of any Restricted Payments permitted by

Section 6.08 and other de minimis assets held in its ordinary course of business) or incur any liabilities (other than liabilities under the Loan Documents, liabilities expressly permitted by the terms hereof (including the Indebtedness of Holdings permitted by Section 6.04(e)), liabilities imposed by law, including tax liabilities, and liabilities reasonably incurred in connection with its maintenance of its existence, including payment of directors).

SECTION 6.04. Investments, Loans, Advances, Guarantees and Acquisitions. No Loan Party will, nor will it permit any of its subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a Loan Party and a wholly-owned Subsidiary prior to such merger) any Equity Interests in or evidences of Indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit (whether through purchase of assets, merger or otherwise), except:

(a) cash and Permitted Investments;

(b) investments in existence on the Effective Date and described in Schedule 6.04;

(c) investments by Holdings in the Parent Borrower and by the Parent Borrower and the Subsidiaries in Equity Interests in Subsidiary Loan Guarantors, provided that any such Equity Interests held by a Loan Party shall be pledged pursuant to the applicable Collateral Document;

(d) loans or advances made by the Parent Borrower to any Subsidiary Loan Guarantor and made by any Subsidiary Loan Guarantor to the Parent Borrower or any other Subsidiary Loan Guarantor;

(e) Guarantees of Indebtedness that are permitted by Section 6.01;

(f) investments of any Person existing at the time such Person becomes a Subsidiary or consolidates, amalgamates or merges with or into the Parent Borrower or any Subsidiary so long as such investments were not made in contemplation of such Person becoming a Subsidiary or of such consolidation, amalgamation or merger;

(g) investments received in connection with the disposition of any asset permitted by Section 6.05;

(h) investments received (i) in exchange for any other investment or account receivable in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the third party issuer of such other investment or account receivable, (ii) as a result of a foreclosure by the Parent Borrower or any Subsidiary with respect to any secured investment or other transfer of title with respect to any secured investment in default or (iii) in settlement or compromise of legal claims and delinquent accounts receivable;

(i) investments constituting deposits described in clause (c) or (d) of the definition of the term "Permitted Encumbrances"; and

(j) extensions of trade credit in the ordinary course of business.

SECTION 6.05.Asset Sales. No Loan Party will, nor will it permit any of its subsidiaries to, sell, transfer, lease or otherwise dispose of any asset, including any Equity Interest owned by it, nor will the Parent Borrower permit any Subsidiary to issue any additional Equity Interest in such Subsidiary (other than to the Parent Borrower or a Subsidiary Loan Guarantor in compliance with Section 6.04(c)), except:

(a) sales, transfers and dispositions of (i) inventory, (ii) used, obsolete, worn out or surplus equipment or property and (iii) Permitted Investments, in each case in the ordinary course of business;

(b) sales, transfers and dispositions to the Parent Borrower or any Subsidiary Loan Guarantor;

(c) (i) sales, transfers and dispositions of accounts receivable in connection with the compromise, settlement or collection thereof consistent with past practice and (ii) the settlement or compromise of any legal claims;

(d) sales, transfers and dispositions of investments permitted by clauses (f), (g) or (h) of Section 6.04 (in each case, other than Equity Interests in a Subsidiary);

(e) licenses or sublicenses of intellectual property in the ordinary course of business, to the extent that they do not materially interfere with the business of Holdings, the Parent Borrower or any Subsidiary;

(f) dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of the Parent Borrower or any Subsidiary; and

(g) the provision of samples and displays to consumers or prospective customers,

provided that (i) all sales, transfers, leases and other dispositions permitted hereby (other than those permitted by clauses (b), (e), (f) and (g) above) shall be made for fair value and (other than those permitted by clauses (b), (c)(ii), (e), (f) or (g) above) for consideration entirely in cash payable at the time of such sale, transfer or other disposition; (ii) any consideration in the form of Permitted Investments or cash equivalents, in each case that are disposed of for cash consideration within 10 Business Days after such sale, transfer or other disposition shall be deemed to be cash consideration in an amount equal to the amount of such cash consideration for purposes of this proviso and (iii) any cash consideration received from sales, transfers, leases and other dispositions of assets located in the United States shall be deposited in a U.S. Receivables Account, and any cash consideration received from sales, transfers, leases and other dispositions of assets located outside the United States shall be deposited in a Canadian Receivables Account

SECTION 6.06.Sale and Leaseback Transactions. No Loan Party will, nor will it permit any of its subsidiaries to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred.

SECTION 6.07.Swap Agreements. No Loan Party will, nor will it permit any of its subsidiaries to, enter into any Swap Agreement ~~(~~**,** other than the Prior Swap~~)~~**, and foreign exchange transactions and currency options between the Loan Parties and the Administrative Agent or its**

affiliates that do not involve an aggregate U.S. dollar equivalent face amount exceeding $5,000,000 at any time and expire or terminate within five Business Days of entry by the parties into such transaction or option.

SECTION 6.08.Restricted Payments; Certain Payments of Indebtedness. (a)No Loan Party will, nor will it permit any of its subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except wholly-owned Subsidiaries may declare and pay dividends with respect to their Equity Interests.

(b)No Loan Party will, nor will it permit any of its subsidiaries to, make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Indebtedness outstanding on the Petition Date, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness outstanding on the Petition Date, or any other payment (including any payment under any Swap Agreement) that has a substantially similar effect to any of the foregoing, in each case except as provided in the Orders, the Canadian Order or this Agreement and except in connection with the Prior Swap.

SECTION 6.09.Transactions with Affiliates. No Loan Party will, nor will it permit any of its subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) transactions that (i) are in the ordinary course of business and (ii) are at prices and on terms and conditions not less favorable to the Parent Borrower or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Parent Borrower and any Subsidiary Loan Guarantor, (c) transactions between or among the Parent Borrower and any Affiliate that is not a Loan Party so long as such transactions are expressly permitted hereby, (d) the payment of reasonable fees to directors of Holdings, the Parent Borrower or any Subsidiary who are not employees of Holdings, the Parent Borrower or any Subsidiary, and compensation and employee benefit arrangements paid to, and indemnities provided for the benefit of, and employment severance arrangements entered into with, directors, officers or employees of Holdings, the Parent Borrower or the Subsidiaries in the ordinary course of business, (e) any Restricted Payment permitted under Section 6.08 (f) payments not in excess of $25,000 in the aggregate in any calendar month for (x) the legal fees of Kirkland & Ellis LLP, as counsel for the term lender under the Prepetition Credit Agreement, and (y) other reimburseable expenses of the term lender under the Prepetition Credit Agreement.

SECTION 6.10.Restrictive Agreements. No Loan Party will, nor will it permit any of its subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of such Loan Party or any of its subsidiaries to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to the Parent Borrower or any other Subsidiary or to Guarantee Indebtedness of the Parent Borrower or any other Subsidiary, provided that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document or existing on the Effective Date and identified on Schedule 6.10 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition), (ii) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (iii) clause (a) of the foregoing shall not apply to customary provisions in leases, intellectual property licenses and other contracts restricting the assignment thereof and (iv)

clauses (a) and (b) of the foregoing shall not apply to restrictions on net worth or cash or other deposits imposed by customers, suppliers or landlords under contracts entered into by the Parent Borrower or any Subsidiary in its ordinary course of business.

SECTION 6.11.Amendment of Material Documents. No Loan Party will, nor will it permit any of its subsidiaries to, amend, modify, waive or release any of its rights under (a) any agreement relating to any Indebtedness permitted under Section 6.01(b), (b) its certificate of incorporation, by-laws, operating, management or partnership agreement or other organizational documents or (c) any agreement in respect of any joint venture to which such Loan Party or subsidiary, as applicable, is a party.

SECTION 6.12.Certain Equity Securities. No Loan Party will, nor will it permit any of its subsidiaries to, issue any Equity Interests.

SECTION 6.13.Changes in Fiscal Periods. The Parent Borrower will neither (a) permit its fiscal year or the fiscal year of any Subsidiary to end on a day other than December 31, nor (b) change its method of determining fiscal quarters.

SECTION 6.14.Chapter 11 and CCAA Claims. No Loan Party will incur, create, assume or permit to exist any administrative expense, unsecured claim, or other Superpriority Claim or Lien that is pari passu with or senior to the Superpriority Claims or DIP Lenders' Charge, as applicable, of the Lenders and the Administrative Agent against the Loan Parties hereunder, or apply to the Bankruptcy Court or the Canadian Court for authority to do so, except for the Carve-Out and the CCAA Charges.

SECTION 6.15.The Orders and the Canadian Order. No Loan Party will make or permit to be made any change, amendment or modification, or any application or motion for any change, amendment or modification, to either Order, the Canadian Order, the Cash Management Order or any "first day order" without the prior written consent of the Administrative Agent and the Required Lenders, except for any change, amendment or modification that would not adversely affect the Administrative Agent or the Lenders.

SECTION 6.16.Minimum EBITDA. Holdings will not permit Consolidated EBITDA on any date on or after April 30, 2009 to be less than $500,000 for the period ending on such date and commencing on the Petition Date.

SECTION 6.17.Minimum Net Sales. Holdings will not permit Consolidated Net Sales for any period commencing on March 27, 2009 and ending on any date set forth below to be less than the amount set forth opposite such date.

Date	Consolidated Net Sales Amount
April 3, 2009	$8,078,000
April 10, 2009	$16,496,000
April 17, 2009	$24,914,000
April 24, 2009	$33,672,000
May 1, 2009	$41,776,000
May 8, 2009	$50,219,000
May 15, 2009	$59,160,000

May 22, 2009	$68,461,000
May 29, 2009	$77,652,000
June 5, 2009	$86,844,000
June 12, 2009	$96,036,000
June 19, 2009	$105,228,000
June 26, 2009	$114,420,000
July 31, 2009	$147,643,000
August 31, 2009	$184,715,000
September 30, 2009	$230,571,000

SECTION 6.18.Expenditures. The Loan Parties will not make more than $800,000 in Capital Expenditures and tool and die expenditures, in the aggregate, during any period of four consecutive calendar weeks ending on or after the Effective Date.

SECTION 6.19.Cross-Border Property; Accounts. On and after the Effective Date, (i) Holdings, the Parent Borrower and the Domestic Subsidiaries shall not permit any of their assets to be located outside of the United States and will not transfer any funds to any Deposit Account (as defined in the Domestic Security Agreement) that is not the subject of a Deposit Account Control Agreement pursuant to Article III of the Domestic Security Agreement (other than Deposit Accounts specifically exempted by Section 3.04(b) of the Domestic Security Agreement) and (ii) the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties shall not permit any of their assets to be located outside of Canada (other than assets in Bank of America UK account number 600855368015, which shall not at any time exceed $115,000, and assets in The Industrial Bank of China, Guandong Provincial Branch account number 1CBKCNBJGDG-201309030910000627 8 (the "Chinese Account"), which shall not at any time exceed $40,000) and will not transfer any funds to any Deposit Account (as defined in the Canadian Security Agreement) that is not the subject of a Deposit Account Control Agreement pursuant to Article III, other than (x) Deposit Accounts specifically exempted by Sections 3.04(b)(i) and (ii), (y) so long as no Default has occurred **and is continuing**, Deposit Accounts specifically exempted by Section 3.04(b)(iii) ~~[~~or (z) so long as no Default has occurred and **is continuing** provided that such transferred funds do not exceed $30,000 in any calendar month, to the Chinese Account~~]~~.

ARTICLE VII

Events of Default

If any of the following events ("Events of Default") shall occur:

(a) either Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any L/C Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) either Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three Business Days;

(c) any representation or warranty made or deemed made by or on behalf of any Loan Party or any of its subsidiaries in or in connection with this Agreement or any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 5.01(k), 5.01(l), 5.02, 5.03 (with respect to a Loan Party's existence), 5.08, 5.13, 5.14 or 5.15 or in Article VI;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Article), and such failure shall continue unremedied for a period of (i) one Business Day (with or without the giving of notice by the Administrative Agent) if such breach relates to terms or provisions of Section 5.01(f) or 5.01(g), (ii) 10 days after notice thereof from the Administrative Agent (which notice will be given at the request of any Lender) if such breach relates to terms or provisions of Section 5.01 (other than those paragraphs discussed above), 5.03 through 5.07, 5.09 or 5.10 of this Agreement and (iii) 30 days after notice thereof from the Administrative Agent (which notice will be given at the request of any Lender) if such breach relates to terms or provisions of any other Section of this Agreement;

(f) any Loan Party or any of its subsidiaries shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness incurred after the Petition Date (other than the Obligations) with respect to Holdings, the Parent Borrower and the Domestic Subsidiaries, or incurred after the date of issuance of the Canadian Order with respect to the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties, in each case when and as the same shall become due and payable;

(g) any event or condition occurs that results in any Material Indebtedness incurred after the Petition Date with respect to Holdings, the Parent Borrower and the Domestic Subsidiaries, or incurred after the date of issuance of the Canadian Order with respect to the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties, becoming due prior to its scheduled maturity or that enables or permits (with all applicable grace periods having expired) the holder or holders of any such Material Indebtedness or any trustee or agent on its or their behalf to cause any such Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the sale, transfer or other disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness (to the extent such sale, transfer or other disposition is not prohibited under this Agreement);

(h) any Loan Party shall make any payments (including any adequate protection payments) relating to pre-Petition Date obligations or interests, in each case of any Loan Party, other than (i) as permitted under the Orders or the Canadian Order, (ii) in respect of accrued payroll and related expenses and employee benefits as of the Petition Date, (iii) in accordance with, and to the extent authorized by orders of the Bankruptcy Court or Canadian Court reasonably satisfactory to the Administrative Agent and the Required Lenders, and (iv) as otherwise provided for in this Agreement;

(i) one or more judgments for the payment of money in an aggregate amount in excess of $1,000,000 of post-Petition Date liability with respect to Holdings, the Parent Borrower and the Domestic Subsidiaries, or following the commencement of the Canadian Proceeding with respect to the Canadian Subsidiary Borrower or the Canadian Subsidiary Loan Parties (excluding amounts covered by funded indemnities or insurance as to which the applicable insurance company is solvent and has acknowledged liability in respect thereof) shall be rendered against any Loan Party, any of its subsidiaries or any combination thereof, and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Loan Party or any of its subsidiaries (to the extent such assets attached or levied upon have an aggregate fair market value in excess of $100,000) to enforce any such judgment, or any Loan Party or any of its subsidiaries shall fail within 30 days to discharge one or more non-monetary judgments or orders in respect of a post-Petition Date event which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgments or orders, in any such case, are not stayed on appeal or otherwise being appropriately contested in good faith by proper proceedings diligently pursued;

(j) (i) an event that could result in the imposition of a Lien with respect to any Plan or Multiemployer Plan shall have occurred or (ii) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(k) the occurrence of any "default", as defined in any Loan Document (other than this Agreement) or the breach of any of the terms or provisions of any Loan Document (other than this Agreement), which default or breach continues beyond any period of grace therein provided, and if no grace period is provided, such period shall be 30 days after notice to the Parent Borrower from the Administrative Agent (which notice will be given at the request of any Lender);

(l) the Loan Guaranty shall fail to remain in full force or effect (except as permitted by the Loan Documents) or any action shall be taken to discontinue or to assert the invalidity or unenforceability of the Loan Guaranty (other than any action taken by a third party with respect to the Loan Guaranty by the Canadian Subsidiary Borrower and the Canadian Subsidiary Loan Parties of ~~up to $[●] of Secured Obligations of the Parent Borrower~~**an amount up to the Excluded Amount**), or any Loan Guarantor shall fail to comply with any of the terms or provisions of the Loan Guaranty to which it is a party, or any Loan Guarantor shall deny that it has any further liability under the Loan Guaranty to which it is a party, or shall give notice to such effect;

(m) the Collateral Documents, the Orders and the Canadian Order shall for any reason fail to create a valid Lien on any of the Collateral purported to be covered thereby or such Lien shall cease to be a perfected Lien having the priority provided herein and in the Orders pursuant to Section 364 of the Bankruptcy Code against any applicable Loan Party, or any Loan Party shall so allege in any pleading filed in any court, or (ii) any Loan Party shall file a complaint or initiate any other action against any of the Lenders or the Prepetition Revolving Lenders or the Prepetition Agent or any entity shall obtain a judgment that affects such Lenders' or Prepetition Revolving Lenders' claims or the Collateral, except to the extent expressly allowed in the Interim Order, the Final Order or the Canadian Order;

(n) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Loan Party shall challenge the

enforceability of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms);

(o) any of the Bankruptcy Cases shall be dismissed (or the Bankruptcy Court shall make a ruling requiring the dismissal of the Bankruptcy Cases), suspended or converted to a case under Chapter 7 of the Bankruptcy Code, or any applicable Loan Party shall file any pleading requesting any such relief; or an application shall be filed by any Loan Party for the approval of, or there shall arise, (i) any other claim having priority senior to or pari passu with the Superpriority Claims of the Administrative Agent and the Lenders under the Loan Documents or any other claim having priority over any or all administrative expenses of the kind specified in Section 503(b) or Section 507(b) of the Bankruptcy Code (in each case, other than the Carve-Out) or (ii) any Lien on the Collateral having a priority senior to or pari passu with the Liens and security interests granted herein, except as expressly provided herein, or the Bankruptcy Court shall enter an order terminating the use of the Prepetition Revolving Lenders' cash collateral;

(p) the Bankruptcy Court shall enter an order appointing (i) a Chapter 11 trustee in any of the Bankruptcy Cases or (ii) a responsible officer or an examiner with enlarged powers (A) to operate or manage the financial affairs of any Loan Party or (B) beyond the duty to investigate and report, as set forth in subclauses (3) and (4) of clause (a) of Section 1106 of the Bankruptcy Code, in any of the Bankruptcy Cases;

(q) (i) the stay of proceedings granted in the Canadian Order shall expire or shall be terminated, (ii) leave is sought by any Person from the Canadian Court to file an application for a bankruptcy order against any Loan Party under the Bankruptcy and Insolvency Act (Canada) and leave is granted by the Canadian Court and such Person is not stayed from proceeding with the application, or (iii) the Canadian Proceeding shall be dismissed or converted to a liquidation proceeding under the Bankruptcy and Insolvency Act (Canada) with respect to any of the Canadian Subsidiary Borrower or the Canadian Subsidiary Loan Parties or a receiver, interim receiver, receiver and manager or trustee in bankruptcy is appointed in the Canadian Proceeding in respect of any of the Canadian Subsidiary Borrower or the Canadian Subsidiary Loan Parties.

(r) (i) the Interim Order or the Canadian Order shall (A) not have been entered by the Bankruptcy Court or the Canadian Court, as applicable or (B) once issued, cease to be in full force and effect and the Final Order shall not have been entered prior to such cessation in the case of the Interim Order (ii) the Final Order shall not have been entered by the Bankruptcy Court on or before the 30th day following the Effective Date, (iii) from and after the date of entry thereof, the Final Order shall cease to be in full force and effect, (iv) any Loan Party shall fail to comply with the terms of the Interim Order, the Canadian Order or the Final Order in any respect or (v) the Interim Order, the Canadian Order or the Final Order shall be amended, supplemented, stayed, reversed, vacated or otherwise modified (or any of the Loan Parties shall apply for authority to do so) in a manner that is adverse to the Lenders as reasonably determined by the Administrative Agent or the Required Lenders;

(s) any Loan Party shall file a motion seeking, or the Bankruptcy Court shall enter, an order (i) approving payment of any pre-petition claim other than a Permitted Prepetition Payment, (ii) approving a "first day order" not approved by the Administrative Agent, (iii) granting relief from the automatic stay applicable under Section 362 of the Bankruptcy Code to any holder of any security interest to permit foreclosure on any assets having a book value in excess of $100,000 in the aggregate or (iv) except to the extent the same would not constitute a Default under any of the previous clauses, approving any settlement or other stipulation with any creditor

of any Loan Party, other than the Administrative Agent and the Lenders, or otherwise providing for payments as adequate protection or otherwise with respect to such creditor's pre-petition claim (other than payments not in excess of $25,000 in the aggregate in any calendar month for (x) the legal fees of Kirkland & Ellis LLP, as counsel for the term lender under the Prepetition Credit Agreement and (y) other reimburseable expenses of the term lender under the Prepetition Credit Agreement);

(t) any Borrower or Loan Guarantor shall file a Chapter 11 Plan or a CCAA Plan that does not provide for the payment in full in cash of the principal of and interest on each Loan and all fees and all expenses or amounts payable under any Loan Document on the Chapter 11 Plan effective date or the effective date of a CCAA Plan and for the actions required to be taken pursuant to Section 2.04(h) in respect of the Letters of Credit to be taken;

(u) the period of exclusivity in the Bankruptcy Cases terminates or exclusivity is otherwise lifted in the Bankruptcy Cases without a Chapter 11 Plan having been filed that provides for the payment in full in cash of the principal of and interest on each Loan and all fees and other expenses or amounts payable under any Loan Document on the Chapter 11 Plan effective date and for the actions required to be taken pursuant to Section 2.04(h) in respect of the Letters of Credit to be taken; or

(v) any event or condition shall have occurred in respect of any Canadian Pension Plan or Canadian Multi-Employer Plan which, in the opinion of the Required Lenders, could reasonably be expected to result in a Material Adverse Effect;

then, and in every such event, and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Parent Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of each Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower. Upon the occurrence and the continuance of an Event of Default, the Administrative Agent may, and at the request of the Required Lenders shall, exercise any rights and remedies provided to the Administrative Agent under the Loan Documents, the Orders or the Canadian Order or otherwise at law or equity, including all remedies provided under the UCC and other applicable personal property security laws in the relevant jurisdictions (it being understood and agreed that, except as expressly provided herein (including pursuant to Section 9.08) or in any other Loan Document, only the Administrative Agent, acting on behalf of the Secured Parties, may exercise such rights and remedies in respect of the Collateral). In addition, subject solely to any requirement of the giving of notice by the terms of the Interim Order, the Canadian Order or the Final Order, the automatic stay provided in Section 362 of the Bankruptcy Code and the stay of proceeding contained in the Canadian Order shall be deemed automatically vacated without further action or order of the Bankruptcy Court or the Canadian Court to the extent necessary to allow the Administrative Agent and the Lenders, upon three Business Days' written notice to the Borrower, to exercise all of their respective rights and remedies under the Loan Documents, including all rights and remedies with respect to the Collateral and the Loan Guarantors.

ARTICLE VIII

The Administrative Agent

Each of the Lenders and the Issuing Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Bank, and no Loan Party shall have rights as a third party beneficiary of any of such provisions.

The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Loan Parties or any Subsidiary of a Loan Party or other Affiliate thereof as if it were not the Administrative Agent hereunder.

The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary or believed by the Administrative Agent in good faith to be necessary under the circumstances as provided in Section 2.04(h), Section 9.02 or Section 9.04(e)), and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary or believed by the Administrative Agent in good faith to be necessary under the circumstances as provided in Section 2.04(h), Section 9.02 or Section 9.04(e)) or in the absence of its own gross negligence or wilful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Parent Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered under or in connection with any Loan Document, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the creation, perfection or priority of Liens on the Collateral or the existence of the Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed or sent or otherwise authenticated by the proper

Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for either Borrower), independent accountants, financial advisors and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants, advisors or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Bank and the Borrowers. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrowers, to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under the Loan Documents. The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Each Lender and the Issuing Bank acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or related agreement or any document furnished hereunder or thereunder.

Each Lender hereby agrees that (a) it has requested a copy of each Report prepared by or on behalf of the Administrative Agent, (b) the Administrative Agent (i) makes no representation or warranty, express or implied, as to the completeness or accuracy of any Report or any of the information contained therein or any inaccuracy or omission contained in or relating to a Report and (ii) shall not be liable for any information contained in any Report, (c) the Reports are not comprehensive audits or examinations, and that any Person performing any field examination will inspect only specific information regarding the Loan Parties and will rely significantly upon the Loan Parties' books and records, as well as on representations of the Loan Parties' personnel and that the Administrative Agent

undertakes no obligation to update, correct or supplement the Reports, (d) it will keep all Reports confidential and strictly for its internal use, not share the Report with any Loan Party or any other Person except as otherwise permitted pursuant to this Agreement, and (e) without limiting the generality of any other indemnification provision contained in this Agreement, it will pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Person preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including reasonable attorney fees) incurred by as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

Notwithstanding anything herein to the contrary, the Bookrunner and Arranger listed on the cover page hereof shall not have any powers, duties or responsibilities under any Loan Document, except in its Affiliate's capacity, as applicable, as the Administrative Agent, a Lender or the Issuing Bank hereunder.

ARTICLE IX

Miscellaneous

SECTION 9.01.Notices. (a)Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, as follows:

(i) if to any Loan Party, to the Parent Borrower at:

Indalex Holding Corp.
75 Tri-State International, Suite 450
Lincolnshire, IL 60069
Attention: Patrick Lawlor
Facsimile No: (847) 295-3851

with a copy to:

Sun Capital Partners, Inc.
5200 Town Center Circle, Suite 420
Boca Raton, FL 33486
Attention: C. Deryl Couch, Esq.
Facsimile No.: (561) 394-0550

and

Sun Capital Partners, Inc.
11111 Santa Monica Boulevard
Los Angeles, CA 90025
Attention: Matthew Garff
Facsimile No.: (310) 473-1119

(ii) if to the Administrative Agent, the Issuing Bank, to JPMorgan Chase Bank, N.A. at:

Loan and Agency Services Group
1111 Fannin Street, 10th Floor

Houston, TX 77002
Attention: Cynthia Freeman
Facsimile No: (713) 750-2223

(iii) if to any other Lender, to it at its address or facsimile number set forth in its Administrative Questionnaire.

All such notices and other communications (i) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received or (ii) sent by facsimile shall be deemed to have been given when sent, provided that if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient.

(b)Notices and other communications to the Lenders and the Issuing Bank hereunder may be delivered or furnished by electronic communications (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices pursuant to Article II and no Event of Default certificates delivered pursuant to Section 5.01(d) unless otherwise agreed by the Administrative Agent and the applicable Lender or the Issuing Bank, as the case may be. The Administrative Agent or the Parent Borrower (on behalf of the Loan Parties) may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. All such notices and other communications (i) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (b)(i) of notification that such notice or communication is available and identifying the website address therefor.

(c)Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

SECTION 9.02.Waivers; Amendments. (a)No failure or delay by the Administrative Agent, the Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Bank and the Lenders hereunder and under any other Loan Document are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan (including as contemplated by Sections 2.01(c), 2.01(d) and 2.01(e)) or the issuance, amendment, renewal or extension of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time. No notice or demand on Holdings or either Borrower in any case shall entitle

Holdings or such Borrower, as the case may be, to any other or further notice or demand in similar or other circumstances.

(b)Neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Parent Borrower and the Required Lenders or, in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, in each case with the consent of the Required Lenders, provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender (it being understood that a waiver of any condition precedent in Section 4.01 or 4.02 or the waiver of a Default or an Event of Default shall not constitute an increase of any Commitment of a Lender for purposes of this clause (i)), (ii) reduce or forgive the principal amount of any Loan or L/C Disbursement or reduce the rate of interest thereon, or reduce or forgive any interest or fees payable hereunder, without the written consent of each Lender affected thereby (it being understood that neither (A) any amendment to this Agreement that has the effect of increasing Availability and that is approved by the Required Lenders (or, if applicable, the percentage of Lenders required under clause (v) or (ix) of this Section 9.02(b)) nor (B) any waiver or forgiveness of a Default or Event of Default hereunder, shall constitute a reduction of the rate of interest or Commitment Fees for purposes of this clause (ii)), (iii) postpone the maturity of any Loan or any scheduled date of payment of the principal amount of any Loan or L/C Disbursement, or any date for the payment of any interest, fees or other Obligations payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.17(b), 2.17(d) or 9.20 in a manner that would alter the manner in which payments are shared, without the written consent of each Lender, (v) increase the advance rates set forth in the definition of the Canadian Borrowing Base or the Domestic Borrowing Base, add new categories of eligible assets or eliminate Reserves that were imposed by the Required Lenders or by the Administrative Agent at the request of the Required Lenders, in each case in respect of either Borrowing Base, without the written consent of Lenders having Revolving Exposure and unused Revolving Commitments representing more than 66 2/3% of the sum of the total Revolving Exposure and Revolving Commitments at such time (it being understood and agreed that the rescission of a Reserve by the Administrative Agent acting in its Permitted Discretion (as opposed to at the request of the Required Lenders) shall not require the consent of the Lenders under this clause (v)), (vi) change any of the provisions of this Section 9.02 or the definition of "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender (or each Lender of such Class, as the case may be), (vii) release any Loan Guarantor from its obligation under its Loan Guaranty or limit its liability with respect to such Loan Guaranty (except as otherwise expressly permitted herein or in the other Loan Documents), without the written consent of each Lender directly and adversely affected thereby, (viii) except as expressly provided in this Section 9.02 or in any Collateral Document, release all or substantially all the Collateral without the written consent of each Lender, (ix) eliminate the ineligibility of any portion of the assets comprising either Borrower Base (including the Availability Block), without the written consent of Lenders having Revolving Exposure and unused Revolving Commitments representing more than 66 2/3% of the sum of the total Revolving Exposure and Revolving Commitments at such time, (x) change any provisions of any Loan Document in a manner that by its terms adversely affects the rights in respect of Collateral or payments due to Lenders holding Loans of any Class differently than those holding Loans of any other Class, without the written consent of Lenders holding a majority in interest of the outstanding Loans and unused Commitments of each affected Class or (xi) modify the protection afforded an SPV pursuant to the provisions of Section 9.04(e) without the written consent of such SPV; provided further that (A) no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Issuing Bank hereunder without the prior written consent of the

Administrative Agent or the Issuing Bank, as the case may be, (B) any waiver, amendment or modification of this Agreement that by its terms affects the rights and duties under this Agreement of Lenders holding Loans or Commitments of a particular Class (but not Lenders holding Loans or Commitments of any other Class) may be effected by an agreement or agreements in writing entered into by the Parent Borrower and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section if such Class of Lenders were the only Class of Lenders hereunder at the time and (C) if the terms of any waiver, amendment or modification of any Loan Document provide that any Class of Loans (together with all accrued interest thereon and all accrued fees payable with respect to the Commitments of such Class) will be repaid or paid in full, and the Commitments of such Class (if any) terminated, as a condition to the effectiveness of such waiver, amendment or modification, then so long as the Loans of such Class (together with such accrued interest and fees) are in fact repaid or paid and such Commitments are in fact terminated, in each case prior to or simultaneously with the effectiveness of such amendment, then such Loans and Commitments shall not be included in the determination of the Required Lenders with respect to such amendment. The Administrative Agent may also amend the Commitment Schedule to reflect assignments entered into pursuant to Section 9.04.

(c)The Lenders hereby irrevocably authorize the Administrative Agent, at its option and in its sole discretion, to release any Liens granted to the Administrative Agent by the Loan Parties on any Collateral (i) upon the termination of all the Commitments, payment and satisfaction in full in cash of all Secured Obligations (other than Unliquidated Obligations), and the cash collateralization or support by a letter of credit as provided in Section 2.04(h) of all Unliquidated Obligations in a manner reasonably satisfactory to each affected Lender, (ii) constituting property being sold or disposed of (other than to a Loan Party) if the Loan Party disposing of such property certifies to the Administrative Agent that the sale or disposition is made in compliance with the terms of this Agreement (and the Administrative Agent may rely conclusively on any such certificate, without further inquiry), (iii) constituting property leased to a Loan Party under a lease which has expired or been terminated in a transaction permitted under this Agreement, or (iv) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral.

(d)In connection with any proposed amendment, modification, waiver or termination (a "Proposed Change") requiring the consent of all Lenders or all affected Lenders, if the consent of the Required Lenders (and, to the extent any Proposed Change requires the consent of Lenders holding Loans of any Class pursuant to clause (vi) or (x) of the first proviso to paragraph (b) of this Section, the consent of a majority in interest of the outstanding Loans and unused Commitments of such Class) to such Proposed Change is obtained, but the consent to such Proposed Change of other Lenders whose consent is required is not obtained (any such Lender whose consent is not obtained as described in paragraph (b) of this Section being referred to as a "Non-Consenting Lender"), then, so long as the Lender that is acting as Administrative Agent is not a Non-Consenting Lender, the Parent Borrower may, at its sole expense and effort, upon notice to such Non-Consenting Lender and the Administrative Agent, require such Non-Consenting Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that (a) the Parent Borrower shall have received the prior written consent of the Administrative Agent and the Issuing Bank, which consent shall not unreasonably be withheld, (b) such Non-Consenting Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in L/C Disbursements, accrued interest thereon, accrued fees and

all other amounts payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (c) the Parent Borrower or such assignee shall have paid to the Administrative Agent the processing and recordation fee specified in Section 9.04(b).

(e)In the event that S&P, Moody's and Thompson's BankWatch (or InsuranceWatch Ratings Service, in the case of Lenders that are insurance companies (or Best's Insurance Reports, if such insurance company is not rated by Insurance Watch Ratings Service)) shall, after the date that any Lender becomes a Lender, downgrade the long-term certificate of deposit ratings of such Lender, and the resulting ratings shall be below BBB-, Baa3 and C (or BB, in the case of a Lender that is an insurance company (or B, in the case of an insurance company not rated by InsuranceWatch Ratings Service)), then the Issuing Bank shall have the right, but not the obligation, upon notice to such Lender and the Administrative Agent and following consultation with the Parent Borrower, to replace such Lender with an assignee (in accordance with and subject to the restrictions contained in Section 9.04(b)), and such Lender hereby agrees to transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 9.04(b)) all its interests, rights and obligations under this Agreement to such assignee; provided, however, that (i) no such assignment shall conflict with any law, rule and regulation or order of any Governmental Authority, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in L/C Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) the Parent Borrower or such assignee shall have paid to the Administrative Agent the processing and recordation fee specified in Section 9.04(b).

SECTION 9.03.Expenses; Indemnity; Damage Waiver. (a)The Borrowers, as applicable, shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and such counsel's financial advisor, in connection with the syndication and distribution (including, without limitation, via the internet or through a service such as Intralinks) of the credit facilities provided for herein and the consummation of the Transactions (including the Bankruptcy Cases and the Canadian Proceeding), the preparation and administration of the Loan Documents or any amendments, modifications or waivers of the provisions of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by each Lender and its Affiliates, including the reasonable fees, charges and disbursements of counsel for such Lender, in connection with the consummation of the Transactions (including the Bankruptcy Cases and the Canadian Proceeding) and the preparation and review of the Loan Documents or any amendments, modifications or waivers of the provisions of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated), (iii) all reasonable out-of-pocket expenses incurred by the Issuing Bank in connection with the deemed issuance, pursuant to Section 2.04(a), amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iv) all out-of-pocket expenses incurred by the Administrative Agent, the Issuing Bank or any Lender, including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent, the Issuing Bank and the Lenders (in addition to one local counsel in each relevant jurisdiction, including Canadian local counsel) and such counsel's financial advisor, in connection with the enforcement, collection or protection of its rights in connection with the Loan Documents, including its rights under this Section 9.03, or in connection with the Loans made (including as contemplated by Sections 2.01(c), 2.01(d) and 2.01(e)) or Letters of Credit hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. Expenses being reimbursed by the Borrowers under this Section 9.03 include, without limiting the generality of the foregoing, reasonable costs and expenses incurred in connection with:

(i) appraisals (limited to specified per diem costs and expenses);

(ii) field examinations and the preparation of Reports based on the fees charged by a third party retained by the Administrative Agent or the internally allocated fees for each Person employed by the Administrative Agent with respect to each field examination (limited to specified per diem costs and expenses);

(iii) lien and title searches and title insurance;

(iv) taxes, fees and other charges for recording any Mortgages, filing financing statements and continuations, and other actions to perfect, protect, and continue the Administrative Agent's Liens;

(v) sums paid or incurred to take any action required of any Loan Party under the Loan Documents that such Loan Party fails to pay or take; and

(vi) forwarding loan proceeds, collecting checks and other items of payment, and establishing and maintaining the accounts and lock boxes, and costs and expenses of preserving and protecting the Collateral.

All of the foregoing costs and expenses may be charged to the Parent Borrower as Revolving Loans or to another deposit account, all as described in Section 2.17(c). The above list shall not be construed to negate any specific limitation on the Loan Parties' obligations to reimburse items hereunder.

(c)The Borrowers, as applicable, shall indemnify the Administrative Agent, the Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, penalties, liabilities and related expenses, including the reasonable fees, charges and disbursements of one counsel for the Indemnitees (in addition to one local counsel in each relevant jurisdiction, including Canadian local counsel and a financial advisor to such counsel), except in the case where there is a divergent or conflicting interest between the Administrative Agent and the Lenders, in which case there shall be one separate counsel for the Administrative Agent, on the one hand, and the Lenders as a group, on the other hand, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Loan Document or any agreement or instrument contemplated thereby, the performance by the parties to the Loan Documents of their respective obligations thereunder or the consummation of the Transactions (including the Bankruptcy Cases and the Canadian Proceeding) or any other transactions contemplated thereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit, but subject to Section 2.04(f)), (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property currently or formerly owned or operated by Holdings, the Parent Borrower or any Subsidiary, or any Environmental Liability related in any way to Holdings, the Parent Borrower or any Subsidiary, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by Holdings, the Parent Borrower or any Subsidiary and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, penalties, liabilities or related expenses are determined by a court of competent jurisdiction by final judgment to have resulted from the gross negligence, bad faith or wilful misconduct of such Indemnitee or any of its Related Parties.

(d)To the extent that either Borrower fails to pay any amount required to be paid by it to the Administrative Agent or the Issuing Bank under paragraph (a) or (b) of this Section 9.03, each Lender severally agrees to pay to the Administrative Agent or the Issuing Bank, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, penalty, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Issuing Bank in its capacity as such. For purposes hereof, a Lender's "pro rata share" shall be determined based upon its share of the aggregate Revolving Exposures and unused Commitments at the time.

(e)To the extent permitted by applicable law, no Loan Party shall assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document or any agreement or instrument contemplated hereby, the Transactions (including the Bankruptcy Cases and the Canadian Proceeding), any Loan, Letter of Credit, Banking Services Obligation, Prepetition Loan, Prepetition Letter of Credit, Prepetition Swap Obligation, Prepetition Banking Services Obligation or the use of the proceeds thereof.

(f)All amounts due under this Section 9.03 shall be payable not later than five Business Days after written demand therefor.

SECTION 9.04.Successors and Assigns. (a)The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) neither Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by either Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (c) of this Section 9.04) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement. Notwithstanding any other provision of this Agreement, no Lender shall be permitted to assign or otherwise transfer its rights or obligations hereunder to any Sponsor or Sponsor Affiliate.

(b)(i) Subject to the conditions set forth in paragraph (b)(ii) below and the last sentence of paragraph (a) above, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Parent Borrower, provided that no consent of the Parent Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee;

(B) the Administrative Agent; and

(C) the Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or

an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000, unless each of the Parent Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Parent Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500, provided that assignments made pursuant to Section 2.18(b) or 9.02(d) shall not require the signature of the assigning Lender to become effective;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and any tax forms required by Section 2.16(e);

(E) any assignment of all or a portion of a Revolving Lender's Revolving Commitment shall be accompanied by a simultaneous assignment of a pro rata portion of such Lender's Canadian Revolving Sub-Commitment (it being understood and agreed that no Lender may separately assign such Lender's Canadian Revolving Sub-Commitment); and

(F) whether or not an Event of Default has occurred, no assignment shall be made to a Person (without the written consent of the Administrative Agent, which consent may be withheld in the Administrative Agent's sole discretion) if such Person would not be a Permitted Fee Receiver.

For the purposes of this paragraph (b) of this Section 9.04, the term "Approved Fund" has the following meaning:

"Approved Fund" means (a) a CLO and (b) with respect to any Lender that is a fund that invests in bank loans and similar extensions of credit, any other fund that invests in bank loans and similar extensions of credit and is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"CLO" means an entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by a Lender or an Affiliate of such Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(v) of this Section 9.04, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such

Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.15, 2.16 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section 9.04.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and L/C Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Bank and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers, the Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and any tax forms required by Section 2.16(e) (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 9.04 and any written consent to such assignment required by paragraph (b) of this Section 9.04, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register, provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.04, Section 2.06(b), Section 2.16(d), Section 2.17(e) or Section 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c)(i)

or the Issuing Bank, sell participations to one or more banks or other entities (other than any Person that would not be a Permitted Fee Receiver, unless such Person receives the written consent of the Administrative Agent (which consent may be withheld in the Administrative Agent's sole discretion) and other than any Sponsor or Sponsor Affiliate) (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it), provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrowers, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 2.16(d) with respect to any payments made by such Lender to its Participant(s). Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement, provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i), (ii), (iii), (vii) and (viii) of the first proviso to Section 9.02(b) (to the extent such amendment, modification or waiver directly and adversely affects such Participant). Subject

to paragraph (c)(ii) of this Section 9.04, each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 9.04. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Sections 2.17 and 2.18 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each participant's interest in the Loans or other obligations under this Agreement (the "Participant Register"). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.14 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Parent Borrower's prior written consent (not to be unreasonably withheld or delayed), provided that the Participant shall be subject to the provisions of Sections 2.18 and 2.19 as if it were an assignee under Section 9.04.

(d)Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender (other than to a Sponsor or Sponsor Affiliate), including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 9.04 shall not apply to any such pledge or assignment of a security interest, provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e)(i)
"Granting Lender") may grant to a special purpose funding vehicle organized and administered by such Lender (an "SPV"), identified as such in writing from time to time by such Granting Lender to the Administrative Agent and the Parent Borrower, the option to provide to the applicable Borrower all or any part of any Loan that such Granting Lender would otherwise be obligated to make to such Borrower pursuant to this Agreement, provided that (i) nothing herein shall constitute a commitment by any SPV to make any Loan, (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, such Granting Lender shall be obligated to make such Loan pursuant to the terms hereof, (iii) such Granting Lender's other obligations under this Agreement shall remain unchanged, (iv) such Granting Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (v) the Borrowers, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with the Granting Lender in connection with such Granting Lender's right and obligations under this Agreement and (vi) an SPV shall not be entitled to receive any greater payment under Section 2.14 or Section 2.16 than the applicable Granting Lender would have been entitled to receive. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Any agreement or instrument pursuant to which the Granting Lender grants such an option to an SPV shall provide that such Granting Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement, provided that such agreement or instrument may provide that such Granting Lender will not, without the consent of such SPV, agree to any amendment, modification or waiver described in clauses (i), (ii), (iii), (vii) and (viii) of the first proviso to Section 9.02(b) (to the extent such amendment, modification or waiver directly and adversely affects such SPV). Subject to paragraph (e)(ii) of this Section 9.04, each Borrower agrees that each SPV shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 9.04. To the extent

permitted by law, each SPV also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such SPV agrees to be subject to Section 2.17(d) as though it were a Lender.

(ii) An SPV that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless such SPV agrees, for the benefit of the Borrowers, to comply with Section 2.16(e) as though it were a Lender.

(iii) Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, such party will not institute against, or join any other person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any state thereof or Canada or any province thereof.

(iv) In addition, notwithstanding anything to the contrary contained in this Section 9.04, any SPV may (i) with notice to, but without the prior written consent of, the Parent Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Borrower and Administrative Agent) providing liquidity or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (ii) subject to Section 9.12, disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV.

SECTION 9.05.Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and deemed issuance, pursuant to Section 2.04(a), amendment, renewal or extension of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.14, 2.15, 2.16, 9.03 and 9.12 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.06.Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent or the syndication of the Loans and Commitments constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01,

this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 9.07.Severability. Any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08.Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, the Issuing Bank and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law and without further order of or application to the Bankruptcy Court, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the Issuing Bank or any such Affiliate to or for the credit or the account of either Borrower or any Loan Guarantor against any of and all the Secured Obligations held by such Lender or the Issuing Bank, irrespective of whether or not such Lender or the Issuing Bank shall have made any demand under the Loan Documents and although such obligations may be unmatured. The applicable Lender and the Issuing Bank shall notify the Parent Borrower and the Administrative Agent of such set-off or application, provided that any failure to give or any delay in giving such notice shall not affect the validity of any such set-off or application under this Section 9.08. The rights of each Lender, the Issuing Bank and their respective Affiliates under this Section 9.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender, the Issuing Bank and their respective Affiliates may have.

SECTION 9.09.Governing Law; Jurisdiction; Consent to Service of Process. (a)The Loan Documents (other than those containing a contrary express choice of law provision) shall be governed by and construed in accordance with the laws of the State of New York, except to the extent that the Bankruptcy Code governs; provided that Section 9.18 of this Agreement shall be governed by and construed in accordance with the laws of the Province of Quebec.

(b)Each Loan Party hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Bankruptcy Court or any U.S. Federal or New York State court sitting in New York, New York in any action or proceeding arising out of or relating to any Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

(c)Each Loan Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan

Document in any court referred to in paragraph (b) of this Section 9.09. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d)Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10.WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10.

SECTION 9.11.Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12.Confidentiality. (a)Each of the Administrative Agent, the Issuing Bank and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (ii) to the extent requested by any governmental or regulatory authority, (iii) to the extent required by Requirement of Law or by any subpoena or similar legal process (including, in each case, in respect of the Bankruptcy Cases or the Canadian Proceeding), (iv) to any other party to this Agreement or to the Monitor, (v) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section 9.12, to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (B) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Loan Parties and their obligations, (vii) with the consent of the Parent Borrower or (viii) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Section 9.12 or (B) becomes available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis from a source other than the Parent Borrower, provided that the source is not actually known by such disclosing party to be bound by an agreement containing provisions substantially the same as those contained in this Section 9.12. For the purposes of this Section 9.12, "Information" means all information received from the Parent Borrower relating to the Parent Borrower or its business, other than any such information that is available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Parent Borrower. Any Person required to maintain the confidentiality of Information as provided in this Section 9.12 shall be considered to have complied with

its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(b)EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.12(a) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING HOLDINGS, THE BORROWERS, THE LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

(c)ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS FURNISHED BY EITHER BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT, WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT HOLDINGS, THE BORROWERS, THE LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWERS AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

SECTION 9.13.Several Obligations; Nonreliance; Violation of Law. The respective obligations of the Lenders hereunder are several and not joint and the failure of any Lender to make any Loan or perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. Anything contained in this Agreement to the contrary notwithstanding, neither the Issuing Bank nor any Lender shall be obligated to extend credit to the Borrower in violation of any Requirement of Law.

SECTION 9.14.USA PATRIOT Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") hereby notifies each Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of such Borrower and other information that will allow such Lender to identify such Borrower in accordance with the Act.

SECTION 9.15.Disclosure. Each Loan Party and each Lender hereby acknowledges and agrees that the Administrative Agent and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with any of the Loan Parties and their respective Affiliates.

SECTION 9.16.Appointment for Perfection. Each Lender hereby appoints each other Lender as its agent for the purpose of perfecting Liens, for the benefit of the Administrative Agent and the Lenders, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession. Should any Lender (other than the Administrative Agent) obtain possession of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the

Administrative Agent or otherwise deal with such Collateral in accordance with the Administrative Agent's instructions.

SECTION 9.17.Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.17 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.18.Quebec. For greater certainty, and without limiting the powers of the Administrative Agent or any other Person acting as an agent, attorney-in-fact or mandatary for the Administrative Agent under this Agreement or under any other Loan Document, each Lender and Administrative Agent hereby (a) irrevocably constitutes, to the extent necessary, the Administrative Agent as the holder of an irrevocable power of attorney (fondé de pouvoir within the meaning of Article 2692 of the *Civil Code of Québec*) for the purposes of holding any Liens, including hypothecs, granted or to be granted by any Loan Party on movable or immovable property pursuant to the laws of the Province of Quebec to secure obligations of a Loan Party under any bond issued by a Loan Party; and (b) appoints and agrees that the Administrative Agent, acting as agent for the Lenders, may act as the bondholder and mandatary with respect to any bond that may be issued and pledged from time to time for the benefit of the Lenders the Administrative Agent.

The said constitution of the Administrative Agent as fondé de pouvoir (holder of an irrevocable power of attorney within the meaning of Article 2692 of the *Civil Code of Québec*) and as bondholder and mandatary with respect to any such bond shall be deemed to have been ratified and confirmed by any assignee pursuant to Section 9.04 by the execution of the applicable Assignment and Assumption.

Notwithstanding the provisions of Section 32 of An Act respecting the special powers of legal persons (Quebec), the Administrative Agent may purchase, acquire and be the holder of any bond issued by any Loan Party. Each Loan Party hereby acknowledges that any such bond shall constitute a title of indebtedness, as such term is used in Article 2692 of the *Civil Code of Québec*.

The Administrative Agent herein appointed as fondé de pouvoir shall have the same rights, powers and immunities of the Administrative Agent as stipulated in Article VIII, which shall apply mutatis mutandis. Without limitation, the provisions of Article VIII of this Agreement shall apply mutatis mutandis to the resignation and appointment of a successor to the Administrative Agent acting as fondé de pouvoir.

SECTION 9.19.Judgment Currency. (a)The obligations of any Loan Party under this Agreement and the other Loan Documents to make payments in U.S. Dollars or in Canadian Dollars (in any such case, the "Obligation Currency") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent, the Issuing Bank or the respective Lender, as the case may be, of the full amount of the Obligation

Currency expressed to be payable to the Administrative Agent, the Issuing Bank or such Lender, as the case may be, under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing a judgment against any Loan Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency, the "Judgment Currency") an amount due in the Obligation Currency, the conversion shall be made at the rate of exchange quoted by the Administrative Agent, determined, in each case, as of the business day immediately preceding the day on which the judgment is given (such business day, the "Judgment Currency Conversion Date").

(b)If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, each Loan Party covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the actual date of payment, will produce the amount of the Obligation Currency that could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c)For purposes of determining any rate of exchange for this Section 9.19, such amounts shall include any premium and costs payable in connection with the purchase of the Obligation Currency.

SECTION 9.20.Application of Collateral Proceeds. Subject to Sections 2.09, 2.10 and 6.05 (but not subject to such Sections if an Event of Default has occurred and is continuing and the Administrative Agent has elected, or has been requested by the Required Lenders, to exercise rights and remedies in respect of Collateral), each of the Lenders hereby agrees that the Administrative Agent shall apply the proceeds of any collection or sale of Collateral, including any Collateral consisting of cash, under the Security Agreements or any other Collateral Document (or any Lien granted pursuant to the Orders or the Canadian Order) securing the Obligations as follows:

(i) FIRST, to the payment of all costs and expenses incurred by the Administrative Agent in connection with such collection or sale or otherwise in connection with any Loan Document or any of the Secured Obligations, including all court costs and the fees and expenses of its agents and legal counsel (and such legal counsel's financial advisor), the repayment of all advances made by the Administrative Agent under any Loan Document on behalf of any Loan Party and any other costs or expenses incurred in connection with the exercise of any right or remedy under any Loan Document;

(ii) SECOND, to the payment in full of the Secured Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Secured Obligations owed to them on the date of any such distribution); and

(iii) THIRD, to the Loan Parties, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

ARTICLE X

Loan Guaranty

SECTION 10.01.Guaranty. (a)Each Loan Guarantor hereby agrees that it is jointly and severally liable for, and, as primary obligor and not merely as surety, absolutely and unconditionally

guarantees to the Lenders the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Secured Obligations and all costs and expenses including, without limitation, all court costs and attorneys' and paralegals' fees and expenses paid or incurred by the Administrative Agent, the Issuing Bank and the Lenders in endeavoring to collect all or any part of the Secured Obligations from, or in prosecuting any action against, either Borrower, any Loan Guarantor or any other guarantor of all or any part of the Secured Obligations (such costs and expenses, together with the Secured Obligations, collectively the "Guaranteed Obligations"). Each Loan Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal.

(b)All terms of this Loan Guaranty apply to and may be enforced by or on behalf of any domestic or foreign branch or Affiliate of any Lender that extended any portion of the Guaranteed Obligations.

SECTION 10.02.Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Loan Guarantor waives any right to require the Administrative Agent, the Issuing Bank or any Lender to sue either Borrower, any Loan Guarantor, any other guarantor, or any other person obligated for all or any part of the Guaranteed Obligations (each, an "Obligated Party"), or otherwise to enforce its payment against any collateral securing all or any part of the Guaranteed Obligations.

SECTION 10.03.No Discharge or Diminishment of Loan Guaranty. (a)Except as otherwise provided for herein, the obligations of each Loan Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the payment in full in cash of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of either Borrower or any other guarantor of or other person liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; or (iv) the existence of any claim, setoff or other rights which any Loan Guarantor may have at any time against any Obligated Party, the Administrative Agent, the Issuing Bank, any Lender or any other person, whether in connection herewith or in any unrelated transactions.

(b)The obligations of each Loan Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(c)Further, the obligations of any Loan Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Administrative Agent, the Issuing Bank or any Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of either Borrower for all or any part of the Guaranteed Obligations or any obligations of any other guarantor of or other person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Administrative Agent, the Issuing Bank or any Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or

any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Loan Guarantor or that would otherwise operate as a discharge of any Loan Guarantor as a matter of law or equity (other than the payment in full in cash of the Guaranteed Obligations).

SECTION 10.04.Defenses Waived. To the fullest extent permitted by applicable law, each Loan Guarantor hereby waives any defense based on or arising out of any defense of either Borrower or any Loan Guarantor or the unenforceability of all or any part of the Guaranteed Obligations from any cause, or the cessation from any cause of the liability of either Borrower or any Loan Guarantor, other than the payment in full in cash of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Loan Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any person against any Obligated Party, or any other person. The Administrative Agent may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, without affecting or impairing in any way the liability of such Loan Guarantor under this Loan Guaranty except to the extent the Guaranteed Obligations have been fully paid in cash. To the fullest extent permitted by applicable law, each Loan Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Loan Guarantor against any Obligated Party or any security.

SECTION 10.05.Rights of Subrogation. No Loan Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Obligated Party, or any collateral, until the Loan Parties and the Loan Guarantors have fully performed all their Obligations to the Administrative Agent, the Issuing Bank and the Lenders.

SECTION 10.06.[Reserved.]

SECTION 10.07.Information. Each Loan Guarantor assumes all responsibility for being and keeping itself informed of the applicable Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the applicable Guaranteed Obligations and the nature, scope and extent of the risks that each Loan Guarantor assumes and incurs under this Loan Guaranty, and agrees that neither the Administrative Agent, the Issuing Bank nor any Lender shall have any duty to advise any Loan Guarantor of information known to it regarding those circumstances or risks.

SECTION 10.08.Taxes. All payments of the Guaranteed Obligations will be made by each Loan Guarantor free and clear of and without deduction for any Indemnified Taxes or Other Taxes, provided that if any Loan Guarantor shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 10.08) the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Loan Guarantor shall make such deductions and (iii) such Loan Guarantor shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

SECTION 10.09.Independent Obligation. As an original and independent obligation under this Guaranty, each Loan Guarantor shall indemnify each of the Administrative Agent, the Issuing Bank and each Lender (together with its Affiliates, if applicable; such Persons, the "Guaranteed Parties") and keep each of them indemnified against all costs, losses, expenses and liabilities of whatever kind

resulting from the failure by any of the Loan Guarantors to make due and punctual payment of any of the Guaranteed Obligations or resulting from any of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective against such Loan Guarantors (including all legal and other costs, charges and expenses incurred by the Guaranteed Parties, or any of them, in connection with preserving or enforcing, or attempting to preserve or enforce, its rights under this Guaranty) and pay on demand the amount of such costs, losses, expenses and liabilities whether or not any of the Guaranteed Parties have attempted to enforce any rights against any other Loan Guarantor or any other Person or otherwise.

SECTION 10.10.Liability Cumulative. The liability of each Loan Party as a Loan Guarantor under this Article X is in addition to and shall be cumulative with all liabilities of each Loan Party to the Administrative Agent, the Issuing Bank and the Lenders under this Agreement and the other Loan Documents to which such Loan Party is a party or in respect of any obligations or liabilities of the other Loan Parties, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

[The remainder of this page is blank. Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

INDALEX HOLDINGS FINANCE, INC.,

By _____
Name:
Title:

INDALEX HOLDING CORP., as Parent Borrower,

By _____
Name:
Title:

INDALEX LIMITED, as Canadian Subsidiary Borrower,

By _____
Name:
Title:

INDALEX INC., as a Subsidiary Loan Party,

By _____
Name:
Title:

DOLTON ALUMINUM COMPANY, INC., as a Subsidiary Loan Party,

By _____
Name:
Title:

CARADON LEBANON INC., as a Subsidiary Loan Party,

By _____
Name:
Title:

INDALEX HOLDINGS (B.C.) LTD., as a Subsidiary Loan Party,

By _____
Name:
Title:

6326765 CANADA INC., as a Subsidiary Loan Party,

By _____
Name:
Title:

NOVAR INC., as a Subsidiary Loan Party,

By _____
Name:
Title:

JPMORGAN CHASE BANK, N.A., individually and as Administrative Agent and Issuing Bank,

By _____
Name:
Title:

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH, as Canadian Lending Office for the Administrative Agent and Issuing Bank,

By _____
Name:
Title:

SIGNATURE PAGE TO CREDIT AGREEMENT DATED AS OF APRIL ___, 2009 AMONG INDALEX HOLDINGS FINANCE, INC., INDALEX HOLDING CORP., INDALEX LIMITED, THE SUBSIDIARIES OF INDALEX HOLDING CORP. PARTY THERETO, THE LENDERS PARTY THERETO, AND JPMORGAN CHASE BANK, N.A., AS ADMINISTRATIVE AGENT

Name of Institution:

_____

By

_____

Name:

Title:

Appendix C

The Jefferies Engagement Letter

Strictly Confidential

Second Amended and Restated Engagement Letter

April 14, 2009

Indalex Holding Corp.
75 Tri-State International, Suite 450
Lincolnshire, IL 60069

Attn: Patrick Lawlor
Chief Financial Officer

Re: Advisory Services:

This agreement (the "Agreement") confirms that Jefferies & Company, Inc. ("Jefferies") has been engaged by Indalex Holdings Finance, Inc. and its subsidiaries (collectively, the "Company") to act as financial advisor to the Company in connection with the transactions and services contemplated herein. In connection therewith, Jefferies shall report to the Board of Directors of the Company. This Agreement amends and restates the engagement letter, dated March 23, 2009, in its entirety.

1. Services: Jefferies will perform the following services, among others, for the Company as reasonably appropriate:

(a) providing advice and assistance to the Company in connection with analyzing, structuring, negotiating and effecting (including providing valuation analyses as appropriate), and acting as exclusive financial advisor to the Company in connection with, any potential restructuring of the Company's outstanding indebtedness (including, without limitation, the Company's debtor in possession debt facility (the "DIP Facility"), the Senior Secured Term Loan due 2011 (the "Term Loan") and the 11.50% Second-Priority Senior Secured Notes due 2014 (the "Notes") through any offer by the Company with respect to any outstanding Company indebtedness (including, for the avoidance of doubt, any material amendment(s) to the agreements governing the Company's indebtedness), a solicitation of votes, approvals, or consents giving effect thereto (including with respect to a prepackaged or prenegotiated plan of reorganization or other plan pursuant to chapter 11, Title 11 of the United States Code (the "Bankruptcy Code"), the execution of any agreement giving effect thereto, an offer by any party to exchange or acquire any outstanding Company indebtedness, or any similar balance sheet restructuring involving the Company (any such transaction considered in this paragraph is hereinafter referred to as a "Restructuring");

(b) assisting and advising the Company in connection with analyzing, structuring, negotiating and effecting, and identifying potential acquires in connection with, the potential sale of the Company or all or a material portion of its stock or assets through any structure or form of transaction , including, but not limited to, any direct or

indirect acquisition, sale of assets, merger, reverse merger, consolidation, restructuring, recapitalization, transfer of securities, a sale under section 363 of the Bankruptcy Code or any similar or related transaction, but excluding a liquidation of substantially all of the Company's assets (an "M&A Transaction", which together with a Restructuring, is hereinafter referred to as a "Transaction"); and

(c) performing the following financial advisory services, among others, for the Company: (i) becoming familiar with, to the extent Jefferies deems appropriate, and analyzing, the business, operations, properties, financial condition and prospects of the Company; (ii) advising the Company on the current state of the "restructuring market"; (iii) assisting and advising the Company in developing a strategy for accomplishing the Transaction; (iv) assisting and advising the Company in implementing a Transaction on behalf of the Company; (v) assisting and advising the Company in evaluating and analyzing a Transaction, including the features and value of the securities, if any, that may be issued to anyone in any such Transaction; (vi) negotiating on the Company's behalf with a committee or representative(s) of the holders of the Notes and other creditors (if required) with respect to any Transaction; (vii) negotiating on the Company's behalf with senior lenders to amend, modify or refinance the Company's senior indebtedness or obtain waivers or consents thereunder; (viii) subject to entering into a dealer-manager agreement in customary form, acting as dealer manager/exchange agent and soliciting tenders and consents in connection with an exchange offer for the Notes as part of the Restructuring (it being understood that the Company shall not be required to pay Jefferies in connection therewith other than as provided herein); and (ix) rendering such other financial advisory services as may from time to time be agreed upon by the Company and Jefferies.

2. Cooperation.

(a) The Company will furnish Jefferies all current and historical materials and information regarding the business and financial condition of the Company which the Company believes are relevant to the Transaction or other transaction contemplated herein, or which Jefferies reasonably requests (all such information so furnished being the "Information"), and if necessary, all solicitation or exchange materials prepared by the Company (and provided to Jefferies for comments) with respect to the Transaction and the Company (such solicitation materials, including all exhibits, amendments or supplements thereto, the "Offering Materials").

(b) The Company recognizes and confirms that Jefferies: (a) will use and rely solely on the Information, the Offering Materials and information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (b) is authorized as the Company's exclusive financial advisor to transmit to any potential participant in a Transaction a copy or copies of the Offering Materials; provided that such Offering Materials shall be provided to third parties only at the direction of the Company; and (c)

does not assume responsibility for the preparation, accuracy or completeness of the Information, the Offering Materials or any other such information.

3. Accuracy of Information. The Company agrees that, to its knowledge, neither the Information nor the Offering Materials will contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case at the time such information is provided. The Company shall advise Jefferies promptly of the occurrence of any event or any other change prior to the closing of a Transaction or other transaction contemplated herein which could reasonably be expected to result in the Information or the Offering Materials containing any untrue statement of material fact or omission of any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

4. Use of Advice, Name, etc.

(a) Jefferies' advice is solely for the use and information of the Company, and is only to be used in considering the matters to which this Agreement relates. Such advice may not be relied upon by any other person, including, but not limited to, any security holder, employee or creditor of the Company, and may not be used or relied upon for any other purpose.

(b) The Company agrees that any reference to Jefferies in any release, communication, or other material is subject to Jefferies' prior written approval, which approval may be given or withheld in Jefferies' sole discretion, and which approval will expire immediately upon Jefferies' resignation or the termination of this Agreement. No statements made or advice rendered by Jefferies in connection with this Agreement will be quoted by, nor will any such statements or advice be referred to, in any communication, whether written or oral, prepared, issued or transmitted, directly or indirectly, by the Company without the prior written authorization of Jefferies, which may be given or withheld in Jefferies' sole discretion, and which authorization will expire immediately upon Jefferies' resignation or the termination of this Agreement for any reason, provided, however, that the Company may make such disclosure or use to the extent required by law (in which case the Company shall so advise Jefferies in writing prior to any such disclosure or use, and shall to the extent legally permissible consult with Jefferies with respect to the form and timing of any such disclosure or use).

(c) The Company acknowledges that Jefferies will act as an independent contractor hereunder, and that Jefferies' responsibility to the Company is solely contractual in nature and that Jefferies does not owe the Company, or any other person or entity, any fiduciary or similar duty as a result of its engagement hereunder or otherwise. Jefferies and the Indemnified Persons (as defined in Schedule A hereto) shall not be deemed agents or fiduciaries of the Company or any other security holder, employee or

creditor of the Company, and will not have the authority to legally bind any of the foregoing.

5. Compensation. In payment for services rendered and to be rendered hereunder by Jefferies, the Company agrees to pay or cause to be paid to Jefferies in cash the following:

(a) A monthly fee (the "Monthly Fee") equal to $150,000 per month for the first month, $125,000 per month for the next three months, and $112,500 per month thereafter (or a pro rata amount in case the Agreement is terminated other than on the monthly anniversary) until the expiration or termination of this Agreement. The first Monthly Fee shall be payable upon the execution of this Agreement, and each subsequent Monthly Fee shall be payable in advance on each monthly anniversary thereafter. Fifty percent of the first Monthly Fee actually paid to Jefferies, and 100% of the aggregate Monthly Fees actually paid to Jefferies thereafter, shall be creditable against the fees due pursuant to subsections (b), (c) or (d) below (but in no event shall the fee paid upon the consummation of such Transaction be less than $0).

(b) Upon consummation of a Restructuring involving a restructuring of the Notes (including, without limitation, upon the effective date of a confirmed plan of reorganization pursuant to chapter 11 of the Bankruptcy Code, whether or not through the use of cramdown procedures), a fee in an amount equal to 1.0% of the principal amount of the Notes (excluding any portion of the Notes held by Sun Capital Partners), plus 0.6% of the aggregate amount committed under the DIP Facility as of the date hereof; provided that in the event the Company shall elect to make an exchange offer for any of the Notes without registration under the Securities Act of 1933 (the "Act") in reliance on the exemption provided by Section 3(a)(9) of the Act, then the Company shall pay Jefferies a fee equal to 1.0% of the total principal amount of the outstanding Notes (excluding any portion of the Notes held by Sun Capital Partners), plus 0.6% of the aggregate amount committed under the DIP Facility as of the date hereof, which fee shall be earned upon the determination by the Company to so proceed and shall not be contingent upon consummation of or results of such Section 3(a)(9) offer or any other event.

(c) Upon the consummation of any M&A Transaction, a fee (the "M&A Fee") in an amount equal to (i) $1.25 million, if the Transaction Value (as defined below) is less than $83.0 million or (ii) $1.50 million, if the Transaction Value is greater than or equal to $83.0 million and less than $100.0 million or (iii) 1.50% of the Transaction Value if the Transaction Value is greater than or equal to$100.0 million; provided, however, that in the event that an M&A Transaction is effected through a "credit bid" under Section 363(k) of the Bankruptcy Code with one or more parties who are parties to the Revolver, and the Transaction Value in such M&A Transaction is less than or equal to $50.0 million, the M&A Fee shall equal 1.50% of the Transaction Value.

For the avoidance of doubt, in no circumstance shall Jefferies be entitled to both the M&A Fee and the fee set forth in subsection 5(b) hereof.

"Transaction Value" shall mean the aggregate amount of cash and the fair market value (determined as set forth below) of any securities or other property paid or payable directly or indirectly by or to the Company, any of its securityholders, or any of its directors or executive officers in connection with a consummated M&A Transaction including, without limitation, (i) any dividends paid or any stock redemptions outside of the normal course of business made in connection with the M&A Transaction, (ii) all indebtedness for borrowed money and other liabilities and preferred stock directly or indirectly assumed, refinanced or repaid in connection with the M&A Transaction (and all payments made and expenses incurred in connection therewith, including, without limitation, prepayment premiums and defeasance costs), (iii) all amounts paid or other value ascribed in the M&A Transaction (including the form of "rollover" options or warrants) in respect of issued warrants, options or other convertible securities in connection with the M&A Transaction, the value of which shall be based on the difference between the acquisition price and exercise or conversion price of such securities, (iv) the full amount of any consideration placed in escrow or otherwise held back to support the Company's (or its stockholders') indemnification or similar obligation under the definitive documents with respect to the M&A Transaction, (v) the present value (as agreed to in good faith by the parties) of any contingent consideration to be paid in the future, and (vi) the value of any retained interest in the Company, based on the per-share value paid in the M&A Transaction if less than 100% of the equity of the Company is transferred in the M&A Transaction.

For purposes of computing any fees payable to Jefferies hereunder, non-cash consideration shall be valued as follows: (i) publicly-traded securities shall be valued at the average of their 4:00 p.m. closing prices (as reported in The Wall Street Journal) for the five trading days prior to the date which is two business days prior to the date of closing of the M&A Transaction and (ii) any other non-cash consideration shall be valued at the fair market value thereof as determined in good faith by the Company and Jefferies.

(d) The Company shall use its best efforts to provide for the payment in full, in cash, of any fees and expenses described in this Section 5 in any plan of reorganization submitted to the Bankruptcy Court (as defined below) for confirmation. Notwithstanding the foregoing, in the event that a Transaction is consummated pursuant to a prepackaged plan of reorganization, the fees payable to Jefferies hereunder shall be deemed earned and payable in full upon the receipt by the Company of the votes necessary to approve such a prepackaged plan of reorganization (whether through cramdown or otherwise) prior to the filing of the chapter 11 case. Additionally, in the event that a Transaction is consummated pursuant to a prenegotiated plan of reorganization, Jefferies shall be retained by the Company pursuant to Section 9 below and be paid the fee set forth in subsections 5(a) and (b) hereof, with the fees set forth in subsection 5(b) to be payable in any event upon the effective date of such prenegotiated plan. Jefferies shall provide

during the chapter 11 case such additional services as are reasonably necessary (including testimony) to confirm and consummate such prepackaged plan without additional compensation.

The Company acknowledges that in light of Jefferies' substantial experience and knowledge in the restructuring market, the uncertain nature of the time and effort that may be expended by Jefferies in fulfilling its duties hereunder, the opportunity cost associated with undertaking this engagement, and the "market rate" for professionals of Jefferies' stature in the restructuring market generally, the fee arrangement hereunder is just, reasonable and fairly compensates Jefferies for its services.

6. Expenses. In addition to the compensation to be paid to Jefferies as provided in Sections 5 hereof, without regard to whether a Transaction is consummated or this Agreement expires or is terminated, the Company shall pay to, or on behalf of, Jefferies, promptly as billed, all fees, disbursements and out-of-pocket expenses incurred by Jefferies in connection with its services to be rendered hereunder (including, without limitation, the fees and disbursements of Jefferies' counsel, travel and lodging expenses, word processing charges, messenger and duplicating services, facsimile expenses and other customary expenditures); provided that the incurrence of fees and expenses in excess of $50,000 in the aggregate shall be approved in advance by the Board of Directors of the Company (such consent not to be unreasonably withheld).

7. Termination. Jefferies' engagement hereunder will commence upon the execution of this Agreement by the parties hereto and extend through the first anniversary of the date hereof or the earlier consummation of a Transaction; provided that if by the first anniversary of the date of this Agreement, the Company shall have commenced an exchange offer for any Notes, this Agreement shall continue until the consummation of such offer. Either Jefferies or the Company may terminate this Agreement on ten days written notice to the other. Upon any termination of this Agreement, the Company shall immediately pay or cause to be paid to Jefferies any accrued but unpaid fees hereunder, and shall reimburse Jefferies for any unreimbursed expenses. In the event of any termination of this Agreement by the Company (other than for cause) or by Jefferies in connection with a material breach of this Agreement by the Company (with notice and an opportunity to cure), Jefferies shall be entitled to the applicable fees set forth in Section 5, and fees shall be immediately payable, if a Restructuring involving the restructuring of the Notes is consummated prior to that date which is six months from of the date of such termination of this Agreement, or if an agreement for an M&A Transaction is entered into on that date which is six months from of the date of such termination of this Agreement, and such agreement results in an M&A Transaction. Upon any termination of this Agreement, the rights and obligations of the parties hereunder shall terminate, except for the obligations set forth in Sections 2-9, 11-18, and Schedule A hereto. For purposes of this Agreement, "cause" shall mean material breach of an express provision of this Agreement, gross negligence or willful misconduct.

8. Indemnification. As further consideration under this Agreement, the Company shall indemnify and hold harmless the Indemnified Persons (as defined in Schedule A) in accordance with Schedule A hereto. The terms and provisions of Schedule A are incorporated by reference herein, constitute a part hereof, and shall survive any termination or expiration of this Agreement.

9. Bankruptcy Retention. If the Company becomes a debtor under chapter 11 of the Bankruptcy Code and (a) the Transaction is not consummated pursuant to a prepackaged plan of reorganization or (b) the fees payable to Jefferies pursuant to Section 5 of this Agreement are not deemed earned and payable in full prepetition (for any reason whatsoever), and Jefferies so requests, then the Company agrees promptly to retain Jefferies as its exclusive financial advisor in the Company's bankruptcy cases, and to apply to the bankruptcy court having jurisdiction over such cases (the "Bankruptcy Court") for the approval of such retention pursuant to section 328(a) of the Bankruptcy Code, and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply Jefferies with a draft of any application and proposed order authorizing Jefferies' retention sufficiently in advance of its filing to enable Jefferies to review and approve any such application or order prior to its filing. Jefferies shall have no obligation to provide any services under this Agreement if the Company becomes a debtor under the Bankruptcy Code unless Jefferies' retention is approved under section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, which order is acceptable to Jefferies in its sole discretion. Prior to commencing a bankruptcy case, the Company shall pay to Jefferies in cash all amounts due and payable to Jefferies under this or any other Agreement.

10. Exclusivity. The Company agrees that it will not engage any other person to perform any financial or similar consulting services with respect to any potential Transaction. If the Company is contacted by any person concerning a potential Transaction, the Company will promptly inform Jefferies of such inquiry, and all relevant details thereof.

Notwithstanding the Company's obligations hereunder, including, but not limited to, their obligation to pay the fees and expenses of Jefferies and to indemnify Jefferies, it is understood and agreed that Jefferies' sole and exclusive client is the Company, and Jefferies will in no circumstance be deemed to be an advisor to or have any obligation to any other party.

11. No Assurances; Other Transactions; Disclaimer.

(a) This Agreement does not constitute a commitment or obligation by Jefferies or any of its affiliates to provide any financing which may be required or advisable in connection with any Transaction or any other transaction contemplated herein. By signing this Agreement, the Company expressly acknowledges that Jefferies

does not guarantee, warrant or otherwise provide assurance that the Company will be able to implement or consummate any Transaction, or any other transaction contemplated herein, or achieve any other result.

(d) The Company acknowledges that Jefferies' parent, Jefferies Group, Inc. (collectively with its subsidiaries and affiliates, the "Jefferies Group") is a full service financial institution engaged in a wide range of investment banking and other activities (including investment management, corporate finance, securities issuing, trading and research and brokerage activities) from which conflicting interests, or duties, may arise. Information that is held elsewhere within the Jefferies Group, but of which none of the individuals in Jefferies' investment banking department involved in providing the services contemplated by this Agreement actually has (or without breach of internal procedures can properly obtain) knowledge, will not for any purpose be taken into account in determining Jefferies' responsibilities to the Company under this Agreement. Neither Jefferies nor any other part of the Jefferies Group will have any duty to disclose to the Company or utilize for the Company's benefit any non-public information acquired in the course of providing services to any other person, engaging in any transaction (on its own account or otherwise) or otherwise carrying on its business. In addition, in the ordinary course of business, the Jefferies Group may trade the securities of the Company and of potential participants in the Transaction for its own account and for the accounts of customers, and may at any time hold a long or short position in such securities. Jefferies recognizes its responsibility for compliance with federal securities laws in connection with such activities. Further, the Company acknowledges that from time to time Jefferies' research department may publish research reports or other materials, the substance and/or timing of which may conflict with the views or advice of the members of Jefferies' investment banking department, and may have an adverse effect on the Company's interests in connection with the Transaction or otherwise. Jefferies' investment banking department is managed separately from its research department, and does not have the ability to prevent such occurrences.

12. Construction and Governing Law. This Agreement and any issue arising out of or relating to the parties' relationship hereunder shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of law.

13. Arbitration. The parties agree that any dispute, claim or controversy directly or indirectly relating to or arising out of this Agreement, including, but not limited to: (a) the termination or validity of this Agreement, (b) any alleged breach of this Agreement or (c) the engagement contemplated by this Agreement (any of the foregoing, a "Claim"), shall be submitted to JAMS, or its successor, in New York, New York, for final and binding arbitration in front of a panel of three arbitrators with JAMS in New York, New York under the JAMS Comprehensive Arbitration Rules and Procedures (with each of Jefferies and the Company choosing one arbitrator, and the chosen arbitrators choosing the third arbitrator). The arbitrators shall, in their award, allocate all of the costs of the

arbitration, including the fees of the arbitrators and the reasonable attorneys' fees of the prevailing party, against the party who did not prevail. The award in the arbitration shall be final and binding. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§1–16, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The Company agrees and consents to personal jurisdiction, service of process and venue in any federal or state court within the State of New York in connection with any action brought to enforce an award in arbitration.

14. Payments. All payments to be made to Jefferies hereunder and shall be made in cash via wire transfer to an account designated by Jefferies immediately upon consummation of any Transaction, provided, however, that any Monthly Fees shall be due and payable as set forth in Section 5 hereof. No fee paid or payable to Jefferies or any of its affiliates under this Agreement shall be credited against any other fee paid or payable to Jefferies except as expressly stated herein.

15. Announcements. At any time after the consummation or other public announcement of the closing of a Transaction or other transaction contemplated herein, subject to the Company's prior written consent, Jefferies may use the name and logo of the Company and a brief description of such transaction in publications and/or marketing materials prepared and distributed by Jefferies; it being understood that Jefferies may re-use such description without the Company's written consent provided that such description does not materially differ from the description for which the Company originally gave its consent as contemplated herein.

16. Notices. Notice given pursuant to any of the provisions of this Agreement shall be in writing and shall be mailed or delivered (a) if to the Company, at the address set forth above, Attn: Patrick Lawlor, Chief Financial Officer, with a copy to James Stempel, P.C., Kirkland & Ellis LLP, 200 E. Randolph Drive, Chicago, Illinois 60601 and (b) if to Jefferies, at the offices of Jefferies at 520 Madison Ave., New York, New York 10022, Attention: General Counsel.

17. Miscellaneous. This Agreement, together with Schedule A hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof, and may not be amended or modified except in writing signed by each party hereto. This Agreement may not be assigned by either party hereto without the prior written consent of the other, to be given in the sole discretion of the party from whom such consent is being requested. Any attempted assignment of this Agreement made without such consent shall be void and of no effect, at the option of the non-assigning party. This Agreement is solely for the benefit of the Company and Jefferies and no other person shall acquire or have any rights under or by virtue of this Agreement. If any provision hereof shall be held by a court of competent jurisdiction to be invalid, void or unenforceable in any respect, or against public policy, such determination shall not affect such provision in any other respect nor any other provision hereof. The Company and Jefferies shall endeavor in good faith negotiations to replace the invalid, void or

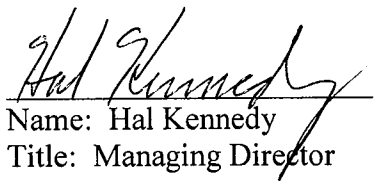
unenforceable provisions. Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of this Agreement. This Agreement may be executed in facsimile counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same document.

18. Patriot Act. Jefferies hereby notifies the Company that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Company in a manner that satisfies the requirements of the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act.

Please sign and return an original and one copy of this letter to the undersigned to indicate your acceptance of, and agreement to, the terms set forth herein, whereupon this letter and your acceptance shall constitute a binding agreement by and between the Company and Jefferies as of the date first above written.

Sincerely,

JEFFERIES & COMPANY, INC.

By 
Name: Hal Kennedy
Title: Managing Director

Accepted and Agreed:

INDALEX HOLDINGS FINANCE, ON BEHALF OF ITSELF AND ITS SUBSIDIARIES

By _____
Name: Patrick Lawlor
Title: Chief Financial Officer

SCHEDULE A

Reference is hereby made to the engagement letter attached hereto (as amended from time to time in accordance with the terms thereof, the "Agreement") among Jefferies and the Company (each as defined in the Agreement). Unless otherwise noted, all capitalized terms used herein shall have the meanings set forth in the Agreement.

If the Company commences a case under title 11 of the United States Code, any and all obligations and agreements of the Company under this Schedule A shall be equally applicable to, and binding upon, each of the Company's bankruptcy estates and any trustee appointed in the Company's bankruptcy cases.

As further consideration under the Agreement, the Company agrees to indemnify and hold harmless Jefferies and its affiliates, and each of their respective officers, directors, managers, members, partners, employees and agents, and any other persons controlling Jefferies or any of its affiliates (collectively, "Indemnified Persons"), to the fullest extent lawful, from and against any claims, liabilities, losses, damages and expenses (or any action, claim, suit or proceeding (an "Action") in respect thereof), as incurred, related to or arising out of or in connection with Jefferies' services (whether occurring before, at or after the date hereof) under the Agreement, the Transaction or any proposed transaction contemplated by the Agreement or any Indemnified Person's role in connection therewith, whether or not resulting from an Indemnified Person's negligence ("Losses"), provided, however, that the Company shall not be responsible for any Losses to the extent such Losses are determined, by a final judgment by a court or arbitral tribunal, to have resulted from any Indemnified Person's gross negligence or willful misconduct .

The Company agrees that no Indemnified Person shall have any liability to the Company or its owners, parents, affiliates, securityholders or creditors for any Losses, except to the extent such Losses are determined, by a final, non-appealable judgment by a court or arbitral tribunal, to have resulted solely from Jefferies' gross negligence or willful misconduct.

The Company agrees that it will not settle or compromise or consent to the entry of any judgment in, or otherwise seek to terminate any pending or threatened Action in respect of which indemnification or contribution may be sought hereunder unless Jefferies has given its prior written consent, or the settlement, compromise, consent or termination (i) includes an express unconditional release of such Indemnified Person from all Losses arising out of such Action and (ii) does not include any admission of fault on the part of any Indemnified Person.

If, for any reason (other than the gross negligence or willful misconduct of an Indemnified Person as provided above) the foregoing indemnity is judicially determined to be unavailable to an Indemnified Person for any reason or insufficient to hold any Indemnified Person harmless, then the Company agrees to contribute to any such Losses in such proportion as is appropriate to reflect the relative benefits received or proposed to be received by the Company on the one hand and by Jefferies on the other, from the Transaction or proposed Transaction or, if allocation on that basis is not permitted under applicable law, in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and Jefferies on the other, but also the relative fault of the Company and Jefferies, as well as any relevant equitable considerations. Notwithstanding the provisions hereof, the aggregate contribution of all Indemnified Persons to all Losses shall not exceed the amount of fees actually received by Jefferies with respect to the services rendered pursuant to the Agreement. Relative benefits to the Company, on the one hand, and to Jefferies, on the other hand, shall be deemed to be in the same proportion as (i) the total transaction value of the Transaction or the proposed Transaction bears to (ii) all fees actually received by Jefferies in connection with the Agreement.

The Company agrees to reimburse the Indemnified Persons for all reasonable and documented out-of-pocket expenses (including, without limitation, fees and expenses of counsel) as they are incurred in connection with investigating, preparing, defending or settling any Action for which indemnification or contribution has or is reasonably likely to be sought by the Indemnified Person, whether or not in connection with litigation in which any Indemnified Person is a named party; provided that if any such reimbursement is determined by a final judgment by a court or arbitral tribunal, to have resulted from any Indemnified Person's gross negligence or willful misconduct, such Indemnified Person shall promptly repay such amount to the Company. If any of Jefferies' professional personnel appears as witness, is

deposed or is otherwise involved in the defense of any Action against Jefferies, the Company or the Company's affiliates, officers, managers, directors or employees, the Company will reimburse Jefferies for all reasonable out-of-pocket expenses incurred by Jefferies by reason of any of its personnel being involved in any such Action.

The indemnity, contribution and expense reimbursement obligations set forth herein (i) shall be in addition to any liability the Company may have to any Indemnified Person at common law or otherwise, (ii) shall survive the expiration or termination of the Agreement or completion of Jefferies' services hereunder, (iii) shall apply to any modification of Jefferies' engagement, (iv) shall remain operative and in full force and effect regardless of any investigation made by or on behalf of Jefferies or any other Indemnified Person, (v) shall be binding on any successor or assign of the Company and successors or assigns to the Company's business and assets and (vi) shall inure to the benefit of any successor or assign of any Indemnified Person.

Appendix D

The Jefferies US Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
	Case No. 09-10982 (PJW)
INDALEX HOLDINGS FINANCE, INC., a Delaware Corporation, *et al.*[1]	(Jointly Administered)
Debtors	**Ref. Docket No.: 36, 110 & 115, 159**

ORDER PURSUANT TO SECTIONS 327(a) AND 328(a) OF THE BANKRUPTCY CODE AUTHORIZING THE RETENTION AND EMPLOYMENT OF JEFFERIES & COMPANY, INC. AS FINANCIAL ADVISOR TO THE DEBTORS *NUNC PRO TUNC* TO PETITION DATE, AND REQUEST FOR A LIMITED WAIVER OF THE REQUIREMENTS OF LOCAL RULE 2016-2

Upon consideration of the application (the "Application"),[2] of the above-captioned debtors and debtors in possession in these chapter 11 cases (the "Debtors"), for an order, pursuant to sections 327(a) and 328(a) of title 11 of the United States Code, 11 U.S.C. §§ 11 *et seq.* (the "Bankruptcy Code"), authorizing the Debtors to employ and retain Jefferies & Debtors, Inc. ("Jefferies") as the Debtors' financial advisor in these chapter 11 cases, *nunc pro tunc* to the petition date; and upon the Affidavit of Hal Kennedy, annexed to the Application as Exhibit A; and the responses thereto filed by JP Morgan Chase Bank, N.A. and the Official Committee of Unsecured Creditors (the "Objections"); and the Court having been satisfied that Jefferies does not hold or represent interests adverse to the Debtors' estates and that Jefferies is a "disinterested person" as such term is defined under section 101(14), as modified by section 1107(b), of the Bankruptcy Code; and that the employment of Jefferies as the Debtors' financial

[1] The Debtors in these cases and their tax identification numbers are: Indalex Holdings Finance, Inc. (XX-XXX0880), Indalex Holding Corp. (XX-XXX0715) ("Indalex Holding"), Indalex Inc. (XX-XXX7362) ("Indalex Inc."), Caradon Lebanon, Inc. (XX-XXX1208) ("Caradon"), and Dolton Aluminum Company, Inc. (XX-XXX2781) ("Dolton"). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

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

advisor is necessary and in the best interests of the Debtors, their estates, creditors and interest holders; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED that

1. The Application is GRANTED.

2. Pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, the Debtors are hereby authorized to retain Jefferies as their financial advisor pursuant to the terms of the Engagement Letter, as modified by the Application and herein, effective as of the Petition Date.

3. Jefferies shall be compensated in accordance with the standards and procedures set forth in sections 330 and 331 of the Bankruptcy, such Bankruptcy Rules as may be applicable from time to time, the Local Rules and such other procedures as may be fixed by order of this Court.

4. The reporting requirements set forth in Local Rule 2016-2(d) are hereby waived with respect to Jefferies and Jefferies is not required to submit detailed activity and time descriptions in connection with its monthly fee applications; *provided, however*, that Jefferies shall provide summaries of the services rendered and fees and expenses incurred and paid by the Debtors when submitting its monthly fee applications.

5. The Indemnification Provisions of the Engagement Letter are approved, subject to the following modifications:

(a) Subject to the provisions of subparagraphs (c) and (d) below, the Debtors are authorized to indemnify, and shall indemnify, Jefferies, in accordance with the Engagement Letter, for any claim arising from, related to or in connection with their performance of the services described in the Engagement Letter;

(b) Jefferies shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services other than the services provided under the Engagement Letter, unless such services and the indemnification, contribution or reimbursement therefor are approved by the Court;

(c) Notwithstanding anything to the contrary in the Engagement Letter, the Debtors shall have no obligation to indemnify any person, or provide contribution or reimbursement to any person, for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen primarily from that person's gross negligence or willful misconduct; (ii) for a contractual dispute in which the Debtors allege breach of the Jefferies' contractual obligations under the Engagement Letter unless the Court determines that indemnification, contribution or reimbursement would be permissible pursuant to In re United Artists Theatre Co., 315 F.3d 217 (3d Cir. 2003); or (ii) settled prior to a judicial determination as to that person's gross negligence or willful misconduct, but determined by this Court, after notice and a hearing, to be a claim or expense for which that person should not receive indemnity, contribution, or reimbursement under the terms of the Indemnification Provisions as modified by the Application and Order; and

(d) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing this chapter 11 case, Jefferies believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, Jefferies must file an application before this Court, and the Debtors may not pay any such amounts before the entry of an order by this Court approving the payment. This subparagraph (d) is intended only to specify the period of time under which the court shall have jurisdiction over any request for fees and expenses for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify Jefferies.

6. Notwithstanding any provision to the contrary in the Engagement Letter, the liability of Jefferies shall not be limited.

7. Notwithstanding paragraph 13 of the Engagement Letter, disputes related to the Engagement Letter or the retention of Jefferies in connection with the Debtors' chapter 11 cases will be heard by this Court.

8. This Court shall retain jurisdiction with respect to all matters arising from or related to the enforcement or implementation of this Order.

Dated: Wilmington, Delaware
April 15, 2009

Peter J. Walsh
United States Bankruptcy Judge