

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

**COMMERCECONNECT MEDIA HOLDINGS,
INC., et al.,¹**

Debtors.

)
) **Chapter 11**

)
) **Case No. 09-**

)
) **Joint Administration Pending**

**MOTION OF DEBTORS FOR AN ORDER AUTHORIZING DEBTORS'
USE OF CASH COLLATERAL, PROVIDING ADEQUATE PROTECTION
TO CERTAIN PREPETITION LENDERS AND SCHEDULING A FINAL HEARING**

The above-captioned debtors and debtors-in-possession (collectively, the “Debtors” or “Cygnus”) submit this motion (the “Motion”) for entry of an interim order substantially in form attached hereto as **Exhibit A** (the “Interim Order”), and a final order (the “Final Order” and together with the Interim Order, the “Cash Collateral Orders”) (i) authorizing the Debtors to use cash collateral, as such term is defined in 11 U.S.C. § 363(a) (as so defined, “Cash Collateral”), in which the Lenders (as hereinafter defined) assert liens and security interests (collectively, the “Prepetition Liens”); (ii) granting adequate protection to the Lenders pursuant to 11 U.S.C. §§ 361 and 363; and (iii) scheduling a final hearing (the “Final Hearing”) on the Motion to consider entry of the Final Order and (b) approve certain notice procedures with respect thereto. The facts and circumstances supporting this Motion are set forth in the concurrently filed Affidavit of James Ogle, the Chief Financial Officer of Cygnus Business Media, Inc., in Support of the Petitions and the Petitions and the First Day Motions (the “Ogle Affidavit”). In further support of this Motion, the Debtors respectfully state as follows:

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: CommerceConnect Media Holdings, Inc. (1749), Cygnus Business Media, Inc. (0832), Cygnus New Business Launches, Inc. (0713) and Cygnus Interactive New Business Launches, Inc. (1283). The address for each of the Debtors is: 1233 Janesville Avenue, Fort Atkinson, Wisconsin 53538.

Jurisdiction

1. On the date hereof (the "Petition Date"), the Debtors commenced their respective bankruptcy cases (the "Chapter 11 Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"). No creditors' committee has yet been appointed in the Chapter 11 Cases by the United States Trustee. The Debtors are continuing in possession of their respective properties and are operating their respective businesses, as debtors-in-possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code.

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

3. The statutory predicates for the relief sought herein are sections 105(a), 361, 362, 363, 1107 and 1108 of the Bankruptcy Code, Rules 2002, 4001, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2002-1 and 4001-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

Introduction

4. As described in more detail below, the Chapter 11 Cases have been commenced to effectuate a negotiated out-of-court restructuring plan that has previously been agreed to by all but one of the Debtors' senior secured lenders, all of the Debtors' junior secured lenders, the holders of all of CommerceConnect Media Holdings, Inc.'s ("CCMH") Series A Preferred Stock and the holders of a majority in interest of CCMH's voting equity. The Debtors do not intend the Chapter 11 Cases to have any effect on the allowed claims of general unsecured creditors, but rather, to permit such claims to effectively "ride through" the Chapter 11 process and be paid in

full without any impact by the bankruptcy on the relative rights, obligations and defenses of the parties. While the Debtors had hoped to avoid the cost of the Chapter 11 Cases by restructuring consensually out-of-court, one (1) hold out senior lender has refused to consent, apparently seeking to extract further value from the companies or its co-lenders. For this reason, the Debtors were forced to modify the consensual restructuring into a prepackaged plan of reorganization (the "Plan"). Approximately 96% of the Debtors' senior secured lenders and 100% of the Debtors' junior secured lenders have voted in favor of the Plan, representing approximately \$200 million of the approximately \$206 million in secured debt owed to these institutional creditors. The Debtors have therefore commenced these Chapter 11 Cases to confirm the Plan, and will be seeking to do so expeditiously.

A. The Debtors' Businesses.

5. Cygnus is a leading business-to-business ("B2B") publisher and communications company, distributing content to diverse audiences in the construction, public safety, industrial and manufacturing, security, technology, transportation and aviation industries. Cygnus employs approximately 680 people, including 430 salaried and hourly employees and 250 independent contractors, all of whose livelihoods depend in some significant measure upon the successful continuation of the Debtors' business enterprise. These employees and independent contractors are essential to the Debtors' business operations and perform a variety of critical functions.

6. Several magazines published by Cygnus have been published for more than 40 years. Cygnus' market-leading brands include *Qualified Remodeler*, *Firehouse*, *Equipment Today*, *Kitchen and Bath Design News*, and the *CPA Technology Advisor*. Cygnus' breadth of content is internationally-recognized, reaching millions of business professionals who rely on Cygnus' proprietary content to make critical business decisions. Cygnus reaches business professionals by utilizing three media platforms: publishing, interactive and expositions.

7. Publishing. Cygnus publishes 42 leading trade publications in 13 major markets, reaching over three million professionals, manufacturers and retail subscribers regularly. Cygnus' publications are staffed with award-winning, industry-recognized writers and editors.

8. Interactive. With 38 website destinations, Cygnus' interactive division is a leading online provider of essential news, information, utilities and e-commerce services to 13 unique markets, providing industry news and information to over two million B2B professionals annually. Cygnus offers its interactive customers a full complement of updated industry news and award-winning editorial as well as video, webinars, online catalogs, e-newsletters and digital supplements and editions. In 2008, Cygnus interactive websites generated over 180 million page views with nearly two million unique visitors per month.

9. Expositions. Cygnus' exposition division is a leader in producing industry expositions, consistently providing solutions for doing business successfully. It produces approximately 32 trade shows and events annually, managing hundreds of thousands of square feet for thousands of exhibitors and tens of thousands of attendees each year. Additionally, Cygnus is at the forefront in producing electronic show dailies which include broadcast components, and Cygnus also produces custom programming from expo clients for use at trade shows.

B. Economic Performance and Other Challenges.

10. Cygnus' capital structure is highly leveraged, with approximately \$206 million in total funded debt (inclusive of accrued interest) as of June 30, 2009. Cygnus' funded debt consists primarily of (i) not less than \$173 million of senior, first lien debt under a credit agreement (the "Prepetition Credit Agreement") dated as of July 13, 2004, having General Electric Capital Corporation ("GECC") as agent; and (ii) approximately \$33 million of junior, second lien debt under a term loan dated as of July 13, 2004, having Barclays Bank PLC

("Barclays") as agent. In addition, Cygnus has issued approximately \$81 million of Series A Redeemable Preferred Stock (as of June 30, 2009, including accretion), approximately \$109,820 of Series B Preferred Stock (as of June 30, 2009), and approximately \$4,252 of Series C Preferred Stock (as of June 30, 2009).

11. Based on 2008 EBITDA of \$23 million, the total leverage ratio (secured debt) is approximately 8.9x and the aggregate leverage is 12.5x (including Series A but excluding Series B and Series C Preferred Stock).

12. Since the second quarter of 2008, Cygnus has been unable to meet its total leverage ratio covenants and has been in default under its financing agreements. The result of the covenant default was that lenders denied the company use of the \$13 million of availability under the Prepetition Credit Agreement, and Cygnus' liquidity has become constrained. Cygnus has been unable to make regular debt service payments to either the senior secured lenders or junior secured lenders, and has been operating under a nonbinding forbearance from the lenders. Further, as a result of these events, Cygnus' credit rating has been downgraded by Moody's and Standard & Poor's.

13. Additionally, Cygnus faces certain challenges that are not specific to it, but rather are being seen across the B2B industry. In addition to decreased advertising arising from the current economic climate, the B2B industry specifically has undergone a fundamental change driven by enhanced functionality of online advertising and tools causing traditional advertisers to reduce their allocation of resources to B2B publications and increase spending in their marketing budgets on their own websites.

14. Finally, Cygnus has been negatively affected by the overall shift away from print media. Although Cygnus has three media platforms, the majority of the business is devoted to and revenue is derived from print media. The management team continues to believe that in

order to be more successful, the Cygnus model needs to continue to shift toward interactive media and away from print, providing the most appropriate balance for Cygnus' advertisers.

C. Sale Efforts; Negotiations with Lenders.

15. More than three years ago, the Board of Directors of Cygnus engaged a well-known, leading investment bank to conduct a process to broadly market the company. This marketing process was unsuccessful in producing a credible bid that satisfied the Board of Directors. After a change in management teams and approximately twelve months later, the Board of Directors retained a nationally recognized boutique investment bank focused on media companies to again market the company through a solicitation process where numerous parties were contacted. During this period Cygnus undertook a considerable internal restructuring designed to address the business challenges facing all print media companies.

16. The second marketing process concluded with the leading party providing a bid that failed to satisfy the secured creditors of the company and would not provide a recovery for other constituents. As noted above, the sale processes occurred at a time when print media businesses were (and continue to be) in considerable upheaval, and when the economy as a whole has been subject to considerable decline.

17. Due to these disappointing marketing process results, Cygnus engaged Miller Buckfire & Co., LLC ("Miller Buckfire") to assist the company's efforts to address its liquidity constraints and its overleveraged balance sheet. Miller Buckfire is an investment banking firm with considerable expertise in distressed scenarios, including ones such as those faced by the company where the value of a company is less than its secured debt.

18. Miller Buckfire has performed a number of tasks simultaneously, including resoliciting the leading bidder noted above, soliciting interest from potential investors and strategic partners and conducting negotiations with Cygnus' secured lenders and preferred equity

holders regarding an internal restructuring of the company's balance sheet. There have been a number of sit down meetings with and/or management presentations to interested parties and extensive negotiations with the senior secured and junior secured lenders.

19. Unfortunately, the multiple sales processes did not produce a buyer who could or would purchase Cygnus for an amount necessary to satisfy even the company's senior secured debt. As a result, Miller Buckfire and Cygnus turned their attention to the various restructuring possibilities. After examining the options, including both a chapter 11 bankruptcy filing and an out-of-court restructuring, Miller Buckfire and Cygnus concluded that an out-of-court restructuring presented the most viable option for the Debtors, as it likely would have the least impact on the Debtors' going concern value, the lowest cost of implementation and potentially could be consummated more quickly than the other alternatives. These factors translated into the best potential return for the Debtors' stakeholders.

20. The result is that Miller Buckfire and Cygnus developed, along with GECC, the other senior lenders, Barclays, the holders of the Series A Preferred Stock and the holders of a majority in interest of the Debtors' voting equity, a proposed restructuring that would convert a large portion of the existing senior secured debt, and all of the existing junior secured debt, into equity and warrants, respectively (the "Out-of-Court Restructuring").

D. Need for Relief.

21. The Out-of-Court Restructuring was intensely negotiated over a series of months, among the Debtors, GECC, the other senior lenders, Barclays, the holders of the Series A Preferred Stock and the holders of a majority in interest of the Debtors' voting equity. Throughout the process, each of GECC and Barclays has been in nearly constant contact with the registered holders of the senior secured debt and junior secured debt. Information and

documentation has been made available in real time to all senior lenders, including, in the case of the senior secured lenders, through an on-line document database (*Intralinks*).

22. Until the week of July 13, 2009, the Out-of-Court Restructuring had been proceeding apace. As early as Monday of that week, all of the parties were hopeful that the Out-of-Court Restructuring would close on July 16, 2009, and in fact, the professionals had already begun to collect the signatures of the parties to the Out-of-Court Restructuring agreements when an unexpected obstacle arose.

23. On July 14, 2009, the Debtors were informed by GECC that one of the 21 holders of the not less than \$173 million of senior, first lien debt, may refuse to consent to the Out-of-Court Restructuring. That holder, Genesis CLO 2007-2 Ltd. ("Leichtman Fund"), a fund managed by Levine Leichtman Capital Partners ("Levine Leichtman"), holds approximately \$6.4 million of the not less than \$173 million of senior, first lien debt, which is less than 4% of the dollar amount of the claims in that class. Nonetheless, on an out-of-court basis, the Prepetition Credit Agreement requires unanimous consent of the holders to effectuate the transactions required. See Prepetition Credit Agreement, § 11.2(c).

24. Since that time, each of the Debtors, GECC and Barclays, and their respective professionals, have attempted to obtain Levine Leichtman's consent – with no success. Levine Leichtman's refusal to consent has therefore made an out-of-court solution impossible. Given the foregoing factors, the Debtors have determined that a chapter 11 prepackaged plan affords them the best option to preserve and realize upon the value of the companies and is the only remaining option to implement the agreed upon restructuring.

25. In consultation with their professionals, and after careful examination, the Debtors' Boards of Directors, the Debtors, GECC and Barclays have determined that chapter 11, combined with the prepackaged Plan, is the best and most efficient way to maximize a return for

the Debtors, their estates, and all parties-in-interest. Additionally, the Debtors have entered into a cash collateral agreement with GECC which, subject to Bankruptcy Court approval, allows the Debtors' the use of cash collateral to ensure that the Debtors will have sufficient liquidity to complete the Chapter 11 process and effectuate the Plan.

26. Consistent with the terms of the Out-of-Court Restructuring previously agreed to by the Debtors, all but one of the holders of the senior, first lien debt and all of the holders of the junior, second lien debt, the Plan seeks to impair only the not less than \$173 million of senior, first lien debt under a Prepetition Credit Agreement (Class 3), the approximately \$33 million of junior, second lien debt (Class 4), any intercompany obligations (Class 6) and the existing equity interests in the Debtors (Class 7 and 8). Holders of other secured claims and general unsecured claims will have their allowed claims reinstated, or, at the option of the Debtor, paid in full. The result is that the Plan provides for no impairment of virtually all the going-concern obligations of the Debtors, as well as the conversion of a large portion of the existing senior secured debt, and all of the existing junior secured debt, to equity and warrants, respectively. The conversion of debt to equity results in a greatly reduced debt service and a largely deleveraged balance sheet.

27. On July 27, 2009, the Debtors solicited votes for or against the Plan from Class 3 and 4, the only Classes entitled to vote under the Plan. As noted above and contained in the voting affidavit of Garden City Group² filed contemporaneously herewith, approximately 95% in number and approximately 96% in dollar amount of Class 3 creditors (all but the Leichtman Fund) have accepted the Plan and 100% in number and dollar amount of Class 4 creditors have voted to accept the Plan. Class 7 and Class 8 creditors were not solicited as they are receiving no distributions on account of their claims/interests and are deemed to have rejected the Plan.

² The Garden City Group is the Debtors' proposed Claims, Noticing and Balloting Agent.

28. The existence of a Plan that has been overwhelmingly approved by the voting Classes, as well as the cash collateral agreement between GECC and the Debtors, will allow the Debtors to transition through bankruptcy as smoothly and as quickly as possible. The Debtors' publications, interactive web site and expositions should be virtually unaffected. Further, out of an abundance of caution, the Debtors seek approval as part of their "first day motions" relief which will allow the Debtors' obligations to employees and critical vendors to be honored in the ordinary course of business until such time as the Plan is confirmed and the obligations reinstated.

29. The Chapter 11 Cases have therefore been instituted to enable the Debtors to effectively take these steps and otherwise maximize the value of their assets.

Summary of Prepetition Indebtedness

30. Pursuant to that certain Credit Agreement dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement"), by and among Cygnus Business Media, Inc., as Borrower (the "Borrower"), the other Credit Parties³ signatory thereto, GE Capital, as administrative agent (in such capacity, the "First Lien Agent"), as Collateral Agent (as defined below) and as a lender, and the other lenders party thereto from time to time (collectively with GE Capital, the "First Lien Lenders"), the First Lien Lenders agreed to extend revolving and term credit facilities to, and to issue letters of credit for, the Borrower from time to time, including, *inter alia*, (i) revolving loans and letters of credit in an aggregate committed amount of up to \$30,000,000, (ii) multi-draw term loans in an aggregate original principal amount of \$20,000,000, (iii) junior term loans in an aggregate

³ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such term in the applicable referenced prepetition credit agreement. Copies of the First Lien Credit Documents (as defined herein) are available upon request from counsel to the First Lien Agent or counsel to the Debtors.

original principal amount of \$140,000,000, and (iv) term loans under the Incremental Facility in an aggregate principal amount of \$14,800,000.

31. The First Lien Credit Agreement and any other agreements, instruments, notes, guaranties and other documents executed in connection therewith are collectively referred to herein as the “First Lien Credit Documents.” All obligations of the Debtors arising under the First Lien Credit Documents, including all loans, advances, debts, liabilities, reimbursement obligations, indemnification obligations, principal, interest, fees (including reasonable fees and expenses of the First Lien Lenders’ attorneys and advisors), charges, expenses and other obligations incurred under the First Lien Credit Documents of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall hereinafter be referred to as the “First Lien Obligations.”

32. Pursuant to that certain Parent Guaranty Agreement and that certain First Priority Parent Pledge Agreement, each dated as of July 13, 2004, CommerceConnect Media Holdings, Inc., the owner of one-hundred percent (100%) of the Borrower’s capital stock, absolutely, unconditionally and irrevocably guaranteed (as primary obligor and not merely as surety, without limitation and with full recourse) the payment when due (whether at stated maturity or earlier) and timely performance of all the First Lien Obligations to the First Lien Agent and First Lien Lenders, and granted in favor of the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, security interests in and liens upon one-hundred percent (100%) of the capital stock of the Borrower.

33. Pursuant to that certain Subsidiary Guaranty dated as of July 13, 2004, Cygnus New Business Launches, Inc. and Cygnus Interactive New Business Launches, Inc. (collectively, the “Subsidiary Guarantors”) jointly, severally, absolutely, unconditionally and irrevocably guaranteed (as primary obligor and not merely as surety, without limitation and with full

recourse) the payment when due (whether at stated maturity or earlier) and timely performance of all of the First Lien Obligations.

34. Pursuant to that certain First Priority Security Agreement and First Priority Pledge Agreement each dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the “First Lien Security and Pledge Agreements”), the Borrower and the Subsidiary Guarantors granted to the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, to secure such Debtors’ obligations under the First Lien Credit Documents, first priority security interests in and continuing liens (the “First Priority Liens”) on substantially all of such Debtors’ assets, including, but not limited to, all of such Debtors’ accounts, chattel paper, deposit accounts, documents, general intangibles, instruments, inventory, investment property and any supporting obligations related thereto, any commercial tort claims identified by such Debtors in accordance with the terms of the First Lien Security and Pledge Agreements, all books and records pertaining to any of the foregoing, intellectual property, all other goods and personal property of such Debtors, whether tangible or intangible, all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing, in each case whether then owned or existing or thereafter acquired or arising, and a pledge of one-hundred percent (100%) of the capital stock of each of its subsidiaries. Pursuant to that certain Amended and Restated Mortgage, Security Agreement, and Assignment of Rents (First Priority) dated as of September, 2004 (together with the First Lien Security and Pledge Agreements, the “First Lien Security Agreements”), between the Borrower and the Collateral Agent, the Borrower granted to the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, to secure the First Lien Obligations, a first priority lien and security interest in the sole item of real property owned by such Debtors. All collateral granted or pledged by the Debtors

pursuant to the First Lien Security Agreements and the other First Lien Credit Documents shall collectively be referred to herein as the “Prepetition Collateral.”

35. Pursuant to that certain Term Loan Agreement dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the “Second Lien Credit Agreement”), by and among Cygnus Business Media, Inc., as Borrower, the other Credit Parties signatory thereto, Barclays Bank PLC, in its capacity as agent (as successor agent to Special Situations Investing Group, Inc.) (in such capacity, the “Second Lien Agent”) and the Lenders party thereto from time to time (collectively, the “Second Lien Lenders”, and together with the First Lien Lenders, the “Lenders”), the Second Lien Lenders agreed to extend a \$30,000,000 term loan credit facility.

36. The Second Lien Credit Agreement and any other agreements, instruments, notes, guaranties and other documents executed in connection therewith shall collectively be referred to herein as the “Second Lien Credit Documents”. All obligations of the Debtors arising under the Second Lien Credit Documents, including all loans, advances, debts, liabilities, reimbursement obligations, indemnification obligations, principal, interest, fees (including reasonable fees and expenses of the Second Lien Lenders’ attorneys and advisors), charges, expenses and other obligations incurred under the Second Lien Credit Documents of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall hereinafter be referred to as the “Second Lien Obligations.” The Second Lien Obligations together with the First Lien Obligations shall collectively be referred to herein as the “Obligations” and the Second Lien Credit Documents together with the First Lien Credit Documents shall collectively be referred to herein as, the “Credit Documents”.

37. Pursuant to that certain Second Priority Security Agreement, that certain Second Priority Parent Pledge Agreement, that certain Second Priority Pledge Agreement and that

certain Mortgage, Security Agreement, and Assignment of Rents (Second Priority) each dated July 13, 2009, the Collateral Agent, for the benefit of the Second Lien Agent and the Second Lien Lenders, was granted second priority security interests in and liens (the “Second Priority Liens”) upon the same Prepetition Collateral that secures the First Lien Obligations in order to secure the Second Lien Obligations.

38. Pursuant to that certain Amended and Restated Collateral Agency and Intercreditor Agreement dated as of April 26, 2007 (the “Intercreditor Agreement”), GE Capital was appointed to be the collateral agent for the First Lien Agent, the First Lien Lenders, the Second Lien Agent and the Second Lien Lenders (GE Capital, in such capacity, the “Collateral Agent”, and collectively with the First Lien Agent and the Second Lien Agent, the “Agents”).

Relief Requested

39. By this Motion, the Debtors seek entry of the Interim Order pursuant to sections 105(a), 361, 362, 363, 1107 and 1108 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004 and 9014, and Rules 2002-1 and 4001-1 of the Local Rules, (i) authorizing the Debtors to use Cash Collateral of the Lenders in accordance with the Interim Order and the Budget; (ii) granting adequate protection to the Lenders pursuant to section 363 of the Bankruptcy Code, as set forth more fully in the Interim Order; and (iii) scheduling the Final Hearing on the Motion, pursuant to Bankruptcy Rule 4001, for a date prior to expiration of the Budget Period, to consider entry of the Final Order and approving certain notice procedures with respect thereto. The Debtors also request that the Court waive any applicable stay (including under Bankruptcy Rule 6004) with respect to the Interim Order.

40. The Debtors request usage of Cash Collateral through Sept 11, 2009 (the “Budget Period”), in accordance with the proposed budget (the “Budget”) attached hereto as **Exhibit B** and subject to the terms of the Interim Order.

Basis for Relief

A. The Relief Requested Is Authorized by Section 363 of the Bankruptcy Code.

41. The Debtors' use of property of their estates is governed by section 363 of the Bankruptcy Code. Section 363(c)(1) provides in pertinent part that:

If the business of the debtor is authorized to be operated under section . . . 1108 . . . of this title and unless the court orders otherwise, the trustee may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business, without notice or a hearing, and may use property of the estate in the ordinary course of business without notice or a hearing.

11 U.S.C. § 363(c)(1).

42. Section 363(c)(2) establishes a special requirement with respect to "cash collateral," by providing that the trustee or debtor in possession may not use, sell or lease "cash collateral" under subsection (c)(1) unless:

(A) each entity that has an interest in such collateral consents;

or

(B) the court, after notice and a hearing, authorizes such use, sale or lease in accordance with the provisions of this section.

11 U.S.C. § 363(c)(2).

43. Cash Collateral is defined as "cash, negotiable instruments, documents of title, securities, deposit accounts or other cash equivalents in which the estate and an entity other than the estate have an interest." 11 U.S.C. § 363(a).

44. It is universally acknowledged that the debtor's cash "is the life's blood of the business" and that the bankruptcy court must assure that such life's blood "is available for use even if to a limited extent." In re Mickler, 9 B.R. 121, 123 (Bankr. M.D. Fla. 1981). Courts typically authorize debtors to use cash collateral to continue their operations so long as the interests asserted by secured parties are adequately protected. 11 U.S.C. § 363(e).

B. The Lenders' Interests, if any, in Cash Collateral Will Be Adequately Protected Under 11 U.S.C. § 361 Because There Will Be No Diminution in Cash Collateral or Inventory Under the Proposed Budget.

45. As noted above, a debtor's authority to use the Cash Collateral is typically conditioned on providing "adequate protection" to entities that assert an interest in such cash. 11 U.S.C. § 363(e). Although the term "adequate protection" is not defined in the Bankruptcy Code, section 361 provides the following three nonexclusive examples of what may constitute adequate protection:

- (1) requiring the trustee to make a cash payment or periodic cash payments to such entity, to the extent that the . . . use . . . under section 363 of this title . . . results in a decrease in the value of such entity's interest in such property.
- (2) providing to such entity an additional or replacement lien to the extent that such . . . use . . . results in a decrease in the value of such entity's interest in such property; or
- (3) granting such other relief . . . as will result in the realization by such entity of the indubitable equivalent of such entity's interest in such property.

46. The third possibility is regarded as a "catch-all" provision, affording courts discretion, on a case-by case basis, to determine what level of protection is appropriate to provide a secured party. See In re Swedeland Dev. Group, Inc., 16 F.3d 552,564 (3d Cir. 1994).

47. Neither section 361 nor any other provision of the Bankruptcy Code defines the nature and extent of the "interest in property" of which a secured creditor is entitled to adequate protection under section 363. However, the statute plainly provides that a qualifying interest demands protection only to the extent that the use of the creditor's collateral will result in a decrease in "the value of such entity's interest in such property." 11 U.S.C. §§ 361, 363(e); see also United Savings Ass'n of Texas v. Timbers of Inwood Forest Assocs., Ltd., 484 U.S. 365, 372 (1988).

48. Timbers teaches that the Lenders are entitled to “adequate protection” only against diminution in their interests in asserted collateral by reason of the use of Cash Collateral. Where the value of a secured party’s collateral is not diminishing by the debtor’s use, sale, or lease, it follows that the secured party’s interests in Cash Collateral are adequately protected. Courts in this District have applied this standard and found that where the value of the collateral does not diminish, and a debtor can operate profitably, the creditor is adequately protected. In re Pursuit Athletic Footware, 193 B.R. 713, 716-717 (Bankr. D. Del. 1996).

49. Thus, the Prepetition Lender is entitled to protection only against the decline in the value of its interests in Cash Collateral. Based on the proposed Budget, there will be no collateral diminution during the Initial Budget Period. The Debtors expect their operations to generate positive cash flow and to increase their current collective level of cash, accounts receivable, and inventory.

50. Nonetheless, as adequate protection and in order to obtain the cooperation of the Prepetition Lender, the Debtors propose to provide the Prepetition Lender with the following forms of adequate protection:

- a. The Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, shall be granted, subject to the Carve-Out (defined below), (a) replacement first priority security interests in and liens and mortgages upon (collectively, the “Adequate Protection Senior Priority Liens”) all of the Debtors’ now owned and hereafter acquired real and personal property, assets and rights of any kind or nature, including without limitation the Prepetition Collateral and the proceeds, products, rents and profits thereof, except for, and not including, claims and causes of action arising under chapter 5 of the Bankruptcy Code (collectively, the “Postpetition Collateral”), and (b) a superpriority administrative expense claim under section 507(b) of the Bankruptcy Code, with priority in payment over any and all unsecured claims and administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 726, 1113 or 1114 of the Bankruptcy Code, which shall at all times be senior to the rights of the Debtors, any successor trustee or any creditor, in the Debtors’ Chapter 11 Cases or any subsequent

proceedings under the Bankruptcy Code (the “Adequate Protection Senior Priority Claim”). As additional adequate protection, the Collateral Agent and First Lien Agent shall be entitled to the current cash payment of the fees and expenses of their legal counsel and other professionals, in accordance with the terms of the First Lien Credit Documents.

- b. The Collateral Agent, for the benefit of the Second Lien Agent and the Second Lien Lenders, shall be granted, subject to the Carve-Out (defined below), (a) replacement junior priority security interests in and liens and mortgages upon all of the Post-Petition Collateral (collectively, the “Adequate Protection Junior Priority Liens”, and together with the Adequate Protection Senior Priority Liens, the “Adequate Protection Liens”) (b) a junior superpriority administrative expense claim under section 507(b) of the Bankruptcy Code, with priority in payment over any and all unsecured claims and administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 726, 1113 or 1114 of the Bankruptcy Code, which shall at all times be senior to the rights of the Debtors, any successor trustee or any creditor, in the Debtors’ Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code, but junior in priority to the Adequate Protection Senior Priority Claim (the “Adequate Protection Junior Priority Claim”).
- c. 11. For purposes hereof, the “Carve Out” shall mean collectively: (a) all fees required to be paid to the Clerk of the Bankruptcy Court and to the U.S. Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate; (b) the reasonable fees and expenses of estate professionals incurred prior to the Termination Date which are provided for in the Budget (on an aggregate basis and irrespective of the time period prior to the Termination Date when incurred) and ultimately allowed by the Bankruptcy Court, whether before or after the Termination Date, pursuant to sections 328, 330 or 331 of the Bankruptcy Code; and (c) to the extent that there are not unencumbered assets available for the payment thereof, the reasonable fees and expenses incurred after the Termination Date by estate professionals, and ultimately allowed by the Bankruptcy Court, in an aggregate amount not to exceed \$500,000 less the amount of any retainers for professional fees and expenses that are unapplied as of the Termination Date. No portion of the Carve-Out and no disbursements set forth in the Budget shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with asserting any claims or causes of action against the Agents or the Lenders, or challenging or raising any defenses to the First Priority Liens, the Second Priority Liens or the Obligations; provided, however, that in the event a creditors’ committee is appointed and the effective date of the confirmed Plan has not occurred by September 30, 2009, no more than \$50,000 in the aggregate from the Carve Out and disbursements set forth in the Budget for professional fees may be used for the investigation of the

First Priority Liens, Second Priority Liens and the Obligations. For the avoidance of doubt and notwithstanding anything to the contrary herein, the Carve Out shall be senior to all liens securing the Obligations and any and all other forms of adequate protection, the Adequate Protection Liens, the Adequate Protection Senior Priority Claim, the Adequate Protection Junior Priority Claim, the First Priority Liens and the Second Priority Liens, the claims securing the Prepetition Agreements and other prepetition obligations granted or recognized as valid hereunder.

C. Interim Authority To Use Cash Collateral Is Warranted Under 11 U.S.C. § 363(c)(3) and Bankruptcy Rule 4001(b)(2) To Allow the Debtors To Operate Their Business.

51. Bankruptcy Rule 4001(b) provides that a final hearing on a motion to use Cash Collateral may not be commenced earlier than 15 days after service of such motion. Upon request, however, the Court is empowered to conduct a preliminary expedited hearing on the motion and authorize the use of Cash Collateral to the extent necessary to avoid irreparable harm pending a final hearing. Section 363(c)(3) mandates that “[a]ny hearing [on the use of cash collateral] . . . shall be scheduled in accordance with the needs of the debtor.”

52. Although the Debtors do not currently require post-petition financing, they do require the immediate use of cash to make various payments in the ordinary course of business to, among others, their employees, suppliers, utilities and landlords. If these payments are not made, the Debtors could be forced to shut-down operations and liquidate their assets. Accordingly, emergency use of the Cash Collateral by the Debtors, pending the Final Hearing, is necessary to prevent immediate and irreparable harm to the Debtors and their creditors.

Highlighted Provisions Under Local Rule 4001-2

53. The provisions of the Interim Order to be highlighted pursuant to Local Rule 4001-2(a)(i), along with the justification for such provisions, are as follows:

(A) Cross-Collateralization. None.

(B) Provisions That Bind the Estate Without Time to Investigate. Upon the entry of the Interim Order, the stipulations and admissions contained in the Interim Order, including, without limitation, in recital

Paragraphs D(1) through D(16) of the Interim Order, shall be binding on all parties in interest, and without further order of the Court, (x) the claims, liens and security interests of the Agents and the Lenders shall be deemed to be finally allowed for all purposes in these Chapter 11 Cases and any subsequent chapter 7 cases and shall not be subject to challenge by any party in interest as to validity, priority or otherwise, and (y) the Debtors and their estates shall be deemed to have released and waived any and all claims or causes of action against the Agents and the Lenders with respect to the Credit Documents or any related transactions. Interim Order ¶ 17. These provisions are a material element of the consideration provided to the Lenders and are necessary in order for the Lenders to consent to the relief requested in the Motion.

(C) Waiver of Rights Under Section 506(c). The Interim Order does not provide for a waiver of rights under Section 506(c) of the Bankruptcy Code, except that the Adequate Protection Senior Priority Claim and the Adequate Protection Junior Priority Claim are each senior to any claims under Section 506(c) of the Bankruptcy Code. Interim Order ¶¶ 9-10. These provisions are a material element of the consideration provided to the Lenders and are necessary in order for the Lenders to consent to the relief requested in the Motion.

(D) Liens on Avoidance Actions. None.

(E) Roll-Ups. None.

(F) Disparate Treatment of Committee Professionals. None

(G) Priming Liens. None.

54. The essential terms of the Interim Order to be summarized pursuant to Local Rule 4001-2(a)(ii) are as follows:

- a. Purposes for the Use of Cash Collateral and Budget: The Debtors may use Cash Collateral to pay their operating expenses in accordance with the Budget. The Budget reflects on a line-item weekly basis the Debtors' anticipated cumulative cash receipts and expenditures and all necessary and required cumulative expenses through September 11, 2009 (the "Budget Period"). For each week during the Budget Period, the aggregate actual disbursements made by the Debtors during such week of determination must be no greater than 110% of the aggregate amount of projected disbursements for such period as specified in the Budget. Interim Order ¶ 5.
- b. Termination Date: With respect to the Debtors' authorization to use Cash Collateral, each of the following shall constitute a "Termination Event": (i) the occurrence of 6:00 p.m. (prevailing

Eastern time) on September 11, 2009 if a Final Order and an order confirming the Debtors' Plan, (in each case in form and substance acceptable to the First Lien Agent), have not been entered by this Court; (ii) the earliest to occur of 6:00 p.m. (prevailing Eastern time) on September 21, 2009 (or such later date as may be agreed to by the First Lien Agent in writing) and the effective date of the confirmed Plan; (iii) the appointment of a trustee or an examiner with expanded powers in any of the Debtors' Chapter 11 Cases; (iv) the conversion or dismissal of any of the Debtors' Chapter 11 Cases; (v) the entry of an order reversing, staying, vacating or otherwise modifying in any material respect the terms of this Order; (vi) the filing of a motion by any of the Debtors, without the prior written consent of the First Lien Agent, seeking authorization to obtain post-petition financing that is senior or *pari passu* to the First Lien Obligations or the Adequate Protection First Lien Obligations; and (vii) failure by the Debtors to comply with the expenditure provisions of the Budget or any material provisions of this Order. Upon (a) 6:00 p.m. (prevailing Eastern time) on the third (3rd) business day following the Debtors' receipt of written notice from the Collateral Agent or First Lien Agent (which notice may be delivered by facsimile or electronic mail) of the occurrence of any Termination Event set forth in clauses (v) through (vii) above, or (b) the occurrence of a Termination Event set forth in clause (i) through (iv) above, the Debtors shall immediately cease using the Cash Collateral (the earlier to occur of (a) and (b)). Interim Order ¶ 6.

Request For Interim Relief

55. Bankruptcy Rule 4001(b) permits a court to approve a debtor's request for use of cash collateral during the 15-day period following the filing of a motion for authority to use cash collateral "as is necessary to avoid immediate and irreparable harm to the estate pending a final hearing." Fed. R. Bankr. P. 4001(b)(2). In examining such request under Bankruptcy Rule 4001, courts apply the same business judgment standard as is applicable to other business decisions. See, e.g., In re Ames Dept. Stores, Inc., 115 B.R. 34, 38 (Bankr. S.D.N.Y. 1990). The Debtors submit that, for the reasons set forth herein, authority for the Debtors to use the Cash Collateral on an interim basis as requested in this Motion is necessary to avert immediate and irreparable harm to the Debtors' businesses and estates.

Request For Final Hearing

56. The Debtors respectfully request that the Court set a date for the Final Hearing for a date prior to expiration of the Budget Period (i.e., on or before September 11, 2009), as is convenient for the Court and mutually acceptable to the Debtors and First Lien Agent.

Notice

57. The Debtors shall provide notice of this Motion by facsimile and/or overnight mail to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the Debtors' twenty (20) largest unsecured creditors on a consolidated basis; (iii) counsel to the Debtors' prepetition secured lenders; (iv) the Department of Justice; and (v) the Internal Revenue Service. As this Motion is seeking first-day relief, notice of this Motion and any order entered hereon will be served on all parties required by Del. Bankr. L.R. 9013-1(m). Due to the urgency of the circumstances surrounding this Motion and the nature of the relief requested herein, the Debtors respectfully submit that no further notice of this Motion is required.

[Remainder of page intentionally left blank.]

Conclusion

WHEREFORE, the Debtors respectfully request (i) immediate entry of the Interim Order (substantially in the form submitted herewith) granting the relief requested herein on an interim basis; and (ii) the granting of such other and further relief as is just and proper.

Dated: August 3, 2009
Wilmington, Delaware

Respectfully submitted,



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*Proposed Co-Counsel for the
Debtors and Debtors-in-Possession*

EXHIBIT A

INTERIM ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

**COMMERCECONNECT MEDIA HOLDINGS,
INC., et al.,¹**

Debtors.

)
) **Chapter 11**
)
) **Case No. 09-12765 (BLS)**
)
) **Joint Administration Pending**
)
)
)

**INTERIM ORDER (I) AUTHORIZING THE DEBTORS' USE OF CASH COLLATERAL
PURSUANT TO 11 U.S.C. § 363 AND (II) GRANTING ADEQUATE PROTECTION TO
PREPETITION LENDERS PURSUANT TO 11 U.S.C. §§ 361, 362 AND 363 AND (III)
SCHEDULING THE FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001**

Upon the motion of the debtors and debtors-in-possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), dated August 3, 2009 (the "Motion"), (a) seeking the entry of an interim order (the "Order") and a final order (the "Final Order"): (i) authorizing the Debtors, solely on the terms and conditions set forth in this Order and in the Budget, pursuant to section 363 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (the "Bankruptcy Code"), to use cash collateral, as defined in paragraph 2 below (as so defined, "Cash Collateral"), in which General Electric Capital Corporation ("GE Capital") in its capacity as Collateral Agent on behalf of itself as a lender and as First Lien Agent for the First Lien Lenders (each as defined below) asserts first priority perfected security interests and liens; and (ii) granting adequate protection to the Collateral Agent for the benefit of the First Lien Agent, First Lien Lenders, Second Lien Agent and Second Lien Lenders (each as defined below); (b) requesting, pursuant to Rule 4001 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), that an emergency interim hearing (the "Interim Hearing") on the Motion be held for the

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: CommerceConnect Media Holdings, Inc. (1749), Cygnus Business Media, Inc. (0832), Cygnus New Business Launches, Inc. (0713) and Cygnus Interactive New Business Launches, Inc. (1283). The address for each of the Debtors is: 1233 Janesville Avenue, Fort Atkinson, Wisconsin 53538.

Court to consider entry of this Order, on an interim basis; and (c) requesting, pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2), that this Court (i) schedule a final hearing (the “Final Hearing”) on the Motion to be held on September __, 2009 to consider entry of the Final Order, and (ii) approve certain notice procedures with respect thereto; and the Interim Hearing having been held by this Court on August __, 2009; and the Court having considered the Motion and all pleadings related thereto, including the record made by the Debtors at the Interim Hearing; and after due deliberation and consideration, and good and sufficient cause appearing therefor:

THE COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:

A. On August 3, 2009 (the “Petition Date”), each Debtor filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are continuing to operate their respective businesses and are managing their respective properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

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

C. The Debtors have served a notice of the Motion and the Interim Hearing by facsimile or overnight mail to: (i) the Office of the United States Trustee for this District (the “U.S. Trustee”); (ii) the Debtors’ twenty (20) largest unsecured creditors on a consolidated basis; (iii) counsel to the First Lien Agent; (iv) counsel to the Second Lien Agent; (v) all other parties with liens of record on assets of the Debtors as of the Petition Date; (vi) all financial institutions at which the Debtors maintain deposit accounts; and (vii) all other parties requesting notice pursuant to Bankruptcy Rule 2002. Given the nature of the relief sought in the Motion, the Court concludes

that the foregoing notice was sufficient and adequate under the circumstances and complies with Bankruptcy Rule 4001.

D. The Debtors (on behalf of their respective bankruptcy estates) hereby admit, stipulate and agree that:

(1) Pursuant to that certain Credit Agreement dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the “First Lien Credit Agreement”), by and among Cygnus Business Media, Inc., as Borrower (the “Borrower”), the other Credit Parties² signatory thereto, GE Capital, as administrative agent (in such capacity, the “First Lien Agent”), as Collateral Agent (as defined below) and as a lender, and the other lenders party thereto from time to time (collectively with GE Capital, the “First Lien Lenders”), the First Lien Lenders agreed to extend revolving and term credit facilities to, and to issue letters of credit for, the Borrower from time to time, including, *inter alia*, (i) revolving loans and letters of credit in an aggregate committed amount of up to \$30,000,000, (ii) multi-draw term loans in an aggregate original principal amount of \$20,000,000, (iii) junior term loans in an aggregate original principal amount of \$140,000,000, and (iv) term loans under the Incremental Facility in an aggregate principal amount of \$14,800,000.

(2) The First Lien Credit Agreement and any other agreements, instruments, notes, guaranties and other documents executed in connection therewith are collectively referred to herein as the “First Lien Credit Documents.” All obligations of the Debtors arising under the First Lien Credit Documents, including all loans, advances, debts, liabilities, reimbursement obligations, indemnification obligations, principal, interest, fees (including the reasonable fees and expenses of the First Lien Lenders’ attorneys and advisors), charges, expenses and other obligations incurred under the First Lien Credit Documents of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall hereinafter be referred to as the “First Lien Obligations.”

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the applicable referenced prepetition credit agreement. Copies of the First Lien Credit Documents (as defined herein) are available upon request from counsel to the First Lien Agent or counsel to the Debtors.

(3) Pursuant to that certain Parent Guaranty Agreement and that certain First Priority Parent Pledge Agreement, each dated as of July 13, 2004, CommerceConnect Media Holdings, Inc., the owner of one-hundred percent (100%) of the Borrower's capital stock, absolutely, unconditionally and irrevocably guaranteed (as primary obligor and not merely as surety, without limitation and with full recourse) the payment when due (whether at stated maturity or earlier) and timely performance of all the First Lien Obligations to the First Lien Agent and First Lien Lenders, and granted in favor of the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, security interests in and liens upon one-hundred percent (100%) of the capital stock of the Borrower.

(4) Pursuant to that certain Subsidiary Guaranty dated as of July 13, 2004, Cygnus New Business Launches, Inc. and Cygnus Interactive New Business Launches, Inc. (collectively, the "Subsidiary Guarantors") jointly, severally, absolutely, unconditionally and irrevocably guaranteed (as primary obligor and not merely as surety, without limitation and with full recourse) the payment when due (whether at stated maturity or earlier) and timely performance of all of the First Lien Obligations.

(5) Pursuant to that certain First Priority Security Agreement and First Priority Pledge Agreement each dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the "First Lien Security and Pledge Agreements"), the Borrower and the Subsidiary Guarantors granted to the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, to secure such Debtors' obligations under the First Lien Credit Documents, first priority security interests in and continuing liens (the "First Priority Liens") on substantially all of such Debtors' assets, including, but not limited to, all of such Debtors' accounts, chattel paper, deposit accounts, documents, general intangibles, instruments, inventory, investment property and any supporting obligations related thereto, any commercial tort claims identified by such Debtors in accordance with the terms of the First Lien Security and Pledge Agreements, all books and records pertaining to any of the foregoing, intellectual property, all other goods and personal property of such Debtors, whether tangible or intangible, all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing, in each case whether then owned or existing or thereafter acquired or arising, and a pledge of one-hundred percent (100%) of the capital stock of each of its subsidiaries. Pursuant to that certain

Amended and Restated Mortgage, Security Agreement, and Assignment of Rents (First Priority) dated as of September, 2004 (together with the First Lien Security and Pledge Agreements, the “First Lien Security Agreements”), between the Borrower and the Collateral Agent, the Borrower granted to the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, to secure the First Lien Obligations, a first priority lien and security interest in the sole item of real property owned by such Debtors. All collateral granted or pledged by the Debtors pursuant to the First Lien Security Agreements and the other First Lien Credit Documents shall collectively be referred to herein as the “Prepetition Collateral.”

(6) Pursuant to that certain Term Loan Agreement dated as of July 13, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the “Second Lien Credit Agreement”), by and among Cygnus Business Media, Inc., as Borrower, the other Credit Parties signatory thereto, Barclays Bank PLC, in its capacity as agent (as successor agent to Special Situations Investing Group, Inc.) (in such capacity, the “Second Lien Agent”) and the Lenders party thereto from time to time (collectively, the “Second Lien Lenders”, and together with the First Lien Lenders, the “Lenders”), the Second Lien Lenders agreed to extend a \$30,000,000 term loan credit facility.

(7) The Second Lien Credit Agreement and any other agreements, instruments, notes, guaranties and other documents executed in connection therewith shall collectively be referred to herein as the “Second Lien Credit Documents”. All obligations of the Debtors arising under the Second Lien Credit Documents, including all loans, advances, debts, liabilities, reimbursement obligations, indemnification obligations, principal, interest, fees (including fees and expenses of the Second Lien Lenders’ attorneys and advisors), charges, expenses and other obligations incurred under the Second Lien Credit Documents of any kind or nature, whether or not evidenced by any note, agreement or other instrument, shall hereinafter be referred to as the “Second Lien Obligations.” The Second Lien Obligations together with the First Lien Obligations shall collectively be referred to herein as the “Obligations” and the Second Lien Credit Documents together with the First Lien Credit Documents shall collectively be referred to herein as, the “Credit Documents”.

(8) Pursuant to that certain Second Priority Security Agreement, that certain Second Priority Parent Pledge Agreement, that certain Second Priority Pledge Agreement and that certain Mortgage, Security Agreement, and Assignment of Rents (Second Priority) each dated July 13, 2004, the Collateral Agent, for the benefit of the Second Lien Agent and the Second Lien Lenders, was granted second priority security interests in and liens (the “Second Priority Liens”) upon the same Prepetition Collateral that secures the First Lien Obligations in order to secure the Second Lien Obligations.

(9) Pursuant to that certain Amended and Restated Collateral Agency and Intercreditor Agreement dated as of April 26, 2007 (the “Intercreditor Agreement”), GE Capital was appointed to be the collateral agent for the First Lien Agent, the First Lien Lenders, the Second Lien Agent and the Second Lien Lenders (GE Capital, in such capacity, the “Collateral Agent”, and collectively with the First Lien Agent and the Second Lien Agent, the “Agents”).

(10) All Credit Documents executed and delivered by the Debtors to the Agents and/or the Lenders are valid and enforceable by such Agents and the Lenders against each of the Debtors. The Collateral Agent duly perfected its liens upon and security interests in the Prepetition Collateral by, among other things, filing financing statements, mortgages and fixture filings, entering into deposit account control agreements with the Debtors, and, where necessary, by possession of relevant instruments, certificates, or other property. All of such financing statements, mortgages, fixture filings and deposit account control agreements were validly executed prior to the Petition Date by authorized representatives of the Debtors.

(11) The liens and security interests of the Collateral Agent in the Prepetition Collateral, as security for the First Lien Obligations, constitute valid, binding, enforceable and perfected first priority liens and security interests and are not subject to avoidance, disallowance, subordination or recharacterization pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(12) The liens and security interests of the Collateral Agent in the Prepetition Collateral, as security for the Second Lien Obligations, constitute valid, binding, enforceable and perfected second priority liens and security interests and are not subject to

avoidance, disallowance, subordination or recharacterization pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

(13) The Debtors further admit, acknowledge and agree that (i) the Obligations constitute legal, valid and binding obligations of each of the Debtors, (ii) no offsets, defenses or counterclaims to the Obligations exist, and (iii) no portion of the Obligations is subject to avoidance, disallowance, reduction, subordination or recharacterization pursuant to the Bankruptcy Code or applicable non-bankruptcy law. The Debtors waive all rights to challenge or contest the liens and security interests of the Collateral Agent in the Prepetition Collateral or the validity, priority or enforceability of the Obligations.

(14) The Debtors have no valid claims (as such term is defined in section 101(5) of the Bankruptcy Code) or causes of action against any Agent or any Lender with respect to the First Lien Credit Agreement, Second Lien Credit Agreement or any other Credit Documents, whether arising at law or at equity, including, without limitation, any re-characterization, subordination, avoidance or other debtor claims arising under or pursuant to sections 105, 510 or 542 through 553, inclusive, of the Bankruptcy Code.

(15) As of the Petition Date, the Debtors were jointly and severally indebted to the First Lien Lenders pursuant to the First Lien Credit Documents, without defense, counterclaim or offset of any kind, in the aggregate principal amount of approximately \$158.8 million in respect of loans made by the First Lien Lenders pursuant to and in accordance with the terms of the First Lien Credit Documents, plus (i) the aggregate face amount of all letters of credit issued under the First Lien Credit Documents and undrawn as of the Petition Date, (ii) all accrued and, to the extent permitted under applicable bankruptcy law, hereafter accruing and unpaid interest and letter of credit fees thereon, and (iii) all unpaid fees and expenses (including all professional fees and expenses that are chargeable or reimbursable under the First Lien Credit Documents) now or hereafter due under the First Lien Credit Documents.

(16) As of the Petition Date, the Debtors were jointly and severally indebted to the Second Lien Lenders pursuant to the Second Lien Credit Documents, without defense, counterclaim or offset of any kind, in the aggregate principal amount of approximately \$30 million in respect of loans made by the Second Lien Lenders pursuant to and in accordance with the terms of the Second Lien Credit Documents, plus (i) all accrued and, to the extent

permitted under applicable bankruptcy law, hereafter accruing and unpaid interest thereon, and (ii) all unpaid fees and expenses (including all professional fees and expenses that are chargeable or reimbursable under the Second Lien Credit Documents) now or hereafter due under the Second Lien Credit Documents.

E. The Debtors have an immediate and critical need to use Cash Collateral in order to have sufficient liquidity to continue operations during their Chapter 11 Cases and to effectuate the Debtors' pre-packaged joint plan of reorganization (the "Plan"). Moreover, the Debtors' access to sufficient working capital and liquidity through the use of Cash Collateral pursuant to the terms of this Order is vital to preserve and maximize the value of the Debtors' estates while the Debtors consummate the Plan. Consequently, without the continued use of Cash Collateral, to the extent authorized pursuant to this Order, the Debtors and their estates would suffer immediate and irreparable harm.

F. The Collateral Agent, the First Lien Agent and the First Lien Lenders have consented to the Debtors' use of Cash Collateral pursuant to the terms of this Order, provided that the Court authorizes the Debtors, pursuant to sections 363 of the Bankruptcy Code,

(1) to grant to the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, as adequate protection for the Adequate Protection First Lien Obligations (as defined below), subject to the Carve-Out (defined below), (a) replacement first priority security interests in and liens and mortgages upon (collectively, the "Adequate Protection Senior Priority Liens") all of the Debtors' now owned and hereafter acquired real and personal property, assets and rights of any kind or nature, including without limitation the Prepetition Collateral and the proceeds, products, rents and profits thereof (collectively, the "Postpetition Collateral"), except for, and not including, claims and causes of action arising under chapter 5 of the Bankruptcy Code, and (b) a superpriority administrative expense claim under section 507(b) of the Bankruptcy Code, with priority in payment over any and all unsecured claims and administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any

provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon entry of the Final Order), 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 the Debtors' Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code (the "Adequate Protection Senior Priority Claim"), and

(2) to grant to the Collateral Agent, for the benefit of the Second Lien Agent and the Second Lien Lenders, as adequate protection for the Adequate Protection Second Lien Obligations (as defined below) subject to the Carve-Out, (a) replacement junior priority security interests in and liens and mortgages upon all of the Post-Petition Collateral (collectively, the "Adequate Protection Junior Priority Liens", and together with the Adequate Protection Senior Priority Liens, the "Adequate Protection Liens") (b) a junior superpriority administrative expense claim under section 507(b) of the Bankruptcy Code, with priority in payment over any and all unsecured claims and administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon entry of the Final Order), 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 the Debtors' Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code, but junior in priority to the Adequate Protection Senior Priority Claim (the "Adequate Protection Junior Priority Claim").

(3) The Adequate Protection Senior Priority Liens and Adequate Protection Senior Priority Claim shall secure the payment of the First Lien Obligations in an amount equal to any diminution in the value of the First Lien Lenders' interests in the Prepetition Collateral from and after the Petition Date (the amount of such diminution, the "Adequate Protection First Lien Obligations") including, without limitation, any diminution resulting from: (x) the sale, lease or use by the Debtors (or other decline in value) of the Prepetition Collateral, including the Cash Collateral, and (y) the imposition of the automatic stay pursuant to section 362(a) of the Bankruptcy Code. The Adequate Protection Senior Priority Liens shall be junior in priority only to the Carve-Out and to any valid, properly perfected, enforceable and non-avoidable liens and security interests on assets of the Debtors in existence as of the Petition Date, to the extent such liens and security interests

were senior in priority to the First Priority Liens in such assets as of the Petition Date (collectively, the “Existing Liens”), and senior in priority to the Adequate Protection Junior Liens and any liens that were junior in priority to the First Priority Liens in such assets as of the Petition Date, including the Second Priority Liens. The Adequate Protection Senior Priority Claim shall be junior in priority to the Carve-Out and shall be senior in priority to the Adequate Protection Junior Priority Claim and to all other administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon entry of the Final Order), 507(a), 726, 1113 or 1114 of the Bankruptcy Code. As additional adequate protection, the Collateral Agent and First Lien Agent shall be entitled to the current cash payment of the fees and expenses of legal counsel and other professionals retained by them, in accordance with the terms of the First Lien Credit Documents.

(4) The Adequate Protection Junior Priority Liens shall secure the payment of the Second Lien Obligations in an amount equal to any diminution in the value of the Second Lien Lenders’ interests in the Prepetition Collateral from and after the Petition Date (the amount of such diminution, the “Adequate Protection Second Lien Obligations”, and together with the Adequate Protection First Lien Obligations, the “Adequate Protection Obligations”) including, without limitation, any diminution resulting from: (x) the sale, lease or use by the Debtors (or other decline in value) of the Prepetition Collateral, including the Cash Collateral, and (y) the imposition of the automatic stay pursuant to section 362(a) of the Bankruptcy Code. The Adequate Protection Junior Priority Liens shall have the same relative priority in the Post-Petition Collateral as the liens securing the Second Lien Obligations had in the Prepetition Collateral as of the Petition Date and shall otherwise be subject to the terms and conditions of the Intercreditor Agreement. The Adequate Protection Junior Priority Liens shall be junior in priority to the Carve-Out and shall be junior in priority to the First Priority Liens and the Adequate Protection Senior Priority Liens. The Adequate Protection Junior Priority Claim shall be junior in priority to the Carve-Out, shall be junior in priority to the Adequate Protection Senior Priority Claim, and shall be senior in priority to all other administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any

provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon entry of the Final Order), 507(a), 726, 1113 or 1114 of the Bankruptcy Code. The Adequate Protection Senior Priority Claim and the Adequate Protection Junior Priority Claim may collectively be referred to herein as the “Adequate Protection Priority Claim”.

G. The consent of the Collateral Agent, the First Lien Agent and the First Lien Lenders to the use of their Cash Collateral does not constitute, and shall not be construed as constituting, an acknowledgment or stipulation that their interests in the Prepetition Collateral are adequately protected pursuant to this Order or otherwise.

H. Good cause has been shown for immediate entry of this Order pursuant to Bankruptcy Rules 4001(b)(2) and (c)(2). In particular, the authorization granted herein for the Debtors to continue using Cash Collateral is necessary to avoid immediate and irreparable harm to the Debtors and their estates. Entry of this Order is in the best interest of the Debtors, their estates and creditors. The terms of the Debtors’ continued use of Cash Collateral are fair and reasonable under the circumstances, reflect the Debtors’ exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

I. The Debtors and the Collateral Agent, the First Lien Agent and the First Lien Lenders have negotiated the terms and conditions of the Debtors’ continued use of Cash Collateral and this Order in good faith and at arm’s-length, and pursuant to sections 105, 361 and 363, the Collateral Agent, First Lien Agent and the First Lien Lenders are hereby found to have acted in “good faith” in connection with the negotiation and entry of this Order, and in the event that the grant of the Adequate Protection Liens and Adequate Protection Priority Claim are stayed, vacated, modified or reversed on appeal, the Lenders shall be entitled to rely upon the validity and

enforceability of the Adequate Protection Liens and Adequate Protection Claim in respect of any Adequate Protection Obligations incurred prior to the effectiveness of any such stay, vacatur, modification or reversal..

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

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is approved on an interim basis on the terms and conditions set forth in this Order. Any objections to the Motion that have not previously been withdrawn or resolved are hereby overruled on the merits. This Order shall become effective and binding upon all parties in interest immediately upon its entry.

2. For purposes of this Order, the term “Cash Collateral” shall be deemed to include, without limitation, all “cash collateral” as defined under section 363 of the Bankruptcy Code, all deposits subject to setoff and cash arising from the collection or other conversion to cash of property of the Debtors in which the Collateral Agent has a security interest, lien or mortgage, regardless of (i) whether such security interest, lien or mortgages existed as of the Petition Date or arises thereafter pursuant to this Order, and (ii) whether the property converted to cash existed as of the Petition Date or thereafter.

3. The Debtors are hereby authorized to use the Cash Collateral solely in accordance with the Budget (as defined below) and the terms and conditions of this Order.

4. Subject to the terms and conditions set forth in this Order, the Debtors may use the Cash Collateral to: (i) make adequate protection payments as provided in this Order, (ii) fund the costs and expenses necessary to confirm and consummate the Plan; and (iii) fund general corporate and working capital requirements of the Debtors (including, without limitation, the

Debtors' ongoing administrative expenses in the Chapter 11 Cases), in each case in accordance with the Budget.

5. Attached hereto as Exhibit A is a budget (the "Budget") which reflects on a line-item weekly basis the Debtors' anticipated cumulative cash receipts and expenditures and all necessary and required cumulative expenses through Sept 11, 2009 (the "Budget Period"). For each week during the Budget Period, the aggregate actual cumulative disbursements made by the Debtors during such week of determination (and prior weeks) must be no greater than 110% of the aggregate amount of projected disbursements through such period as specified in the Budget. The Debtors shall provide to the First Lien Agent, so as to actually be received by 12:00 p.m. (Chicago time) of each Thursday of each calendar week, weekly line-by-line variance reports (in form and scope reasonably acceptable to the First Lien Agent for the immediately preceding weekly period and on a cumulative basis from the Petition Date to the report date, comparing actual cash receipts and actual cash disbursements to cash receipts and cash disbursements forecasted in the Budget for such period and showing on a line-by-line basis any variance to the corresponding line-item of the Budget together with an explanation for such variance. Failure by the Debtors to comply with the limitations on disbursements set forth above shall constitute a Termination Event (as defined below). The Debtors shall not make any disbursements other than the itemized amounts set forth in the Budget without the First Lien Agents' prior written consent.

6. With respect to the Debtors' authorization to use Cash Collateral, each of the following shall constitute a "Termination Event": (i) the occurrence of 6:00 p.m. (prevailing Eastern time) on September 11, 2009 if a Final Order and an order confirming the Debtors' Plan, (in each case in form and substance acceptable to the First Lien Agent), have not been entered by this Court; (ii) the earliest to occur of 6:00 p.m. (prevailing Eastern time) on September 21, 2009

(or such later date as may be agreed to by the First Lien Agent in writing) and the effective date of the confirmed Plan; (iii) the appointment of a trustee or an examiner with expanded powers in any of the Debtors' Chapter 11 Cases; (iv) the conversion or dismissal of any of the Debtors' Chapter 11 Cases; (v) the entry of an order reversing, staying, vacating or otherwise modifying in any material respect the terms of this Order; (vi) the filing of a motion by any of the Debtors, without the prior written consent of the First Lien Agent, seeking authorization to obtain post-petition financing that is senior or *pari passu* to the First Lien Obligations or the Adequate Protection First Lien Obligations; and (vii) failure by the Debtors to comply with the expenditure provisions of the Budget or any material provisions of this Order. Upon (a) 6:00 p.m. (prevailing Eastern time) on the third (3rd) business day following the Debtors' receipt of written notice from the Collateral Agent or First Lien Agent (which notice may be delivered by facsimile or electronic mail) of the occurrence of any Termination Event set forth in clauses (v) through (vii) above, or (b) the occurrence of a Termination Event set forth in clause (i) through (iv) above, the Debtors shall immediately cease using the Cash Collateral (the earlier to occur of (a) and (b) shall be referred to herein as the "Termination Date"); provided, however, that the Debtors are authorized to use Cash Collateral to pay any accrued but unpaid expenses specified in the Budget and incurred prior to the Termination Date; provided further, however, that any fees and expenses of professionals paid to estate professionals pursuant to the immediately preceding proviso shall be subject to paragraph 11 hereof. Any notice delivered by the Collateral Agent or the First Lien Agent by facsimile or mail shall be deemed to have been received by the Debtors upon transmission occurring prior to 6:00 p.m. (prevailing Eastern time) or the next business day if such transmission occurs thereafter.

7. The Adequate Protection Liens shall not be subject to challenge and shall attach and become valid, perfected, enforceable, non-avoidable and effective by operation of law

as of the Petition Date without any further action by the Debtors, the Collateral Agent, the Agents or the Lenders, and without the necessity of execution by the Debtors, or the filing or recordation, of any financing statements, security agreements, vehicle lien applications, mortgages, fixture filings, filings with the U.S. Patent and Trademark Office, or other documents.

8. No portion of the Prepetition Collateral or the Cash Collateral, and no disbursements set forth in the Budget, shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with asserting any claims or causes of action against the Agents or the Lenders including, without limitation, any action challenging or raising any defenses to any portion of the Obligations, or the liens and security interests of the Agents or the Lenders.

9. As adequate protection for the payment of the Adequate Protection First Lien Obligations, the Collateral Agent, for the benefit of the First Lien Agent and the First Lien Lenders, shall be, and hereby is, granted the Adequate Protection Senior Priority Liens (as defined in paragraph F above) and the Adequate Protection Senior Priority Claim (as defined in paragraph F above). The Adequate Protection Senior Priority Liens shall be junior in priority only to the Carve-Out and to any Existing Liens, and senior in priority to the Adequate Protection Junior Liens and any liens that were junior in priority to the First Priority Liens as of the Petition Date, including the Second Priority Liens. The Adequate Protection Senior Priority Claim shall be junior in priority to the Carve-Out and shall be senior in priority to the Adequate Protection Junior Priority Claim and to all other administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon the entry of a Final Order), 507(a), 726, 1113 or 1114 of the Bankruptcy Code. As additional adequate

protection, the Collateral Agent and First Lien Agent shall, on a provisional basis and subject to recharacterization under section 506(b) of the Bankruptcy Code pending allowance, be entitled to the current cash payment of the fees and expenses of their legal counsel and other professionals, in accordance with the terms of the First Lien Credit Documents.

10. As adequate protection for the payment of the Adequate Protection Second Lien Obligations, the Collateral Agent, for the benefit of the Second Lien Agent and the Second Lien Lenders, shall be, and hereby is, granted the Adequate Protection Junior Priority Liens (as defined in paragraph F above) and the Adequate Protection Junior Priority Claim (as defined in paragraph F above). The Adequate Protection Junior Priority Liens and the Adequate Protection Junior Priority Claim shall have the same relative priority in the Post-Petition Collateral as the liens securing the Second Lien Obligations had in the Prepetition Collateral as of the Petition Date and shall otherwise be subject to the terms and conditions of the Intercreditor Agreement. The Adequate Protection Junior Priority Liens shall be junior in priority to the Carve-Out and shall be junior in priority to the First Priority Liens and the Adequate Protection Senior Priority Liens and to any valid, properly perfected, enforceable and non-avoidable lien and security interest on assets of the Debtors in existence as of the Petition Date which were senior in priority to the Second Priority Liens in such assets as of the Petition Date. The Adequate Protection Junior Priority Claim shall be junior in priority to the Carve-Out, shall be junior in priority to the Adequate Protection Senior Priority Claim, and shall be senior in priority to all other administrative expense claims against the Debtors, now existing or hereafter arising, of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, sections 105, 326, 328, 330, 331, 503(b), 506(c) (upon the entry of a Final Order), 507(a), 726, 1113 or 1114 of the Bankruptcy Code. The Adequate Protection Junior Priority Liens, the Adequate Protection Junior

Priority Claim, and all other benefits and protections received by or for the benefit of the Second Lien Agent and Second Lien Lenders pursuant to this Order shall remain subject to the terms and conditions of the Intercreditor Agreement to the same extent and in the same manner as the Second Priority Liens and Second Lien Obligations shall also remain subject to the Intercreditor Agreement. For the avoidance of doubt, nothing in this Order shall be construed as a waiver of any party's rights or obligations under the Intercreditor Agreement, and to the extent of any inconsistency between the terms of this Order and the terms of the Intercreditor Agreement, the Intercreditor Agreement shall control.

11. For purposes hereof, the "Carve Out" shall mean collectively: (a) all fees required to be paid to the Clerk of the Bankruptcy Court and to the U.S. Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate; (b) the reasonable fees and expenses of estate professionals incurred prior to the Termination Date which are provided for in the Budget (on an aggregate basis and irrespective of the time period prior to the Termination Date when incurred) and ultimately allowed by the Bankruptcy Court, whether before or after the Termination Date, pursuant to sections 328, 330 or 331 of the Bankruptcy Code; and (c) to the extent that there are not unencumbered assets available for the payment thereof, the reasonable fees and expenses incurred after the Termination Date by estate professionals, and ultimately allowed by the Bankruptcy Court, in an aggregate amount not to exceed \$500,000 less the amount of any retainers for professional fees and expenses that are unapplied as of the Termination Date. No portion of the Carve-Out and no disbursements set forth in the Budget shall be used for the payment of professional fees, disbursements, costs or expenses incurred in connection with asserting any claims or causes of action against the Agents or the Lenders, or challenging or raising any defenses to the First Priority Liens, the Second Priority Liens or the

Obligations; provided, however, that in the event a creditors' committee is appointed and the effective date of the confirmed Plan has not occurred by September 30, 2009, no more than \$50,000 in the aggregate from the Carve Out and disbursements set forth in the Budget for professional fees may be used for the investigation of the First Priority Liens, Second Priority Liens and the Obligations. For the avoidance of doubt and notwithstanding anything to the contrary herein, the Carve Out shall be senior to all liens securing the Obligations and any and all other forms of adequate protection, the Adequate Protection Liens, the Adequate Protection Senior Priority Claim, the Adequate Protection Junior Priority Claim, the First Priority Liens and the Second Priority Liens, the claims securing the Prepetition Agreements and other prepetition obligations granted or recognized as valid hereunder.

12. The Debtors shall be prohibited from incurring additional indebtedness having priority claim status equal to or senior in priority to the Adequate Protection Obligations or the Obligations or from granting any liens securing any obligations with priority over the Adequate Protections Liens, the First Priority Liens or the Second Priority Liens. Nothing herein shall preclude the Agents or the Lenders from seeking additional adequate protection of their interests in the Prepetition Collateral. Furthermore, nothing herein shall be construed as an acknowledgment or stipulation by the Agents or the Lenders that their interests in the Prepetition Collateral are adequately protected.

13. The provisions of this Order shall be binding upon and inure to the benefit of the Agents, the Lenders, the Debtors, and each of their respective successors and assigns (including any trustee or other fiduciary hereafter appointed for or on behalf of any Debtor's estate or with respect to its property).

14. The provisions of this Order and any actions taken pursuant thereto (a) shall survive the entry of any order: (i) confirming any plan of reorganization or liquidation in any of the Chapter 11 Cases; (ii) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; or (iii) dismissing any of the Chapter 11 Cases; and (b) shall continue in full force and effect notwithstanding the entry of any such order, and the claims, liens, and security interests granted pursuant to this Order shall maintain their priority as provided by this Order until all of the Adequate Protection Obligations are indefeasibly paid in full and discharged in accordance with the terms of the Plan.

15. 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 of any Adequate Protection Obligations incurred prior to the actual receipt by the Agents, as applicable, of written notice of the effective date of such reversal, modification, vacatur or stay, or (ii) the validity or enforceability of any claim, lien, security interest or priority authorized or created hereby with respect to any Adequate Protection Obligations. Notwithstanding any such reversal, modification, vacatur or stay, any use of Cash Collateral or the incurrence of Adequate Protection Obligations by the Debtors prior to the effective date of such reversal, modification, vacatur or stay, shall be governed in all respects by the provisions of this Order, and the Agents and the Lenders shall be entitled to all of the rights, remedies, protections and benefits granted under this Order with respect to all uses of Cash Collateral and the incurrence of Adequate Protection Obligations by the Debtors.

16. Upon the occurrence of the Termination Date, the automatic stay provisions of section 362 of the Bankruptcy Code are hereby vacated and modified to the extent necessary to permit the Collateral Agent on behalf of the First Lien Agent and the First Lien Lenders to exercise

all rights and remedies provided for under this Order, and to take any or all of the following actions without further order of or application to this Court: (a) immediately terminate the Debtors' use of Cash Collateral and (b) take any other actions or exercise any other rights or remedies permitted under this Order or the First Lien Credit Documents and applicable law; provided, however, that the Collateral Agent shall provide five (5) calendar days written notice (by fax, telecopy or otherwise) to counsel to the Debtors prior to exercising any setoff or other lien enforcement remedies. The rights and remedies of the Collateral Agent and the First Lien Lenders specified herein are cumulative and not exclusive of any rights or remedies that the Collateral Agent and the First Lien Lenders may have under the First Lien Credit Documents or otherwise.

17. Upon the entry of this Order, the stipulations and admissions contained herein, including, without limitation, in recital Paragraphs D(1) through D(16) of this Order, shall be binding on the Debtors. Upon the effective date of the Plan, such stipulations and admissions herein, including as set forth in recital Paragraphs D(1) through D(16), shall be binding on all other parties in interest, and (x) the claims, liens and security interests of the Agents and the Lenders shall be deemed to be finally allowed for all purposes in these Chapter 11 Cases and any subsequent chapter 7 cases and shall not be subject to challenge by any party in interest as to validity, priority or otherwise, and (y) all claims or causes of action assertable on behalf of the estates against the Agents and the Lenders with respect to the Credit Documents and related transactions shall be deemed irrevocably waived and released.

18. The Final Hearing is scheduled to be held on September __, 2009 at __: __ .m. (prevailing Eastern time) before this Court. The Debtors shall promptly serve a notice of the Final Hearing, together with a copy of this Order, by first class mail, postage prepaid, upon: (i) the U.S. Trustee; (ii) the Debtors' twenty (20) largest unsecured creditors on a consolidated basis; (iii)

counsel to the First Lien Agent; (iv) counsel to the Second Lien Agent; (v) all other parties with liens of record on assets of the Debtors as of the Petition Date; (vi) all financial institutions at which the Debtors maintain deposit accounts; and (vii) all other parties requesting notice pursuant to Bankruptcy Rule 2002. The notice of the entry of this Order and the Final Hearing shall state that objections to the entry of the Final Order shall be filed with the United States Bankruptcy Court for the District of Delaware by no later than 4:00 p.m. (prevailing Eastern time) on September __, 2009 (the “Objection Deadline”), which objections shall be served so that the same are actually received before the Objection Deadline by (a) counsel to the Debtors: Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, New York 10178-0061, Attn: Steven J. Reisman (sreisman@curtis.com), Timothy A. Barnes (tbarnes@curtis.com) and Jerrold L. Bregman (jbregman@curtis.com), and Richards, Layton & Finger, P.A. One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins (collins@rlf.com), John H. Knight (knight@rlf.com), Lee E. Kaufman (kaufman@rlf.com); (b) counsel to the Collateral Agent and the First Lien Agent: Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, Attn: Larry J. Nyhan (lnyhan@sidley.com) and Janet E. Henderson (jhenderson@sidley.com), and Reed Smith LLP, 1201 Market Street, Suite 1500, Wilmington Delaware, 19801, Attn: Kurt Gwynne (kgwynne@reedsmith.com); (c) counsel to the Second Lien Agent: Paul, Hastings, Janofsky & Walker, LLP, 75 East 55th Street, New York, New York 10022, Attn: Luke Iovine (lukeiovine@paulhastings.com) Attn: Anupama Ahluwalia (anupamaahluwalia@paulhastings.com); and (d) counsel to the U.S. Trustee. Any objections by creditors or other parties-in-interest to any provisions of this Order shall be deemed waived

unless timely filed and served in accordance with the terms of this Order.

Dated: _____, 2009.

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

3NUS BUSINESS MEDIA, ET. AL.
 CONSOLIDATED CASH FLOW FORECAST
 THE WEEK ENDING PERIOD: 8/07/2009 THROUGH 10/30/2009

Week Ended	13-Week Period: 8/07/2009 through 10/30/2009													Forecast 13 Week
	1 7-Aug	2 14-Aug	3 21-Aug	4 28-Aug	5 4-Sep	6 11-Sep	7 18-Sep	8 25-Sep	9 2-Oct	10 9-Oct	11 16-Oct	12 23-Oct	13 30-Oct	
Receipts	1,058,991	1,058,991	1,058,991	1,011,124	978,878	978,878	978,878	978,878	930,409	930,409	930,409	930,409	992,593	12,817,839
Print / Publishing / Interactive	318,736	318,736	318,736	318,736	272,063	237,058	237,058	237,058	251,184	286,499	286,499	286,499	286,499	3,655,363
Other Receipts	1,377,728	1,377,728	1,377,728	1,329,860	1,250,941	1,215,936	1,215,936	1,215,936	1,181,593	1,216,908	1,216,908	1,216,908	1,279,092	16,473,202
Disbursements	(573,077)	(505,832)	(301,378)	(340,382)	(117,967)	(125,139)	(137,918)	(147,828)	(300,034)	(71,629)	(51,216)	(167,045)	-	(2,839,245)
Capital Expenditures	(258,321)	(159,084)	(131,129)	(56,686)	(84,459)	(59,266)	(52,583)	(54,861)	(520,414)	(184,529)	(184,529)	(56,787)	(288,420)	(2,050,663)
Operating Disbursements	(19,309)	(137,057)	(224,416)	(224,416)	(209,963)	(240,760)	(245,707)	(245,707)	(259,248)	(306,419)	(306,419)	(306,419)	(306,419)	(3,032,257)
Salaries and Wages	-	(768,171)	-	(928,520)	-	(833,792)	-	(1,005,866)	(50,000)	(834,071)	-	(1,003,342)	-	(5,421,761)
401K	-	(59,533)	-	(71,578)	-	(62,534)	-	(74,383)	-	(64,640)	-	(76,546)	-	(409,216)
Benefits	-	(71,455)	(64,455)	(64,455)	(59,803)	(59,803)	(59,803)	(59,803)	(62,261)	(64,105)	(64,105)	(64,105)	(63,645)	(757,798)
Other Fees & Expenses	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(130,000)
Operating Disbursements	(860,707)	(1,711,132)	(731,378)	(1,684,037)	(482,202)	(1,351,294)	(506,011)	(1,598,247)	(1,201,957)	(1,514,979)	(616,268)	(1,684,244)	(648,484)	(14,640,941)
Operating Cash Flows	517,021	(333,405)	646,350	(364,177)	768,739	(175,358)	709,925	(382,311)	(20,364)	(298,071)	600,640	(467,336)	630,608	1,832,261
Financing Disbursements	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(20,370)	(20,370)	(20,370)	(20,370)	(352,005)
Capital Expenditures	-	-	-	-	-	-	-	-	(806,000)	-	-	-	-	(806,000)
Lease Rejection Claim	-	-	-	-	-	-	-	-	-	(20,000)	-	-	-	(20,000)
IS Trustee Fees	-	-	-	-	-	-	-	-	-	(225,000)	-	-	-	(450,000)
First Lien Advisors	-	-	-	-	-	-	-	-	(1,180,000)	(720,000)	-	-	-	(1,980,000)
Company Advisors	-	-	-	-	-	-	-	-	(250,000)	(250,000)	-	-	-	(825,000)
Other Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Disbursements	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(2,266,058)	(1,235,370)	(70,370)	(20,370)	(20,370)	(4,433,005)
Financing Disbursements	(890,765)	(1,741,190)	(761,436)	(1,724,095)	(542,260)	(1,971,352)	(536,070)	(1,628,305)	(3,818,015)	(2,750,349)	(886,838)	(1,704,614)	(668,855)	(19,423,946)
Principal / Amort. Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Default Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (Bank Fees)	-	-	-	-	-	-	-	-	(350,000)	-	-	-	-	(350,000)
Net Change in Cash	486,962	(363,463)	616,292	(394,235)	708,681	(755,416)	679,867	(412,369)	(2,636,422)	(1,533,441)	530,270	(487,706)	610,238	(2,950,744)
Operating Disbursements	(890,765)	(1,741,190)	(761,436)	(1,724,095)	(542,260)	(1,971,352)	(536,070)	(1,628,305)	(3,818,015)	(2,750,349)	(886,838)	(1,704,614)	(668,855)	(19,423,946)
Financing Disbursements	(890,765)	(1,741,190)	(761,436)	(1,724,095)	(542,260)	(1,971,352)	(536,070)	(1,628,305)	(3,818,015)	(2,750,349)	(886,838)	(1,704,614)	(668,855)	(19,423,946)
Cash Receipts (Disbursements)	486,962	(363,463)	616,292	(394,235)	708,681	(755,416)	679,867	(412,369)	(2,636,422)	(1,533,441)	530,270	(487,706)	610,238	(2,950,744)
Cash Balance	3,667,003	4,153,965	3,790,502	4,406,794	4,012,559	4,721,239	3,965,823	4,645,690	4,233,321	1,596,899	63,457	593,727	106,021	3,667,003
Beginning Balance	486,962	(363,463)	616,292	(394,235)	708,681	(755,416)	679,867	(412,369)	(2,636,422)	(1,533,441)	530,270	(487,706)	610,238	(2,950,744)
Net Cash Receipts (Disburse)	4,153,965	3,790,502	4,406,794	4,012,559	4,721,239	3,965,823	4,645,690	4,233,321	1,596,899	63,457	593,727	106,021	716,259	716,259
Paydown/Draws on Revolver	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Book Balance	4,153,965	3,790,502	4,406,794	4,012,559	4,721,239	3,965,823	4,645,690	4,233,321	1,596,899	63,457	593,727	106,021	716,259	716,259

EXHIBIT B

BUDGET

3NUS BUSINESS MEDIA, ET. AL.
 CONSOLIDATED CASH FLOW FORECAST
 THE WEEK ENDING PERIOD: 8/07/2009 THROUGH 10/30/2009

Week Ended	13-Week Period: 8/07/2009 through 10/30/2009													Forecast 13 Week
	1 7-Aug	2 14-Aug	3 21-Aug	4 28-Aug	5 4-Sep	6 11-Sep	7 18-Sep	8 25-Sep	9 2-Oct	10 9-Oct	11 16-Oct	12 23-Oct	13 30-Oct	
Cash Receipts	1,058,991	1,058,991	1,058,991	1,011,124	978,878	978,878	978,878	978,878	930,409	930,409	930,409	930,409	992,593	12,817,839
Print / Publishing / Interactive	318,736	318,736	318,736	318,736	272,063	237,058	237,058	237,058	251,184	286,499	286,499	286,499	286,499	3,655,363
Net Cash Receipts	1,377,728	1,377,728	1,377,728	1,329,860	1,250,941	1,215,936	1,215,936	1,215,936	1,181,593	1,216,908	1,216,908	1,216,908	1,279,092	16,473,202
Operating Disbursements	(573,077)	(505,832)	(301,378)	(340,382)	(117,967)	(125,139)	(137,918)	(147,828)	(300,034)	(71,629)	(51,216)	(167,045)	-	(2,839,245)
Capital Expenditures	(258,321)	(159,084)	(131,129)	(56,686)	(84,469)	(59,266)	(52,583)	(54,861)	(520,414)	(184,529)	(184,529)	(56,787)	(288,420)	(2,050,663)
Other Accounts Payables	(19,309)	(137,057)	(224,416)	(224,416)	(209,963)	(240,760)	(245,707)	(245,707)	(259,248)	(306,419)	(306,419)	(306,419)	(306,419)	(3,032,257)
Salaries and Wages	-	(768,171)	-	(926,520)	-	(633,792)	-	(1,005,866)	(50,000)	(834,071)	-	(1,003,342)	-	(5,421,761)
Benefits	-	(59,533)	-	(71,578)	-	(62,534)	-	(74,383)	-	(64,640)	-	(76,546)	-	(409,216)
Other Fees & Expenses	(10,000)	(71,455)	(64,455)	(64,455)	(59,803)	(59,803)	(59,803)	(59,803)	(62,261)	(64,105)	(64,105)	(64,105)	(63,645)	(757,798)
Operating Disbursements	(860,707)	(1,711,132)	(731,378)	(1,694,037)	(482,202)	(1,391,294)	(506,011)	(1,598,247)	(1,201,957)	(1,514,979)	(616,268)	(1,684,244)	(648,484)	(14,640,941)
Operating Cash Flows	517,021	(333,405)	646,350	(364,177)	768,739	(175,356)	709,925	(382,311)	(20,364)	(298,071)	600,640	(467,336)	630,608	1,832,261
Financing Disbursements	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(30,058)	(20,370)	(20,370)	(20,370)	(20,370)	(352,005)
Capital Expenditures	-	-	-	-	-	-	-	-	(806,000)	-	-	-	-	(806,000)
Other Disbursements	-	-	-	-	-	-	-	-	-	(20,000)	-	-	-	(20,000)
Net Cash Receipts	(890,765)	(1,741,190)	(761,436)	(1,724,095)	(542,260)	(1,971,352)	(536,070)	(1,628,305)	(3,818,015)	(2,750,349)	(686,638)	(1,704,614)	(668,855)	(19,423,946)
Operating Disbursements	486,962	(363,463)	616,292	(394,235)	708,881	(755,416)	679,867	(412,369)	(2,636,422)	(1,533,441)	530,270	(487,706)	610,238	(2,950,744)
Financing Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Receipts	3,667,003	4,153,965	3,790,502	4,406,794	4,012,559	4,721,239	3,965,823	4,645,690	4,233,321	1,596,899	63,457	593,727	106,021	3,667,003
Operating Disbursements	486,962	(363,463)	616,292	(394,235)	708,881	(755,416)	679,867	(412,369)	(2,636,422)	(1,533,441)	530,270	(487,706)	610,238	(2,950,744)
Financing Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Receipts	4,153,965	3,790,502	4,406,794	4,012,559	4,721,239	3,965,823	4,645,690	4,233,321	1,596,899	63,457	593,727	106,021	716,259	716,259