

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

In re: Chapter 11
GREAT LAKES COMNET, INC., *et.al*¹ Case No. 16-16-00290 (jtg)
(Jointly Administered)
Debtor. Honorable John T. Gregg
_____ /

ORDER APPROVING SALE OF ASSETS PURSUANT TO 11 U.S.C. § 363

This matter having come before the Court on the Motion of Great Lakes Comnet, Inc. and Comlink, L.L.C. as debtors in possession (collectively, the “Debtors”) for the entry of an order (i) authorizing the sale of substantially all of Debtors’ assets free and clear of liens, claims, encumbrances and interests pursuant to 11 U.S.C. §§ 105, 363, and 365 (ii) approving the assumption and assignment of certain executory contracts pursuant to 11 U.S.C. § 365, and (iii) granting related relief [Doc. No. 72] (“Sale Motion”),² which seeks entry of, *inter alia*, this order (“Sale Order”) authorizing the sale (“Sale”) of substantially all of Debtors’ assets free and clear of liens, claims, encumbrances and interests pursuant to sections 105, 363 and 365 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) to Buyer, or to such other entity as may submit a higher or otherwise better Qualified Bid (as defined in the Sale Procedures); the Court having entered on March 10, 2016 its Order (I) Establishing Sale Procedures, (II) Scheduling an Auction and a Sale Hearing in Connection With the Sale of Substantially All of

¹ The Debtors in these Bankruptcy Cases are Great Lakes Comnet, Inc., case no. 16-00290, and Comlink, L.L.C., case no. 16-0092. On January 27, 2016, the Court entered an Order Directing the Joint Administration of Their Bankruptcy Cases [Doc. No. 50].

² All capitalized terms not defined in this Order shall have the meanings ascribed to them in the Sale Motion.



Debtors' Assets Pursuant to 11 U.S.C. §§ 105, 363, and 365 (III) Setting Certain Dates and Deadlines in Connection Therewith, (IV) Approving the Form of the Purchase and Sale Agreement, Including the Termination Fee, and (V) Granting Related Relief [Doc. No. 235] ("Sale Procedures Order")"; the Court finding, as more fully set forth below, that (i) proper notice of (a) the deadlines and methods for asserting objections to the Sale Motion and the entry of this Order, (b) the May 10, 2016 hearing on the Sale Motion ("Sale Hearing"), and (c) the entry of this Order has been provided to all parties entitled thereto as required by applicable law and by the Sale Procedures Order, and no other or further notice of any such matters is required, and (ii) the appearances of all interested parties and all responses and objections, if any, to the Sale Motion and to the entry of this Sale Order have been duly noted in the record of the Sale Hearing and such objections or responses have been withdrawn, overruled, or otherwise resolved; the Court having considered the (i) Sale Motion and the legal and factual bases set forth in support of the Sale Motion; (ii) form of this Sale Order submitted to the Court; (iii) objections or other responses made to the Sale Motion and the entry of this Sale Order; and (iv) entire record of the Sale Hearing, including any evidence submitted at or prior to the Sale Hearing; the Court finding that the relief sought by the Sale Motion and contained in this Sale Order is in the best interest of Debtors, their estates, and their creditors; the Court being otherwise fully advised in the premises, and after due deliberation and sufficient cause appearing therefor,

THE COURT HEREBY FINDS, DETERMINES AND CONCLUDES THAT:

A. This Court has jurisdiction to approve the Sale pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this case in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Approval of the Sale is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (N), and (O). The bases for the relief granted herein are Bankruptcy Code §§ 105, 363, and 365 and Bankruptcy Rules 2002, 6004, 6006, and 9014.

C. As evidenced by declarations filed with the Court and representations of counsel at the Sale Hearing and the hearing related to the Sale Procedures Order, proper, timely, adequate, and sufficient notice of, and a reasonable opportunity to object or otherwise to be heard regarding, (i) the entry of the Sale Procedures Order and the dates and deadlines set forth therein, including the procedures required for the submission of Qualified Bids for the Assets and for participation by interested bidders at an auction of the Assets (the "Auction"); (ii) the Sale Motion; (iii) the entry of this Sale Order; and (iv) the transaction contemplated under the Amended and Restated Purchase and Sale Agreement dated March 8, 2016 ("APA"), notice of which was filed with the Court as Doc. No. 241, including the Sale has been provided to (a) the Office of the United States Trustee; (b) Buyer; (c) the Unsecured Creditors Committee ("Committee"); (d) all parties known to Debtors who assert a security interest in or lien on the Assets, or assert a claim against or interest in the Assets, including CoBank, ACB; (e) all of Debtors' creditors, including without limitation any taxing authorities, and contract counterparties; (f) entities, or their counsel, not described above, who have filed a notice of appearance through the Court's CM/ECF System; and (g) Governmental agencies regulating Debtors. Any expediting of the relevant deadlines for responses and notice of hearing is appropriate and supported by cause under the circumstances and such notice has been adequate and no further notice is required.

D. In addition to the actual notice described above, proper, timely, adequate, and sufficient notice of, and a reasonable opportunity to object or otherwise be heard regarding, (i)

the Sale Motion; (ii) the entry of this Sale Order; and (iii) the transaction contemplated under the APA, including the Sale, has been published in The Wall Street Journal (national edition) and The Detroit News [Doc. No. 249], in the form of Attachment A to the Sales Procedure Order, and that such notice is sufficient and reasonably calculated to apprise unknown creditors and other parties in interest of the matters reflected in the notice, and no further notice is required or appropriate.

E. The foregoing notice in Findings of Fact C and D constitute good and sufficient notice of, and a reasonable opportunity to object or be heard regarding, the Sale Motion, the Sale Hearing, the Sale Procedures Order, the Auction, and the entry of this Order under Bankruptcy Code §§ 105, 363, and 365, and Bankruptcy Rules 2002, 6004, 6006, and 9014.

F. The Debtors did not receive any other Qualified Bids for the Assets pursuant to the Sale Procedures Order and, consequently, cancelled the Auction and designated the Buyer as the Winning Bidder. [Doc. No. 363].

G. The Purchase Price (as defined in the APA) offered by Buyer, under the terms and conditions set forth in the APA: (i) represents the highest or otherwise best offer obtained for the Assets; (ii) is fair, adequate, and sufficient consideration that constitutes reasonably equivalent value for the Assets, (iii) would not have been made by Buyer absent the protections afforded to Buyer by the Bankruptcy Code and this Sale Order, (iv) will provide a better recovery for Debtors' creditors than would be provided by any other practical available alternative, and (v) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia. A sale of the Assets other than one free and clear of all prepetition and postpetition liens (including, without limitation, any "lien" as defined in Bankruptcy Code § 101(37)), claims

(including, without limitation, any “claim” as defined in Bankruptcy Code § 101(5)), encumbrances, defenses (including, without limitation, rights of setoff and recoupment) and interests (collectively, “Interests”) would impact materially and adversely on Debtors’ bankruptcy estates, would yield substantially less value for Debtors’ estates, and would provide less certainty than the available alternatives. Buyer would not agree to purchase the Assets if the Assets could not be transferred to Buyer free and clear of all Interests, except for Permitted Liens (as defined in the APA) and Assumed Liabilities (as defined in the APA).

H. Subject to the terms and conditions of the APA and entry of this Sale Order, the transfer of the Assets to Buyer pursuant to the Sale will be a legal, valid, and effective transfer of the Assets and will, upon the occurrence of the Closing in accordance with the terms of this Sale Order, vest in Buyer all right, title and interest of the Debtors in the Assets free and clear of any and all Interests, including, without limitation, mechanics,’ materialmen’s and other consensual and non-consensual liens and statutory liens, security interests, encumbrances and claims (including, but not limited to, any “claim” as defined in Bankruptcy Code § 101(5) or “lien” as defined in Bankruptcy Code § 101(37)), reclamation claims, mortgages, deeds of trust, pledges, covenants, restrictions, hypothecations, charges, indentures, loan agreements, instruments, contracts, leases, licenses, options, rights of first refusal, contracts, offsets, recoupment, rights of recovery, judgments, orders and decrees of any Court or foreign or domestic governmental entity, claims for reimbursement, contribution, indemnity or exoneration, assignment, preferences, debts, charges, suits, licenses, options, rights of recovery, interests, products liability, alter-ego, environmental, successor liability, taxes or similar charges and other liabilities (including without limitation fuel taxes and surcharges and similar amounts), causes of action and claims, or other encumbrances or restrictions on or conditions to transfer or

assignment of any kind (including without limitation to the generality of the foregoing restrictions or conditions on or to the transfer, assignment, or renewal of licenses, permits, registrations, and authorizations or approvals of or with respect to governmental units and instrumentalities), in each case whether secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, or known or unknown, whether arising prior to, on, or subsequent to the Petition Date, whether imposed by agreement, understanding, law, equity or otherwise. The APA, as approved herein, was duly executed and authorized.

I. Except as provided for in the APA or this Sale Order, all such Interests shall be discharged as to the Assets, with such Interests attaching to the proceeds of the Sale (the “Sale Proceeds”) in the order of their priority, with the same validity, force and effect which they now have as against the Assets and subject to any claims and defenses the Debtors or other parties may possess with respect thereto.

J. Entry into the APA and consummation of the transactions contemplated thereby and hereby as required by the terms set forth in the Sale Procedures Order constitute the exercise of sound business judgment, and such acts are in the best interests of Debtors, their estates, and all parties in interest. The Court finds that Debtors have articulated good and sufficient business reasons justifying the Sale under Bankruptcy Code § 363(b). Such business reasons include, but are not limited to, the following: (i) the APA constitutes the highest or otherwise best offer for the Assets; (ii) the APA and the closing thereon will present the best opportunity to realize the

value of the Assets on a going concern basis and avoid decline and devaluation of the Assets; and (iii) any alternative likely would not have yielded as favorable an economic result.

K. Each person or entity with an Interest in the Assets to be transferred on the Closing Date (i) has consented to, or is deemed to have consented to, the Sale free and clear of such Interest, (ii) could be compelled in a legal or equitable proceeding to accept money in satisfaction of such Interest, or (iii) holds an interest that is a lien that is worth less than the amount of the purchase price to be paid by Buyer under the APA, and, therefore, in each case, one or more of the standards set forth in Bankruptcy Code § 363(f) has been satisfied as to all such Interests. Those holders of Interests who did not object, or who withdrew their objections, to the Sale Motion are deemed to have consented to entry of this Sale Order pursuant to Bankruptcy Code § 363(f)(2). Therefore, approval of the APA and consummation of the Sale at this time free and clear of Interests is appropriate pursuant to Bankruptcy Code § 363(f).

L. Buyer is not holding itself out to the public as a continuation of Debtors. The transaction contemplated by the APA does not amount to a consolidation, merger, or de facto merger of Buyer and Debtors or Debtors' estates, there is not substantial continuity between Buyer and Debtors, there is no continuity of enterprise between Buyer and Debtors, Buyer is not a mere continuation of Debtors or their estates, and Buyer does not constitute a successor to Debtors or their estates.

M. On March 11, 2016, the Debtors filed the Notice of Filing of Cure Schedule, attaching as exhibit A the Cure Schedule referenced in paragraph 9(a) of the Sale Procedures Order ("Cure Schedule"). [Doc. No. 238]. The Cure Schedule identified (a) executory contracts and unexpired leases potentially to be assumed and assigned to the Buyer and (b) the amount, if any, the Debtors believe is necessary to cure all monetary defaults and other defaults under such

executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code. No later than one business day prior to Closing, the Buyer shall file with the Court an amended Cure Schedule (“Amended Cure Schedule”) identifying those executory contracts and unexpired leases that will be assumed and assigned to the Buyer (“Assumed and Assigned Agreements”). Pursuant to paragraph 9(e) of the Sale Procedures Order, any non-debtor party or parties to any executory contract or unexpired leases that was on the Cure Schedule but is not on the Amended Cure Schedule will be notified of such exclusion by written notice mailed within one (1) business day after the filing of the Amended Cure Schedule (if such party or parties has not been previously notified), and those executory contracts and unexpired leases will not be assumed.

N. Upon the Closing, Buyer shall be deemed to have assumed only the Assumed Liabilities under the APA. Except with respect to the Assumed Liabilities, the Closing and the consummation of the transactions contemplated by the APA shall not, by reason of such Closing and transactions, subject Buyer to any liability whatsoever for claims with respect to the operation of the business of Debtors before the Closing Date. Except for the Assumed Liabilities, Buyer’s acquisition of the Assets shall be free and clear of any “successor liability” claims of any nature whatsoever, whether known or unknown and whether asserted or unasserted as of the Closing, to the extent allowed by applicable law. Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Assumed and Assigned Agreements to Buyer in connection with the consummation of the Sale, and the assumption and assignment of the Assumed and Assigned Agreements is in the best interests of Debtors, their estates, and their creditors. The Assumed and Assigned Agreements being assigned to Buyer are an integral part of the Assets being purchased by Buyer and, accordingly, such assumption and assignment of the Assumed and Assigned Agreements is reasonable, enhances the value of

Debtors' estate, and does not constitute unfair discrimination. Each and every provision of the Assumed and Assigned Agreements or applicable non-bankruptcy law that purports to prohibit, restrict, or condition assignment of any of the Assumed and Assigned Agreements has been satisfied or is unenforceable under Bankruptcy Code § 365.

O. At the Closing under the APA, or as soon as practicable thereafter, and subject to the terms of the APA, Buyer shall (i) cure, or have provided adequate assurance of cure, of any default existing prior to the date hereof under any of the Assumed and Assigned Agreements, within the meaning of Bankruptcy Code § 365(b)(1)(A), and (ii) provide compensation or adequate assurance of compensation to any party of any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assumed and Assigned Agreements within the meaning of Bankruptcy Code § 365(b)(1)(B). Other than the payment of the Cure Costs (including by way of setoffs or recoupments), neither Buyer nor the Debtors shall have any further obligations to non-debtor parties to the Assumed and Assigned Agreements. Buyer has provided adequate assurance of future performance of and under the Assumed and Assigned Agreements within the meaning of Bankruptcy Code § 365(b)(1)(C). Upon assumption and assignment to Buyer, the Assumed and Assigned Agreements shall be deemed valid and binding, in full force and effect in accordance with their terms, subject to the provisions of this Sale Order, and Debtors shall have no liability for any breach of any Assumed and Assigned Agreement occurring after assignment of the Assumed and Assigned Agreement pursuant to Bankruptcy Code § 365(k) and this Sale Order.

P. Buyer and Debtors negotiated the APA and the transaction contemplated by the APA from arms' length bargaining positions, without collusion, and in good faith within the

meaning of Bankruptcy Code §§ 363(m) and (n). As a result, Debtors and Buyer are entitled to the protections of Bankruptcy Code § 363(m) with respect to the Sale.

Q. Neither Buyer, Debtors, nor any other person or entity has engaged in any conduct that would cause or permit the APA to be avoided under Bankruptcy Code § 363(n).

R. Buyer will be acting in good faith pursuant to Bankruptcy Code § 363(m) in closing the transaction contemplated by the APA and this Sale Order at any time on or after the entry of this Sale Order.

S. Subject to the terms of the APA, the transfer of the Assets to Buyer will not subject Buyer to any liability whatsoever prior to the Closing Date or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of antitrust, successor or transferee liability to the extent allowed by applicable law.

T. The Sale of the Assets must be approved and consummated promptly to preserve the value of the Assets. Therefore, time is of the essence in consummating the Sale, and Debtors and Buyer intend to close the Sale as soon as reasonably possible.

U. The APA was not entered into for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession or the District of Columbia.

V. The transfer of the Assets to Buyer will be a legal, valid, and effective transfer of assets, and will vest Buyer with all right, title, and interest of Debtors in and to the Assets free and clear of all Interests, except as provided for in the APA.

W. The terms of the APA are fair and reasonable in all respects.

X. The transactions contemplated by the Motion and the Sale, as approved and implemented by this Sale Order, are in compliance with and satisfy all applicable provisions of the Bankruptcy Code, the local and Federal Rules of Bankruptcy Procedure, and any other applicable law relating to the Sale including, without limitation, Bankruptcy Code §§ 363(b), (e) and (f) and section 365.

Y. The transactions contemplated by the Motion and the Sale, as approved and implemented by this Sale Order, are in compliance with and satisfy all applicable provisions of the Bankruptcy Code, the local and Federal Rules of Bankruptcy Procedure, and any other applicable law relating to the Sale including without limitation Bankruptcy Code §§ 363(b), (e), and (f) and 365.

**For all of the foregoing reasons and after due deliberation, the Court hereby
ORDERS, ADJUDGES AND DECREES THAT:**

1. The Sale Motion is GRANTED with respect to the Assets, and the Sale of the Assets, the APA, and the transaction contemplated in the APA are hereby approved and authorized in all respects in accordance with and pursuant to Bankruptcy Code §§ 105, 363(b), (f), and (m), and 365.

2. Objections, if any, to the Sale Motion or to the relief granted herein that have not been withdrawn, waived, settled, or otherwise resolved and all reservations of rights included in such objections, are overruled on the merits, except for the following objections to the Cure Schedule [Doc. No. 238] or the Evidence of Adequate Assurance of Performance of Assumed and Assigned Agreements [Doc No. 366], which will be heard at a later date if not resolved by the parties:

- (a) Objection of 1001 Webward LLC to Alleged Cure Amount in Debtors' Notice to Counterparties to Executory Contracts and Unexpired Leases [Doc. No. 287].
- (b) Objection to Cure Amount filed by Agri-Valley Services, Inc. [Doc. No. 293].
- (c) Peninsula Fiber Network, LLC's Objection to Debtors' Notice to Counterparties to Executory Contracts and Unexpired Leases [Doc. No. 294].
- (d) AT&T's Objection and Reservation of Rights to Debtors' Notice of Cure Schedule [Doc. No. 308].
- (e) Objection of Zayo Group, LLC, to Debtors' Proposed Cure Amount [Doc. No. 314].
- (f) Limited Objection and Reservation of Rights of Cisco Systems Capital Corporation Related to the Proposed Assumption of Certain Executory Contracts and Unexpired Leases [Doc. No. 374].
- (g) Independent Bank Corp.'s Objection to Debtors' Evidence of Adequate Assurance of Performance of Assumed and Assigned Agreements re: Evidence of Adequate Assurance of Performance of Assumed and Assigned Agreements [Doc. No. 377].
- (h) Limited Objection and Reservation of Rights of Solidfire, Inc. Related to the Proposed Assumption of Certain Executory Contracts and Unexpired Leases [Doc. No. 378].

3. The Debtors, Buyer, and Merit Network, Inc. shall file a joint motion under Bankruptcy Rule 9019 embodying the settlement that was placed on the record at the Sale Hearing.

4. Pursuant to Bankruptcy Code § 363(b), the Court approves in all respects the Sale of the Assets to Buyer free and clear of all Interests (except those permitted by the APA), with such Interests attaching to the Sale Proceeds in the order of their priority, and the transaction contemplated by the APA is approved in all respects. Debtors are authorized to sell the Assets to Buyer upon the terms and subject to the conditions set forth in the APA, with, subject to the terms of this Sale Order, such modifications as may be agreed to by Buyer and Debtors.

5. The APA, including any amendments, supplements and modifications thereto, and all of the terms and conditions therein, is approved. Debtors and Buyer are both authorized to take all actions and execute all documents and instruments that Debtors or Buyer reasonably deem necessary or appropriate to implement and effectuate the transactions contemplated by the APA, including without limitation, to execute all documents and further agreements necessary or appropriate to implement and effectuate the APA and this Sale Order.

6. Pursuant to Bankruptcy Code §§ 363(b) and (f) and subject to the terms of the APA, upon the Closing under the APA, the transfer of the Assets to Buyer will be a legal, valid and effective transfer and shall vest Buyer with all right, title and interest of Debtors in and to the Assets, free and clear of all Interests, including, without limitation, security interests of whatever kind or nature, mortgages, pledges, deeds of trust, hypothecations, assignments, preferences, debts, charges, suits, licenses, options, rights-of-recovery, judgment, orders and decrees of any court or foreign or domestic governmental entity, taxes (including foreign, state and local taxes), licenses, covenants, indentures, instruments, leases, options, contracts, agreements, off-sets, claims for reimbursement, contribution, indemnity or exoneration, successor product, tax, labor, ERISA, CERCLA, environmental, alter-ego and other liabilities, causes of action, known or unknown, contract rights, and claims, in each case to the fullest extent of the law, of any kind or nature, whether prepetition or postpetition, secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, perfected or unperfected, liquidated or unliquidated, noticed or unnoticed, recorded or unrecorded, contingent or non-contingent, material or non-material, known or unknown, statutory or non-statutory, matured or unmatured, legal or equitable, with all such Interests in and upon the Assets to be unconditionally released, discharged and terminated to the extent allowed by applicable law.

7. On the Closing Date and upon payment of the Purchase Price, this Sale Order will be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Assets or a bill of sale transferring good and marketable title in such Assets to Buyer.

8. Except as set forth in the APA or this Sale Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Interests of any kind or nature whatsoever against or in Debtors or the Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, Debtors, the Assets, or the transfer of the Assets to Buyer, are forever barred, estopped, and permanently enjoined from asserting against Buyer, its successors and/or assigns, its property, or the Assets, such person's or entity's Interest.

9. On the Closing Date of the Sale, Debtors and their creditors, vendors and contract counterparties are authorized and directed to execute such documents and take all other actions as may be necessary to release its Interests in the Assets, if any, as such Interests may have been recorded or otherwise exist.

10. Upon payment of the Purchase Price, the Sale of the Assets to Buyer under the APA will constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of all applicable jurisdictions, including, but not limited to, the laws of the State of Michigan. The transfer of the Assets by Debtors to Buyer is a legal, valid and effective transfer of the Assets notwithstanding any requirement for approval or consent of any entity.

11. Buyer is a good faith purchaser for value and, as such, is entitled to all of the protections afforded under Bankruptcy Code § 363(m) and any other applicable bankruptcy and non-bankruptcy law. Buyer acted in good faith at the Sale Hearing and will be acting in good faith within the meaning of Bankruptcy Code § 363(m) in closing the transactions contemplated by the APA in accordance with the APA and this Sale Order.

12. Neither Buyer's purchase of the Assets nor Buyer's subsequent operation of the business previously operated by Debtors shall cause Buyer to be, or to be deemed to be: (a) a successor-in-interest in any respect to Debtors or Debtors' businesses under or within the meaning of any federal, state or local revenue, pension, ERISA, tax, labor or environmental law, rule or regulation or under any products liability law or doctrine with respect to Debtors' liability under such law, rules, regulations or doctrines; or (b) a joint employer, co-employer or successor employer with Debtors. Consummation of the APA and the transactions contemplated therein and thereby do not affect a *de facto* merger or consolidation of the Debtors and Buyer or result in the continuation of the Debtors' businesses under Buyer's control. Buyer is not the alter ego of, a successor in interest to, or a continuation of the Debtors.

13. This Court shall retain exclusive jurisdiction to interpret and enforce the provisions of the APA, the Sale Procedures Order, and this Sale Order, including all amendments to the APA and each of these orders and any waivers and consents thereunder, and further to hear and determine each of the agreements executed in connection therewith or herewith, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Assets to Buyer free and clear of Interests, or compel the performance of other obligations owed by Debtors or Buyer, (b) resolve any disputes arising under or related to the APA, except as otherwise provided therein, (c) interpret, implement, and enforce the provisions of this Sale Order, and (d) protect Buyer

against (i) claims made related to any of the Excluded Assets (as defined in the APA), (ii) any claims of successor liability related to the Assets, or (iii) any claims of Interests asserted against Buyer or the Assets, of any kind or nature whatsoever, *provided however*, that, in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with respect to the APA, the Sale Procedures Order, or this Sale Order, such abstention, refusal or lack of jurisdiction shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to any such matter.

14. The transactions contemplated under the Sale are undertaken by Buyer in good faith, as that term is used in Bankruptcy Code § 363(m), and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale of any Assets shall not affect the validity of the Sale and other transactions contemplated and authorized by this Sale Order, unless such authorization is duly stayed pending such appeal prior to the Closing.

15. The provisions of this Sale Order are non-severable and mutually dependent. The failure to include specifically any particular provision of the APA in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA and all of its provisions, payments, and transactions be authorized and approved in their entirety.

16. On the Closing Date and payment of the Purchase Price, this Sale Order shall be construed as, and shall constitute for any and all purposes, a full and complete general assignment, conveyance and transfer of the Assets or a bill of sale transferring good and marketable title in the Assets to Buyer. Each and every federal, state and local governmental

agency, department or entity is directed to accept the filing of any and all documents and instruments necessary and appropriate to implement, effectuate or consummate the transactions contemplated by the APA and this Sale Order.

17. Debtors and each other person having duties or responsibilities under the APA, any agreements related thereto, or this Sale Order, and their respective members, directors, officers, agents, representatives and attorneys, are authorized to execute and deliver any and all instruments, including all such other actions, filings or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units, as may be required to effectuate the APA and this Sale Order. For the avoidance of doubt, all persons and entities (i) holding liens or encumbrances, (ii) that have filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing claims, or (iii) otherwise asserting claims against the Assets shall, and hereby are directed to, execute and deliver to Debtors or its designated representatives(s) any and all documents necessary (or requested by Debtors or Buyer) to effectuate the transfer of the Assets to Buyer free and clear of any and all liens and encumbrances.

18. The requirements of Bankruptcy Code §§ 365(b)(1) and 365(f)(2) are deemed satisfied with respect to the Assumed and Assigned Agreements. Debtors are authorized, in accordance with Bankruptcy Code §§ 105(a), 363, and 365, to (i) assume and assign to Buyer the Assumed and Assigned Agreements, free and clear of all Interests, and (ii) execute and deliver to Buyer such assignment documents as may be necessary to confirm such assignment and transfer. Buyer has provided adequate assurance of future performance under the Assumed and Assigned Agreements within the meaning of Bankruptcy Code § 365(b)(1)(C).

19. The Assumed and Assigned Agreements shall be transferred and assigned to Buyer, and, following the Closing, shall remain valid and binding and in full force and effect for the benefit of Buyer in accordance with their respective terms, notwithstanding any provision in any such Assumed and Assigned Agreement (including those of the type described in Bankruptcy Code §§ 365(b)(2), (e)(1) and (f)(1)) that prohibits, restricts, or conditions such assignment or transfer. Pursuant to Bankruptcy Code § 365(k), Debtors shall be relieved from any liability with respect to any breach of any Assumed and Assigned Agreement after assignment of such Assumed and Assigned Agreement to Buyer. All other requirements and conditions under Bankruptcy Code §§ 363 and 365 for the assumption by Debtors and assignment to Buyer of each Assumed and Assigned Agreement have been satisfied and, upon Closing and payment of the Purchase Price, Buyer shall be fully and irrevocably vested in all right, title and interest in each Assumed and Assigned Agreement.

20. Upon assignment of the Assumed and Assigned Agreements to Buyer, no non-debtor party to any Assumed and Assigned Agreement shall be permitted to declare a default by Buyer or Debtors under such Assumed and Assigned Agreement or otherwise take action against Buyer or Debtors on account of Debtors' financial condition, bankruptcy, or failure to perform any of their obligations under such Assumed and Assigned Agreement, including any failure to pay any amounts to cure defaults thereunder in excess of the Cure Costs. The Court hereby determines that the Cure Costs established pursuant to the Sale Procedures Order, or as otherwise agreed by the non-debtor parties to the Assumed and Assigned Agreements, constitute all of the cure amounts that are required to be paid under Bankruptcy Code § 365(b)(1) in connection with the assumption and assignment of the Assumed and Assigned Agreements.

21. Each non-debtor party to an Assumed and Assigned Agreement is forever barred, permanently estopped, and permanently enjoined from asserting against Debtors or Buyer, or the property of either, any default existing as of the date of the Sale Hearing.

22. Upon the assignment of the Assumed and Assigned Agreements to Buyer, Buyer shall be deemed, as of the Closing, to be in compliance with all terms and provisions of the Assumed and Assigned Agreements. Except for the right to payment of the Cure Cost pursuant to Bankruptcy Code §§ 105(a), 363, and 365 (including through satisfaction by setoff or recoupment), all parties to the Assumed and Assigned Agreements are forever barred and enjoined from raising or asserting against Debtors or Buyer any assignment fee, default, breach, or claim for pecuniary loss, or condition to assignment, arising under or related to the Assumed and Assigned Agreements existing as of the Closing or arising by reason of the Closing. Any party that may have had the right to consent to an assignment, for purpose of Bankruptcy Code § 365(e)(2)(A)(ii) or otherwise, is deemed to grant such consent if it failed to object to the assumption and assignment.

23. The rights of Buyer under the APA may be assigned only to the extent permitted in the APA.

24. The APA and any related agreements may be modified, amended, or supplemented by agreement of Debtors, CoBank, ACB, and Buyer without further action of the Court; provided that any such modification, amendment, or supplement is not in the good faith belief of the Debtors, CoBank, ACB and the Buyer material and substantially conforms to and effectuates the APA.

25. This Order (a) shall be effective as a determination that, except as provided in the APA, on the Closing Date and payment of the Purchase Price, all Interests of any kind or nature

whatsoever existing as to the Assets prior to the Closing Date have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, according to the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets. Each and every federal, state and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA. Buyer and Debtors are hereby authorized to take such further steps and execute such further documents, assignments, instruments and papers as shall be reasonably requested by the other to implement and effectuate the transactions contemplated in this paragraph.

26. At the Closing, the Buyer shall pay to the Debtors in immediately available funds \$29,190,000.00 plus the \$3,210,000.00 held by the Escrow Agent (as defined in the APA) for a total of \$32,400,000. The Debtors shall hold \$2,000,000 of the \$32,400,000 in a separate and segregated deposit account for the payment of the Cure Costs. The Debtors shall have no obligation to pay more than \$2,000,000 in Cure Costs. Any Cure Costs in excess of \$2,000,000 shall be paid by Buyer; provided, however, such cure costs that are eligible for the Excess Cure Credit (as defined in the APA)(assuming Cure Costs exceed \$2,000,000) shall constitute a credit to the Purchase Price (as defined in the APA). The Excess Cure Credit, if any, shall be definitively determined on or before the Closing Date. If the Cure Costs are less than

\$2,000,000, the Debtors are entitled to retain the difference between \$2,000,000 and the Cure Costs paid by the Debtors. At the Closing, each holder of an Interest in the Assets is authorized and directed to execute such documents and take all other actions as may be necessary to further evidence the release of its Interests against or in the Assets, if any, effected by the terms of this Sale Order, as such Interests may have been recorded or may otherwise exist. If any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Interests against or in the Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Interests that the person or entity has with respect to the Assets or otherwise, Debtors and/or Buyer are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Assets upon the Closing of the Sale in accordance with the terms of this Sale Order and the APA. The foregoing notwithstanding, subject to the terms of the APA, the provisions of this Sale Order authorizing the sale and assignment of the Assets free and clear of the Interests shall be self-executing, and notwithstanding the failure of Buyer, the Debtors, or any other party to execute, file, or obtain releases, termination statements, assignments, consents or other instruments to effectuate, consummate and/or implement the provisions hereof or of the APA, all Interests on the Assets shall be deemed divested, released and terminated. As of the Closing, Buyer is hereby authorized to file, register or otherwise record a certified copy of this Sale Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release and termination of all Interests in the Assets of any kind or nature, and no further action shall be necessary to evidence such release and termination.

27. The terms and provisions of the APA and this Sale Order shall be binding in all respects upon, and shall inure to the benefit of Debtors, their successors and assigns, their estate, and their creditors, Buyer and its respective affiliates, successors and assigns, and any affected parties including, but not limited to, all persons asserting Interests in the Assets to be sold to Buyer pursuant to the APA, notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall be binding.

28. The failure specifically to include any particular provisions of the APA in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA be authorized and approved in its entirety.

29. To the extent applicable, the automatic stay pursuant to Bankruptcy Code § 362 is hereby lifted with respect to Debtors and the Assets that Buyer is acquiring, if necessary, without further order of the Court (a) to allow Buyer to give Debtors any notice provided for in the APA, and (b) to allow Buyer to take any and all actions permitted by the APA.

30. To the extent a counterparty to an Assumed and Assigned Agreement failed to timely object to any Cure Cost with respect to such Assumed and Assigned Agreement, such Cure Cost shall be deemed to be finally determined and any such counterparty shall be prohibited from challenging, objecting to or denying the validity and finality of the Cure Costs at any time, and such Cure Costs, if any, when paid, shall completely satisfy any Cure Cost in connection with the Assumed and Assigned Agreement to which it relates.

31. The Sale shall not be subject to any bulk sales laws.

32. Debtors, Buyer, and each other person having duties or responsibilities under the APA or this Sale Order, and their respective agents, representatives, and attorneys, are

authorized to carry out all of the provisions of the APA, to issue, execute, deliver, file and record, as appropriate, the APA, and any related agreements, and to take any action contemplated by the APA or this Sale Order, and to issue, execute, deliver, file and record, as appropriate, such other contracts, instruments, releases, deeds, bills of sale, assignments, or other agreements, and to perform such other acts as are consistent with, and necessary or appropriate to, implement, effectuate and consummate the APA and this Sale Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court. Without limiting the generality of the foregoing, this Sale Order shall constitute all approvals and consents, if any, required by applicable business corporation, trust and other laws of applicable governmental units with respect to the implementation and consummation of the APA and this Sale Order and the transactions contemplated thereby and hereby.

33. Notwithstanding any other provision of this Sale Order, no assignment of any rights and interests of a Debtor in any federal license or authorization issued by the Federal Communications Commission (“FCC”) shall take place prior to the issuance of temporary or final FCC regulatory approval for such assignment pursuant to the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder. The FCC’s rights and powers to take any action pursuant to its regulatory authority, and the Debtors’ rights and powers to oppose any such action, including, but not limited to, imposing any regulatory conditions on such assignment and setting any regulatory fines or forfeitures, are fully preserved, and nothing herein shall proscribe or constrain the FCC’s exercise of such power or authority to the extent provided by law.

34. Notwithstanding anything to contrary in this Sale Order or in the APA (as may be amended or restated), (a) any alleged rights, causes of action, or Claims (as defined in the APA,

as may be amended or restated) against, or alleged Accounts Receivable (as defined in the APA, as may be amended or restated) owed by, AT&T Corp., AT&T Services Inc., MCI Communications Services, Inc. d/b/a Verizon Business Services, CenturyLink Communications, LLC f/k/a Qwest Communications Company, LLC d/b/a CenturyLink QCC or Sprint Communications Company L.P. (collectively, the “Carriers”), which (A) arise out of or are related to the Comnet Companies’ (as defined in the APA, as may be amended or restated) or their Affiliate’s (as defined in the APA, as may be amended or restated) tariffs, and (B) arise out of or are related to any of the following proceedings or the conduct described therein: (i) In the Matter of AT&T Services Inc. and AT&T Corp. v. Great Lakes Comnet, Inc. and Westphalia Telephone Company, in the Federal Communications Commission (“FCC”), EB Docket No. 14-222, File No. EB-14-MD-013, and now on appeal in the United States Court of Appeals for the District of Columbia Circuit (Case No. 15-1064), (ii) In the matter of the application and complaint of Westphalia Telephone Company and Great Lakes Comnet, Inc. against AT&T Corp. before the Michigan Public Service Commission, Case No. U-17619, now on appeal in the Michigan Court of Appeals (Case No. 326100), (iii) Great Lakes Comnet, Inc. and Westphalia Telephone Company, v. AT&T Corp. in the United States District Court for the Western District of Michigan (Case No. 1:15-CV-216), and the appeal in the United States Court of Appeals for the Sixth Circuit (Case No. 16-1256), and (iv) the informal complaint dated February 26, 2014 and filed with the FCC pursuant to 47 C.F.R. § 1.716 by MCI Communications Services, Inc. d/b/a Verizon Business Services, Qwest Communications Company, LLC d/b/a CenturyLink QCC, and Sprint Communications Company L.P. against Local Exchange Carriers of Michigan, Inc., Great Lakes Comnet, Inc., and Westphalia Telephone Company, File No. EB-14-MDIC-0001 (collectively, the “Carrier Proceedings”) are Excluded Assets (as defined in the APA, as

may be amended or restated)), (b) no executory contracts relating to any alleged rights, causes of action, Claims or Accounts Receivable that arise out of or are related to the Carrier Proceedings are Assumed and Assigned Agreements, and (c) all rights, defenses, claims, counterclaims and Interests (including, without limitation, rights of recoupment) of the Carriers, except any and all rights of setoff against the Buyer based on any recoveries obtained in any or all of the Carrier Proceedings, and all objections, rights, defenses, claims, counterclaims and Interests (including, without limitation, rights of recoupment) of the Buyer, except any and all rights of setoff that arise out of any of the Excluded Assets, are fully preserved and are not affected in any manner by the closing of the APA (as may be amended or restated) or the entry of this Sale Order.

35. To secure the alleged secured claim filed by Utility Contracting Co. ("Utility"), Claim Register No. 23 (and as asserted in Doc. No. 369), the sum of \$193,535.93 ("Utility Escrow") shall be segregated and withheld by the Debtors from the net proceeds of Sale. Utility and CoBank will work together in good faith to resolve any objections to Utility's claim during the next 30 days. If Utility and CoBank are unable to resolve the objections, then either party may then request a hearing before this Court to determine the extent and validity of Utility's alleged claim, with the amount of any allowed secured claim determined by order of the Court to be paid from the Utility Escrow, but if Utility is found by the Court to be unsecured or partially secured, the Utility Escrow shall be paid to CoBank in whole or in part as so determined by the Court. Utility and CoBank reserve all rights to argue whether or not there is equity to secure Utility's alleged lien. Nothing contained in this Sale Order, including any terms of the settlement read on to the record and embodied into this Sale Order, shall be binding on Utility and CoBank with respect to the issue of whether or not there is equity to secure Utility's alleged lien.

36. From the Sale Proceeds, the sum of \$263,965.36 (“Alleged Prior Secured Claims Holdback”) shall be held by the Debtors in a separate and segregated deposit account and not distributed to Prepetition Senior Lender before the latter of (a) the 45th day after the date of this Sale Order, and (b) the Closing of the Sale. Any creditor or other party in interest (other than Utility and creditors and other parties in interest that were present during any portion of the Sale Hearing or made an appearance at the Sale Hearing) may file and serve on Prepetition Senior Lender and the Debtors notice of an asserted secured claim against the Alleged Prior Secured Claims Holdback on the basis that it holds a claim that prior to the Closing was secured by the Assets and was senior in priority to the Prepetition Lender’s Lien in the Assets (and on no other basis). If such a notice is filed and served before the expiration of the 45th day, and such creditor and Prepetition Senior Lender are unable to resolve the asserted secured claim, then either party may request a hearing before this Court to determine the nature, extent and priority of such creditor’s secured claim, with the amount of any allowed secured claim, determined by order of the Court to be valid, enforceable and senior to Prepetition Senior Lender’s lien in the Assets, to be paid from the Alleged Prior Secured Claims Holdback. Debtors will not distribute the Alleged Prior Secured Claims Holdback until all such timely notices of asserted secured claims are resolved. Sections 35 and 36 provide the sole and exclusive remedies against any of the Sale Proceeds for creditors and other parties in interest (other than DIP Lender, Prepetition Senior Lender and the Debtors) claiming a Lien against any of the Sale Proceeds.

37. Rural Telephone Finance Cooperative (“RTFC”) and its accountants will have 120 days after the entry of the Sale Order to inspect the Debtors’ books and records and the books and records of Clinton County Telephone Company, Westphalia Telephone Company and Westphalia Broadband, Inc. (collectively, “Westphalia Companies”) in order to conduct its

investigation into the intercompany accounts and transfers of the Debtors and the intercompany transfers among the Debtors and the Westphalia Companies. Any inspection of the books and records will be conducted during ordinary business hours and on 24 hours' notice, or at other times by the mutual arrangements of the Debtors or the Westphalia Companies, as the case may be, and RTFC's accountants. The Debtors and Westphalia Companies, or any of them, may elect to supervise the visit and will accommodate any reasonable request for information from RTFC or its accountants during the 120-day inspection period. After the 120 day inspection period, any further access to the books and records of the Debtors or the Westphalia Companies will be only by permission of the Debtors or the Westphalia Companies, as the case may be, or pursuant to the discovery rules under a legal proceeding brought by RTFC in this Court. RTFC shall have 60 days after the Sale Closing to determine if assets of the Westphalia Companies have been transferred to the Buyer and initiate a legal proceeding in this Court to resolve any issues of title, possession or ownership.

38. In connection with the Buyer's assumption of the Broadband Technology Opportunities Program (BTOP) Agreements between the Debtors and Bloomingdale Communications ("Bloomingdale") and Debtors and Merit Network, Inc. ("Merit") (BTOP Grant Awards #NT10BIX5570114 and #NT10BIX5570099, respectively) ("BTOP Assets"), Buyer acknowledges and agrees that it will be assuming these agreements in their entirety and shall comply with all National Telecommunication and Information Administration ("NTIA") requirements, including without limitation, the obtaining of all required approvals from the NTIA and the National Oceanic and Atmospheric Administration ("NOAA Grants") Office. The parties acknowledge and agree that Buyer will operate and manage the assets associated with these agreements while Buyer seeks such approvals. Further, Buyer and its affiliated entity, One

Community, a non-profit company based in Cleveland, Ohio, ("One Community"), will be required to obtain the necessary consents from the NTIA and NOAA Grants Office in connection with the granting of any security interest in the BTOP Assets to Buyer's proposed lenders, Webster Bank, N.A. and CoBank, ACB, in a \$55 million loan facility that Buyer intends to utilize for the acquisition of the Assets and subsequent operations of its business. Buyer, One Community, and the Lenders acknowledge and agree that any purported interest in the BTOP Assets will be subordinate to the NTIA's federal interest in these assets. Buyer will cooperate with the NTIA, NOAA Grants Office, Bloomingdale and Merit in making available information relating to Buyer's internal organization, structure and technical, managerial and financial capabilities to operate and maintain the BTOP-funded network(s) it is acquiring and will not unreasonably withhold information that the NTIA and/or NOAA Grants Office requests.

39. The following settlement agreement among DIP Lender, Prepetition Senior Lender, the United States Trustee, the Committee and the Debtors ("Settlement Agreement") is authorized and approved, and memorializes the summary of the settlement placed on the record during the Settlement Hearing:

(i). For purposes of this section 39, all capitalized terms used but not defined in this section 39, will have the meanings ascribed to those terms in the Final DIP Order [Doc. No. 218] unless otherwise noted in this section 39 or elsewhere in this Sale Order.

(ii). The "Due Date" in section 16(i) of the Final DIP Order is "June 17, 2016", a new section 8(viii) is added to the definition of Carve-Out contained in section 8 of the Final DIP Order that reads "and (viii) \$350,000 ("Additional Carve-Out")", and the "May 16, 2016" date in section 15(a)(xix)(a) is replaced with the date of "June 10, 2016".

(iii). DIP Lender (a) agrees to advance to the Debtors as a Postpetition Loan the amount of \$500,000 ("Permitted Variance Payment"), and (b) upon the Release (defined below) becoming effective, consents to an Additional Carve-Out from the Sale Proceeds that DIP Lender would otherwise receive if it had not consented to the Additional Carve-Out. The agreement to advance the Permitted Variance Payment was satisfied on May 11, 2016. The aggregate principal balance of Postpetition Loans outstanding under the Final DIP Order is \$5.5 million. The Debtors and the Committee stipulate and agree that

the DIP Lender has no further obligation to make any additional Postpetition Loans under the Final DIP Order or the DIP Financing Documents.

(iv). The Committee and the Debtors agree to execute and deliver to Prepetition Senior Lender releases in the forms appended to this Sale Order as Exhibit A and Exhibit B, respectively, or in the forms otherwise filed with the Court on the court docket (“Releases”). Creditors and other parties in interest (other than those creditors and other parties in interest that were present during any portion of the Sale Hearing or made an appearance at the Sale Hearing) will have three (3) business days after the date of the entry of this Sale Order to file an objection to the Releases (“Objection Right”) and, if an objection is timely filed to any Release, a hearing will be promptly scheduled and held thereon with respect to that objection. This Objection Right will apply only to the Releases and not to any other provision of the Settlement Agreement (or the Sale Order). If no objections are timely filed, the Releases will be deemed effective immediately upon the expiration of the 3 business day objection period and without further order of the Court. If an objection to the Releases is timely filed, the agreement of the DIP Lender to consent to the Additional Carve-Out will be suspended until such time as the Releases are approved by the Court. If the Releases are not approved by the Court following a timely-filed objection, then the Additional Carve-Out will be deemed null and void.

(v). DIP Lender and Prepetition Senior Lender will be paid the net Sale Proceeds at Closing on account of the Postpetition Loans and Prepetition Debt less, and after first deducting, the sum of (a) the Additional Carve-Out; (b) the Estate Payment (defined in the APA); (c) the Utility Escrow; (d) the Alleged Prior Secured Claims Holdback; and (e) \$2 million for the payment of Cure Costs from the Sale Proceeds, plus the amount of any Excess Cure Credit (defined in the APA). In the event the actual Cure Costs are less than \$2 million after all of the objections identified in paragraph 2(a) through (h) of the Sale Order have been litigated to conclusion or otherwise resolved, the difference, less amounts incurred in litigating or otherwise resolving those objections, will be paid to Prepetition Senior Lender (to the extent the Prepetition Debt remains outstanding). Furthermore, in the event of any dispute regarding the computation of “net Sale Proceeds” that is not resolved before Closing, the dispute will be resolved by the Court before and as a condition of Closing (or the disputed amount will be held by the Debtors in a separate segregated escrow account pending resolution of the dispute by the Court).

(vi). The aggregate payments to Professionals (excluding “ordinary course professionals” and Media Venture Partners, LLP) prior to the effective date of a confirmed chapter 11 plan for professional services rendered and expenses incurred through the closing date of the Sale (“Closing Date”), but not thereafter, will be limited to \$1,312,250 in the aggregate (which is the amount budgeted for Professionals in the Budget appended to the Final DIP Order as Exhibit B (“Budgeted Professional Fees”). The Budgeted Professional Fees will be allocated for payment among the Professionals in accordance with (a) any agreement between the Debtors, the Committee and the United States Trustee or (b) in the event an agreement among the Debtors, the Committee and the United States Trustee is not reached within a reasonable period of time, any further order of the Court regarding an allocation of the Budgeted Professional Fees among the

Professionals (each of (a) and (b), an “Allocation Process”), and, in either case, may be paid by the Debtors at any time permitted by orders of this Court. The payment of fees and expenses of Professionals for professional services rendered and expenses incurred through the Closing Date in excess of the Budgeted Professional Fees (“Excess Professional Fees”) will be (a) deferred until the effective date of a confirmed chapter 11 plan or such other date as may be ordered by the Court in the event of a prior conversion or dismissal of the cases, (b) secured by a separate and segregated deposit account to be held by the Debtors comprised of the Permitted Variance Payment, the proceeds of the Additional Carve-Out, \$300,000 of the Estate Payment under the APA, and any interest that may be earned on the separate and segregated deposit account (“Excess Professional Fees Escrow”). The Excess Professional Fees Escrow will be used for the purpose of (a) the payment of Excess Professional Fees on the effective date of a chapter 11 plan or the date of dismissal of these cases and allocated among the Professionals in accordance with an Allocation Process, or (b) in the event these chapter 11 cases are converted to cases under chapter 7, the Excess Professional Fee Escrow will become property of the Debtors’ chapter 7 estates. Nothing in this paragraph or elsewhere in the Sale Order is intended to or will (a) constitute a waiver or forgiveness of all or any portion of the Budgeted Professional Fees or Excess Professional Fees (including those fees and expenses incurred by Professionals in excess of the Excess Professional Fees Escrow), (b) constitute the allowance or approval of any Budgeted Professional Fees or Excess Professional Fees; (c) apply to any fees or expenses incurred after the Closing Date, provided that all allowed administrative expense claims that were incurred prior to and including the Closing Date (other than those of Professionals) have been paid (or appropriate cash reserves have been set aside or other adequate provision therefor has been made); (d) modify the Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses for Professionals (“Monthly Fee Order”) [Doc. No. 332], except that, in light of the Allocation Process, section e. of the Monthly Fee Order is amended to require the Debtors to make the monthly payments only to the extent allowed by the Budgeted Professional Fees; (e) prohibit the Debtors from paying fees and expenses of Professionals for services rendered after the Closing Date that they are otherwise permitted to pay by any order of the Court, including the Monthly Fee Order, and whether or not such fees and expenses are in excess of the Budgeted Professional Fees, at any time after the Closing Date, provided that all allowed administrative expense claims that were incurred prior to the Closing of the Sale (other than those of Professionals) have been paid (or appropriate cash reserves have been set aside or other adequate provision therefor has been made); or (f) with the exception of allowed administrative expense claims incurred prior to and including the Closing Date (other than those of Professionals), modify the right of all holders of administrative expense claims, including Professionals, to receive the same and equal treatment in these bankruptcy cases.

(vii). Except for Excess Professional Fees (which are subject to paragraph vi. above), all other allowed administrative claims, including allowed claims under section 503(b)(9) of the Bankruptcy Code, may be paid by the Debtors at any time and in the ordinary course of business and any such other allowed administrative expense claims incurred prior to and including the Closing Date will be senior in priority to any right to payment asserted by Professionals in connection with the Excess Professional Fees.

However, nothing in this paragraph or elsewhere in this Sale Order is intended to alter or otherwise modify the rights of Professionals to the treatment of any Excess Professional Fees (or any other fees or expenses incurred in these bankruptcy cases) afforded under section 1129(a)(9)(A) in connection with a confirmed chapter 11 plan.

(viii). Upon receipt of the Estate Payment (\$800,000) under the APA, the Debtors will deposit (i) \$300,000 into the Excess Professional Fee Escrow, and (ii) \$500,000 into a separate and segregated deposit account to be held by the Debtors as collateral security for the benefit of the holders of allowed, non-priority unsecured claims (“Minimum Guaranty Escrow”). The Minimum Guaranty Escrow is intended to ensure that the holders of allowed non-priority unsecured claims receive in the aggregate no less than \$500,000 for their ratable benefit in these chapter 11 cases as part of a confirmed chapter 11 plan. If, however, the cases do not result in a confirmed chapter 11 plan and are converted to cases under chapter 7, the Minimum Guaranty Escrow will be turned over promptly to the chapter 7 trustee and may be used first to pay chapter 7 administrative expense claims (but not unpaid chapter 11 administrative expense claims) and, thereafter, the remainder, if any, to pay the holders of allowed non-priority unsecured claims.

(ix). After Prepetition Senior Lender receives the net Sale Proceeds pursuant to section 39(v) above, Prepetition Senior Lender will hold an allowed unsecured deficiency claim in connection with the payment of its Prepetition Debt. The Prepetition Senior Lender will file a proof of claim for such unsecured deficiency claim on or before any applicable claims bar date established by the Bar Date Motion (defined below). However, Senior Lender agrees to waive the first \$80,000 of distributions it would otherwise receive on account of such unsecured deficiency claim, thereby increasing the distributions to the remaining holders of allowed non-priority unsecured claims.

(x). Debtors and Committee mutually agree to cooperate and work together in good faith to develop, seek to confirm and implement a mutually acceptable joint chapter 11 plan (“Plan Cooperation Covenant”). In furtherance of the Plan Cooperation Covenant, the Debtors agree to file a motion (“Bar Date Motion”) on or before May 20, 2016, asking the court to set claims bar dates for all prepetition claims, including section 503(b)(9) claims, and, as of the filing of the Bar Date Motion, postpetition claims (other than those of Professionals). However, notwithstanding the Plan Cooperation Covenant, the Debtors and Committee each reserves, and does not waive, any right to move for or defend against the conversion or dismissal (structured or otherwise) of these bankruptcy cases at any time.

(xi). The entry of the Sale Order is effective and sufficient to constitute the consent of DIP Lender, Prepetition Senior Lender, the United States Trustee, the Committee and the Debtors to the terms of the Settlement Agreement without the need of further documentation of any kind except for the Releases.

40. The stay imposed by Bankruptcy Rule 6004(h) and 6006(d) is modified such that the provisions of this Sale Order shall be effective immediately after entry.

END OF ORDER

Order prepared and submitted by:

Jonathan S. Green (P33140)
Stephen S. LaPlante (P48063)
Attorneys for the Debtors
150 West Jefferson, Suite 2500
Detroit, MI 48226
(313) 963-6420
laplante@millercanfield.com

Signed: May 18, 2016

25830806.11\130050-00009



John T. Gregg
John T. Gregg
United States Bankruptcy Judge

Exhibit A

COMMITTEE RELEASE

The Committee and each of the Committee's agents, affiliates, subsidiaries, directors, officers and representatives absolutely, unconditionally and irrevocably waive, discharge and release CoBank, ACB ("CoBank") and each of CoBank's respective agents, affiliates, subsidiaries, directors, officers, employees, attorneys, professionals and representatives (collectively with CoBank the "CoBank Parties") of and from any and all claims, counterclaims, actions, debts, accounts, interests, obligations, rights, suits, damages, causes of action (including, without limitation, causes of action in the nature of "lender liability"), defenses, setoff rights, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that the Committee has or may have, whether in its own stead or derivatively on behalf of the Debtors and their estates, against the CoBank Parties which arise out of or in any way relate to, directly or indirectly, CoBank Parties' and Debtors' prepetition and/or post-petition relationship, and/or any pre or post-petition act, omission, event or transaction of the CoBank Parties whether accrued or not including, without limitation, (i) any re-characterization, subordination, avoidance or other claim arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable law, including state law, federal law, municipal law or foreign law; (ii) any right or basis to challenge or object to the amount, validity or enforceability of the Prepetition Debt or the Prepetition Lender's Liens (as each term is defined in the DIP Order) or any payments made on account of Prepetition Debt; (iii) any right or basis to challenge or object to the amount, validity or enforceability of the Postpetition Loans, the Priming Lien, the Adequate Protection Liens or the Prepetition Debt Priority Claims (as each term is defined in the DIP Order) or any payments made on account of Postpetition Loans; (iv) any claims or causes of action under sections 502(d), 544, 545, 546, 547, 548, 549, 550 or 553 of the Bankruptcy Code and any other avoidance actions under the Bankruptcy Code and the proceeds thereof and property received thereby whether by judgment, settlement, or otherwise; (v) any action based on piercing the corporate veil, aiding and abetting, alter ego, successor liability or similar claim; and (vi) commercial tort claims, including without limitation, breach of fiduciary duty and aiding and abetting breach of fiduciary duty claims.

26786490.3\130050-00009

5/17/16

Exhibit B

DEBTORS' RELEASE

Effective immediately upon Closing of the Sale, each of the Debtors and their respective bankruptcy estates absolutely, unconditionally and irrevocably waives, discharges and releases CoBank, ACB ("CoBank"), and each of CoBank's respective agents, affiliates, subsidiaries, directors, officers, employees, attorneys, professionals and representatives (collectively with CoBank, the "CoBank Parties") of and from any and all claims, counterclaims, actions, debts, accounts, interests, obligations, rights, suits, damages, causes of action (including, without limitation, causes of action in the nature of "lender liability"), defenses, setoff rights, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that the Debtors or their bankruptcy estates have or may have against the CoBank Parties from the beginning of the world through the date of the Closing of the Sale regarding the following: (i) any re-characterization, subordination, avoidance or other claim arising under or pursuant to chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable law, including state law, federal law, municipal law or foreign law; (ii) any right or basis to challenge or object to the validity or enforceability of the Prepetition Debt or the Prepetition Lender's Liens (as each term is defined in the DIP Order) or any payments made on account of Prepetition Debt; (iii) any claims or causes of action under sections 502(d), 544, 545, 547, 548, 549, 550 or 553 of the Bankruptcy Code and any other avoidance actions under the Bankruptcy Code and the proceeds thereof and property received thereby whether by judgment, settlement, or otherwise; (iv) any action based on piercing the corporate veil, aiding and abetting, alter ego, successor liability or similar claim; and (v) commercial tort claims, including without limitation, breach of fiduciary duty and aiding and abetting breach of fiduciary duty claims. Nothing in this Release is intended to or will release the CoBank Parties from any contractual obligations any of the CoBank Parties has or may have concerning (a) the Debtors or their bankruptcy estates under the Final DIP Order [Doc. No. 218], any of the DIP Financing Documents (defined in the Final DIP Order) or any of the Prepetition Financing Documents (defined in the Final DIP Order), or (b) the settlement provisions in paragraph 39 of the Sale Order.

26785930.2\130050-00009

5/16/16