



**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.) WEDNESDAY, THE 28th
)
JUSTICE HAINEY) DAY OF JUNE, 2017
)

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

**AND IN THE MATTER OF TK HOLDINGS INC., AND THOSE OTHER
COMPANIES LISTED ON SCHEDULE "A" HERETO (the "Chapter 11 Debtors")**

**APPLICATION OF TK HOLDINGS INC.
UNDER SECTION 46 OF THE
*COMPANIES' CREDITORS ARRANGEMENT ACT***

**SUPPLEMENTAL ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made by TK Holdings Inc. in its capacity as foreign representative of the Chapter 11 Debtors (the "U.S. Foreign Representative"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order substantially in the form enclosed in the Application Record at Tab 5, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Scott E. Caudill sworn June 27, 2017 (the "Caudill Affidavit") and the affidavit of Sharon Kour, sworn June 28, 2017, each filed, and on hearing the submissions of Canadian counsel for the U.S. Foreign Representative, Canadian counsel for the Plan Sponsor (as defined in the Caudill Affidavit) and counsel for the proposed information officer, FTI Consulting Canada Inc., which parties were served on a confidential basis, and upon being advised that no other persons were served

with the Notice of Application, and on reading the consent of FTI Consulting Canada Inc. to act as the information officer:

DEFINED TERMS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms used but not defined herein have the meaning given to them in the Caudill Affidavit.
2. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

INITIAL RECOGNITION ORDER

3. **THIS COURT ORDERS** that the provisions of this Supplemental Order shall be interpreted in a manner complementary and supplementary to the provisions of the Initial Recognition Order (Foreign Main Proceeding) dated June 28, 2017 (the "**Initial Recognition Order**"), provided that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Initial Recognition Order, the provisions of the Initial Recognition Order shall govern.

RECOGNITION OF FOREIGN ORDERS

4. **THIS COURT ORDERS** that the following orders, copies of which are attached as Schedule "B" to "O" of this Order, (collectively, the "**U.S. First Day Orders**") of the United States Bankruptcy Court, District of Delaware made in the Chapter 11 Proceedings are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) Order Directing Joint Administration of Chapter 11 Cases;
- (b) Order Appointing Prime Clerk LLC as Claims and Noticing Agent;
- (c) Interim Order (i) Authorizing Debtors to Enter into Accommodation Agreement and Access Agreement With Certain Customers, (ii) Granting Adequate Protection to Certain Consenting OEMs in Connection Therewith,

- (iii) Modifying the Automatic Stay to Implement and Effectuate the Terms of the Interim Order, and (vi) Scheduling a Final Hearing;
- (d) Interim Order (I) Authorizing Debtors to (A) Continue Their Existing Cash Management System, (B) Honor Certain Prepetition Obligations Related to the Use Thereof, (C) Provide Certain Postpetition Claims Administrative Expense Priority, (D) Continue Intercompany Funding of Certain Non-Debtors, and (E) Maintain Existing Bank Accounts and Business Forms; and (II) Extending Time to Comply with Requirements of 11 U.S.C. § 345(b);
- (e) Interim Order to (I) Pay Prepetition Wages, Salaries, and Other Compensation and Benefits, and (II) Maintain Employee Benefit Programs and Pay Related Administrative Obligations;
- (f) Interim Order to Pay Prepetition Obligations Owed to Certain Critical Vendors;
- (g) Interim Order Authorizing the Debtors to (I) Pay Prepetition Obligations Owed to Certain Foreign Vendors and Lien Claimants and (II) Grant Administrative Status for Certain Goods Delivered to Debtors Postpetition;
- (h) Interim Order to (I) Continue Tooling and Warranty Programs in the Ordinary Course of Business and Pay Prepetition Obligations Related Thereto, and (II) Authorize Banks to Honor and Process Related Checks and Transfers;
- (i) Interim Order to Continue Insurance and Surety Bond Programs and Pay All Obligations With Respect Thereto;
- (j) Interim Order to (I) Pay Certain Prepetition Taxes and Assessments, and (II) Authorize Banks to Honor and Process Related Checks and Transfers;
- (k) Interim Order (I) Approving Debtors' Proposed form of Adequate Assurance of Payment to Utility Companies, (II) Establishing Procedures for Resolving Objections by Utility Companies, and (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service;

- (l) Order Enforcing the Protections of 11 U.S.C. §§ 362, 365, 525, and 541(c);
- (m) Order Authorizing TK Holdings, Inc. to Act as Foreign Representative on Behalf of the Debtors' Estates; and
- (n) Order Implementing Certain Notice Procedures and Approving the Form and Manner of Notice of Commencement (the "U.S. First Day Orders").

5. **THIS COURT ORDERS AND DECLARES** that, in the event of any conflict between the terms of the U.S. First Day Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to Property (as defined below) in Canada.

APPOINTMENT OF INFORMATION OFFICER

6. **THIS COURT ORDERS** that FTI Consulting Canada Inc. (the "**Information Officer**") is hereby appointed as an officer of this Court, with the powers and duties set out herein.

NO PROCEEDINGS AGAINST THE CHAPTER 11 DEBTORS OR THE PROPERTY

7. **THIS COURT ORDERS** that until such date as this Court may order (the "**Stay Period**") no proceeding or enforcement process in any court or tribunal in Canada, including but not limited to the Canadian Actions (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Chapter 11 Debtors or affecting their business (the "**Business**") or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), except with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Chapter 11 Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

8. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of

the Chapter 11 Debtors, or affecting the Business or the Property, are hereby stayed and suspended except with leave of this Court, provided that nothing in this Order shall (i) prevent the assertion of or the exercise of rights and remedies outside of Canada, (ii) empower any of the Chapter 11 Debtors to carry on any business in Canada which that Chapter 11 Debtor is not lawfully entitled to carry on, (iii) affect such investigations or Proceedings by a regulatory body as are permitted by section 11.1 of the CCAA, (iv) prevent the filing of any registration to preserve or perfect a security interest, or (v) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

9. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Chapter 11 Debtors and affecting the Business in Canada, except with leave of this Court.

ADDITIONAL PROTECTIONS

10. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services in Canada, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Chapter 11 Debtors.

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

12. **THIS COURT ORDERS** that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the CCAA, and shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

OTHER PROVISIONS RELATING TO INFORMATION OFFICER

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

- (a) is hereby authorized to provide such assistance to the U.S. Foreign Representatives in the performance of its duties as the U.S. Foreign Representative may reasonably request;
- (b) shall report to this Court at least once every three months with respect to the status of these proceedings and the status of the Chapter 11 Proceedings, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
- (c) in addition to the periodic reports referred to in paragraph 13(b) above, the Information Officer may report to this Court at such other times and intervals as the Information Officer may deem appropriate with respect to any of the matters referred to in paragraph 13(b) above;
- (d) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Chapter 11 Debtors, to the extent that is necessary to perform its duties arising under this Order; and
- (e) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.

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

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

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

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

18. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer shall be paid by the Chapter 11 Debtors their reasonable fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Chapter 11 Debtors are hereby authorized and directed

to pay the accounts of the Information Officer and counsel for the Information Officer and counsel for the U.S. Foreign Representative on a weekly basis and, in addition, the Chapter 11 Debtors are hereby authorized to pay to the Information Officer and counsel to the U.S. Foreign Representative, *nunc pro tunc* retainers in the amounts of \$75,000 and \$100,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

19. **THIS COURT ORDERS** that, if requested by the U.S. Foreign Representative, this Court or any interested party, the Information Officer and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Information Officer and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice, and the accounts of the Information Officer and its counsel shall not be subject to approval in the Chapter 11 Proceedings.

SERVICE AND NOTICE

20. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (Ontario), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure* (Ontario). Subject to Rule 3.01(d) of the *Rules of Civil Procedure* (Ontario) and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established by the Information Officer in accordance with the Protocol with the following URL: <http://cfcanada.fticonsulting.com/tkholdingsinc/>.

21. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Chapter 11 Debtors, the U.S. Foreign Representative and the Information Officer are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Chapter 11 Debtors’ creditors or other interested parties at their

respective addresses as last shown on the records of the applicable Chapter 11 Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

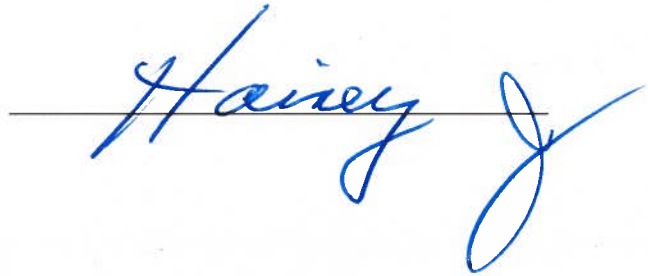
24. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the U.S. Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for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

25. **THIS COURT ORDERS** that the Guidelines for Court-to-Court Communications in Cross-Border Cases developed by the American Law Institute and attached as Schedule "P" hereto is adopted by this Court for the purposes of these recognition proceedings.

26. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to be delivered on or before July 12, 2017 to the Chapter 11 Debtors, the U.S. Foreign Representative, the

Information Officer, the Plan Sponsor and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

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



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 28 2017

PER / PAR:



Schedule "A" – Chapter 11 Debtors

1. TK Holdings Inc.
2. Takata Americas
3. TK Finance, LLC
4. TK China, LLC
5. TK Mexico Inc.
6. TK Mexico LLC
7. Interiors in Flight, Inc.
8. Takata Protection Systems Inc.
9. TK Holdings de Mexico S. de R.L. de C.V.
10. Industrias Irvin de Mexico, S.A. de C.V.
11. Takata de Mexico, S.A. de C.V.
12. Strosshe-Mex, S. de R.L. de C.V.

Schedule "B" – Order Directing Joint Administration of Chapter 11 Cases

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TAKATA AMERICAS, | : | Case No. 17-11372 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 3 |
| | : | |
| Tax I.D. No. 33-1049766 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK FINANCE, LLC, | : | Case No. 17-11373 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 20-0022753 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK CHINA, LLC, | : | Case No. 17-11374 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 20-0021312 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 3 |
| | : | |
| Tax I.D. No. 13-3573416 | : | |
| -----X | : | |

| | | |
|----------------------------------|---|--------------------------------|
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TAKATA PROTECTION | : | |
| SYSTEMS INC., | : | Case No. 17-11376 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 84-1233881 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| INTERIORS IN FLIGHT INC., | : | Case No. 17-11377 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 46-3024046 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK MEXICO INC., | : | Case No. 17-11378 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 20-1488331 | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK MEXICO LLC, | : | Case No. 17-11379 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. 20-1489029 | : | |
| -----X | : | |

| | | |
|--|---|--------------------------------|
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS DE MEXICO, | : | |
| S. DE R.L. DE C.V., | : | Case No. 17-11380 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. N/A | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| INDUSTRIAS IRVIN DE MEXICO, | : | |
| S.A. DE C.V., | : | Case No. 17-11381 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. N/A | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| TAKATA DE MEXICO, | : | |
| S.A. DE C.V., | : | Case No. 17-11382 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. N/A | : | |
| -----X | : | |
| In re | : | Chapter 11 |
| | : | |
| STROSSHE-MEX, S. DE R.L. DE C.V., | : | Case No. 17-11383 (BLS) |
| | : | |
| Debtor. | : | Re: Docket No. 2 |
| | : | |
| Tax I.D. No. N/A | : | |
| -----X | : | |

ORDER PURSUANT TO FED. R. BANKR. P. 1015(b)
DIRECTING JOINT ADMINISTRATION OF CHAPTER 11 CASES

Upon the motion, dated June 25, 2017 (the “*Motion*”),¹ of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “*Debtors*”), pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “*Local Rules*”), for an order directing joint administration of their chapter 11 cases, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

¹ Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.
2. The above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by the Court under Case No. 17-11375 (BLS).
3. Nothing contained in this Order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of any of the above-captioned cases.
4. The caption of the jointly administered cases shall read as follows:

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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| ----- | x | |
| | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., et al., | : | Case No. 17- 11375 (BLS) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| | : | |
| ----- | X | |

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors’ international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors’ corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

5. A docket entry shall be made in each of the above-captioned cases (other than the chapter 11 case of TK Holdings Inc.) substantially as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico S., de R.L. de

C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). The docket in Case No. 17-11375 (BLS) should be consulted for all matters affecting this case.

6. The Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

**Schedule “C” – Order for Appointment of Prime Clerk LLC
as Claims and Noticing Agent**

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
:

In re : **Chapter 11**
:

TK HOLDINGS INC., et al., : **Case No. 17-11375 (BLS)**
:

Debtors.¹ : **(Jointly Administered)**
:

-----X **Re: Docket No. 5**

ORDER PURSUANT TO 28 U.S.C. § 156(c), 11 U.S.C. § 105(a) AND DEL. BANKR. L.R. 2002-1(f) AUTHORIZING RETENTION AND APPOINTMENT OF PRIME CLERK LLC AS CLAIMS AND NOTICING AGENT

Upon the application, dated June 25, 2017, 2017(the "*Application*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to 28 U.S.C. § 156(c), section 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*") and Rule 2002-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), for retention and appointment of Prime Clerk LLC ("*Prime Clerk*") as claims and noticing agent ("*Claims and Noticing Agent*") to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket and otherwise administer the proofs of claim filed in the Debtors' Chapter 11 Cases and (iii) provide such other administrative services – as required by the Debtors – that would fall within the purview of services to be provided by the Clerk's office, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and upon the Waisman Declaration submitted in support of the Application; and the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

Debtors having estimated that there are in excess of 80,000 creditors in these Chapter 11 Cases, many of which are expected to file proofs of claim; and it appearing that the receiving, docketing and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court being authorized under 28 U.S.C. § 156(c) to utilize, at the Debtors' expense, outside agents and facilities to provide notices to parties in title 11 cases and to receive, docket, maintain, photocopy and transmit proofs of claim; and the Court being satisfied that Prime Clerk has the capability and experience to provide such services and that Prime Clerk does not hold an interest adverse to the Debtors or the estates respecting the matters upon which it is to be engaged; and this Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Application; and this Court having held a hearing on the Application; and this Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and it appearing that the relief requested in the Application is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Notwithstanding the terms of the Engagement Agreement attached to the Application, the Application is approved solely as set forth in this Order.
2. The Debtors are authorized, pursuant to 28 U.S.C. § 156(c), section 105(a) of the Bankruptcy Code and Local Rule 2002-1(f), to retain Prime Clerk as Claims and Noticing

Agent effective *nunc pro tunc* to the Petition Date under the terms of the Engagement Agreement, and Prime Clerk is authorized and directed to perform noticing services and to receive, maintain, record and otherwise administer the proofs of claim filed in these Chapter 11 Cases, and all related tasks, all as described in the Application.

3. Prime Clerk shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these Chapter 11 Cases and is authorized and directed to maintain official claims registers for each of the Debtors, to provide public access to every proof of claim unless otherwise ordered by the Court and to provide the Clerk with a certified duplicate thereof upon the request of the Clerk.

4. Prime Clerk is authorized and directed to provide an electronic interface for filing proofs of claim and to obtain a post office box or address for the receipt of proofs of claim.

5. Prime Clerk is authorized to take such other action to comply with all duties set forth in the Application.

6. The Debtors are authorized to compensate Prime Clerk in accordance with the terms of the Engagement Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by Prime Clerk and the rates charged for each, and to reimburse Prime Clerk for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for Prime Clerk to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

7. Prime Clerk shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the office of the United States Trustee, counsel for the Debtors, counsel for any

official committee monitoring the expenses of the Debtors and any party-in-interest who specifically requests service of the monthly invoices.

8. The parties shall meet and confer in an attempt to resolve any dispute which may arise relating to the Engagement Agreement or monthly invoices; provided that the parties may seek resolution of the matter from the Court if resolution is not achieved.

9. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of Prime Clerk under this Order shall be an administrative expense of the Debtors' estates.

10. Prime Clerk may apply its retainer to all prepetition invoices, which retainer shall be replenished to the original retainer amount, and thereafter, Prime Clerk may hold its retainer under the Engagement Agreement during the Chapter 11 Cases as security for the payment of fees and expenses incurred under the Engagement Agreement.

11. The Debtors shall indemnify Prime Clerk under the terms of the Engagement Agreement, as modified pursuant to this Order.

12. Prime Clerk shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Agreement for services other than the services provided under the Engagement Agreement, unless such services and the indemnification, contribution or reimbursement therefor are approved by the Court.

13. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtors shall have no obligation to indemnify Prime Clerk, or provide contribution or reimbursement to Prime Clerk, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from Prime Clerk's gross negligence, willful misconduct or fraud; (ii) for a contractual dispute in which the Debtors allege the breach

of Prime Clerk's contractual obligations if the Court determines that indemnification, contribution or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which Prime Clerk should not receive indemnity, contribution or reimbursement under the terms of the Engagement Agreement as modified by this Order.

14. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these Chapter 11 Cases, Prime Clerk believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Engagement Agreement (as modified by this Order), including the advancement of defense costs, Prime Clerk must file an application therefor in this Court, and the Debtors may not pay any such amounts to Prime Clerk before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Prime Clerk for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify Prime Clerk. All parties in interest shall retain the right to object to any demand by Prime Clerk for indemnification, contribution or reimbursement.

15. In the event Prime Clerk is unable to provide the services set out in this order, Prime Clerk will immediately notify the Clerk and the Debtors' attorney and, upon approval of the Court, cause to have all original proofs of claim and computer information turned

over to another claims and noticing agent with the advice and consent of the Clerk and the Debtors' attorney.

16. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the undisputed fees and expenses incurred by Prime Clerk in the performance of the services described in the Application.

17. The Debtors may submit a separate retention application, pursuant to 11 U.S.C. § 327 and/or any applicable law, for work that is to be performed by Prime Clerk but is not specifically authorized by this Order.

18. The Debtors and Prime Clerk are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

19. Notwithstanding any term in the Engagement Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

20. Nothing contained in this Order or in the Application is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

21. Notwithstanding entry of this Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

22. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be immediately effective and enforceable upon its entry.

23. Prime Clerk shall not cease providing claims processing services during the Chapter 11 Case(s) for any reason, including nonpayment, without an order of the Court.

24. In the event of any inconsistency between the Engagement Agreement, the Application and the Order, the Order shall govern.

25. The Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

26. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule “D” – Interim Order (i) Authorizing Debtors to Enter into Accommodation Agreement and Access Agreement With Certain Customers, (ii) Granting Adequate Protection to Certain Consenting OEMs in Connection Therewith, (iii) Modifying the Automatic Stay to Implement and Effectuate the Terms of the Interim Order, and (vi) Scheduling a Final Hearing

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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In re : **Chapter 11**

:

TK HOLDINGS INC., et al., : **Case No. 17-11375 (BLS)**

:

Debtors.¹ : **Jointly Administered**

: **Re: Docket No. 18**

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INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105, 361, 362, 363, 503, 506 AND 507 AND FED. R. BANKR. P. 2002, 4001, 6003, 6004, AND 9014 GRANTING MOTION FOR ENTRY OF AN INTERIM AND FINAL ORDER (I) AUTHORIZING DEBTORS TO ENTER INTO ACCOMMODATION AGREEMENT AND ACCESS AGREEMENT WITH CERTAIN CUSTOMERS, (II) GRANTING ADEQUATE PROTECTION IN CONNECTION THEREWITH, (III) MODIFYING THE AUTOMATIC STAY TO IMPLEMENT AND EFFECTUATE THE TERMS THEREOF; AND (IV) SCHEDULING A FINAL HEARING

Upon the motion (the "*Motion*") of TK Holdings, Inc. ("*TKH*") and the subsidiaries of TKH that are debtors and debtors in possession in the above-captioned cases (collectively with TKH, the "*Debtors*"), pursuant to sections 105, 361, 362, 363, 503, 506 and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the "*Bankruptcy Code*"), Rules 2002, 4001, 6003, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rule 4001-2 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the District of Delaware (the "*Local Bankruptcy Rules*"), seeking, among other things:

- A. authorization for the Debtors to enter into (a) that certain Accommodation Agreement, which was attached to the Motion as Exhibit A (together with any exhibits or

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schedules thereto, and as may be amended or modified in accordance with the terms thereof, the “*Accommodation Agreement*”),² and (b) the Access and Security Agreement, [Docket No. 87] (together with any exhibits or schedules thereto, and as may be amended or modified in accordance with the terms thereof, the “*Access Agreement*” and, together with the Accommodation Agreement, the “*Agreements*”); (ii) granting adequate protection to those Consenting OEMs with Customer Accounts (the “*Secured Accommodation Parties*”)³ in connection therewith; (iii) modifying the automatic stay imposed under section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the relief requested therein; and (iv) scheduling a hearing to consider the relief requested herein on a final basis (the “*Final Hearing*”).

B. the grant of adequate protection to the Secured Accommodation Parties in respect of the Customer Secured Claims (as defined below) subject to the Carve-Out (as defined below) and the terms of this Interim Order;

C. approval of certain stipulations in paragraph 4 of this Interim Order by the Debtors with respect to, among other things, (a) the Customer Accounts (as defined below) owed to the Debtors by each Secured Accommodation Party as of the date (the “*Petition Date*”) of the commencement of the Debtors’ chapter 11 cases (the “*Cases*”), (b) the amount, validity and priority of the Customer Secured Claims, and (c) the validity and enforceability of the Prepetition Setoff Rights (as defined below) of the Secured Accommodation Parties in respect of the Customer Secured Claims;

² Capitalized terms used but not defined herein having the meanings given to them in the Accommodation Agreement.

³ Among others, the following Consenting OEMs are not Secured Accommodation Parties: BMW AG, Daimler AG and Volkswagen AG.

D. subject only to and effective upon entry of the Final Order, so long as any of the Adequate Protection Claims remain outstanding, the waiver of the Debtors' right to surcharge the Collateral (as defined below) pursuant to section 506(c) of the Bankruptcy Code;

E. modification of the automatic stay to the extent set forth herein and in the Accommodation Agreement;

F. pursuant to Bankruptcy Rule 6003, a hearing (the "**Hearing**") on the Motion to be held before this Court to consider entry of an order granting the Motion (this "**Interim Order**"), on an interim basis; and

G. that this Court schedule a final hearing (the "**Final Hearing**") to be held within 35 days of the entry of this Interim Order to consider entry of a final order granting the Motion (the "**Final Order**") on a final basis; and due and appropriate notice of the Motion and the Hearing having been served by the Debtors on (i) the Office of the United States Trustee for the District of Delaware ("**U.S. Trustee**") (Attn: David Buchbinder, Esq. and Jane Leamy, Esq.); (ii) the Debtors' fifty (50) largest unsecured creditors on a consolidated basis; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the Offices of the United States Attorney for the District of Delaware and the Eastern District of Michigan; (vi) the National Highway Traffic Safety Administration ("**NHTSA**"); (vii) the Consenting OEMs; (viii) the Plan Sponsor; (ix) all of the Debtors' landlords, and owners and/or operators of premises at which any of the Debtors inventory and/or equipment is located; and (x) any other party entitled to notice pursuant to Local Rule 9013-1(m), and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested

in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor, and upon the record made by the Debtors in the Motion, the declaration of Scott E. Caudill, the Executive Vice President and Chief Operating Officer for TKH, filed in support of the Debtors' chapter 11 petitions and related first day relief (Docket No. 19) (the "*Caudill Declaration*"), and at the Hearing and after due deliberation and sufficient cause appearing therefor;

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

1. *Disposition.* The relief requested in the Motion is granted on an interim basis in accordance with the terms of this Interim Order. Any objections to the Motion with respect to the entry of this Interim Order that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits.

2. *Jurisdiction.* This Court has core jurisdiction over the Cases, the Motion and the property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. *Notice.* Under the circumstances, proper, timely, adequate and sufficient notice of the Motion has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules, and no other or further notice of the Motion or the entry of this Interim Order shall be required, except as set forth in paragraph 26 below. The interim relief granted herein is necessary to avoid immediate and irreparable harm to the Debtors and their estates pending the Final Hearing.

4. *Debtors' Stipulations.* Without prejudice to any other party in interest (but subject to the limitations thereon contained in paragraphs 12 through 14 below), the Debtors admit, stipulate and agree that:

(a) as of the Petition Date, the Secured Accommodation Parties owed outstanding amounts to the Debtors in respect of Component Parts or services provided by the Debtors to the Secured Accommodation Parties under the Purchase Orders (the "*Customer Accounts*");

(b) pursuant to section 502 of the Bankruptcy Code, each Secured Accommodation Party has claims against the Debtors arising from the Debtors' design, manufacture and sale of PSAN Inflators and PSAN Modules to such Secured Accommodation Party, including, but not limited to, Customer Indemnification Claims;

(c) the amount of each Secured Accommodation Party's Customer Indemnification Claims significantly exceeds such Secured Accommodation Party's Customer Accounts and no portion of the Customer Indemnification Claims or any payments made to the Secured Accommodation Parties or applied to or paid on account of the obligations owing under the Purchase Orders prior to the Petition Date is subject to any recharacterization, subordination, attack, avoidance or other claim, cause of action or other challenge of any nature under the Bankruptcy Code or applicable non-bankruptcy law, *provided* that such Customer Indemnification Claims are subject to, and filed in accordance with, the Consenting OEM Claims Protocol;

(d) based on the foregoing paragraphs 4(a) through 4(c), each Secured Accommodation Party has a valid and enforceable right of setoff against the Debtors equal in amount to such Secured Accommodation Party's Customer Accounts pursuant to section 553 of

the Bankruptcy Code (each, a “*Prepetition Setoff Right*” and, collectively, the “*Prepetition Setoff Rights*”);

(e) the Prepetition Setoff Rights entitle each Secured Accommodation Party to an allowed secured claim against the Debtors equal in amount to such Secured Accommodation Party’s Customer Accounts pursuant to section 506 of the Bankruptcy Code (each, a “*Customer Secured Claim*” and, collectively, the “*Customer Secured Claims*”);

(f) the liens and security interests on the assets of the Debtors granted to the Secured Accommodation Parties pursuant to and in connection with the Access Agreement (the “*Access Agreement Liens*”) are: (i) valid, binding, perfected, enforceable liens and security interests in the Collateral (as defined in the Access Agreement) and (ii) not subject to avoidance, recharacterization, subordination, recovery, attack, effect, counterclaim, defense or claim under the Bankruptcy Code or applicable non-bankruptcy law;

(g) Effective as of the entry of the Final Order, unless expressly and successfully challenged in a Challenge Proceeding (as defined below), each of the Debtors, on behalf of themselves and all of their respective officers, directors, employees, owners, agents, assigns, trustees, successors, and representatives, each in its capacity as such, hereby releases, acquits, and discharges each Consenting OEM and each Consenting OEM’s officers, directors, employees, members, owners, agents, assigns, shareholders, successors and representatives each in its capacity as such, from all claims, liabilities, demands, actions, causes of action, losses, damages, costs, expenses, rights, compensation, of whatever kind or nature, at law or in equity, foreseen or unforeseen, contingent or liquidated, matured or unmatured, known or unknown, that exist now, have ever existed, or may exist in the future relating to or arising from any action or inaction prior to the Petition Date (collectively the “*Claims*”), including, but not limited to,

Claims that relate directly or indirectly to a Consenting OEM's (a) decision to source, or not source, business to the Debtors; (b) decision to terminate any Purchase Order prior to the Petition Date; (c) decision to resource any business from the Debtors in a manner consistent with the Accommodation Agreement and any other agreement among any of the Consenting OEMs; or (d) action, related directly or indirectly to the Restructuring, Sale, or PSAN Inflatos (the "***Debtor Released Claims***"); *provided* that, no person or entity shall be released from any claim or obligation arising from or related to the Accommodation Agreement (or any right to or claim for payment arising in the ordinary course under a Purchase Order) or any other agreement entered into in connection with the Sale or Restructuring including for the avoidance of doubt the Indemnity Agreement; and *provided further* that, no person or entity shall be released from any claim arising from or related to any act or omission that constitutes fraud, gross negligence, or willful misconduct.

5. *Findings Regarding the Agreements*

- (a) Good and sufficient cause has been shown for the entry of this Interim Order.
- (b) The Debtors have an immediate need for the accommodations provided by certain of the Consenting OEMs pursuant to the Agreements, including the payment by the Secured Accommodation Parties of the Customer Accounts in the ordinary course (notwithstanding the Prepetition Setoff Rights), the commitment to limit the resourcing of business, the commitment to limit setoffs, and the commitment to accelerate payment of certain of the Customer Accounts, as well as certain post-Petition Date accounts payable to the Debtors, pursuant to the Accommodation Agreement, in order to, among other things, (i) permit the orderly continuation of the operation of their businesses, (ii) maintain business relationships with

vendors, suppliers and customers, (iii) make payroll and to satisfy other working capital and operational needs (iv) pay the costs and expenses of administering the Restructuring (including, without limitation, payment of the Debtors' professional fees and expenses) and (v) comply with their regulatory obligations, including pursuant to the DOJ Plea Agreement, the Preservation Order and Testing Control Plan issued by NHTSA dated February 24, 2015 and the Consent Order issued by NHTSA dated November 2, 2015 and, as a condition to entering into the Accommodation Agreement, certain of the Consenting OEMs have required that the Debtors enter into the Access Agreement to ensure the continuity of supply of Component Parts and grant Adequate Protection Obligations herein. The access of the Debtors to sufficient working capital and liquidity through payment of the Customer Accounts, including the accelerated payment of certain Customer Accounts, is necessary and vital to the preservation and maintenance of the going concern values of the Debtors and the success of the Cases.

(c) Pursuant to section 542(b) of the Bankruptcy Code, but for the agreement of the Secured Accommodation Parties, in exchange for, *inter alia*, the grant of the Adequate Protection Liens (as defined below) and the other Adequate Protection Obligations (as defined below), the Secured Accommodation Parties would not be required to pay the Customer Accounts when due.

(d) The Consenting OEMs have acted in good faith regarding the Agreements.

(e) The Secured Accommodation Parties are entitled to the adequate protection provided in this Interim Order as and to the extent set forth herein pursuant to sections 362 and 363 of the Bankruptcy Code. Based on the Motion and on the record presented to the Court, the terms of the proposed adequate protection arrangements are fair and reasonable, reflect the Debtors' prudent exercise of business judgment and constitute reasonably equivalent

value and fair consideration for, among other accommodations, the agreement of the Secured Accommodation Parties to accelerate the payment of certain of the Customer Accounts and thereby forbear from exercising their Prepetition Setoff Rights; *provided* that nothing in this Interim Order or the Agreements shall prejudice, limit or otherwise impair the rights of any of the Secured Accommodation Parties to seek, upon a material change in circumstance, new, different or additional adequate protection.

(f) The Secured Accommodation Parties are entitled to the adequate protection provided in this Interim Order as and to the extent set forth herein pursuant to sections 362 and 363 of the Bankruptcy Code. Based on the Motion and on the record presented to the Court, the terms of the proposed adequate protection arrangements are fair and reasonable, reflect the Debtors' prudent exercise of business judgment and constitute reasonably equivalent value and fair consideration for, among other accommodations, the agreement of the Secured Accommodation Parties to accelerate the payment of certain of the Customer Accounts and thereby forbear from exercising their Prepetition Setoff Rights.

(g) The Debtors have requested immediate entry of this Interim Order pursuant to Bankruptcy Rule 6003 and Local Bankruptcy Rule 4001-2. Absent granting the relief set forth in this Interim Order, the Debtors' estates will be immediately and irreparably harmed. Entry into, and approval of, the Agreements, in accordance with the terms thereof and this Interim Order, and granting the adequate protection provided herein, is therefore in the best interests of the Debtors' estates and consistent with the Debtors' exercise of their fiduciary duties.

6. *Approval of the Agreements.*

(a) The Debtors are authorized, on an interim basis, to (i) enter into the Agreements, (ii) comply with the terms of the Agreements; and (iii) effect the relief granted herein.

(b) The Agreements shall be binding, on an interim basis, and specifically enforceable against the parties thereto in accordance with their terms.

(c) The Debtors are authorized to enter into amendments to, modifications of or waivers of the terms of the Agreements, from time to time as necessary, subject to the terms and conditions set forth in the Agreements, without further order of the Court; *provided however*, that amendments are subject to court approval if the Debtors are not able to represent in such amendment that it is not materially adverse to any Debtor. Within two business days of the effective date of each such amendment, the Debtors will file a notice attaching a copy of any such amendment with the Court.

(d) The Agreements shall be solely for the benefit of the parties thereto, and no other person or entity shall be a third-party beneficiary of the Agreements.

7. *Non-Impairment of Access.* Any parties with liens on, claims against or interests in property subject to the Consenting OEMs' right of access under the Access Agreement shall not take any action to impair such right of access, and all such liens, claims or interests are subject to the terms of the Access Agreement.

8. *Automatic Stay.* Until the Final Order is entered or this Interim Order is reversed or vacated, the automatic stay provisions of section 362 of the Bankruptcy Code are hereby vacated and modified to the extent necessary to permit the Consenting OEMs, to (a) at any time, exercise their setoff rights with respect to Allowed Setoffs, Professional Fee Setoffs, Tooling

Setoffs and Materials Setoffs, (b) send any notices required or permitted to be sent under this Interim Order or the Agreements, (c) subject to the limitations set forth in the Accommodation Agreement, continue their ordinary course of dealings with the Debtors consistent with past practices, including to take possession of Tooling or other property of the Consenting OEMs, to the extent permitted under, and in accordance with, the terms of the Agreements and to resolve normal commercial issues consistent with the Accommodation Agreement and (d) upon (i) the occurrence of the Outside Date, (ii) the termination of the Accommodation Agreement following the occurrence of a Consenting OEM Termination Event (as defined in the Accommodation Agreement) or (iii) with respect to any Consenting OEM, the termination of the Accommodation Agreement by such Consenting OEM following the occurrence of an Event of Default, (A) subject to any applicable cure period set forth in the Accommodation Agreement, exercise any then-remaining Prepetition Setoff Rights, (B) subject to any applicable cure period set forth in the Accommodation Agreement, exercise any and all remedies under the Agreements and (C) upon the giving of five days' prior written notice (which shall run concurrently with any notice required to be provided under the Agreements) (the "*Remedies Notice Period*") to the counsel to the Debtors, who shall then promptly provide notice to the U.S. Trustee, Plan Sponsor and counsel to the official committee of unsecured creditors (if one is appointed) (the "*Creditors' Committee*"), unless the Court orders otherwise during the Remedies Notice Period upon a hearing regarding any exercise of rights or remedies under the Agreements, exercise remedies with respect to the assets of the Debtors subject to the Adequate Protection Liens (as defined below). In no event shall the Secured Accommodation Parties be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to the Collateral (as defined

below). The failure of any party to exercise its rights or remedies under this Interim Order, the Agreements or applicable law shall not constitute a waiver of any of such party's rights.

9. *Adequate Protection of the Secured Accommodation Parties.* Each of the Secured Accommodation Parties is entitled, pursuant to sections 362, 363(e) and 507 of the Bankruptcy Code, to adequate protection of its Prepetition Setoff Rights and Customer Secured Claims for and equal in amount to the aggregate diminution in the amount of such Prepetition Setoff Rights and Customer Secured Claims, including, without limitation, any such diminution resulting from, the contractual forbearance set forth in the Accommodation Agreement, the imposition of the automatic stay pursuant to section 362 of the Bankruptcy Code, and the payment of such Secured Accommodation Party's Customer Accounts (each, an "*Adequate Protection Claim*"). For the avoidance of doubt, there shall be no diminution and therefore no Adequate Protection Claim to the extent setoffs (including setoffs permitted under the Accommodation Agreement) are actually taken against Customer Accounts or to the extent a Secured Accommodation Party's Customer Accounts are otherwise not paid to the Debtors. In order to induce each Secured Accommodation Party to enter into the Agreements and to accelerate the payment of accounts payable (thereby forbearing from exercising its Prepetition Setoff Rights), in exchange for such payment and as adequate protection of the Adequate Protection Claims, the Secured Accommodation Parties are hereby granted the following (collectively, the "*Adequate Protection Obligations*"):

(a) Adequate Protection Liens. Subject to the Carve-Out, each of the Secured Accommodation Parties is hereby granted, on an interim basis, (effective and perfected upon the date of this Interim Order and without the necessity of the execution of any mortgages, security agreements, pledge agreements, financing statements or other agreements), on a *pari passu* basis

and in the amount of such Secured Accommodation Party's Adequate Protection Claim, (i) a first-priority replacement lien on all accounts owing by such Secured Accommodation Party to the Debtors following the Petition Date (each, a "**Replacement Lien**" and, collectively, the "**Replacement Liens**") (ii) a valid, perfected junior security interest in and lien upon all property of the Debtors, whether owned on the Petition Date or acquired thereafter, (including any proceeds thereof) except for property subject to the Replacement Liens, that is subject to unavoidable, perfected liens in existence immediately prior to the Petition Date (or that is perfected subsequent to the Petition Date pursuant to Section 546(b) of the Bankruptcy Code) (for clarity, the Replacement Liens shall be junior to any perfected and unavoidable security interest in existence immediately prior to the Petition Date of Comerica Bank in that certain deposit (ending in 3869-5) maintained at Comerica Bank which has a balance of approximately one million four hundred and fifty thousand dollars (\$1,450,000) and which secures all obligations of TK Holdings Inc. to Comerica Bank); and (iii) a senior *pari passu* lien on and security interest in all property of the Debtors, whether owned on the Petition Date or acquired thereafter (including any proceeds thereof) other than the property (but not the proceeds thereof) described in the immediately preceding clauses (i) and (ii), in each case other than the Debtors' claims and causes of action under sections 502(d), 544, 545, 547, 548 and 550 of the Bankruptcy Code, or any other avoidance actions under the Bankruptcy Code (collectively, "**Avoidance Actions**"), but, subject only to and effective upon entry of the Final Order, including any proceeds or property recovered, unencumbered or otherwise from Avoidance Actions, whether by judgment, settlement or otherwise ("**Avoidance Proceeds**") (the liens granted to the Secured Accommodation Parties pursuant to the foregoing clauses (i), (ii) and (iii), collectively, the "**Adequate Protection Liens**");

(b) Section 507(b) Claim. Subject to the Carve-Out, each of the Secured Accommodation Parties is hereby granted, on an interim basis, a superpriority claim as provided

for in section 507(b) of the Bankruptcy Code (each, a “**507(b) Claim**” and, collectively, the “**507(b) Claims**”), which 507(b) Claims shall have recourse to and be payable from all property of the Debtors other than Avoidance Actions (but including, effective upon entry of the Final Order, Avoidance Proceeds), whether owned on the Petition Date or acquired thereafter, (including any proceeds thereof);

(c) Carve-Out. For purposes hereof, the “**Carve-Out**” shall mean (i) fees owing to the U.S. Trustee incurred in connection with the Chapter 11 Cases, in an unlimited amount and (ii) to the extent ultimately allowed by the Court, claims for unpaid fees, costs and expenses, professional fees, expenses, and disbursements incurred by professional persons employed by the Debtors or the Creditors’ Committee whose retention is approved by the Court pursuant to sections 327 and 1103 of the Bankruptcy Code (including the payment of reasonable expenses incurred by members of the Creditors’ Committee (but not including counsel for or any professionals retained by an individual Creditors’ Committee member)) (“**Professional Fees and Expenses**”), subject to the terms of this Interim Order, the Final Order and any compensation order entered by the Court, that are incurred (a) on and after the Petition Date and before the occurrence of a Carve-Out Trigger Date (defined below), in an unlimited amount and (b) after the occurrence of a Carve-Out Trigger Date, in an amount not to exceed eight million dollars (\$8 million) (the “**Post-Trigger Date Carve-Out**”). For the purposes hereof, a “**Carve-Out Trigger Date**” means the business day after a Consenting OEM Termination Event or Event of Default (each, an “**Accommodation Agreement Event of Default**”) has occurred and the Requisite Consenting OEMs have provided notice thereof (via email or otherwise) to counsel to the Debtors; *provided* that any success or transaction fees that may become due and payable to Professional Persons shall not be included in or payable from the Post-Trigger Date Carve-Out;

provided, further, that nothing herein shall be construed to impair the ability of any party to object to the fees, expenses, reimbursement or compensation on any grounds.

(d) Upon the occurrence of the Carve-Out Trigger Date, the Debtors shall deposit into an interest-bearing escrow account at a financial institution acceptable to the Requisite Consenting OEMs (the “*Carve-Out Account*”) an amount equal to the sum of (a) all fees and expenses required to be paid pursuant to section 9(c)(i) above; (b) all billed and unpaid Professional Fees and Expenses (including outstanding holdbacks) incurred on or after the Petition Date and prior to the Carve-Out Trigger Date; (c) all unbilled Professionals Fees and Expenses incurred on or after the Petition Date and prior to the Carve-Out Trigger Date and (d) the amount of the Post-Trigger Date Carve-Out. The failure of the Carve-Out Account to satisfy in full the amount set forth in the Carve-Out shall not affect the priority of the Carve-Out. The Secured Accommodation Parties shall retain automatically perfected and continuing first priority Adequate Protection Liens in any residual interest in the Carve-Out Account available following satisfaction in full of all obligations benefiting from the Carve-Out (the “*Residual Carve-Out Amount*”). Promptly (but in no event later than five (5) business days) following the satisfaction in full of all obligations benefiting from the Carve-Out, the Debtors shall deliver the Residual Carve-Out Amount, if any, to the Consenting OEMs.

(e) Monthly Budgets. The initial Budget (as defined below) through March 31, 2018 (the “Initial Budget Period”), which is attached to the Accommodation Agreement as Exhibit A, is hereby approved. The Debtors will provide an update of the Budget by the 15th of each month, if necessary, indicating any modification to the Budget for the duration of the Budget Period (as defined below), which shall be deemed a “*Budget*” only upon approval as provided in the Accommodation Agreement.

(f) Monthly Budget Covenants. At all times, the Debtors shall maintain an actual cash balance (i) in excess of the Minimum Cash Requirements and (ii) of at least 80% of the budgeted cash balance; *provided* that in the event that (x) the aggregate amount of accounts payable that are actually paid by the Consenting OEMs to the Debtors between the Petition Date and such date falls short of (y) the aggregate amount of accounts payable that the Secured Accommodation Parties are supposed to have paid to the Debtors pursuant to the then-effective Budget, such shortfall shall reduce the actual cash balance that the Debtors are required to maintain pursuant to the foregoing clauses (i) and (ii).

(g) Compliance with Budget. The Debtors shall use the proceeds of accounts payable of the Consenting OEMs solely in accordance with the Budget (subject to any permitted variances under the Accommodation Agreement), including to support continued operations and production of Component Parts for the Consenting OEMs and to pay the costs and expenses of administering the Restructuring (including, without limitation, payment of the Debtors' professional fees and expenses).

(h) Receipts and Disbursements. Each month, no later than the fifteenth (15th) calendar day of such month, the Debtors shall provide the Secured Accommodation Parties with a report setting forth the Debtor's actual receipts and disbursements in the prior month and a reconciliation of actual receipts and disbursements with those set forth in the prior month's Budget by type of receipt and disbursement;

10. *Reservation of Rights of Secured Accommodation Parties.* Under the circumstances and given that the Secured Accommodation Parties have consented to the adequate protection provisions set forth in this Interim Order and that the above-described adequate protection is consistent with the Bankruptcy Code, the Court finds that the adequate protection provided herein is reasonable and sufficient to protect the interests of the Secured

Accommodation Parties; *provided* that any of the Secured Accommodation Parties may request further or different adequate protection, and the Debtors or any other party may contest any such request.

11. *Preservation of Rights Granted Under This Interim Order.*

(a) Other than the claims and liens expressly granted by this Interim Order, no claim or lien having a priority superior to or *pari passu* with those granted by this Interim Order to the Secured Accommodation Parties shall be granted or allowed while any of the Adequate Protection Claims remain outstanding, and, except as otherwise expressly provided in paragraph 9(a) of this Interim Order, the Adequate Protection Liens shall not be: (i) subject or junior to any lien or security interest that is avoided and preserved for the benefit of the Debtors' estates under section 551 of the Bankruptcy Code; (ii) subordinated to or made *pari passu* with any liens arising after the Petition Date *provided* that with respect to any liens or security interests granted in favor of any federal, state, municipal or other domestic or foreign governmental unit (including any regulatory body), commission, board or court for any liability of the Debtors, this clause shall be subject to entry of a Final Order or (iii) subject or junior to any intercompany or affiliate liens or security interests of the Debtors.

(b) Notwithstanding any order that may be entered dismissing any of the Cases under section 1112 of the Bankruptcy Code or otherwise is at any time entered: (i) the 507(b) Claims and the Adequate Protection Liens shall continue in full force and effect and shall maintain their priorities as provided in this Interim Order until all Adequate Protection Claims shall have been indefeasibly paid in full in cash (and such 507(b) Claims and Adequate Protection Liens shall, notwithstanding such dismissal, remain binding on all parties in interest); (ii) the other rights granted by this Interim Order shall not be affected; and (iii) this Court shall

retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing the claims, liens and security interests referred to in this paragraph and otherwise in this Interim Order.

(c) If any or all of the provisions of this Interim Order are hereafter reversed, modified, vacated or stayed, such reversal, modification, vacation or stay shall not affect: (i) the validity, priority or enforceability of any Adequate Protection Obligations incurred prior to the actual receipt of written notice by the Secured Accommodation Parties of the effective date of such reversal, modification, vacation or stay; or (ii) the validity, priority or enforceability of the Adequate Protection Liens. Notwithstanding any such reversal, modification, vacation or stay, any Adequate Protection Obligations, prior to the actual receipt of written notice by the Secured Accommodation Parties of the effective date of such reversal, modification, vacation or stay, shall be governed in all respects by the original provisions of this Interim Order, and the Secured Accommodation Parties shall be entitled to all the rights, remedies, privileges and benefits granted in this Interim Order and the Agreements.

(d) Except as expressly provided in this Interim Order or in the Agreement, the Adequate Protection Liens and the Adequate Protection Obligations and all other rights and remedies of the Secured Accommodation Parties granted by the provisions of this Interim Order and the Agreements shall survive, and shall not be modified, impaired or discharged by: (i) the entry of an order converting any of the Cases to a case under chapter 7, dismissing any of the Cases, terminating the joint administration of these Cases or by any other act or omission; (ii) the entry of an order approving the sale of any property of the Debtors that is subject to the Adequate Protection Liens (the "*Collateral*") pursuant to section 363(b) of the Bankruptcy Code (except to the extent permitted by this Interim Order); or (iii) the entry of an order confirming a chapter 11 plan in any of the Cases (except pursuant to a plan that is acceptable to the Consenting OEMs).

The terms and provisions of this Interim Order and the Agreements shall continue in these Cases, in any successor cases if these Cases cease to be jointly administered and in any superseding chapter 7 cases under the Bankruptcy Code, and the Adequate Protection Liens and the Adequate Protection Obligations and all other rights and remedies of the Secured Accommodation Parties granted by the provisions of this Interim Order and the Agreements shall continue in full force and effect until the Restructuring is consummated or the Adequate Protection Claims are indefeasibly paid in full in cash.

12. *Limitation on Charging Expenses Against Collateral.* Subject only to and effective upon entry of the Final Order, so long as any of the Adequate Protection Claims remain outstanding, except to the extent of the Carve-Out, no costs or expenses of administration of the Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the Collateral (including Cash Collateral) pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law, without the prior written consent of the Secured Accommodation Parties and no such consent shall be implied from any other action, inaction, or acquiescence by the Secured Accommodation Parties, and nothing contained in this Interim Order shall be deemed to be a consent by the Secured Accommodation Parties to any charge, lien, assessment or claim against the Collateral under section 506(c) of the Bankruptcy Code or otherwise.

13. *Effect of Stipulations on Third Parties.* The stipulations, admissions, agreements and releases contained in this Interim Order, including, without limitation, in paragraph 4 of this Interim Order, shall be binding upon the Debtors and any successor thereto (including, without limitation, any chapter 7 trustee, chapter 11 trustee or examiner appointed or elected for any of the Debtors) in all circumstances as set forth in this paragraph. The stipulations, admissions,

agreements and releases contained in this Interim Order, including, without limitation, in paragraph 4 of this Interim Order, shall be binding upon all other parties in interest, including, without limitation, any Creditors' Committee and any other person or entity acting or seeking to act on behalf of the Debtors' estates, in all circumstances for all purposes unless (A) such party in interest (subject in all respects to any agreement or applicable law that may limit or affect such entity's right or ability to do so), in each case, with requisite standing granted by the Court, has timely filed an adversary proceeding or contested matter (subject to the limitations contained herein, including, *inter alia*, in this paragraph 13) by the earlier of (i) the date that is the later of (x) 75 days after entry of this Interim Order, (y) 60 days after the appointment of the Creditors' Committee, if any, and (z) 20 days after the appointment of a chapter 7 or chapter 11 trustee, if any, is appointed before the expiration of the time periods set forth in clauses (x) and (y) and (ii) such later date (x) as has been agreed to, in writing, by the applicable Consenting OEMs that would be a defendant in its sole discretion or (y) as has been ordered by the Court upon a motion filed and served within any applicable period of time set forth in this paragraph (the "**Challenge Period**"), (i) challenging the amount, validity, enforceability, priority or extent of the Customer Accounts, the Customer Indemnification Claims, the Prepetition Setoff Rights, the Customer Secured Claims or the Access Agreement Liens or (ii) otherwise asserting or prosecuting any action for preferences, fraudulent transfers or conveyances, other avoidance power claims or any other claims, counterclaims or causes of action, objections, contests or defenses (collectively, "**Challenge Proceedings**") against any of the Consenting OEMs or their respective predecessors, successors and assigns, affiliates, subsidiaries, directors, officers, members, employees, partners, managers, agents, representatives, principals, attorneys, and other professional advisors, each solely in their capacity as such) (each a "**Representative**" and,

collectively, the “*Representatives*”) in connection with matters related to the Purchase Orders, the Agreements, the Customer Accounts, the Customer Indemnification Claims, the Prepetition Setoff Rights, the Customer Secured Claims or the Access Agreement Liens, and (B) there is a final non-appealable order in favor of the plaintiff in any such Challenge Proceeding; *provided* that any pleadings filed in any Challenge Proceeding shall set forth with specificity the basis for such challenge or claim and any challenges or claims not so specified prior to the expiration of the Challenge Period shall be deemed forever waived, released and barred. If no such Challenge Proceeding is timely and properly filed during the Challenge Period or the Court does not rule in favor of the plaintiff in any such proceeding then: (a) the Debtors’ stipulations, admissions, agreements and releases contained in this Interim Order, including, without limitation, those contained in paragraph 4 of this Interim Order shall be binding on all parties in interest, including, without limitation, the Creditors’ Committee; (b) the Customer Secured Claims shall constitute allowed secured claims not subject to defense, claim, counterclaim, recharacterization, subordination, offset or avoidance, for all purposes in these Cases, and any subsequent chapter 7 case(s); and (c) the Customer Accounts, the Customer Indemnification Claims, the Prepetition Setoff Rights, and the Customer Secured Claims and the Access Agreement Liens shall not be subject to any other or further claim or challenge by the Creditors’ Committee, any non-statutory committees appointed or formed in these Cases or any other party in interest acting or seeking to act on behalf of the Debtors’ estates and any defenses, claims, causes of action, counterclaims and offsets by the Creditors’ Committee, any non-statutory committees appointed or formed in these Cases, or any other party acting or seeking to act on behalf of the Debtors’ estates, whether arising under the Bankruptcy Code or otherwise, against any of the Consenting OEMs and their Representatives arising out of or relating to the Purchase Orders or the Agreements shall be

deemed forever waived, released and barred. If any such Challenge Proceeding is timely filed during the Challenge Period, the stipulations, admissions, agreements and releases contained in this Interim Order, including, without limitation, those contained in paragraph 4 of this Interim Order, shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) on the Creditors' Committee and on any other person or entity, except to the extent that such stipulations, admissions, agreements and releases were expressly and successfully challenged in such Challenge Proceeding as set forth in a final, non-appealable order of a court of competent jurisdiction. Nothing in this Interim Order vests or confers on any Person (as defined in the Bankruptcy Code), including the Creditors' Committee or any non-statutory committees appointed or formed in these Cases, standing or authority to pursue any claim or cause of action belonging to the Debtors or their estates, including, without limitation, Challenge Proceedings with respect to the Purchase Orders, the Agreements, the Customer Accounts, the Customer Indemnification Claims, the Prepetition Setoff Rights, the Customer Secured Claims or the Access Agreement Liens.

14. *Limitation on Use of Proceeds of Consenting OEMs' Accounts Payable.*

Notwithstanding anything herein or in any other order by this Court to the contrary, neither the proceeds of Consenting OEMs' accounts payable nor the Carve-Out may be used: (a) for professional fees and expenses incurred for (i) any litigation or threatened litigation (whether by contested matter, adversary proceeding or otherwise, including any investigation in connection with litigation or threatened litigation) against the Consenting OEMs or for the purpose of objecting to or challenging the amount, validity, perfection, enforceability, extent or priority of any claim, lien or security interest held or asserted by any of the Consenting OEMs or (ii) asserting any defense, claim, cause of action, counterclaim, or offset with respect to the

Customer Accounts, the Customer Indemnification Claims, the Prepetition Setoff Rights, the Customer Secured Claims or the Access Agreement Liens (including, without limitation, pursuant to section 105, 544, 547, 548, 549, 550 or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise) against any of the Consenting OEMs or their respective Representatives; (b) to prevent, hinder or otherwise delay any of the Secured Accommodation Parties' assertion, enforcement or realization on the Collateral in accordance with the Agreements or this Interim Order other than to seek a determination that a Consenting OEM Termination Event or Event of Default, as applicable, has not occurred or is not continuing; (c) to seek to modify any of the rights granted to the Secured Accommodation Parties under this Interim Order or under the Agreements, in each of the foregoing cases without such parties' prior written consent, which may be given or withheld by the Secured Accommodation Parties in the exercise of their respective sole discretion; or (d) pay any amount on account of any claims arising prior to the Petition Date unless such payments are approved by an order of this Court (including, without limitation, hereunder); *provided* that notwithstanding anything to the contrary herein, no more than an aggregate of fifty thousand dollars (\$50,000) of Consenting OEMs' accounts payable or proceeds thereof may be used by the Creditors' Committee during the Challenge Period to investigate the claims and setoff rights of the Consenting OEMs (the "*Committee Investigation Budget*").

15. *Exculpation.* Subject to entry of a Final Order, nothing in this Interim Order, the Agreement, or any other documents related to these transactions shall in any way be construed or interpreted to impose or allow the imposition upon the Consenting OEMs of any liability for any claims arising from the prepetition or postpetition activities of the Debtors in the operation of their business, or in connection with their restructuring efforts.

16. *Order Governs.* In the event of any inconsistency between the provisions of this Interim Order and the Agreements, the provisions of this Interim Order shall govern.

17. *Binding Effect; Successors and Assigns.* Subject to paragraph 13, if applicable, the Agreements and the provisions of this Interim Order, including all findings herein, shall be binding upon all parties in interest in these Cases, including, without limitation, Secured Accommodation Parties, Creditors' Committee, any non-statutory committees appointed or formed in these Cases, the Debtors and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed or elected for the estate of any of the Debtors, an examiner appointed pursuant to section 1104 of the Bankruptcy Code, or any other fiduciary appointed as a legal representative of any of the Debtors or with respect to the property of the estate of any of the Debtors) and shall inure to the benefit of the Consenting OEMs and the Debtors and their respective successors and assigns.

18. *Limitation of Liability.* In entering into the Agreements and exercising their rights and remedies thereunder, the Consenting OEMs shall not (i) be deemed to be in "control" of the operations of the Debtors; (ii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders or estates; and (iii) subject to entry of a Final Order, be deemed to be acting as a "Responsible Person" or "Owner" or "Operator" with respect to the operation or management of the Debtors (as such terms or similar terms are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601, et seq., as amended, or any similar federal or state statute).

19. *Effectiveness.* This Interim Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable nunc pro tunc to the Petition Date immediately upon entry hereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h),

6006(d), 7062, or 9014 of the Bankruptcy Rules or any Local Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Interim Order.

20. *Headings.* Section headings used herein are for convenience only and are not to affect the construction of or to be taken into consideration in interpreting this Interim Order.

21. *Bankruptcy Rules.* The requirements of Bankruptcy Rules 4001, 6003, 6004, and 9014 in each case to the extent applicable, are satisfied by the contents of the Motion.

22. *Necessary Action.* The Debtors are authorized to take all such actions as are necessary or appropriate to implement the terms of this Interim Order.

23. *Retention of Jurisdiction.* The Court shall retain jurisdiction to enforce the provisions of this Interim Order, and this retention of jurisdiction shall survive the confirmation and consummation of any chapter 11 plan for any one or more of the Debtors notwithstanding the terms or provisions of any such chapter 11 plan or any order confirming any such chapter 11 plan.


24. *Final Hearing.* The Final Hearing is scheduled for July 26 2017 at 11:00 a.m. before this Court.

25. *Objections.* Any party in interest objecting to the relief sought at the Final Hearing shall file and serve written objections, which objections shall be served upon (i) counsel to the Debtors, (ii) counsel to the Office of the United States Trustee for the District of Delaware; (iii) counsel for any statutory committee appointed in these cases and (iv) counsel for the Consenting OEMs and Secured Accommodation Parties, Morris, Nichols, Arsht & Tunnell LLP,

1201 North Market Street, 16th Floor, Wilmington, DE 19899 (Attn. Derek C. Abbott) so as to be received no later than 4:00 p.m. (Prevailing Eastern Time) on July 19, 2017.

26. The Debtors shall promptly serve copies of this Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Hearing, to any party that has filed a request for notices with this Court and to the Creditors' Committee after the same has been appointed, or such Creditors' Committee's counsel, if the same shall have been appointed.

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "E" – Interim Order (I) Authorizing Debtors to (A) Continue Their Existing Cash Management System, (B) Honor Certain Prepetition Obligations Related to the Use Thereof, (C) Provide Certain Postpetition Claims Administrative Expense Priority, (D) Continue Intercompany Funding of Certain Non-Debtors, and (E) Maintain Existing Bank Accounts and Business Forms; and (II) Extending Time to Comply with Requirements of 11 U.S.C. § 345(b)

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X
 :
In re : **Chapter 11**
 :
TK HOLDINGS INC., et al, : **Case No. 17-11375 (BLS)**
 :
Debtors.¹ : **(Jointly Administered)**
 :
 -----X **Re: Docket No. 13**

INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 345(b), 363(b), 363(c), 364(a), AND 503(b) AND FED. R. BANKR. P. 6003 AND 6004 FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING DEBTORS TO (A) CONTINUE THEIR EXISTING CASH MANAGEMENT SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS RELATED TO THE USE THEREOF, (C) PROVIDE CERTAIN POSTPETITION CLAIMS ADMINISTRATIVE EXPENSE PRIORITY, (D) CONTINUE INTERCOMPANY FUNDING OF CERTAIN NON-DEBTORS, AND (E) MAINTAIN EXISTING BANK ACCOUNTS AND BUSINESS FORMS; AND (II) EXTENDING TIME TO COMPLY WITH REQUIREMENTS OF 11 U.S.C. § 345(b)

Upon the motion, dated June 25, 2017 (the “*Motion*”),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “*Debtors*”), pursuant to sections 105(a), 345(b), 363(b), 363(c), 364(a), and 503(b) of title 11 of the United States Code (the “*Bankruptcy Code*”) and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), (i) for authority to (a) continue operating their existing cash management system (the “*Cash Management System*”), as described in the Motion, including the continued maintenance of existing bank accounts (the “*Bank Accounts*”) at the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors’ international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors’ corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

existing banks (the “*Banks*”) consistent with their prepetition practices, (b) honor certain prepetition obligations related to the Cash Management System, (c) provide certain postpetition claims administrative expense priority, (d) continue intercompany funding of certain Non-Debtor Affiliates (as defined herein) consistent with their prepetition practices and as described herein, and (e) maintain existing business forms; and (ii) extending the time to comply with the requirements of section 345(b) of the Bankruptcy Code to the extent they apply to any of the Debtors’ Bank Accounts on an interim basis, and, subject to a final order, waiving such requirements, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as provided herein.
2. The Debtors are authorized and empowered, pursuant to sections 363(c)(1) and 105(a) of the Bankruptcy Code, to continue the Cash Management System maintained by the Debtors before the commencement of these Chapter 11 Cases, and to collect, concentrate, and disburse cash in accordance with that Cash Management System, including, without limitation, Intercompany Transactions (subject to such changes to the Cash Management System as may be necessary, from time to time, to implement the basic purposes of the Cash Management System); provided that, there shall be no Intercompany Loans to non-debtors outside the ordinary course of business absent further order of the court.
3. The Debtors shall maintain accurate and detailed records of all transfers, including intercompany transfers, so that all transactions may be readily ascertained, traced, recorded properly and distinguished between prepetition and postpetition transactions.
4. The Debtors are authorized to pay all prepetition and postpetition Maquiladora Fees when due.
5. The Debtors are authorized, but not directed, pursuant to section 503(b)(9) of the Bankruptcy Code, to satisfy, in the ordinary course of business, the prepetition Intercompany Claims of Highland Industries, Inc. for the sale of goods received by the Debtors in the twenty (20) days prior to the Petition Date; *provided, however*, that the prepetition amounts authorized to be paid pursuant to this paragraph shall not exceed four million five hundred thousand dollars (\$4,500,000) pending entry of a final order on the Motion.
6. The Debtors shall continue, in the ordinary course of business, to maintain all receipts and disbursements and records of all transfers within the Cash Management System

utilized postpetition so that all postpetition transfers and transactions will be properly documented, and accurate Intercompany Balances will be maintained.

7. All Intercompany Claims against a Debtor by another Debtor or Non-Debtor Affiliate arising after the Petition Date as a result of Intercompany Transactions and transfers in the ordinary course of business shall be accorded administrative expense priority status in accordance with section 503(b) of the Bankruptcy Code.

8. The Debtors are authorized to continue using, and performing their obligations under, the Corporate Credit Card Program, and all postpetition obligations of the Debtors under the Corporate Credit Card Program shall be accorded administrative expense priority status in accordance with section 503(b) of the Bankruptcy Code.

9. TK Holdings Inc. granted a security interest to Comerica Bank ("*Comerica*") in a certain deposit account (ending in 3869-5) maintained at Comerica which has a balance of approximately \$1,450,000 (the "*Pledged Comerica Account*") to secure all obligations of TK Holdings Inc. to Comerica, including without limitation obligations with respect to corporate credit cards issued by Comerica and reimbursement obligations with respect to a letter of credit issued by Comerica for the account of TK Holdings Inc. In accordance with its agreements with Comerica, TK Holdings Inc. shall not withdraw any funds from the Pledged Comerica Account without the prior written consent of Comerica.

10. The Debtors are authorized, but not directed, to continue the NAS Transition Services in accordance with the terms set forth in the NAS Transition Services Agreements.

11. The Debtors are authorized to: (i) designate, maintain and continue to use any or all of their existing Bank Accounts, including those listed on Exhibit C to the Motion

hereof, in the names and with the account numbers existing immediately prior to the Petition Date (which Exhibit C shall be promptly amended to identify any Bank Accounts inadvertently omitted therefrom and which Exhibit C, as so amended, shall be served a reasonable period of time therefrom on the U.S. Trustee and the statutory committee of creditors (if appointed)); (ii) deposit funds in and withdraw funds from such accounts by all usual means including, without limitation, checks, drafts, wire transfers, automated clearinghouse (“ACH”) payments, and other debits; (iii) pay any Bank Fees or charges associated with the Bank Accounts; and (iv) treat their prepetition Bank Accounts for all purposes as debtor-in-possession accounts.

12. The Banks are authorized to charge, and the Debtors are authorized to pay or honor, both prepetition and postpetition service and other fees, costs, charges and expenses to which the Banks may be entitled in the ordinary course under the terms of and in accordance with their contractual arrangements with the Debtors (including, without limitation, any fees, costs, charges and expenses arising from any “stop payment”). The Debtors are authorized to promptly reimburse the Banks for any claims, whether arising under their contractual arrangement and account documentation with the Debtors or otherwise or prior to or after the Petition Date, in connection with any returned items to the Bank Accounts in the normal course of business. Further, the Banks are authorized to “charge back” to the Bank Accounts any amounts incurred by the Bank resulting from returned checks or other returned items in accordance with their contractual arrangements with the Debtors, and the Debtors are authorized to pay promptly any fees and expenses owed to the Banks, in each case regardless of whether such items were deposited prepetition or postpetition or relate to prepetition or postpetition items.

13. Except as otherwise provided in this Interim Order, all Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors-in-possession without interruption and in the usual and ordinary course, and to receive, process, honor and pay any and all checks, drafts, wire transfers, ACH payments or other debits drawn on any of the Bank Accounts after the Petition Date by the holders or makers thereof, to the extent funds are available as the case may be.

14. Any payment from a Bank Account made by any of the Banks arising from a request of the Debtors or a third-party payee in connection with an electronic transfer made prior to or on the Petition Date (including any ACH transfer such Bank is or becomes obligated to settle) shall be deemed to be paid prepetition if the funds have left the Debtors' Bank Accounts prepetition.

15. The Debtors shall deliver stop payment orders to Banks for any checks, drafts, wires, or ACH payments that are not to be honored and Banks may honor any checks, drafts, wires, or ACH payments for which no stop payment order is delivered. The Debtors shall pay any fees charged by Banks for the stop payment orders referenced in the preceding sentence. If the Debtors do not deliver a stop payment order to Banks with respect to any particular check, draft, wire or ACH payment, the Banks are authorized to rely upon that as a representation by Debtors that such check, draft, wire or ACH payment is authorized to be honored. The Banks shall not be liable to any party on account of: (a) following the Debtors' representations, instructions, or presentations as to any order of this Court (without any duty of further inquiry); (b) the honoring of any prepetition checks, drafts, wires, or ACH payments in a good faith belief or upon a representation by the Debtors that this Court has authorized such prepetition check, draft, wire, or ACH payments; (c) an innocent mistake made despite implementation of

reasonable handling procedures, or (d) ordinary negligence with respect to inadvertent honoring of any prepetition checks, drafts, wires, ACH payments, or other operational processing matters. The Debtors shall indemnify and hold harmless the Banks with respect to any claims or liabilities arising from Banks' inadvertent honoring of any prepetition checks, drafts, wires, or ACH payments. Nothing in this Interim Order requires any Bank to honor any check or other item for which such Bank is not holding good and sufficient available funds.

16. Nothing contained herein shall prevent the Debtors from closing any Bank Account(s) as they may deem necessary and appropriate, any relevant Bank is authorized to honor the Debtors' requests to close such Bank Accounts, and the Debtors shall give notice of the closure of any account to the U.S. Trustee.

17. The Debtors are authorized to open new bank accounts; *provided*, that all accounts opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Interim Order, be deemed a Bank Account as if it had been listed on Exhibit C to the Motion; *provided, further*, that (a) any such new Bank Account shall be opened at a bank that has executed a Uniform Depository Agreement with the U.S. Trustee, or at a bank that is willing to immediately execute such an agreement, and (b) such opening shall be timely indicated on the Debtors' monthly operating report and notice of such opening shall be provided within fifteen (15) days to the U.S. Trustee and counsel to any statutory committee appointed in these Chapter 11 Cases.

18. The Debtors' time to comply with section 345(b) of the Bankruptcy Code is hereby extended for a period of thirty (30) days from the date of this Interim Order (the "*Extension Period*"); *provided*, however, that such extension is without prejudice to the

Debtors' right to request a further extension of the Extension Period or the waiver of the requirements of section 345(b) of the Bankruptcy Code in these cases.

19. For all Banks at which the Debtors maintain Bank Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within fifteen (15) days of the date of entry of this Interim Order, the Debtors shall (i) contact each such Bank, (ii) provide each such Bank with each of the Debtor's employee identification numbers, and (iii) identify each of their Bank Accounts held at such Banks as being held by a debtor in possession in a chapter 11 case.

20. For Banks at which the Debtors hold Bank Accounts that are not a party to a Uniform Depository Agreement with the U.S. Trustee, the Debtors shall use their good-faith efforts to cause such Banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days of the date of this Interim Order.

21. The Debtors are authorized to use their existing Business Forms without alteration, provided that once the Debtors' existing check stock has been used, the Debtors shall, when reordering checks, require the designation 'Debtor in Possession' and the bankruptcy case number on all checks; provided further that, with respect to checks that the Debtors or their agents print themselves, the Debtors shall print the "Debtor in Possession" legend and the bankruptcy case number on such checks.

22. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

23. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (iii) an

approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

24. Entry of this Interim Order is necessary to avoid immediate and irreparable harm and, to the extent the relief granted herein implicates the use of property of the estate and section 363 of the Bankruptcy Code, the requirements under Bankruptcy Rule 6003(b) have been satisfied.

25. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control, *provided* that the Banks shall be entitled to rely on any authorization set forth in this Order without regard to the limitations or restrictions set forth in the Adequate Protection Order.

26. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

27. The requirements of Bankruptcy Rule 6004(a) are waived.

28. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(2) and 6004(h), the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

29. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

30. This Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Interim Order.

31. The hearing to consider entry of an order granting the relief requested in the Motion on a final basis shall be held on July²⁶, 2017 at 11: a.m. (Prevailing Eastern Time); and any objections to entry of such order shall be in writing, filed with this Court, and served upon (i) counsel to the Debtors, (ii) the U.S. Trustee and (iii) counsel for any statutory committee appointed in these cases, in each case so as to be received no later than **4:00 p.m.** (Prevailing Eastern Time) on July¹⁹, 2017.

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule “F” – Interim Order to (I) Pay Prepetition Wages, Salaries, and Other Compensation and Benefits, and (II) Maintain Employee Benefit Programs and Pay Related Administrative Obligations

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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In re : **Chapter 11**
:

:

TK HOLDINGS INC. et al., : **Case No. 17-11375 (BLS)**
:

:

Debtors.¹ : **(Jointly Administered)**
:

:

-----X **Re: Docket No. 12**

**INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363(b), AND 507
AND FED. R. BANKR. P. 6003 AND 6004 FOR INTERIM AND FINAL
AUTHORITY TO (I) PAY PREPETITION WAGES, SALARIES, AND OTHER
COMPENSATION AND BENEFITS, AND (II) MAINTAIN EMPLOYEE BENEFIT
PROGRAMS AND PAY RELATED ADMINISTRATIVE OBLIGATIONS**

Upon the motion, dated June 25, 2017 (the "**Motion**"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "**Debtors**"), pursuant to sections 105(a), 363(b), and 507 of title 11 of the United States Code (the "**Bankruptcy Code**") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), for authority to (i) pay prepetition wages, salaries, employee benefits, and other compensation, (ii) maintain employee benefit programs and pay related administrative obligations, and (iii) authorize applicable banks and financial institutions to receive, honor, process and pay all checks issued or to be issued and electronic fund transfers requested or to be requested relating to the above, all as more fully set forth in the Motion; and upon consideration

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 363(b), 507, and 105(a) of the Bankruptcy Code, to pay or otherwise honor all Prepetition Employee Obligations, including, without limitation, all Compensation Obligations, Employee Incentive Programs, Reimbursable Expenses, Withholding Obligations, Payroll Maintenance Fees, Severance Obligations, Mexico Union Obligations, Employee Benefit Programs, Foreign Employee Programs, and Supplemental Workforce Obligations (which in each of the foregoing cases includes, without limitation, any costs and administrative expenses arising thereunder), that

are due and payable and relate to the period prior to the Petition Date or come due during the Interim Period, without further order of this Court, in accordance with the Debtors' ordinary course of conduct and consistent with the Debtors' prepetition practices; *provided*, that during the Interim Period, (i) the aggregate amount of payments made with respect to Prepetition Employee Obligations shall not exceed \$15,953,000 and (ii) the Debtors shall not make any payments in excess of the Prepetition Compensation Caps.

3. The Debtors are further authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code to maintain and continue to honor and pay, in their sole discretion, all amounts owed in connection with the Debtors' Employee Wage and Benefit Programs as such were in effect as of the commencement of these Chapter 11 Cases and as such may be modified or supplemented from time to time in the ordinary course of business.

4. Notwithstanding anything herein to the contrary, during the pendency of the Chapter 11 Cases, the Debtors shall, by separate motion, obtain authority from the Court before (i) making any payments that may implicate section 503(c) of the Bankruptcy Code or (ii) making any payments under the 2016 Bonus Plans.

5. The Debtors are authorized to pay and otherwise honor all Reimbursable Expenses in the ordinary course, as and when due; *provided*, that the Debtors shall not accelerate payment of any Reimbursable Expenses prior to the respective payment date.

6. Notwithstanding the foregoing, the Debtors shall not make any payments with respect to the PIP, General Retention Program, 2016 Bonus Plans, Mexico Annual Bonus, or Mexico Profit Sharing prior to entry of the Proposed Final Order.

7. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on

deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Prepetition Employee Obligations.

8. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Prepetition Employee Obligations to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

9. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

10. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

11. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

12. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

13. The requirements of Bankruptcy Rule 6004(a) are waived.

14. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

15. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

16. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

17. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00am (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "G" – Interim Order to Pay Prepetition Obligations Owed to Certain Critical Vendors

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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| -----X | | |
| | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., et al., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| | : | |
| -----X | | Re: Docket No. 14 |

**INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363(b),
AND 503(b)(9) AUTHORIZING THE DEBTORS TO PAY
CERTAIN PREPETITION OBLIGATIONS OF CRITICAL VENDORS**

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 105(a), 363(b), and 503(b)(9) of title 11 of the United States Code (the "*Bankruptcy Code*") for entry of interim and final orders authorizing the Debtors to pay, in their sole discretion, prepetition obligations owed to certain vendors, suppliers, service providers, and other similar parties and entities that are essential to maintaining the going concern value of the Debtors' businesses (the "*Critical Vendors*" and the prepetition obligations owed to such Critical Vendors, the "*Critical Vendor Claims*"), all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration and the Simpton Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 503(b)(9) of the Bankruptcy Code, to satisfy prepetition Critical Vendor Claims in the ordinary course of business, upon such terms and in the manner provided in this Interim Order and the Motion; *provided, however*, that the prepetition amounts authorized to be paid pursuant to this paragraph shall not exceed \$35,580,000 pending entry of a final order on the Motion.
3. The Debtors shall only make payment on account of a Critical Vendor Claim to a Critical Vendor who agrees to continue to supply goods or services to the Debtors on

Customary Trade Terms or such other trade terms no less favorable to the Debtors that are individually agreed to by the Debtors and such Critical Vendor.

4. The Debtors shall undertake all appropriate efforts to cause Critical Vendors to enter into an agreement (the “*Vendor Agreement*”) with the Debtors, substantially in the form of the agreement annexed to the Motion as Exhibit D.

5. The Debtors are authorized, but not required, to enter into Vendor Agreements when the Debtors determine, in the exercise of their reasonable business judgment, that it is appropriate to do so; *provided, however*, that the Debtors’ inability to enter into a Vendor Agreement shall not preclude them from paying a Critical Vendor Claim when, in the exercise of their reasonable business judgment, such payment is necessary to the Debtors’ operations.

6. If the Debtors, in their discretion, determine that a Critical Vendor has not complied with the terms and provisions of the Vendor Agreement or has failed to continue to comply with the Customary Trade Terms or such other trade terms that are individually agreed to by the Debtors and such Critical Vendor following the date of the agreement, the Debtors may terminate a Vendor Agreement, together with the other benefits to the Critical Vendor as contained in this Order; *provided, however*, that the Vendor Agreement may be reinstated if (i) such determination is subsequently reversed by the Court for good cause shown that the determination was materially incorrect after notice and a hearing following a motion from the Critical Vendor, (ii) the underlying default of the Vendor Agreement is fully cured by the Critical Vendor not later than five (5) business days after the Debtors provide notice of such default, or (iii) the Debtors, in their discretion, reach an agreement with the Critical Vendor.

7. If a Vendor Agreement is terminated as set forth above, or if a Critical Vendor that has received payment of a prepetition claim later refuses to continue to supply goods or services for the applicable period in compliance with the Vendor Agreement or this Order, then the Debtors reserve their rights to and may seek approval of this Court to (i) deem such payment to apply to postpetition amounts payable to such Critical Vendor, if applicable, or (ii) take any and all appropriate steps to cause such Critical Vendor to repay payments made to it on account of its prepetition Critical Vendor Claim to the extent that such payments exceed the postpetition amounts then owing to such Critical Vendor. The Critical Vendor Claim shall then be reinstated in such an amount so as to restore the Debtors and the Critical Vendor to their original positions as if the Vendor Agreement had never been entered into and the payment of the Critical Vendor Claim had not been made.

8. The Debtors shall maintain a matrix summarizing (i) the name of each Critical Vendor paid on account of Critical Vendor Claims, (ii) the amount paid to each Critical Vendor on account of its Critical Vendor Claim, and (iii) the goods or services provided by such Critical Vendor.

9. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Critical Vendor Claims.

10. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Critical Vendor Claims to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

11. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

12. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

13. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

14. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

15. The requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

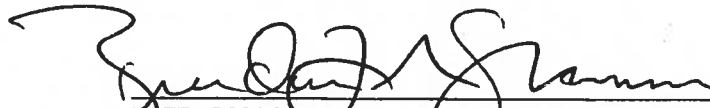
16. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(3) and 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

17. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

18. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

19. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00 a.m. (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "H" – Interim Order Authorizing the Debtors to (I) Pay Prepetition Obligations Owed to Certain Foreign Vendors and Lien Claimants and (II) Grant Administrative Status for Certain Goods Delivered to Debtors Postpetition

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

| | |
|-----------------------------------|---------------------------|
| -----X | |
| In re | : Chapter 11 |
| TK HOLDINGS INC., <i>et al.</i> , | : Case No. 17-11375 (BLS) |
| Debtors. ¹ | : (Jointly Administered) |
| -----X | Re: Docket No. 15 |

INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363(b), 503(b), AND 507(a) AUTHORIZING THE DEBTORS TO (I) PAY PREPETITION OBLIGATIONS OWED TO CERTAIN FOREIGN VENDORS AND LIEN CLAIMANTS AND (II) GRANT ADMINISTRATIVE STATUS FOR CERTAIN GOODS DELIVERED TO THE DEBTORS POSTPETITION

Upon the motion, dated June 25, 2017 (the “*Motion*”),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “*Debtors*”), pursuant to sections 105(a), 363(b), 503(b), and 507(a) of title 11 of the United States Code (the “*Bankruptcy Code*”) for entry of interim and final orders authorizing the Debtors to (i) satisfy certain prepetition obligations owed to (a) certain vendors, suppliers, service providers, independent contractors, and other entities located outside of the United States (collectively, the “*Foreign Vendors*”), including claims for goods or materials and services provided to the Debtors, as well as foreign tax obligations, import and export fees, customs duties, or other similar fees related to such claims (collectively, the “*Foreign Claims*”), and (b) certain third

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors’ international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors’ corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

party shippers, warehousemen, vendors, and other service providers that could, on account of their prepetition claims (collectively, the “*Lien Claims*” and, together with the Foreign Claims, the “*Claims*”), potentially assert liens against the Debtors’ property for prepetition amounts that the Debtors owe to them (collectively, the “*Lien Claimants*”); and (ii) (a) grant administrative priority status to all undisputed obligations of the Debtors arising from the postpetition delivery of goods ordered prior to the Petition Date (“*Prepetition Orders*”) and (b) authorize the Debtors to pay such obligations in the ordinary course of business, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration and the Simpton Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), 503(b)(9), and 507(a)(8)(F) of the Bankruptcy Code, to satisfy prepetition Foreign Claims, including the Customs Duties, in the ordinary course of business, upon such terms and in the manner provided in this Interim Order and the Motion; *provided, however*, that the prepetition amounts authorized to be paid pursuant to this paragraph shall not exceed \$13,024,000 pending entry of a final order on the Motion.
3. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 503(b)(9) of the Bankruptcy Code, to satisfy prepetition Lien Claims, including the Shipping and Warehousing Charges, in the ordinary course of business, upon such terms and in the manner provided in this Interim Order and the Motion; *provided, however*, that the prepetition amounts authorized to be paid pursuant to this paragraph shall not exceed \$13,024,000 pending entry of a final order on the Motion.
4. In exchange for payment of the Foreign Claims and Lien Claims, unless otherwise waived by the Debtors in their sole discretion, the Foreign Vendors and the Lien Claimants shall be required to continue to provide goods and services to the Debtors on the most favorable terms in effect between such Foreign Vendor or Lien Claimant and the Debtors in the twenty-four (24) month period preceding the Petition Date or on such other terms no less favorable to the Debtors as the Foreign Vendor or the Lien Claimant and the Debtors may otherwise agree (the "*Customary Trade Terms*"). The Customary Trade Terms shall apply for the remaining term of the Foreign Vendors' or Lien Claimants' agreements with the Debtors, as

long as the Debtors pay for the goods and services in accordance with the payment terms provided in the agreement.

5. The Debtors are authorized, but not directed, to obtain written verification, before issuing payment to a Foreign Vendor or Lien Claimant, that such Foreign Vendor or Lien Claimant will, if applicable, continue to provide goods and services to the Debtors on Customary Trade Terms for the remaining term of the Foreign Vendor's or Lien Claimant's agreement with the Debtors; *provided, however*, that the absence of such written verification shall not limit the Debtors' rights hereunder.

6. If any Foreign Vendor or Lien Claimant is paid with respect to its Foreign Claim or Lien Claim and thereafter does not continue to provide goods or services to the Debtors on Customary Trade Terms, the Debtors reserve their rights to and may seek approval of this Court to (i) deem such payment to apply to postpetition amounts payable to such Foreign Vendor or Lien Claimant, if applicable, or (ii) take any and all appropriate steps to cause such Foreign Vendor or Lien Claimant to repay payments made to it on account of its prepetition Foreign Claim or Lien Claim to the extent that such payments exceed the postpetition amounts then owing to such Foreign Vendor or Lien Claimant. Upon recovery by the Debtors, the Foreign Claim or the Lien Claim shall be reinstated as a prepetition claim in the amount recovered.

7. The Debtors are authorized, but not directed, to pay Lien Claimants, regardless of whether their claims arose prior to or after the Petition Date, if such Lien Claimants have perfected one or more liens in respect of such claims, or if the Debtors determine, in their business judgment, that the Lien Claimants are capable of perfecting such liens; *provided, however*, that no such payment shall be deemed to be a waiver of rights regarding the extent, validity, perfection, or possible avoidance of any such liens.

8. For any payments made to Lien Claimants on account of liens obtained by the Lien Claimants, the Lien Claimants receiving the payments shall take whatever action is necessary to remove such liens, if any, at such Lien Claimant's sole cost and expense.

9. All undisputed obligations of the Debtors arising from the postpetition delivery or shipment by Vendors of goods under the Prepetition Orders are granted administrative expense priority status pursuant to section 503(b)(1)(A) of the Bankruptcy Code, and the Debtors are authorized, but not directed, to pay such obligations in the ordinary course of business consistent with the parties' customary practices in effect prior to the Petition Date.

10. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Foreign Claims and the Lien Claims.

11. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Foreign Claims and the Lien Claims to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Debtors' Chapter 11 Cases.

12. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

13. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

14. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

15. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

16. The requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.


17. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(3) and 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

18. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

19. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

20. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00 a.m. (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 19, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "I" – Interim Order to (I) Continue Tooling and Warranty Programs in the Ordinary Course of Business and Pay Prepetition Obligations Related Thereto, and (II) Authorize Banks to Honor and Process Related Checks and Transfers

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

| | | |
|---------------------------------|---|--------------------------------|
| -----X | : | |
| | : | |
| In re | : | Chapter 11 |
| | : | |
| | : | |
| TK HOLDINGS INC. et al., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| | : | |
| -----X | : | |
| | : | Re: Docket No. 10 |

**INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 363 AND 105(a)
AUTHORIZING DEBTORS TO (I) CONTINUE TOOLING AND
WARRANTY PROGRAMS IN THE ORDINARY COURSE OF
BUSINESS AND PAY PREPETITION OBLIGATIONS RELATED
THERETO, AND (II) AUTHORIZE BANKS TO HONOR AND
PROCESS RELATED CHECKS AND TRANSFERS**

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 363 and 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), for authority to (i) pay and honor all obligations with respect to tooling equipment, product warranties, and related programs (collectively, the "*Tooling and Warranty Programs*" and the obligations thereunder and related thereto, collectively, the "*Tooling and Warranty Obligations*") and to otherwise continuing the Tooling and Warranty Programs and practices in the ordinary course of business, and (ii) authorize applicable banks and other financial

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

institutions to honor and process related checks and transfers, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 363 and 105(a) of the Bankruptcy Code to (i) pay, perform and honor the Tooling and Warranty Obligations, and (ii) continue, renew, replace, implement new, and/or terminate the Tooling and Warranty Programs as they deem appropriate, in the ordinary course of business, without further application to the Court, including making all payments, honoring and satisfying all obligations

and permitting and effecting all setoffs in connection therewith, whether relating to the period prior or subsequent to the Petition Date.

3. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Tooling and Warranty Obligations.

4. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Tooling and Warranty Program Obligations to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

5. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

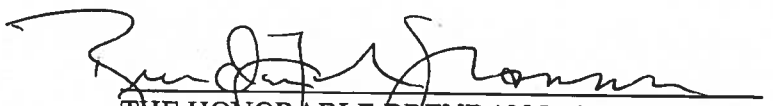
6. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

7. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any

accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied.
9. The requirements of Bankruptcy Rule 6004(a) are waived.
10. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.
11. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.
12. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.
13. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00 a.m. (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

**Schedule "J" – Interim Order to Continue Insurance and Surety Bond Programs and
Pay All Obligations With Respect Thereto**

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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 :
In re : **Chapter 11**
 :
TK HOLDINGS INC., et al., : **Case No. 17-11375 (BLS)**
 :
Debtors.¹ : **(Jointly Administered)**
 :
 -----X **Re: Docket No. 11**

**INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 362(d),
363(b), AND 503(b) AND FED. R. BANKR. P. 4001, 6003, AND 6004
AUTHORIZING DEBTORS TO CONTINUE THEIR INSURANCE AND SURETY
BOND PROGRAMS AND PAY ALL OBLIGATIONS WITH RESPECT THERETO**

Upon the motion, dated June 25, 2017 (the “*Motion*”),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the “*Debtors*”), pursuant to sections 105(a), 362(d), and 363(b) of title 11 of the United States Code (the “*Bankruptcy Code*”) and Rules 4001, 6003, and 6004 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), for entry of interim and final orders (i) authorizing the Debtors to (a) continue all Insurance Programs, including the Workers’ Compensation Program, and the Surety Bond Program in accordance with the applicable insurance policies and to perform with respect thereto in the ordinary course of business during the administration of these Chapter 11 Cases and (b) pay any prepetition obligations arising under the Insurance Programs, including any Broker’s Fees, or the Surety Bond Program, (ii) modifying the automatic stay imposed by section

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors’ international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors’ corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

362 of the Bankruptcy Code to the extent necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Program, and (iii) granting certain related relief, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 363(b) and 105(a) of the Bankruptcy Code, to continue all Insurance Programs, including the Workers' Compensation Program, and the Surety Bond Program, to perform with respect thereto, and to satisfy any prepetition Insurance Obligations, including any Broker's Fees, and Surety Bond

Obligations in an aggregate amount not to exceed \$350,000 (exclusive of any amounts arising from the Workers' Compensation Claims), unless otherwise ordered by this Court.

3. The Debtors are authorized, but not directed, to renew, rollover, replace, or obtain new Insurance Programs, and to take all appropriate actions in connection therewith, in the ordinary course of business.

4. Pursuant to section 362(d) of the Bankruptcy Code, the automatic stay shall be modified to the extent necessary to permit the Debtors' employees to proceed with any claims they may have under the Workers' Compensation Program.

5. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Insurance Obligations and Surety Bond Obligations.

6. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Insurance Obligations to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

7. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

8. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

9. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "***Adequate Protection Order***"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

10. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

11. The requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

12. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(3) and 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

13. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

14. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

15. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00am (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

**Schedule "K" – Interim Order to (I) Pay Certain Prepetition Taxes and Assessments,
and (II) Authorize Banks to Honor and Process Related Checks and Transfers;**

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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In re : **Chapter 11**
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TK HOLDINGS INC. et al., : **Case No. 17-11375 (BLS)**
:
:
:
:
Debtors.¹ : **(Jointly Administered)**
:
:
:
:
-----X **Re: Docket No. 7**

**INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363(b), 507(a), AND 541 AND
FED. R. BANKR. P. 6003 AND 6004 AUTHORIZING DEBTORS TO (I) PAY CERTAIN
PREPETITION TAXES AND ASSESSMENTS, AND (II) AUTHORIZE BANKS
TO HONOR AND PROCESS RELATED CHECKS AND TRANSFERS**

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 105(a), 363(b), 507(a), and 541 of title 11 of the United States Code (the "*Bankruptcy Code*") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), for authority to (i) pay all Taxes and Assessments, and (ii) authorize applicable banks and financial institutions to receive, honor, process and pay all checks issued or to be issued and electronic fund transfers requested or to be requested relating to the above, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), 507(a), and 541 of the Bankruptcy Code, to satisfy all Taxes and Assessments due and owing to the Taxing Authorities, including, without limitation, those Taxing Authorities listed on Exhibit C to the Motion, that arose prior to the Petition Date, including all Taxes and Assessments subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date, in an interim amount not to exceed \$1,156,200.
3. Applicable banks and financial institutions are authorized, but not directed, at the Debtors' request, to receive, process, honor and pay, to the extent of funds on deposit, any and all

checks issued or to be issued or electronic fund transfers requested or to be requested by the Debtors relating to the Taxes and Assessments.

4. The Debtors are authorized, but not directed, to issue new postpetition checks, or effect new electronic fund transfers, on account of the Taxes and Assessments to replace any prepetition checks or electronic fund transfer requests that may be lost, dishonored, or rejected as a result of the commencement of the Chapter 11 Cases.

5. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

6. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

7. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

9. The requirements of Bankruptcy Rule 6004(a) are waived.

10. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

11. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

12. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

13. A final hearing to consider the relief requested in the Motion shall be held on July 20, 2017 at 11:00 a.m. (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "L" – Interim Order (I) Approving Debtors' Proposed form of Adequate Assurance of Payment to Utility Companies, (II) Establishing Procedures for Resolving Objections by Utility Companies, and (III) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Service

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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| | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., et al., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| | : | |
| -----X | | Re: Docket No. 6 |

INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 366 AND 105(a) (I) APPROVING DEBTORS' PROPOSED FORM OF ADEQUATE ASSURANCE OF PAYMENT TO UTILITY COMPANIES, (II) ESTABLISHING PROCEDURES FOR RESOLVING OBJECTIONS BY UTILITY COMPANIES, AND (III) PROHIBITING UTILITY COMPANIES FROM ALTERING, REFUSING, OR DISCONTINUING SERVICE

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to sections 366 and 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), for entry of interim and final orders (i) approving the Debtors' Proposed Adequate Assurance, (ii) establishing procedures for resolving objections by the Utility Companies relating to the adequacy of the Proposed Adequate Assurance, and (iii) prohibiting the Utility Companies from altering, refusing, or discontinuing service to the Debtors, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis, as provided herein.
2. Until such time as the Final Order is entered, all Utility Companies, including without limitation those listed on Exhibit C to the Motion, are prohibited from altering, refusing, or discontinuing Utility Services or otherwise discriminating against the Debtors on account of any unpaid prepetition charges or any perceived inadequacy of the Debtors' Proposed Adequate Assurance.
3. The Debtors shall deposit the Adequate Assurance Deposit in the amount of \$565,727 in a newly segregated account for the benefit of the Utility Companies (the "*Utility Deposit Account*") within twenty (20) days after the Petition Date.

4. The following Adequate Assurance Procedures are approved on an interim basis:

- a. Within two (2) business days after entry of this Interim Order, the Debtors will mail a copy of this Interim Order and the Motion to the Utility Companies on the Utility Services List.
- b. If a Utility Company is not satisfied with the Proposed Adequate Assurance, it must serve a written request (a "**Request**") upon the following parties: (i) the Debtors c/o TK Holdings Inc., 2500 Takata Drive, Auburn Hills, Michigan 48326 (Attn: Amy Green); and (ii) proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ronit J. Berkovich, Esq. and Nicholas J. Messana, Esq.), and (b) Richards, Layton & Finger, P.A., 920 N. King Street, Wilmington, Delaware 19801 (Attn: Amanda R. Steele, Esq. and Brett M. Haywood, Esq.), and the Request must set forth (i) the location(s) for which Utility Services are provided, (ii) the account number(s) for such location(s), (iii) the outstanding balance for each account, and (iv) an explanation of why the Utility Company believes the Adequate Assurance Deposit is not adequate assurance of payment.
- c. If the Debtors, in their sole discretion, determine that a Request or any consensual agreement reached in connection therewith is reasonable, the Debtors, without further order of the Court, may enter into agreements granting additional adequate assurance to the Utility Company serving such Request and, in connection with such agreements, provide the Utility Company with additional adequate assurance of payment, including payments on prepetition amounts owing, cash deposits, prepayments, or other forms of security. On ten (10) days' notice to the affected Utility Company, the Debtors may reduce the amount of the Adequate Assurance Deposit by any amount allocated to a particular Utility Company to the extent consistent with any alternative adequate assurance arrangements mutually agreed to by the Debtors and the affected Utility Company.
- d. If the Debtors, in their sole discretion, determine that a Request is unreasonable, then they shall set the matter for hearing at the next regularly scheduled Omnibus hearing date in this case (the "**Determination Hearing**") pursuant to section 366(c)(3)(A) of the Bankruptcy Code before the Court to determine that the Proposed Adequate Assurance, plus any additional consideration offered by the Debtors, constitutes adequate assurance of payment.
- e. Pending a resolution of the Request at the Determination Hearing, the Utility Company that is the subject of the unresolved Request may not alter, refuse or discontinue services to the Debtors.

5. The Adequate Assurance Deposit shall be deemed adequate assurance of payment, and any Utility Company that does not make a Request or otherwise comply with the Adequate Assurance Procedures shall be prohibited from altering, refusing, or discontinuing Utility Services, including as a result of the Debtors' failure to pay charges for prepetition Utility Services or to provide adequate assurance of payment in addition to the Proposed Adequate Assurance.

6. The Adequate Assurance Deposit shall automatically, without further Court order, be available to the Debtors upon the effective date of a chapter 11 plan for the Debtors.

7. The inclusion of any entity in, as well as any omission of any entity from, the Utility Services List shall not be deemed an admission by the Debtors that such entity is, or is not, a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve all rights and defenses with respect thereto.

8. The Debtors are authorized to amend the Utility Services List to the extent the Debtors terminate the services of any Utility Company or identify additional Utility Companies and this Interim Order shall apply to any such Utility Company that is added to the Utility Services List.

9. The Debtors shall increase the amount of the Adequate Assurance Deposit in the event an additional Utility Company is added to the Utility Services List by an amount equal to two (2) weeks of Utility Services provided by such additional Utility Company, calculated using the historical average for such payments during the past twelve (12) months.

10. The Debtors may terminate the services of any Utility Company and are immediately authorized to reduce the Adequate Assurance Deposit by the amount held on account of such terminated Utility Company.

11. The Debtors shall serve a copy of this Interim Order and the Motion upon any Utility Company added to the Utility Services List.

12. Nothing contained in this Interim Order or in the Motion is intended to be or shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (c) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise any payment made pursuant to this Interim Order is not intended to be and shall not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

13. Notwithstanding entry of this Interim Order, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by, any party.

14. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained hereunder shall be subject to the same limitations and restrictions as are provided for in any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEMs adequate protection in connection therewith (each a "*Adequate Protection Order*"). To the extent there is any conflict between this Interim Order and any Adequate Protection Order, the terms of such Adequate Protection Order shall control.

15. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

16. The requirements of Bankruptcy Rules 4001(d) and 6004(a) are waived.

17. Notwithstanding the provisions of Bankruptcy Rules 4001(a)(2) and 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.


18. The Debtors are authorized to take all steps necessary or appropriate to carry out this Interim Order.

19. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Interim Order.

20. A final hearing to consider the relief requested in the Motion shall be held on July 26, 2017 at 11:00 a.m. (Prevailing Eastern Time) and any objections or responses to the Motion shall be filed and served so as to be actually received on or prior to

July 19, 2017 at 4:00 p.m. (Prevailing Eastern Time).

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule "M" – Order Enforcing the Protections of 11 U.S.C. §§ 362, 365, 525, and 541(c)

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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|----------------------------------|---|--------------------------------|
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| | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., et al., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtors.¹ | : | (Jointly Administered) |
| | : | |
| -----X | | Re: Docket No. 8 |

**ORDER PURSUANT TO 11 U.S.C. § 105 ENFORCING
THE PROTECTIONS OF 11 U.S.C. §§ 362, 365, 525, AND 541(c)**

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to section 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), for entry of an order enforcing the protections of sections 362, 365, 525, and 541(c) of the Bankruptcy Code, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.
2. Pursuant to section 362 of the Bankruptcy Code, the commencement of these Chapter 11 Cases shall operate as a stay, applicable to all persons (including individuals, partnerships, corporations, and all those acting for or on their behalf) and all foreign and domestic governmental units (and all those acting for or on their behalf) of:
 - a. The commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the Debtors that was or could have been commenced before the commencement of the Debtors' Chapter 11 Cases, or an act to recover a claim against the Debtors that arose before the commencement of the Debtors' Chapter 11 Cases;
 - b. The enforcement, against the Debtors or against property of their estates, of a judgment obtained before the commencement of the Debtors' Chapter 11 Cases;
 - c. Any act to obtain possession of property of the estates or of property from the estates or to exercise control over property of the Debtors' estates;
 - d. Any act to create, perfect, or enforce any lien against property of the Debtors' estates;
 - e. Any act to create, perfect, or enforce against property of the Debtors any lien to the extent that such lien secures a claim that arose before the commencement of the Debtors' Chapter 11 Cases;
 - f. Any act to collect, assess, or recover a claim against the Debtors that arose before the commencement of the Debtors' Chapter 11 Cases;

- g. The setoff of any debt owing to the Debtors that arose before the commencement of these Chapter 11 Cases; and
- h. The commencement or continuation of a proceeding before the United States Tax Court concerning a tax liability of the Debtors for a taxable period the bankruptcy court may determine.

3. This Order shall not affect the exceptions to the automatic stay contained in section 362(b) of the Bankruptcy Code or the right of any party in interest to seek relief from the automatic stay in accordance with section 362(d) of the Bankruptcy Code. In addition, this Order shall not affect the substantive rights of any party. In addition, this Order shall not affect the substantive rights of any party, and nothing contained in this Order shall limit any party's rights with respect to any order of this Court approving the Debtors' entry into any accommodation or similar agreements with the Consenting OEMs and granting the Consenting OEM adequate protection in connection therewith.

4. Pursuant to section 365(e) of the Bankruptcy Code, and notwithstanding a provision in an executory contract or unexpired lease, or in applicable law, an executory contract or unexpired lease of the Debtors may not be terminated or modified, and any right or obligation under such contract or lease may not be terminated or modified, at any time after the commencement of the Debtors' Chapter 11 Cases solely because of a provision in such contract or lease that is conditioned on (i) the insolvency or financial condition of any or all Debtors or (ii) the commencement of the Debtors' Chapter 11 Cases.

5. Pursuant to section 525 of the Bankruptcy Code, a foreign or domestic governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, deny employment to, terminate the employment of, or discriminate with respect to employment against, the Debtors or the Debtors' affiliates on account of (i) the commencement

of the Debtors' Chapter 11 Cases; (ii) the Debtors' insolvency; or (iii) the fact that the Debtors have not paid a debt that is dischargeable in Chapter 11 Cases.

6. Pursuant to section 541(c) of the Bankruptcy Code, any interest of the Debtors in property becomes property of the estates, notwithstanding any provision in any agreement, transfer instrument, or applicable nonbankruptcy law, that: (a) restricts or conditions transfer of such interest by the Debtors, or (b) is conditioned on the insolvency or financial condition of the Debtors or on the commencement of the Debtors' Chapter 11 Cases, and that effects or gives an option to effect a forfeiture, modification, or termination of the Debtor's interest in property.

7. This Order is intended to be declarative of and coterminous with, and shall neither abridge, enlarge nor modify, the rights and obligations of any party under sections 362, 365, 525, and 541(c) of the Bankruptcy Code or any other provision of the Bankruptcy Code.

8. Nothing contained in this Order or any action taken by the Debtors in implementing this Order shall be deemed (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for or validity of any claim of the Debtors' creditors, contract counterparties, and other parties in interest in foreign jurisdictions under applicable nonbankruptcy law; (iii) a waiver of any claims or causes of action which may exist against any of these parties; or (iv) an assumption, adoption or rejection of any agreement, contract or lease between the Debtors and any third party under section 365 of the Bankruptcy Code.

9. The Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

10. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: June 27, 2017
Wilmington, Delaware



THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

**Schedule "N" – Order Authorizing TK Holdings, Inc. to Act as Foreign Representative
on Behalf of the Debtors' Estates**

See attached.

ORIGINAL

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

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| | : | |
| In re | : | Chapter 11 |
| | : | |
| TK HOLDINGS INC., et al., | : | Case No. 17-11375 (BLS) |
| | : | |
| Debtors. ¹ | : | (Jointly Administered) |
| | : | |
| -----X | : | Re: Docket No. 4 |

**VERIFIED:
A TRUE COPY:
ATTEST:**

UNA M. O'BOYLE
U. S. BANKRUPTCY COURT
Deputy Clerk
6/28/17

ORDER PURSUANT TO 11 U.S.C. § 1505 AUTHORIZING TK HOLDINGS INC. TO ACT AS FOREIGN REPRESENTATIVE ON BEHALF OF THE DEBTORS' ESTATES

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. ("*TKH*") and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*"), pursuant to section 1505 of title 11 of the United States Code (the "*Bankruptcy Code*"), for an order authorizing TKH to act as Foreign Representative on behalf of the Debtors' estates in any judicial or other proceedings in a foreign country, including the Canadian Proceedings, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Takata Americas (9766); TK Finance, LLC (2753); TK China, LLC (1312); TK Holdings Inc. (3416); Takata Protection Systems Inc. (3881); Interiors in Flight Inc. (4046); TK Mexico Inc. (8331); TK Mexico LLC (9029); TK Holdings de Mexico, S. de R.L. de C.V. (N/A); Industrias Irvin de Mexico, S.A. de C.V. (N/A); Takata de Mexico, S.A. de C.V. (N/A); and Strosshe-Mex, S. de R.L. de C.V. (N/A). Except as otherwise set forth herein, the Debtors' international affiliates and subsidiaries are not debtors in these chapter 11 cases. The location of the Debtors' corporate headquarters is 2500 Takata Drive, Auburn Hills, Michigan 48326.

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

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1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary and is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. TKH is authorized, pursuant to section 1505 of the Bankruptcy Code, to act as the Foreign Representative on behalf of the Debtors' estates in any other judicial or other proceedings in a foreign country, including the Canadian Proceedings, and shall be authorized and have the power to act in any way permitted by applicable foreign law, including, but not limited to (i) seeking recognition of the Chapter 11 Cases in the Canadian Proceedings, (ii) requesting that the Canadian Court lend assistance to this Court in protecting the property of the Debtors' estates, and (iii) seeking any other appropriate relief from the Canadian Court that TKH deems just and proper in the furtherance of the protection of the Debtors' estates.
3. This Court requests the aid and assistance of the Canadian Court to recognize the Chapter 11 Cases as a "foreign proceeding" and TKH as a "foreign representative" pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.

4. The Debtors are authorized to take all action necessary to carry out this Order.

5. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: June 27, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

**Schedule "O" – Order Implementing Certain Notice Procedures and Approving the
Form and Manner of Notice of Commencement**

See attached.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

ORIGINAL

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In re : **Chapter 11**
:
:
TK HOLDINGS INC., et al., : **Case No. 17-11375 (BLS)**
:
:
Debtors.¹ : **(Jointly Administered)**
:
:
-----X **Re: Docket No. 9**

ORDER PURSUANT TO 11 U.S.C. § 105(a), FED. R. BANKR. P. 2002, 5005, AND 9007, AND LOCAL RULES 2002-1(d) AND 5005-4 MOTION OF DEBTORS PURSUANT TO 11 U.S.C. § 105(a), FED. R. BANKR. P. 2002, 5005, AND 9007, AND LOCAL RULES 2002-1(d) AND 5005-4 FOR ENTRY OF AN ORDER (I) APPROVING THE FORM AND MANNER OF NOTICE OF COMMENCEMENT; (II) LIMITING NOTICE REQUIRED WITH RESPECT TO POTENTIAL PSAN CLAIMANTS, PENDING FURTHER ORDER; AND (III) AUTHORIZING THE RELEASE OF RECORDS NECESSARY TO IMPLEMENT SPECIAL NOTICING PROCEDURES FOR POTENTIAL PSAN CLAIMANTS

Upon the motion, dated June 25, 2017 (the "*Motion*"),² of TK Holdings Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "*Debtors*") pursuant to section 105(a) of title 11 of the United States Code (the "*Bankruptcy Code*"), Rules 2002(a), (f), (l), and (m), 5005, and 9007 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), and Rules 2002-1(d) and 5005-4 of the Local rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), the Debtors request entry of an order (i) approving the form and manner of the notice of

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

commencement (the “*Notice of Commencement*”) of the Debtor’s chapter 11 cases (the “*Chapter 11 Cases*”) and meeting of creditors pursuant to section 341 of the Bankruptcy Code (the “*Section 341 Meeting*”); (ii) limiting the notice the Debtors and other persons filing papers in these Chapter 11 Cases are required to provide to PPICs, pending further order of the Court directing the manner of notice to such parties; and (iii) authorizing the release to the Debtors of certain motor vehicle records necessary to implement special noticing procedures for PPICs, all as more fully set forth in the Motion; and upon consideration of the Caudill Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing on the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interests; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein.
2. Pursuant to section 105(a) of the Bankruptcy Code and Local Rules 2002-1(d) and 5005-4, the Notice Procedures are approved.

3. The Notice of Commencement, substantially in the form annexed to the Motion as Exhibit B, is approved.

4. Except as otherwise set forth herein, Prime Clerk LLC ("*Prime Clerk*"), as the retained claims and noticing agent of the Debtors, is authorized and directed to serve the Notice of Commencement within five (5) business days of the date of this Order, or as soon as reasonably practicable thereafter, by regular mail, postage paid, on those Traditional Notice Parties entitled to receive the Notice of Commencement pursuant to Bankruptcy Rule 2002. Service of the Notice of Commencement in accordance with this paragraph is approved in all respects and shall be deemed sufficient notice of the commencement of these Chapter 11 Cases and the Section 341 Meeting under the Bankruptcy Code, the Bankruptcy Rules and the Local Rules.

5. Pending further order of the Court (including any order granting the relief requested in the Bar Date Motion), and notwithstanding any requirement under Bankruptcy Rule 2002 or otherwise, neither the Debtors, Prime Clerk, the clerk of the Court, nor any other person shall be required to serve or otherwise provide (a) the Notice of Commencement or (b) any other pleadings, papers, deadlines, hearings, or other matters in the Chapter 11 Cases, whether by mail, hand delivery, overnight courier, or other otherwise, on any PPIC, unless such PPIC is also a Traditional Notice Party as of the date of such service or notice.

6. Upon completion of noticing of any particular matter with respect to any PPIC Notice Parties, Prime Clerk, after consultation with the attorneys for the Debtors, shall file with the Court either an affidavit or certificate of service, describing the PPIC Notice Parties to which the PPIC Combined Notice was sent, and noting that a full list of the PPIC Notice Parties to whom notice was provided will be made available upon request.

7. IHS Markit and its subsidiary R.L. Polk and Co. (collectively, "*IHS*") is hereby ordered to provide the Debtors and their professionals, at the sole cost and expense of the Debtors, with the necessary information to send the proposed PPIC Combined Notice to current registered owners of Subject Vehicles and registered owners of Subject Vehicles from January 1, 2013 onward, including, with respect to all periods, owners' full names and all address information, whether residential or other (the "*Requested Record Information*").

8. Pursuant to Bankruptcy Rule 2002(*I*), the Debtors, with the assistance of Prime Clerk, shall cause the Notice of Commencement to be published (i) once in the national editions of each of *The Wall Street Journal*, *The New York Times*, and *USA Today*; (ii) once in the *Automotive News*; and (iii) on the website to be established by Prime Clerk.

9. The Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

10. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: June 27, 2017
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE

Schedule “P” – Guidelines for Court-to-Court Communications in Cross-Border Cases

See attached.

THE AMERICAN LAW INSTITUTE

in association with

THE INTERNATIONAL INSOLVENCY INSTITUTE

**Guidelines Applicable to Court-to-Court
Communications in Cross-Border Cases**

*As Adopted and Promulgated in Transnational Insolvency:
Principles of Cooperation Among the NAFTA Countries*

BY

THE AMERICAN LAW INSTITUTE
At Washington, D.C., May 16, 2000

And as Adopted by

THE INTERNATIONAL INSOLVENCY INSTITUTE
At New York, June 10, 2001



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The *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases* were developed by The American Law Institute during and as part of its Transnational Insolvency Project and the use of the *Guidelines* in cross-border cases is specifically permitted and encouraged.

The text of the *Guidelines* is available in English and several other languages including Chinese, French, German, Italian, Japanese, Korean, Portuguese, Russian, Swedish, and Spanish on the website of the International Insolvency Institute at <http://www.iiiglobal.org/international/guidelines.html>.

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Foreword by the Director of The American Law Institute

In May of 2000 The American Law Institute gave its final approval to the work of the ALI's Transnational Insolvency Project. This consisted of the four volumes eventually published, after a period of delay required by the need to take into account a newly enacted Mexican Bankruptcy Code, in 2003 under the title of *Transnational Insolvency: Cooperation Among the NAFTA Countries*. These volumes included both the first phase of the project, separate Statements of the bankruptcy laws of Canada, Mexico, and the United States, and the project's culminating phase, a volume comprising *Principles of Cooperation Among the NAFTA Countries*. All reflected the joint input of teams of Reporters and Advisers from each of the three NAFTA countries and a fully transnational perspective. Published by Juris Publishing, Inc., they can be ordered on the ALI website (www.ali.org).

A byproduct of our work on the Principles volume, these *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases* appeared originally as Appendix B of that volume and were approved by the ALI in 2000 along with the rest of the volume. But the *Guidelines* have played a vital and influential role apart from the *Principles*, having been widely translated and distributed, cited and applied by courts, and independently approved by both the International Insolvency Institute and the Insolvency Institute of Canada. Although they were initially developed in the context of a project arrived at improving cooperation among bankruptcy courts within the NAFTA countries, their acceptance by the III, whose members include leaders

of the insolvency bar from more than 40 countries, suggests a pertinence and applicability that extends far beyond the ambit of NAFTA. Indeed, there appears to be no reason to restrict the *Guidelines* to insolvency cases; they should prove useful whenever sensible and coherent standards for cooperation among courts involved in overlapping litigation are called for. See, e.g., American Law Institute, International Jurisdiction and Judgments Project § 12(e) (Tentative Draft No. 2, 2004).

The American Law Institute expresses its gratitude to the International Insolvency Institute for its continuing efforts to publicize the *Guidelines* and to make them more widely known to judges and lawyers around the world; to III Chair E. Bruce Leonard of Toronto, who as Canadian Co-Reporter for the Transnational Insolvency Project was the principal drafter of the *Guidelines* in English and has been primarily responsible for arranging and overseeing their translation into the various other languages in which they now appear; and to the translators themselves, whose work will make the *Guidelines* much more universally accessible. We hope that this greater availability, in these new English and bilingual editions, will help to foster better communication, and thus better understanding, among the diverse courts and legal systems throughout our increasingly globalized world.

LANCE LIEBMAN

Director

The American Law Institute

January 2004

Foreword by the Chair of the International Insolvency Institute

The International Insolvency Institute, a world-wide association of leading insolvency professionals, judges, academics, and regulators, is pleased to recommend the adoption and the application in cross-border and multinational cases of The American Law Institute's *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases*. The *Guidelines* were reviewed and studied by a Committee of the III and were unanimously approved by its membership at the III's Annual General Meeting and Conference in New York in June 2001.

Since their approval by the III, the *Guidelines* have been applied in several cross-border cases with considerable success in achieving the coordination that is so necessary to preserve values for all of the creditors that are involved in international cases. The III recommends without qualification that insolvency professionals and judges adopt the *Guidelines* at the earliest possible stage of a cross-border case so that they will be in place whenever there is a need for the courts involved to communicate with each other, e.g., whenever the actions of one court could impact on issues that are before the other court.

Although the *Guidelines* were developed in an insolvency context, it has been noted by litigation professionals and judges that the *Guidelines* would be equally valuable and constructive in any international case where two or more courts are involved. In fact, in multijurisdictional litigation, the positive effect of the *Guidelines* would be even greater in cases where several courts are involved. It

is important to appreciate that the *Guidelines* require that all domestic practices and procedures be complied with and that the *Guidelines* do not alter or affect the substantive rights of the parties or give any advantage to any party over any other party.

The International Insolvency Institute expresses appreciation to its members who have arranged for the translation of the *Guidelines* into French, German, Italian, Korean, Japanese, Chinese, Portuguese, Russian, and Swedish and extends its appreciation to The American Law Institute for the translation into Spanish. The III also expresses its appreciation to The American Law Institute, the American College of Bankruptcy, and the Ontario Superior Court of Justice Commercial List Committee for their kind and generous financial support in enabling the publication and dissemination of the *Guidelines* in bilingual versions in major countries around the world.

Readers who become aware of cases in which the *Guidelines* have been applied are highly encouraged to provide the details of those cases to the III (fax: 416-360-8877; e-mail: info@iiiglobal.org) so that everyone can benefit from the experience and positive results that flow from the adoption and application of the *Guidelines*. The continuing progress of the *Guidelines* and the cases in which the *Guidelines* have been applied will be maintained on the III's website at www.iiiglobal.org.

The III and all of its members are very pleased to have been a part of the development and success of the *Guidelines* and commend The American Law Institute for its vision in developing the *Guidelines* and in supporting

their worldwide circulation to insolvency professionals, judges, academics, and regulators. The use of the *Guidelines* in international cases will change international insolvencies and reorganizations for the better forever, and the insolvency community owes a considerable debt to The American Law Institute for the inspiration and vision that has made this possible.

E. BRUCE LEONARD

Chairman

The International Insolvency Institute

Toronto, Ontario

March 2004

Judicial Preface

We believe that the advantages of cooperation and coordination between courts is clearly advantageous to all of the stakeholders who are involved in insolvency and reorganization cases that extend beyond the boundaries of one country. The benefit of communications between courts in international proceedings has been recognized by the United Nations through the *Model Law on Cross-Border Insolvency* developed by the United Nations Commission on International Trade Law and approved by the General Assembly of the United Nations in 1997. The advantages of communications have also been recognized in the European Union Regulation on Insolvency Proceedings, which became effective for the Member States of the European Union in 2002.

The *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases* were developed in The American Law Institute's Transnational Insolvency Project involving the NAFTA countries of Mexico, the United States, and Canada. The *Guidelines* have been approved by the membership of the ALI and by the International Insolvency Institute, whose membership covers over 40 countries from around the world. We appreciate that every country is unique and distinctive and that every country has its own proud legal traditions and concepts. The *Guidelines* are not intended to alter or change the domestic rules or procedures that are applicable in any country and are not intended to affect or curtail the substantive rights of any party in proceedings before the courts. The *Guidelines* are intended to encourage and facilitate cooperation in international cases while observing all applicable rules and procedures of the courts that are respectively involved.

The *Guidelines* may be modified to meet either the procedural law of the jurisdiction in question or the particular circumstances in individual cases so as to achieve the greatest level of cooperation possible between the courts in dealing with a multinational insolvency or liquidation. The *Guidelines*, however, are not restricted to insolvency cases and may be of assistance in dealing with noninsolvency cases that involve more than one country. Several of us have already used the *Guidelines* in cross-border cases and would encourage stakeholders and counsel in international cases to consider the advantages that could be achieved in their cases from the application and implementation of the *Guidelines*.

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Guidelines

Applicable to Court-to-Court Communications in Cross-Border Cases

Introduction:

One of the most essential elements of cooperation in cross-border cases is communication among the administering authorities of the countries involved. Because of the importance of the courts in insolvency and reorganization proceedings, it is even more essential that the supervising courts be able to coordinate their activities to assure the maximum available benefit for the stakeholders of financially troubled enterprises.

These Guidelines are intended to enhance coordination and harmonization of insolvency proceedings that involve more than one country through communications among the jurisdictions involved. Communications by judges directly with judges or administrators in a foreign country, however, raise issues of credibility and proper procedures. The context alone is likely to create concern in litigants unless the process is transparent and clearly fair. Thus, communication among courts in cross-border cases is both more important and more sensitive than in domestic cases. These Guidelines encourage such communications while channeling them through transparent procedures. The Guidelines are meant to permit rapid cooperation in a developing insolvency case while ensuring due process to all concerned.

A Court intending to employ the Guidelines — in whole or part, with or without modifications — should adopt them formally before applying them. A Court may wish to make its adoption of the Guidelines contingent upon, or temporary until, their adoption by other courts concerned in the matter. The adopting

Court may want to make adoption or continuance conditional upon adoption of the Guidelines by the other Court in a substantially similar form, to ensure that judges, counsel, and parties are not subject to different standards of conduct.

The Guidelines should be adopted following such notice to the parties and counsel as would be given under local procedures with regard to any important procedural decision under similar circumstances. If communication with other courts is urgently needed, the local procedures, including notice requirements, that are used in urgent or emergency situations should be employed, including, if appropriate, an initial period of effectiveness, followed by further consideration of the Guidelines at a later time. Questions about the parties entitled to such notice (for example, all parties or representative parties or representative counsel) and the nature of the court's consideration of any objections (for example, with or without a hearing) are governed by the Rules of Procedure in each jurisdiction and are not addressed in the Guidelines.

The Guidelines are not meant to be static, but are meant to be adapted and modified to fit the circumstances of individual cases and to change and evolve as the international insolvency community gains experience from working with them. They are to apply only in a manner that is consistent with local procedures and local ethical requirements. They do not address the details of notice and procedure that depend upon the law and practice in each jurisdiction. However, the Guidelines represent approaches that are likely to be highly useful in achieving efficient and just resolutions of cross-border insolvency issues. Their use, with such modifications and under such circumstances as may be appropriate in a particular case, is therefore recommended.

Guideline 1

Except in circumstances of urgency, prior to a communication with another Court, the Court should be satisfied that such a communication is consistent with all applicable Rules of Procedure in its country. Where a Court intends to apply these Guidelines (in whole or in part and with or without modifications), the Guidelines to be employed should, wherever possible, be formally adopted before they are applied. Coordination of Guidelines between courts is desirable and officials of both courts may communicate in accordance with Guideline 8(d) with regard to the application and implementation of the Guidelines.

Guideline 2

A Court may communicate with another Court in connection with matters relating to proceedings before it for the purposes of coordinating and harmonizing proceedings before it with those in the other jurisdiction.

Guideline 3

A Court may communicate with an Insolvency Administrator in another jurisdiction or an authorized Representative of the Court in that jurisdiction in connection with the coordination and harmonization of the proceedings before it with the proceedings in the other jurisdiction.

Guideline 4

A Court may permit a duly authorized Insolvency Administrator to communicate with a foreign Court directly, subject to the approval of the foreign Court, or through an Insolvency Administrator in the other jurisdiction or through an autho-

rized Representative of the foreign Court on such terms as the Court considers appropriate.

Guideline 5

A Court may receive communications from a foreign Court or from an authorized Representative of the foreign Court or from a foreign Insolvency Administrator and should respond directly if the communication is from a foreign Court (subject to Guideline 7 in the case of two-way communications) and may respond directly or through an authorized Representative of the Court or through a duly authorized Insolvency Administrator if the communication is from a foreign Insolvency Administrator, subject to local rules concerning ex parte communications.

Guideline 6

Communications from a Court to another Court may take place by or through the Court:

- (a) Sending or transmitting copies of formal orders, judgments, opinions, reasons for decision, endorsements, transcripts of proceedings, or other documents directly to the other Court and providing advance notice to counsel for affected parties in such manner as the Court considers appropriate;
- (b) Directing counsel or a foreign or domestic Insolvency Administrator to transmit or deliver copies of documents, pleadings, affidavits, factums, briefs, or other documents that are filed or to be filed with the Court to the other Court in such fashion as may be appropriate and providing advance notice to counsel for affect-

ed parties in such manner as the Court considers appropriate;

- (c) Participating in two-way communications with the other Court by telephone or video conference call or other electronic means, in which case Guideline 7 should apply.

Guideline 7

In the event of communications between the Courts in accordance with Guidelines 2 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by either of the two Courts:

- (a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;
- (b) The communication between the Courts should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of both Courts, should be treated as an official transcript of the communication;
- (c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of either Court, and of any official transcript prepared from a recording should be filed as part of the record in the proceedings and made available to counsel for all parties in both

Courts subject to such Directions as to confidentiality as the Courts may consider appropriate; and

- (d) The time and place for communications between the Courts should be to the satisfaction of both Courts. Personnel other than Judges in each Court may communicate fully with each other to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by either of the Courts.

Guideline 8

In the event of communications between the Court and an authorized Representative of the foreign Court or a foreign Insolvency Administrator in accordance with Guidelines 3 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by the Court:

- (a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;
- (b) The communication should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of the Court, can be treated as an official transcript of the communication;
- (c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of the Court, and of any official tran-

script prepared from a recording should be filed as part of the record in the proceedings and made available to the other Court and to counsel for all parties in both Courts subject to such Directions as to confidentiality as the Court may consider appropriate; and

- (d) The time and place for the communication should be to the satisfaction of the Court. Personnel of the Court other than Judges may communicate fully with the authorized Representative of the foreign Court or the foreign Insolvency Administrator to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by the Court.

Guideline 9

A Court may conduct a joint hearing with another Court. In connection with any such joint hearing, the following should apply, unless otherwise ordered or unless otherwise provided in any previously approved Protocol applicable to such joint hearing:

- (a) Each Court should be able to simultaneously hear the proceedings in the other Court.
- (b) Evidentiary or written materials filed or to be filed in one Court should, in accordance with the Directions of that Court, be transmitted to the other Court or made available electronically in a publicly accessible system in advance of the hearing. Transmittal of such material to the other Court or its public availability in an electronic system should not subject the party filing the material in one Court to the jurisdiction of the other Court.

- (c) Submissions or applications by the representative of any party should be made only to the Court in which the representative making the submissions is appearing unless the representative is specifically given permission by the other Court to make submissions to it.
- (d) Subject to Guideline 7(b), the Court should be entitled to communicate with the other Court in advance of a joint hearing, with or without counsel being present, to establish Guidelines for the orderly making of submissions and rendering of decisions by the Courts, and to coordinate and resolve any procedural, administrative, or preliminary matters relating to the joint hearing.
- (e) Subject to Guideline 7(b), the Court, subsequent to the joint hearing, should be entitled to communicate with the other Court, with or without counsel present, for the purpose of determining whether coordinated orders could be made by both Courts and to coordinate and resolve any procedural or nonsubstantive matters relating to the joint hearing.

Guideline 10

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, recognize and accept as authentic the provisions of statutes, statutory or administrative regulations, and rules of court of general application applicable to the proceedings in the other jurisdiction without the need for further proof or exemplification thereof.

Guideline 11

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, accept that Orders made in the proceedings in the other jurisdiction were duly and properly made or entered on or about their respective dates and accept that such Orders require no further proof or exemplification for purposes of the proceedings before it, subject to all such proper reservations as in the opinion of the Court are appropriate regarding proceedings by way of appeal or review that are actually pending in respect of any such Orders.

Guideline 12

The Court may coordinate proceedings before it with proceedings in another jurisdiction by establishing a Service List that may include parties that are entitled to receive notice of proceedings before the Court in the other jurisdiction (“Non-Resident Parties”). All notices, applications, motions, and other materials served for purposes of the proceedings before the Court may be ordered to also be provided to or served on the Non-Resident Parties by making such materials available electronically in a publicly accessible system or by facsimile transmission, certified or registered mail or delivery by courier, or in such other manner as may be directed by the Court in accordance with the procedures applicable in the Court.

Guideline 13

The Court may issue an Order or issue Directions permitting the foreign Insolvency Administrator or a representative of creditors in the proceedings in the other jurisdiction or an authorized

Representative of the Court in the other jurisdiction to appear and be heard by the Court without thereby becoming subject to the jurisdiction of the Court.

Guideline 14

The Court may direct that any stay of proceedings affecting the parties before it shall, subject to further order of the Court, not apply to applications or motions brought by such parties before the other Court or that relief be granted to permit such parties to bring such applications or motions before the other Court on such terms and conditions as it considers appropriate. Court-to-Court communications in accordance with Guidelines 6 and 7 hereof may take place if an application or motion brought before the Court affects or might affect issues or proceedings in the Court in the other jurisdiction.

Guideline 15

A Court may communicate with a Court in another jurisdiction or with an authorized Representative of such Court in the manner prescribed by these Guidelines for purposes of coordinating and harmonizing proceedings before it with proceedings in the other jurisdiction regardless of the form of the proceedings before it or before the other Court wherever there is commonality among the issues and/or the parties in the proceedings. The Court should, absent compelling reasons to the contrary, so communicate with the Court in the other jurisdiction where the interests of justice so require.

Guideline 16

Directions issued by the Court under these Guidelines are subject to such amendments, modifications, and extensions as

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may be considered appropriate by the Court for the purposes described above and to reflect the changes and developments from time to time in the proceedings before it and before the other Court. Any Directions may be supplemented, modified, and restated from time to time and such modifications, amendments, and restatements should become effective upon being accepted by both Courts. If either Court intends to supplement, change, or abrogate Directions issued under these Guidelines in the absence of joint approval by both Courts, the Court should give the other Courts involved reasonable notice of its intention to do so.

Guideline 17

Arrangements contemplated under these Guidelines do not constitute a compromise or waiver by the Court of any powers, responsibilities, or authority and do not constitute a substantive determination of any matter in controversy before the Court or before the other Court nor a waiver by any of the parties of any of their substantive rights and claims or a diminution of the effect of any of the Orders made by the Court or the other Court.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

SUPPLEMENTAL RECOGNITION ORDER

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